

05 July 2016

Agenda Item: 5

**REPORT OF THE CORPORATE DIRECTOR, PLACE****PROPOSED NORTH NOTTINGHAMSHIRE BUSINESS  
IMPROVEMENT DISTRICT (BID)****Purpose**

1. The purpose of this report is to:

- a) update Members on the proposal to establish a Business Improvement District (BID) across North Nottinghamshire (Bassetlaw);
- b) seek approval for the County Council's response in connection with the consultation on the remit and focus areas of the BID, and;
- c) agree to the Corporate Director, Place being the County Council's representation on the BID Steering Group.

**Background**

2. In January 2016, the North Notts. Place Board commenced work on a feasibility study for a North Nottinghamshire BID, the rationale for the BID is to 'help business to prosper locally, compete nationally and also to help drive inward investment'.
3. If successful, the North Notts. BID would be first in the UK to undertake a wide place management role rather than focus on a discrete area such as a town or city centre.
4. An initial online survey was circulated with a closing date of the end of February, the survey asked for feedback against four themes illustrated in the table below:

Theme No.	Theme
1	Marketing, promotion and PR
2	High quality events to boost trade
3	Town, street and parking improvements
4	A productive North Nottinghamshire

5. On review of the survey questions, given the number of sites that the County Council has in Bassetlaw and the diversity of interests, it was difficult to formulate one response. It was agreed that instead a letter would be drafted. The letter was broadly supportive but questioned the wide geographic scope due to the challenge of satisfying a range of needs and aspirations across town centres and rural areas.

6. The letter raised two areas of concern: the lack of reference to working with existing structures such as Marketing Nottingham and Nottinghamshire and the potential cost of the BID levy.
7. The initial survey received 225 business responses, this is a very low proportion of the total number of businesses (4,565 i.e. 5%) in Bassetlaw. The data relating to the 225 respondents showed that:
  - 71% of businesses support the idea of a North Nottinghamshire BID
  - 25% of businesses were undecided and wanted to know more about what a BID would deliver for North Nottinghamshire and how much it would cost
  - 4% of businesses did not think they would support a BID
8. A BID consultant (Michelle Baker from Regen Management) has been appointed for a twelve month period to develop the BID proposition, with a view to a ballot taking place in the spring of 2017.
9. A meeting took place on 26 May 2016 for businesses who were interested to learn more about the BID proposal and how a model might operate across North Nottinghamshire. Worcester BID presented an overview of their model with examples of projects, Worcester is a mature and successful town centre BID.
10. Michelle Baker presented an overview on how the funding mechanism might work for the North Nottinghamshire BID. Although subject to approval, one potential funding mechanism is:
  - A minimum threshold of £10,000 rateable value would include 840 businesses
  - A levy of 1% of rateable value capped at £5,000 per annum
11. If this mechanism were to be adopted, it would yield an income for the BID of £577,186 per year and a total of £2.8 million over the five year term. The first meeting of the BID Steering Group is scheduled to take place on July 20th, it will be the responsibility of this Steering Group to determine the criteria for the North Nottinghamshire BID. The Steering Group may consider other financial options, for example, a minimum threshold of £12,000 rateable value in line with Small Business Rate Relief.
12. Depending on the threshold that is set, this would change the number of Nottinghamshire County Council properties included in the ballot. The principle of the levy cap for the North Nottinghamshire BID is not confirmed and will be discussed at the Steering Group, the most recent information suggests that a figure of £10,000 has also been mooted as an alternative maximum contribution per business.
13. At the current time it isn't possible to accurately predict the Council's potential financial commitment should the BID ballot be successful. There are other variables that will affect the number of businesses such as business type e.g. schools and charities are likely to be excluded. Nottinghamshire County Council has 65 properties in Bassetlaw, the total rateable value is £1,695,725. Of this figure, 46 of the properties are schools accounting for £1,382,350 of the total rateable value.
14. There is no minimum turnout at the BID ballot, the average turnout for BID ballots is 40%. Of those that do cast their vote, there must be a majority on two counts:

“yes” votes by number of businesses of those that vote and by total rateable value of those that vote.

15. Another area which lacks clarity is how small companies below the agreed rateable value will be represented. There could be an option for them to pay a small voluntary contribution but this would need to be discussed in more detail by the Steering Group.
16. A second more detailed survey has now been published, the outcome of this survey will inform the basis of the 2017-2021 BID business plan. The survey asks for views on the three broad topics of: Business Voice, Experience and Destination.
17. Each topic is split into a number of very detailed statements and the respondent is asked whether they support/do not support/not applicable. The statements are all very positive e.g. achieving economies of scale and reducing costs through collective purchasing.
18. With the number and diversity of interests that the County Council has in Bassetlaw and our desire to make sure that the existing investments e.g. Marketing Nottingham and Nottinghamshire are maximised, we propose that a further, more detailed letter is sent in response to the survey. The letter would be supportive of the aspirations of the BID and the levy cap but it would also reiterate our areas of concern on meeting the needs of such a diverse area through a place based BID model. It is proposed that the approval and signature of the letter is delegated to the Corporate Director, Place.
19. North Notts. Place Board (BID proposers) will be establishing a BID Steering Group to help to develop priorities, the steering group will consist of between ten and twenty members and will be private sector led. The first meeting takes place on July 20<sup>th</sup> and representation from the County Council has been requested. It is proposed that the Corporate Director, Place joins the Steering Group to represent the interests of the County Council and assists the development of the BID proposal across North Nottinghamshire.

## **Next Steps**

20. Next steps are threefold to:

- attend the first meeting of the Steering Group to help to develop the detailed BID proposal;
- understand the development of the financial profile for the BID and to keep in mind the potential financial implications for the County Council, and;
- draft a letter of response to the survey which is signed by the Corporate Director, Place. The letter will be broadly supportive but highlight areas of concern regarding working with existing structures and ensuring that the BID (if elected) meets the expectations of such a diverse geography.

## **Reason(s) for Recommendations**

21. To assist the development of the North Nottinghamshire BID proposal as a mechanism for securing new investment and influencing the links with existing structures e.g. Marketing Nottingham and Nottinghamshire.

## **Statutory and Policy Implications**

22. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described within the body of the report.

## **Finance implications**

23. If the BID model is approved at the ballot in spring 2017, there will be a cost to the County Council each year for the five year term of the BID. It is likely that this levy will be capped at an annual amount of £5,000 to £10,000 per organisation but this requires both further discussion and confirmation by the BID Steering Group, meaning that the exact financial implications are not yet known.

## **RECOMMENDATIONS**

24. It is recommended that:

- a) approval is given for the Corporate Director, Place to sign the letter on behalf of the County Council in response to the BID survey, and;
- b) the Corporate Director, Place County Council joins the Steering Group which will be responsible for developing the BID proposition.

**Tim Gregory**  
**Corporate Director, Place**

**For any enquiries about this report please contact:** Fiona Anderson ext. 72688

### **Constitutional Comments [KB 20160622]**

The proposals in this report are within the remit of the Economic Development Committee.

### **Financial Comments [RWK 22/06/2016]**

The financial implications arising from the proposals in this report are set out in paragraph 23.

### **Background Papers**

None

### **Electoral Division(s) and Member(s) Affected**

Bassetlaw