

REPORT FROM: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER

TO: SPECIAL BUDGET EXECUTIVE

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COLNE BUSINESS IMPROVEMENT DISTRICT (BID) DEVELOPMENT UPDATE

PURPOSE OF REPORT

To update the Executive on progress made with developing a BID for Colne, in particular the draft planned programme and timescales for implementation.

RECOMMENDATIONS

- (1) That Members note progress update and timetable for the implementation of a Colne BID.
- (2) Subject to the Colne BID Steering group finalising the proposal document, the final document will be reported to the Executive in March.
- (3) Members agree that the BID be progressed and note the responsibilities of the local authority and the Returning Officer during this process.

REASONS FOR RECOMMENDATIONS

- (1) To allow the development of the proposed Colne BID to continue.
- (2) To allow the BID to develop in line with the recommended timescales.

Background

1. The Housing, Health and Economic Development Team submitted an update report to the Executive (14th December 2017), following that meeting further development works have taken place in preparing and implementing a BID for Colne.
2. To date a business led Colne BID steering group has been established, which is facilitated by Chris Kolek (Colne BID coordinator) and the Business Support Team Leader, Pendle Council. The group meet on a regular basis to move forward the development of the project.

3. Since the last Executive update report the following has occurred:

- Marketing plan implemented including the launch of a specific Colne BID website (<http://www.colnebid.co.uk>) and associated social media pages (Facebook and Twitter)
- First Colne BID newsletter circulated to all Colne Businesses. The newsletter highlighted the results of the Business Priorities Survey and also invited businesses to attend an open consultation meeting on the draft Colne BID Proposal
- Colne Town Centre Forum meeting held 17th January 2018, where Chris Kolek presented the draft Colne BID Proposal for comment and input from Colne businesses.

Colne BID – Outline Proposal

4. The proposal firstly highlights the business priorities identified during the survey work undertaken.
 - Keeping empty units to minimum (High priority 86%)
 - Reducing the costs of running a business (71%)
 - Enhancing the appearance of the town (69%)
 - Marketing Colne to residents of local area (66%)
 - Marketing Colne to visitors (61%)
 - Promoting a safer environment for staff & customers (51%)
5. The proposal then identifies which priorities the businesses would be willing to pay a levy to support through any potential BID.
 - Marketing & promotion to encourage residents (69%)
 - Actions to enhance the appearance of the town (67%)
 - Marketing & promoting town to visitors (62%)
 - Take action to promote a safer town (60%)
 - Collective purchasing to reduce costs to business (55%)
6. From both the priorities and willingness to pay, an aim and a set of four objectives were developed on which the BID programme will be based.
7. The overall aim of the BID will be “To enhance Colne as a great place to shop, socialise and do business by creating a safe and welcoming environment for everyone”.
8. The Four overall objectives have been identified as:
 - To build, through the BID, an effective **partnership in Colne** between the town’s businesses, organisations and the local councils for the benefit of Colne’s businesses and wider community.
 - To take **pride in Colne**, by maintaining a bright, attractive town that customers want to visit, and businesses will want to be in.
 - To market and **promote Colne** as an attractive hill town, with a distinctive offer of shops, markets & events, as well as some of the best entertainment, leisure and recreation in the area.
 - To **protect Colne** as a safe and a welcoming place to be, where shoppers, visitors and workers can feel relaxed and enjoy themselves during the daytime and in the evenings.
9. Under each objective a draft programme of work has been identified based on survey data received from businesses, and feedback from the steering group.

10. **Partnership in Colne** – working together to reduce the empty units and reduce the costs of running a business.
- Develop a new ‘Colne Collaboration’ that maximises opportunities for businesses to save on the costs of running their business through the collective purchase of business services such as: utilities; recycling and waste collection; essential training; insurance; etc.
 - Create a new voice for Colne’s business community, to influence the activities and decisions of the Town Council, Pendle Borough Council and Lancashire County Council, where these affect business in Colne.
11. **Pride in Colne** – working with the Councils and local community to enhance the overall appearance of the town.
- Green & Clean initiative – building on the success of Colne in Bloom to brighten the appearance of the town centre.
 - Christmas Sparkle –expansion and improvements of the seasonal lights to brighten the appearance of the town centre
 - Community initiatives – support for community action where it contributes to the BID’s goal of a clean, green and welcoming town centre.
12. **Promote Colne** – encourage locals to use town’s businesses and services and promote the town to potential visitors.
- Devise and implement a place marketing campaign to raise awareness of the town’s offer to visitors;
 - Introduce a new incentives scheme such as a new ‘Colne Gift Card’ or ‘Book of offers’ to encourage residents and visitors to spend more in Colne’s shops and businesses;
 - Provide a focused programme of support and sponsorship for four seasonal festivals and events to raise the profile of the town and what it offers throughout the year;
 - A themed advertising campaign such as ‘Alive After 5’ to promote what the town offers in the evenings, for visitors and for locals.
13. **Protect Colne** – taking practical measures to ensure Colne is a safe and welcoming environment for staff, customers and visitors
- Developing the ‘Crime Prevention Partnership’ in Colne that invests in training and equipment needed to improve communications between the town’s businesses and links into the community and Lancashire Police crime prevention activities.

Colne BID Finance/BID Area

14. Following on from correspondence during the survey process it was evident that the most feasible option for a successful BID in Colne, would be option B listed in the initial feasibility study Option B – Wider Town centre (Appendix 1: Option B – Wider Town Centre Map). The BID area contains 337 rateable premises of £3,000 plus Rateable Value.
15. It is proposed that the Colne BID Levy is set at 1.5% (one and a half percent) of rateable value. This will raise approximately £100,000 per year, or £0.5million over the initial 5 years of the Colne BID.
16. Businesses with a rateable value of £3,000 or under would be exempt from paying any BID levy. This is due to the administration costs of collecting what would be small sum.
17. The BID will incur running costs of 20 -25% of total budget including billing, collection and part time support for a BID company to implement, leaving a working budget of £75-80,000 to fund projects and activities contributing the objectives of the BID.

18. There is also the possibility of the BID funding drawing in additional sponsorship and voluntary contributions from businesses not within the BID area.

Next stages of development and local authority responsibilities.

19. The development process in total takes approximately 12 months from the start of the project, with a target completion date of June 2018. The process is coordinated by Chris Kolek, and supported by the members of the Colne BID steering group. The table below outlines the next stages of the development. There are a number of statutory deadlines that must be adhered to in the lead up to voting taking place so therefore it is proposed a ballot will take place in June 2018.
20. A BID Proposal document prepared by the Colne BID steering group will be finalised and submitted to the local authority alongside the 12 weeks' notice of intention to ballot. The Proposal and business plan will take into account any comments received during the consultation process.
21. Subject to the Colne BID Steering group finalising the proposal document, the final document will be reported to the Executive in March. Prior to which Pendle Council Officers will undertake the relevant checks on the Colne BID Proposal.
22. At this stage the local authority should satisfy itself that the BID proposal does not conflict with any existing local authority policy nor propose a disproportionate burden on particular businesses by way of an unfair levy charge on a certain 'class' of levy payers, for example by an inappropriate manipulation of the BID boundary (Appendix 2 – Veto of BID proposals (Reg12))
23. The local authority should be satisfied that the submission from the BID proposer includes a copy of the BID proposal; details of the consultation undertaken; details of the finances and financial management of the BID (all of which are likely to be contained in the single Business Plan document that businesses will vote on); and a demonstration that finances are available to cover the cost of the ballot in the event that it fails and the number of persons voting in favour was less than 20% of the number of persons entitled to vote. (Appendix 3 - BID Proposals (Reg 4))
24. BID Proposer (Chris Kolek on behalf on Colne BID Steering Group' writes to Pendle Council (the billing authority) and the Secretary of State (Ministry of Housing, Communities and Local Government) announcing intention to take the BID Proposal to a ballot of businesses
25. The local authority will need to check that the final BID proposals include all of the details stated within Schedule 1 to the BID Regulations (the Business Improvement Districts (England) Regulations 2004) prior to proceeding to ballot. It should satisfy itself that all of these elements have been included in the BID proposals prior to giving the go ahead to the commencement of the ballot process. Appendix 4 – Schedule 1
26. It is a requirement under Schedule 1, paragraph 1(1) (b) to the BID Regulations that the BID proposals include a statement of the existing baseline services provided by the local authority or any other public authority in the proposed BID area. The statement will form part of the BID proposals which demonstrate to businesses voting for the BID that the proposed BID services are additional to the baseline services provided by the public authorities
27. Notice of Ballot to be sent to the Secretary of State at least 42 days before the date of the ballot by the Ballot Holder (the Returning Officer).

28. The Returning Officer is legally responsible for the ballot process as set out within the Regulations. Appendix 5 - Ballot holder (Reg 6).
29. The cost is to be covered the local authority unless the number of persons voting in the ballot who have voted in favour is less than 20 per cent. of the number of persons entitled to vote. In this case costs can be recovered from the BID Proposal body.
30. If successful Pendle Council will be responsible for the collection of the BID levy. The local authority is required to manage the collection and enforcement of BID levy charges. In practice the BID body and the local authority establish a levy collection agreement often known as an Operating Agreement. The principle of this agreement is to define the principles and processes for collecting the levy; enforcing the payment of the levy; reporting on collection and bad debt; monitoring provisions between then BID and the local authority; and providing regular detailed and summary information on the service to the BID as the client.
31. The mechanism for charging should be defined within the levy rules of the BID business plan and should be agreed between the BID proposer and local authority rating department in advance of publication of the Business Plan.
32. It is recommended that Members agree to the suggested timescales and note the responsibilities of the local authority in process allowing the Colne BID to progress through to the ballot stage.

Task	Timetable
BID Proposal document prepared	31 January 2018
BID Proposal document agreed/finalised by Colne BID Steering Group	20 th February 2018
12 weeks' Notice of Intention to go to Ballot	February 2018
BID Proposal document approved by Pendle Council Executive	15 th March 2018
Vote YES Campaign and Distribution of Proposal	April 2018
Publication of 42 days Notice of Ballot	May 2018
Ballot Day	June/July 2018
If favourable, BID start date	1 October 2018

IMPLICATIONS

Policy: There are no policy implications arising directly from the contents of this report. Although a BID will support the Council's strategy of supporting Town Centres.

Financial: The cost of funding a BID co-coordinator (Kolek Consulting) was agreed at a previous meeting of the Executive (16th March 2017).

Legal: None as a result of this report

Risk Management: None as a result of this report

Health and Safety: None as a result of this report

Sustainability: The introduction of a BID for Colne, should add to the sustainability and economic viability/success of Colne.

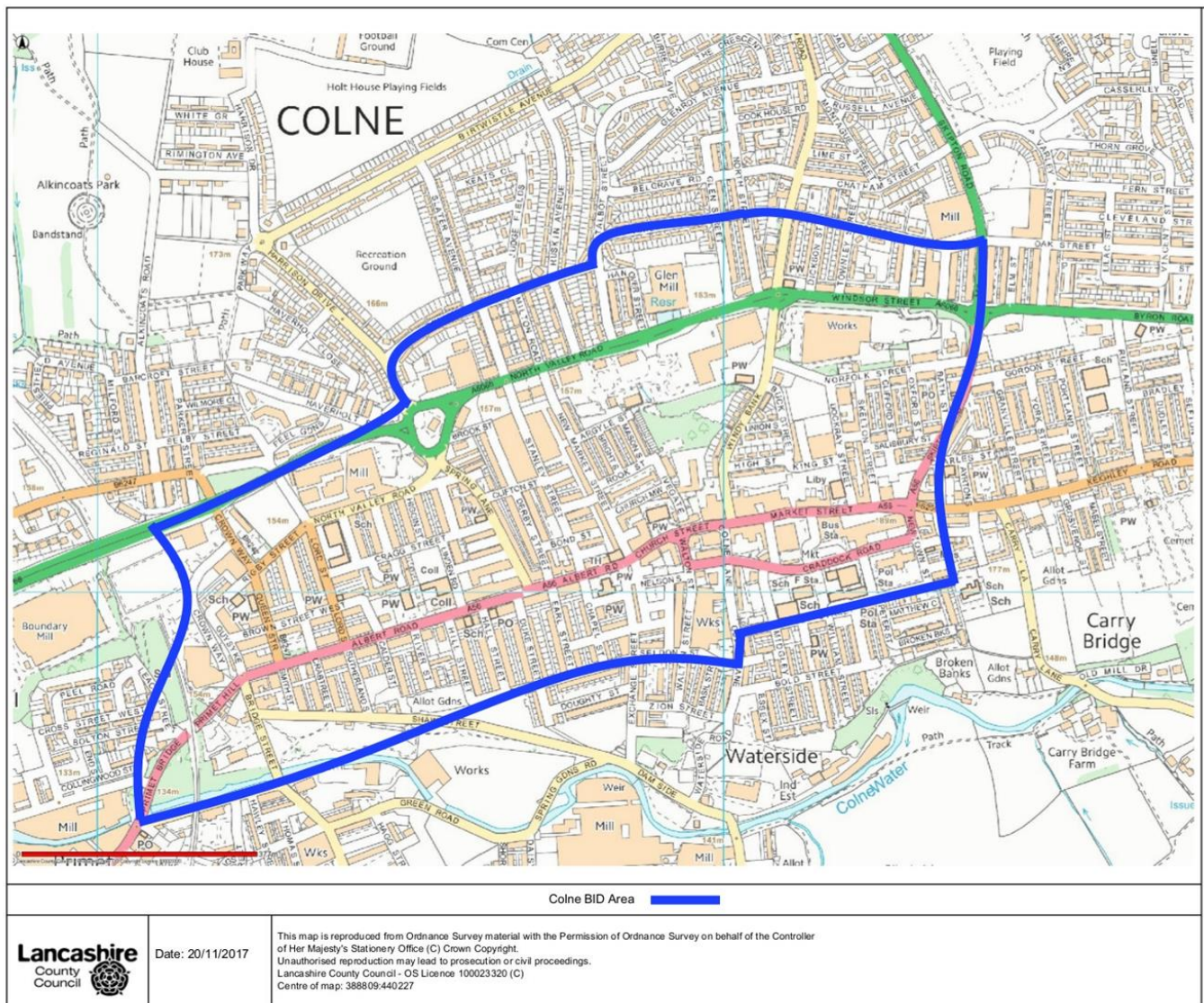
Community Safety: None as a result of this report

Equality and Diversity: All businesses within and surrounding Colne Town centre have been given the opportunity to express their interest in sitting on the Colne BID steering group.

APPENDICES

LIST OF BACKGROUND PAPERS

Appendix 1 – Bid Boundary.



Appendix 2 – Veto of BID proposals (Reg12)

Veto of BID proposals (Reg 12)

12. (1) For the purposes of section 51(2) of the Act, the prescribed circumstances are that the relevant billing authority is of the opinion the BID arrangements are likely—
- (a) to conflict to a material extent with any policy formally adopted by and contained in a document published by the authority (whether or not the authority is under a statutory duty to prepare such document); or
 - (b) to be a significantly disproportionate financial burden on any person or class of persons (as compared to the other non-domestic ratepayers in the geographical area of the BID) and —
 - (i) that burden is caused by the manipulation of the geographical area of the BID or by the structure of the BID levy; and
 - (ii) that burden is inequitable

Appendix 4 – BID Proposals (Reg 4).

BID Proposals (Reg 4)

- (2) Where a BID proposer decides to seek approval of BID proposals in a BID ballot or the BID body decides to seek approval of alteration proposals in an alteration ballot or renewal proposals in a renewal ballot, it shall—
- (a) send to the relevant billing authority—

- (i) a copy of the BID proposals, alteration proposals or renewal proposals, as the case may be, together with a summary of—
 - (aa) the consultation it has undertaken with those persons who are to be liable for the proposed BID levy;
 - (bb) the proposed business plan (including the estimated cash flow, an estimate of the predicted revenue to be generated and the predicted expenditure to be spent under the BID arrangements, the predicted budget over the duration of the BID arrangements and the contingency margin included in the budget); and
 - (cc) the financial management arrangements for the BID body, and the arrangements for periodically providing the relevant billing authority with information on the finances of the BID body; and
- (ii) a notice in writing requesting the relevant billing authority to instruct the ballot holder to hold a BID ballot in relation to the BID proposals, an alteration ballot in relation to the alteration proposals or a renewal ballot in relation to the renewal proposals, as the case may be; and
- (b) provide the relevant billing authority with such information as it shall reasonably require to satisfy itself that the BID proposer or, as the case may be, the BID body, has sufficient funds to meet the costs of the BID ballot, the renewal ballot, or the re-ballot in relation to the BID ballot, or the renewal ballot, as the case may be, should it be required to do so under regulation 10.

Appendix 4 – Schedule 1

Schedule 1

1. (1) Subject to sub-paragraphs (2) and (3), the matters which shall be included in BID proposals are—
 - (a) a statement of the works or services to be provided, the name of who will provide them (the name of the BID body or local authority BID body) and the type of body the provider is (whether a local authority, a company under the control of the authority, a limited company or a partnership);
 - (b) a statement of the existing baseline services (if any) provided by the relevant billing authority or other public authority;
 - (c) a description of the geographical area (including a map showing that area) in which the proposed BID arrangements are to have effect;
 - (d) a statement of whether all non-domestic ratepayers in the geographical area or a specified class of them are to be liable to the BID levy, an explanation of how the amount of the BID levy to be levied is to be calculated and an explanation of whether any of the costs incurred in developing the BID proposals, holding of the ballot or implementing the BID are to be recovered through the BID levy;
 - (e) a statement of the specified class of non-domestic ratepayer (if any) for which and the level at which any relief from the BID levy is to apply;
 - (f) a statement of whether the BID arrangements may be altered without an alteration ballot and, if so, which aspects of the BID arrangements may be altered in this way;
 - (g) a statement of the duration of the BID arrangements; and
 - (h) a statement of the commencement date of the BID arrangements

Appendix 5 - Ballot holder (Reg 6)

Ballot holder (Reg 6)

6. (1) The person who holds a BID ballot, renewal ballot, alteration ballot or re-ballot (“the ballot holder”) shall be the person the relevant billing authority has appointed under section 35 of the Representation of the People Act 1983(1) as the returning officer for elections to that authority.
- (2) The ballot holder may by writing under his hand appoint one or more persons to discharge all or any of his functions under these Regulations.

Arrangements for holding a ballot and conduct of a ballot (Reg 7)

7. On receipt of an instruction under regulation 5, the ballot holder shall make arrangements for conducting a BID ballot, alteration ballot, renewal ballot or re-ballot, as the case may be, in accordance with Schedule 2.

Persons entitled to vote (Reg 8)

8.—(1) Subject to paragraph (3), a person shall be entitled to vote in a BID ballot, an alteration ballot or a re-ballot in respect of a BID ballot or an alteration ballot if, on the date the ballot holder publishes the notice under paragraph 3(a) of Schedule 2, he falls within the class of non-domestic ratepayers to be liable for the BID levy described in the BID proposals or the alteration proposals, as the case may be.

Schedule 2 8.—(1) Nothing is to be printed on the ballot paper except in accordance with this paragraph.

(2) Each ballot paper may have a number or barcode printed on the back.

(3) The box in which a vote may be marked on the ballot paper shall not be less than 1.5 centimetres square.

(4) All of the words on the ballot paper shall appear in the same size type.

10.—(1) One ballot paper shall be issued in respect of each person entitled to vote in the BID ballot, renewal ballot, alteration ballot or re-ballot, as the case may be, in respect of each hereditament for which he is entitled to vote.

(2) The address to which the ballot paper is to be sent is—

(a) the address of the hereditament or the principal place of business within England of the person entitled to vote; or

(b) in the case of a proxy, the address shown for the proxy on the list prepared under paragraph 3(b).

(3) At the same time there shall be issued to each person entitled to vote or, if applicable, his proxy—

(a) a statement prepared by the ballot holder providing an explanation of the BID arrangements and the arrangements for the ballot; and

(b) an envelope for the return of the ballot paper (referred to in this Schedule as the “return envelope”).