



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Uttoxeter Business Improvement District	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team 15/02/22	X
	Leader and Deputy Leaders 21/02/22	X
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group 02/03/22 & 03/03/22	
	Cabinet 21/03/22	
	Scrutiny Community Regeneration, Environment and Health and Well Being Committee tbc	



<p>Is this an Executive Decision:</p>	<p>YES</p>	<p>Is this a Key Decision:</p>	<p>NO</p>
<p>Is this in the Forward Plan:</p>	<p>YES</p>	<p>Is the Report Confidential: If so, please state relevant paragraph from Schedule 12A LGA 1972:</p>	<p>NO</p>

Essential Signatories:

ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE

Interim Monitoring Officer: **Chris Ebberley**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 14th March 2022

REPORT TITLE: Uttoxeter Business Improvement District
PORTFOLIO: Regeneration & Planning Policy
HEAD OF SERVICE: Andy O'Brien
CONTACT OFFICER: Thomas Deery Ext. No. x1664
WARD(S) AFFECTED: Town

1. Purpose of the Report

- 1.1. To provide an overview of how a Business Improvement District (BID) could operate in Uttoxeter and the considerations that should be made.
- 1.2. To propose next steps in exploring the feasibility of creating a BID in Uttoxeter, in partnership with local organisations.

2. Background

- 2.1. This report provides the first steps in exploring a business improvement district in Uttoxeter.

3. Contribution to Corporate Priorities

- 3.1. This report contributes towards the Community Regeneration priority.

4. Business Improvement District Overview

- 4.1. A BID is a business led local partnership that covers a defined local area, typically found in town centres and High Streets.

- 4.2. BIDs are created through a formal ballot process and are created to deliver additional services to local businesses and encourage more direct involvement from businesses in the betterment of the area in question.
- 4.3. Where a BID is formed, all business rate payers within the BID area pay an additional levy on top of their business rate bills, which is then used to deliver projects that benefit the businesses in the local area. The levy is mandatory for businesses within the area, unless they are granted a specific relief, such as charities.
- 4.4. Projects delivered through a BID cannot replace local authority services and so must be something that adds value. This is usually led by a Steering Committee or Board of Directors for the BID, with around 12 representatives.
- 4.5. BIDs can be created by any business rate payer, or company, in the proposed BID area, but they should have the support of the Local Authority. A BID is created by establishing a clear proposal and business plan for the BID, which is then put to ballot as per 4.2., with the process being managed by the Local Authority on the same basis as an election.
- 4.6. The maximum term for a BID is 5 years and the business rate levies are usually between 1% and 4% of the business rateable value. The BID cannot be profit making and collection rates are typically around 95%.
- 4.7. BIDs are limited companies and are often able to secure additional funding through grants, sponsorships or trading activities, which can boost income by up to 20% across the 5 year term.
- 4.8. For a BID to be created, the vote must provide a majority both in terms of votes cast and in the rateable value of votes cast. Businesses in the BID area are allowed one vote per property owned by them in the proposed BID area.
- 4.9. As of September 2020, there are 329 BIDs across the British Isles and 32 in the West Midlands.¹

5. What could a BID achieve?

- 5.1. As per 4.4., a BID must provide services that are above and beyond what the public sector can achieve. For example, it shouldn't be used to replace core street cleansing services, but could be used for additional cleansing services. BID activities would be agreed with the member businesses of the BID through the Board of Directors or committee.
- 5.2. Looking at examples of BIDs, Otley is a town in Yorkshire with a population of around 15,000 and so is similar to Uttoxeter in terms of population size. It generates circa £70,000 per annum on a 1% levy and some of the activities undertaken by the Otley BID include:

¹ https://cdn.britishbids.info/publications/BritishBIDs_Annual-BID-Survey-and-Report-2020.pdf?mtime=20201209143844

- 5.2.1. Creating a tourism brand for the town, including managing a website, distributing literature and issuing press releases;
- 5.2.2. Offering free and subsidised training courses to businesses in areas such as first aid;
- 5.2.3. Managing events such as Christmas light switch on; festivals; fayres; and displays;
- 5.2.4. Creating visitor car park maps and signage to facilities, such as toilets.
- 5.2.5. Further details on projects can be found here: <https://otleybid.co.uk/projects/>
- 5.3. Other types of initiatives frequently undertaken by BIDs include:
 - 5.3.1. Empty shop strategies;
 - 5.3.2. Competitions and surveys;
 - 5.3.3. Projects to encourage investment from others;
 - 5.3.4. Security enhancements;
 - 5.3.5. Public realm improvements.

6. What could a Uttoxeter BID look like?

- 6.1. Given the size and spread of Uttoxeter, it is envisaged that a BID would like be based around the High Street, likely encompassing some of the wider key economic areas around it, such as Market Place, Market Street, and Carter Street.
- 6.2. The total rateable value for non-domestic properties on High Street specifically, with no exclusions, is £1,011,095. It is typical for BIDs to exclude properties with a rateable value below £12,000 and so taking the same approach for Uttoxeter High Street would result in a total rateable value of £708,750.
- 6.3. With the levy being calculated as a percentage of rateable values, the total levy for High Street on its own could look like this, prior to any other reliefs and exemptions:

	1%	2%	3%	4%
£708,750	£7,087.50	£14,175.00	£21,262.50	£28,350

- 6.4. This means that on a 1% levy, businesses on the High Street would contribute in total £7,087.50 to a Uttoxeter BID, which would then direct those funds to the enhancement of the town centre.

- 6.5. The High Street figures are an example of what level of investment a BID could notionally generate in a targeted area, however the ultimate BID proposal would need to consider:
- The exact boundary for the BID, including geographical mapping of businesses and eligible postcode areas;
 - An appropriate levy rate that would not be cumbersome to businesses and so discourage them from supporting the creation of the BID;
 - Any types of organisations that should be exempt from the BID levy or have a reduced contribution, such as charities and those with a rateable value of below £12,000.
- 6.6. Although these principles will need to be explored in consultation with Uttoxeter businesses, the concept of a BID is certainly feasible subject to obtaining interest and support from the town centre.

7. Next steps in exploring a BID

- 7.1. Following the above bullet points, the next steps in exploring a BID for Uttoxeter should be the undertaking of a feasibility report that considers each of the bullet points as principles for the BID and undertakes exploratory survey work with businesses to establish levels of interest from the business community.
- 7.2. Through such a feasibility study, the Council will be able to ascertain whether a BID is something that local organisations wish to see and if so, what kind of local investment it could generate for the enhancement of Uttoxeter Town Centre.
- 7.3. It would be appropriate to commission the study from an organisation that has experience of working on other BIDs and so immediate next steps would be to create a specification of works and undergo a tender exercise to appoint an appropriate organisation.
- 7.4. Once the feasibility study has been completed, it would then be reviewed by Cabinet, who would then take a decision on whether to instigate the creation of a BID in Uttoxeter and look at possible funding options to kick-start the partnership.
- 7.5. East Staffordshire has also been identified as an area that will benefit from the Government's High Street Task Force programme, through which Councils are able to access professional advice and support for one of the towns in their areas. The programme will be focused on Uttoxeter and so this may bring in further support around exploring the feasibility of a BID and how this could be done effectively.

8. Financial Considerations

This section has been approved by the following member of the Financial Management Unit: Anya Murray

- 8.1 There are no financial issues arising from this Report at the moment. It is proposed that the Council looks at commissioning a feasibility study, however the funding for this will be met either from existing budgets or via delegated authority.

Revenue	2021/22	2022/23	2023/24
N/a	-	-	-

Capital	2021/22	2022/23	2023/24
N/a	-	-	-

9. **Risk Assessment and Management**

- 9.1. The main risks to this Report and the Council achieving its objectives are as follows:

- 9.2. **Positive** (Opportunities/Benefits):

9.2.1. The opportunity to ascertain the feasibility of a BID in Uttoxeter.

- 9.3. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

10. **Legal Considerations**

This section has been approved by the following member of the Legal Team: Glen McCusker

- 10.1. There are no direct significant legal issues arising from this Report.
- 10.2. Any subsequent decision to establish a Business Improvement District will be governed by the Local Government (Business Improvement District) (England) Regulations 2004.

11. **Equalities and Health**

- 11.1. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.
- 11.2. **Health impacts:** The outcome of the health screening question [requires/does not require] a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

12. **Human Rights**

12.1. There are no Human Rights issues arising from this Report.

13. Sustainability (including climate change and change adaptation measures)

13.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/a

13.2. Please detail any positive/negative aspects:

13.2.1. Positive (Opportunities/Benefits): N/a

13.2.2. Negative (threats): N/a

14. Recommendation

14.1. To approve the principle of commissioning a full feasibility study that explores the possibility of a BID in Uttoxeter, working in partnership with local organisations.