

REPORT FROM: PLANNING, ECONOMIC DEVELOPMENT AND REGULATORY SERVICES MANAGER

TO: POLICY AND RESOURCES COMMITTEE

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BUSINESS IMPROVEMENT DISTRICTS (BIDs) FOR BARNOLDSWICK AND NELSON

PURPOSE OF REPORT

To summarise the process in establishing potential BIDs for Barnoldswick and Nelson, including indicative timescales and costs.

RECOMMENDATIONS

- (1) That the Committee agree that initial investigations and feasibility work be undertaken in Barnoldswick and Nelson, to establish whether a BID should be developed.
- (2) That the Committee note the overall approximate development cost, and allocate funding for the Feasibility stage in Barnoldswick and Nelson, total funding of £9,000.
- (3) It is recommended that the Barnoldswick feasibility exercise is undertaken first, with the Nelson study undertaken after the current master planning process has been completed. (Spring 2020)

REASON FOR RECOMMENDATIONS

To allow BID feasibility studies to be undertaken in Barnoldswick and Nelson, and establish whether or not BIDs should be developed in either/both of the towns, within the suggested timescales.

ISSUE

What is a BID and what are the benefits.

1. A Business Improvement District (BID) is a business-led initiative which brings together local businesses together to make decisions and take action to improve their trading environment. A BID would give a town's businesses the powers to raise their own funds to spend on their priorities, which will improve their town. To develop a BID proposal there

must be a thorough consultation with all the businesses and organisations which might be required to pay into it. This BID proposal and business plan will then be subject to a ballot which gives the local business ratepayers the decision over whether or not they wish to have a BID.

2. A Business Improvement District is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses in the local area. Usually Business Improvement Districts charge a levy rate of between 1% and 4% of rateable value.
3. Colne was the first town in Pendle to have a Business Improvement District, which had a successful ballot in June 2018. And became registered company in October 2018. There are other 250 successful BIDs across the UK.
4. BIDs are paid for by introducing a levy on businesses and organisations who might benefit from the BID's activities. A BID levy is set using the Rateable Values published in local ratings lists. By calculating the levy based on a percentage (typically 1-4%) of Rateable Value the costs of the BID is generally proportionate to the size of the business. For example, if the levy rate is set at 1% of Rateable Value, a large supermarket with a Rateable Value of £1million would contribute £10,000 a year, compared with a small shop with a Rateable value of £10,000 which would pay £100 per year.
5. The potential benefits of a BID include:
 - Business leadership – the BID is led by people who run businesses in the town.
 - New investment – the BID is a catalyst for investment in the town.
 - Action-oriented – the BID fund creates the means to get things done.
 - Economies of scale – the BID can achieve more for less money.
 - Adding value – the BID activities are over and above services provided by councils.
 - Influence – the BID can be an effective voice to influence local decision-making.

Feasibility and Development process – timescales and costs.

6. Feasibility & options appraisal stage: 8 weeks.
 - To gauge opinion and assess the existing attitudes of business ratepayers towards the idea of a BID for Barnoldswick and Nelson.
 - To begin to explore the technical and financial feasibility of establishing a BID in the town(s) including a consideration of some of the possible BID area options for a BID in Barnoldswick and Nelson.
 - Including a sample survey of approx. 50 businesses.
7. The feasibility stage would cost approx. £4,500 per town.
8. Planning and Consultation Stage: 9 – 12months
 - Establish a BID steering group made up from the local business community.
 - Wider consultation (events and survey) with all businesses within the agreed BID area.
 - Survey analysis & report of findings
 - Research & analysis to identify priorities and create projects long list.
 - Create a BID proposal and business plan
9. Campaign for Yes vote: 10 – 12weeks
 - Preparation and submission of 84 days (12 weeks) formal notifications.
 - Coordinate Vote YES campaign, publicity & events.

- All eligible businesses within the defined BID area will receive a postal vote, with a set deadline.

10. If a BID ballot is successful, the following will need to be completed in order for a BID company to be formed.

- Recruitment of directors
- Preparation of operating agreement between Pendle (billing authority) and BID Company
- Preparation of constitution/articles of association
- Registration of BID Company.

11. The development stage through to implementation is a longer process and estimated costs of approximately £28,500 per town. Due to the size of a potential Nelson BID it may be required to have some additional resource to cover the consultation required with an expected additional cost of £2,000.

12. It is recommended that the Committee agree that initial investigations and feasibility work be undertaken in Barnoldswick and Nelson, to establish whether a BID should be developed, and that funding be allocated for the Feasibility stage in Barnoldswick and Nelson, total funding of £9,000.

13. It is recommended that the Barnoldswick feasibility exercise is undertaken first (Autumn 2019) , with the Nelson study to be undertaken after the current master planning process have been completed (Spring 2020).

Next Steps

14. If agreed by committee a tender process will be undertaken to appoint a consultant(s) to undertake the feasibility studies in Barnoldswick and Nelson.

15. The feasibility reports will be submitted to a future Policy and Resources Committee outlining the findings and recommendations of the report in line with the suggested timescales outlined above.

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 overall approximate feasibility costs in Barnoldswick and Nelson, would require total funding of £9,000.

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 Barnoldswick/Nelson, should add to the sustainability and economic viability/success of the town centres.

Community Safety: None as a result of this report.

Equality and Diversity: None as a result of this report.

APPENDICES

LIST OF BACKGROUND PAPERS