

22 June 2022

Agenda Item: 6

REPORT OF SERVICE DIRECTOR INVESTMENT & GROWTH

NORTH NOTTINGHAMSHIRE BUSINESS IMPROVEMENT DISTRICT UPDATE

Purpose of the Report

1. To update on the progress of the North Nottinghamshire Business Improvement District (NNBID), to note the County Council's role on the Board and to seek approval for the County Council to vote in favour of the NNBID.

Information

Background

2. A BID is a statutory designation (set out in the Local Government Act in 2003) which can come into being following a successful ballot in which all eligible business ratepayers in a defined geographic area are invited to vote on proposals to invest collectively in local improvements that are additional to those currently provided by local government and other public service providers.
3. The proposed district-wide boundary of NNBID was defined in 2017 and at the time included over 1000 businesses with 1288 eligible hereditaments. The BID levy is additional to business rate payments. It is equal to 1% of the rateable value of each hereditament in the area and is only payable where the rateable value of eligible businesses is above £12,000. The BID levy does not increase with inflation and any changes in rateable values during the BID terms will be reflected in the invoice for the BID levy the following year. The levy was also capped at £12,000, so no business or business with multiple hereditaments would pay more than this. This meant that 71% of businesses paid less than £500/year. In this second term the total potential income from the NNBID would equate to approx. £770k / year being available to spend on running the BID, activities and initiatives.
4. The Council Plan has various objectives to support businesses (ambition five), make Nottinghamshire somewhere people want to live, work and visit (ambition six) and to attract investment in the economy (ambition seven). This is also echoed by the priorities identified in the Council's Economic Transition Plan.
5. In July 2016, the Economic Development Committee confirmed its position with the emerging plans for the NNBID. Officers were asked to engage with the BID and its initial set up, including joining the Steering Group which was responsible for developing the BID proposition. Since then the County Council are now a member of the Board.

First term

6. NNBID started a five-year term from 1 September 2017 (known as “first term”) after securing a favourable outcome of over 85% voting in favour of the BID (by both number and rateable value) at ballot in May earlier that year. NNBID is a company limited by guarantee in the not-for-profit sector, directed and funded by businesses. There is a small BID team (4.5FTEs) who are employed to deliver the Business Plan and their work is overseen by a Board. This Board comprises of BID members (businesses who can vote on decisions at these meetings) and Retford & Worksop business forum (as advisors).
7. Over the initial five years, the NNBID has been successful in delivering:
 - Free town centre Wi-Fi with 1million users logged
 - 62 CCTV cameras with ANPR installed across industrial areas helping to reduce crime
 - 300 free maintenance jobs completed
 - 30 flagship events hosted attracting 100,000 visitors to Bassetlaw town centres
 - Implementation of the North Notts Crime Partnership now hosting 312 members
 - Training and Workshops
 - Almost 10,000 Ambassador interactions with BID members
 - 23,346 Loyal Free interactions
 - Installed 23 defibrillators across the district
 - Generated a further £185k in additional income directly, with wider knock economic benefits of increasing the footfall into town centres.

Second term vote

8. The Council has now received formal notification from NNBID of the intention to seek a ballot for its continuation, as well as its emerging 2022-2027 Business Plan ([North Notts BID Business Plan 2022-2027 - North Notts BID](#)). The Business Plan sets out the main priorities for the second term (if successful at the vote) and includes:
 - **The Business Voice** – including helping building business resilience, tackling business crime, helping to improve education, skills and enterprise across the workforce and leading on a number of green initiatives.
 - **The Experience** – ensuring that there is better access to the towns/high streets, that they are clean and welcoming with a number of showcase events, whilst also focusing on people’s health and wellbeing.
 - **The Destination** – focuses on improvements to getting to the District, marketing and promoting the area and highlighting the heritage and cultural assets on offer.
9. The renewal process is a requirement for BIDs seeking to continue beyond five years, with businesses deciding through a democratic process whether they wish for NNBID to continue for a second (five-year) term. The vote is a simple yes/no – this is not a competitive ballot with other companies involved. The legislation requires that 51% or more of businesses who vote must be in favour in numbers and in terms of rateable value, of the BID project and plans.

There is around 1230 votes that can be cast as part of the ballot, of which the County Council has 42.

10. Due to the nature of the BID, there are a wide range of views and comments on the success and purpose. Officers and the Cabinet Member have been reviewing these comments and attending events to understand these comments in more detail. This includes:

- **Individual emails** - the Cabinet Member (and other Bassetlaw County Councillors) has received a number of emails raising specific concerns about the use of funds and their priorities.
- **Business Plan launch** – a number of questions and concerns were raised at this launch event by the Portfolio Holder, which were addressed by the NNBID team
- **County Councillor consultation event** – an event where the NNBID team were available to answer questions and provide information on the proposed business plan to County Councillors' who are within the geography of the NNBID.

11. Some of the specific issues raised during these events and the responses are detailed below;

- **The BID doesn't do anything for the rural areas** – it is apparent that the NNBID cannot do everything with its limited funding and small team. However, the proposed Business Plan is continuing to support rural businesses, with further plans to roll out the successful shop/pub watch scheme to more rural areas. This, along with the access to training and the handyman service, means that there is opportunity for rural businesses to benefit from the NNBID.
- **Businesses don't get value for money** – most small businesses (likely to be under £500/year) can recoup their levy if they attend the training courses and utilise the handyman services. There is also a utility saving service which all levy payers can access. However, some businesses may not see a direct financial benefit from the BID, but may benefit from things such as the CCTV provision, shop/pub watch scheme and maximise the additional footfall from the events/activities in the District to promote their business.
- **The NNBID has not had an impact in the town centres** – there has been 30 flagship events held in the town centres in the first term, which has attracted over 100,000 people. The emphasis is to work with partners, to fund the events thereby reducing the operational costs to the NNBID team.
- **It is unfair that charities have to pay** - There are currently 41 levy payers defined as charities. Those classed as charities include the likes of Worksop College, Ranby House School, miners welfares, colleges and a few businesses that operate under charitable status. The rest are charity shops that operate commercially and have paid staff as well as volunteers. Most of the 41 levy payers pay a very low levy and can easily recoup this and more through the NNBID services including maintenance support, first aid and other training etc. However, there has been a change this time round and those that are defined as charities that have no business model and no paid staff and are just covered by subscriptions won't be included (such as sea cadets and scout groups etc).
- **The BID doesn't add any value and has just replaced the role of the District Council** – the Business Plan is clear on what is has achieved in its first term (summarised in paragraph 7) and its future priorities. BIDs cannot replace existing or proposed public services provided by bodies such as the council, police and others. In

this way, the BID only improves current standards and does not subsidise or replace them. Baseline Services Agreements are in place that set out the services the public sector currently provides and will deliver during the five-year BID term. This ensures the BID is only delivering additional value to the area.

- **Decisions and finances are not transparent** – the shortened accounts (as required by the BID regulations) are audited every year and expenditure is reviewed at each board meeting (which the County Council has a place on). Furthermore, future plans are discussed and agreed at board meetings.
- **Businesses don't know about the BID and what it does** – this is an ongoing piece of work to promote the BID and the benefits its levy payers can directly access, as well as the indirect benefits the BID brings. The Board have recognised that more needs to be done to promote the BID, and if successful, this would be something that is prioritised in the next term.

Proposal

12. Whilst the County Council is not the billing authority and therefore does not need to be assured that the BID renewal proposal meets the requirements of the Business Improvement Districts (England) Regulations 2004, it does have the right to vote on the proposals. Due to the size and nature of the hereditaments the County is responsible for, the County's decision represents 42 votes (and any levy would be capped at the maximum £12,000). The billing authority is Bassetlaw District Council and they have confirmed and approved that the NNBID meets their requirements and are supportive of their continuation.
13. Following on from the consultation and feedback received, Officers have reviewed the information and the details contained within the proposed NNBID Business Plan. Whilst the successful "vote" would mean that some businesses within Bassetlaw may be subject to a levy, it is regarded that this would be funding the work contained within the Business Plan, which is in accordance with the Council Plan and the Economic Transition Plan. As the County Council is a member of the board, there is the opportunity to shape the work of the NNBID and to address any outstanding issues raised as part of the consultation process recently undertaken.

Other Options Considered

14. The do-nothing option was discounted as the County Council does have the right to vote on the proposals. Due to the size and nature of the hereditaments the County is responsible for, the County's decision represents 42 votes.

Reasons for Recommendations

15. The North Nottinghamshire BID has been a mechanism for securing investment and influencing the links with existing businesses and marketing bodies.

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human

rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

17. The recommendations themselves have no immediate financial impact. Proposals resulting from the actions will be costed and considered and subject to the usual scrutiny and democratic process.

RECOMMENDATION/S

- 1) Notes the progress of the NNBD in its first term and our seat on the Board.
- 2) Approves the decision for the County Council to vote as a business rate payer in favour of the second term of the NNBD.

Matthew Neal
Service Director Investment & Growth

For any enquiries about this report please contact: Joelle Davies, Group Manager 0115 977 4857

Constitutional Comments (CEH 14/06/2022)

18. The recommendations fall within the remit of the Cabinet Member for Economic Development and Asset Management

Financial Comments (RWK 13/06/2022)

19. There are no additional financial implications arising directly from this report. If the overall vote was successful, the Council would continue to be liable for an annual levy of £12,000 per year. These costs will be met from existing revenue budget provisions.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- Bassetlaw County Councillors only