

## RURAL, ECONOMIC AND ENVIRONMENTAL AFFAIRS COMMITTEE

16 MARCH 2011

### REPORT OF THE HEAD OF COMMUNITIES & NEIGHBOURHOODS

#### BUSINESS IMPROVEMENT DISTRICT - UPDATE

##### 1.0 PURPOSE OF THE REPORT

- 1.1 To update on the BID project and for members to consider whether they would like to vote in support of the Melton Mowbray BID

##### 2.0 RECOMMENDATION

- 2.1 That members delegate the responsibility for voting in the BID ballot to the Head of Central Services in consultation with the Head of Communities & Neighbourhoods
- 2.2 That members vote in support of the BID in Melton Mowbray.

##### 3.0 KEY ISSUES/BACKGROUND

- 3.1 A BID is a partnership which unites and empowers businesses, within a specific area, to decide what additional improvements would benefit the trading environment of their town. It is a means of delivering projects and services above and beyond those currently delivered by public agencies. (See Appendix A, BID Factsheet for further details). The Melton Mowbray BID would generate a total investment of over £645,000 for the town, over a five year period. Businesses within the BID area would pay an annual levy of £129,000, with a levy of approximately £7,000 per annum, payable by Melton Borough Council.
- 3.2 At a time of economic uncertainty, the BID may generate invaluable income for the town and enhance the vitality and viability of Melton Mowbray's town centre.
- 3.3 The Melton Mowbray BID has strong support from the Melton Mowbray Chamber of Trade. It will continue to work with key organisations within the town centre, to co-ordinate and deliver key projects, to benefit the town. Key organisations will include Melton in Bloom, Melton Mowbray Town Estate, Melton Borough Council, Leicestershire County Council, Leicestershire Promotions, Melton Promotions, the Heritage Society, SMART, Pubwatch, Fairtrade Steering Group etc.
- 3.4 The Melton Mowbray BID will continue to support and deliver Melton Borough Council's priorities and Town Centre Masterplan. The Melton Mowbray BID will seek to continue to "enhance the vitality and viability of Melton Mowbray Town Centre" and promote a "cleaner, greener and more attractive town centre", through the key three BID schemes, as detailed below.
- 3.5 The "Think Melton Shop Melton", "BID for Business" and "Visitor Enhancement Schemes" seek to promote shop local schemes to increase visitor flow and footfall to the town centre. They seek to raise the profile of Melton Mowbray as a shopping and tourism destination, but to also offer businesses collective purchasing opportunities and free recycling to reduce business costs and attract greater inward investment in the town centre. The Melton Mowbray BID will also be working with and supporting, key organisations such as SMART and Pubwatch to "sustain the town centre as a safe and secure environment".

#### 4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 Melton Borough Council will be required to collect the BID levy on behalf of the BID company. The cost of this will be reimbursed to Melton Borough Council.

4.2 The BID has the potential to impact on visitor footfall into the town and business confidence. This is linked to the council's corporate plan and priorities around the 'Place'. Further information is provided in Appendix B, the BID Business Plan.

#### 5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

To ensure the delivery of this project, the Melton Town Centre Partnership and Melton Borough Council have worked with the Leicestershire County Council's Better Places Team and 3 other Leicestershire towns, to secure funding from Emda.

Funding secured is detailed below:

£11,800 for February – March 2010

£28,000 for April 2010 – March 2011

5.1 The proposed BID levy in Melton Mowbray is 1.5% of the rateable value, with additional banding for all those businesses with a rateable value of £6,999 and under. This will generate a total levy income for the town of £645,000 over a five year period. The Melton BID will also seek to source additional income through grants and sponsorship, to supplement the BID income and generate greater added value for businesses within the BID area.

An indication of levy costs is detailed below:

Rateable Value of Property	Annual BID levy (1.5%)
£6,999 and under	£100 (minimum rate)
£7,000	£105
£10,000	£150
£25,000	£375
£50,000	£750

5.2 As a business falling within the BID area Melton borough Council is eligible for a vote. The table below details the Rateable Value and BID levy of all Melton Borough Council properties within the BID area. Based upon current occupied and vacant units, MBC's total RV is **£462,800**. The total BID levy payable therefore by Melton Borough Council, based upon 1.5% and banding, will be **£7,034.50** per annum. This is based upon the NNDR list as of April 2010.

Business Property	Rateable Value	BID Levy (1.5% or banding)
MBC Car park, Burton Street	£24,250	£363.75
MBC Station Yard, Burton Street	£4,850	£100
MBC Car park, Chapel Street	£12,500	£187.50
MBC, 7 King Street	£12,500	£187.50
MBC Car park, Mill Street	£6,700	£100
MBC Car park, Nottingham Road	£10,000	£150
MBC, Phoenix House, Nottingham Rd	£103,000	£1,545
MBC Public Conveniences, Park Lane	£8,700	£130.50
MBC, Regent Street	£2,250	£100
MBC Cattle Market, Scaford Road	£183,000	£2,745
MBC Env Maintenance, 70 Snow Hill	£9,900	£148.50
MBC – Vacant, 72 Snow Hill	£9,700	£145.50
MBC – Vacant, 74 Snow Hill	£10,750	£161.25
MBC Car park, St. Mary's Way	£28,250	£423.75
MBC Car park, Thorpe End	£6,700	£100

MBC Public Conveniences, Wilton Road	£7,000	£105
MBC Car park, Wilton Road	£22,750	£341.25
<b>TOTAL</b>	<b>£462,800</b>	<b>£7,034.50</b>

- 5.3 An important consideration will be the **new Parkside** offices. The estimated RV of the new site will be **£205,000**, with annual BID levy of **£3,075**. This will replace the current RV on Burton Street for the MBC car park and station yard of **£29,100** (current BID levy of **£463.75**).
- 5.4 The total additional cost to the council of an overall yes vote is therefore £7,034.50 pa. This has not been budgeted for and therefore would need to be met from savings elsewhere or from a supplementary estimate should the need arise.
- 5.5 Should the Melton BID secure a Yes vote, then Melton Borough Council will collect the BID levy through the current Northgate system. The quoted cost for the BID collection for Year 1 will be £18,600, with subsequent collection costs of £3,000 per annum. This will be collected separately from the business rates and the cost of levy collection will be refunded to Melton Borough Council by the BID company.
- 6.0 **LEGAL IMPLICATIONS**
- 6.1 The BID process is covered by Part 4 of the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004.
- 6.2 A BID is a partnership which unites and empowers businesses, within a specific area, to decide what additional improvements would benefit the trading environment of their town.
- 6.3 The BID process has allowed local businesses to develop a BID Business Plan. In the event of businesses voting in favour of the Melton Mowbray BID, the BID Business Plan will become a legally binding document, during the five year period.
- 6.4 Under BID legislation, businesses within the BID area will vote as to whether they will support the Melton Mowbray BID. The BID Ballot will commence on 20<sup>th</sup> May 2011 and will comprise of a 28 day postal vote. The Ballot date (last voting day) will be 20<sup>th</sup> June, with results announced on 21<sup>st</sup> June. The ballot process will be carried out independently by the Electoral Reform Services. The Bid Business Plan is Appendix C of this report.
- 6.5 Every rateable property within the BID area will be able to vote. Those organisations which occupy more than one property will be able to have more than one vote. Where a property is vacant, the registered business ratepayer will be entitled to vote. A proxy vote will be available and details will be issued with the ballot papers, which will be despatched on 23<sup>rd</sup> May 2011.
- 6.6 For the Melton BID to secure a Yes vote, two conditions must be met:
- a. Of the votes cast, more than 50% must vote Yes, and
  - b. The "Yes" vote must represent more than 50% of the total rateable value of all votes cast.
- 6.7 If a Yes vote is secured, all businesses within the BID area will have to pay the BID levy. There will be no reduction to the BID levy. Exemptions, relief or discounts prescribed in the Non Domestic Rating (Collection & Enforcement) Regulations 1989 made under the local Government Finance Act 1988 will not apply.
- 6.8 The BID Board will be established, as part of the BID company, to take forward and deliver the programme of projects. The Melton BID company will be set up as a not for profit, independent, private limited company, driven by Melton businesses.

**7.0 COMMUNITY SAFETY**

7.1 The Melton Mowbray BID will continue to work with and support key organisations, such as SMART and PUBWATCH, to deliver crime and safety initiatives in the town centre, however, the BID business plan does not currently contain any specific ‘Safer communities’ projects.

**8.0 EQUALITIES**

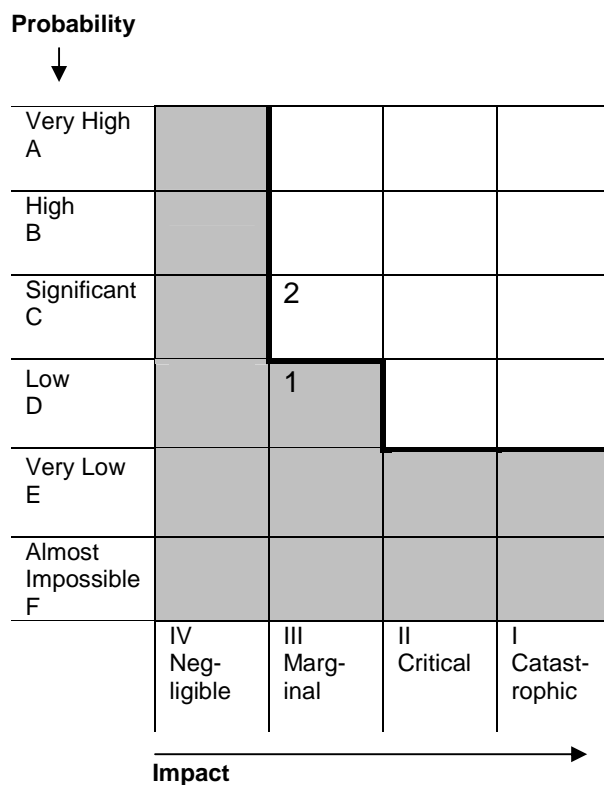
8.1 No equality impact assessment implications

**9.0 RISKS**

There is a risk that the majority of businesses may not vote in favour of the Melton Mowbray BID. To secure a Yes vote, 50% of those voting must vote Yes, and this must represent 50% of the total rateable value of all votes cast.

If businesses vote No, the Melton Mowbray BID will not proceed. The Melton Town Centre Partnership will then continue to seek funding, through membership fees, corporate sponsorship etc, to try to deliver some of the schemes highlighted in the BID proposal.

9.1 . The risks are considered in the table below:



Risk No.	Description
1	Members do not support the BID vote
2	There is a ‘no’ vote.
3	
4	

**10.0 CONSULTATION**

10.1 All 486 businesses within the BID area have been consulted throughout the 2 year BID Academy programme. This has included:

10.2

- Feasibility Study of a BID for Melton Mowbray
- Capacity Building and Essential Guide to a BID events
- Surveys, Fact sheets and Newsletters
- Street meetings and individual business consultations

Website updates on the Melton Town Centre Partnership website  
Press and media coverage in the Melton Times and Leicester Mercury.

10.3 Businesses will now be consulted on the BID Business Plan.

10.4 Members have been updated throughout the BID programme and have received copies of the BID business Plan

#### 11.0 **WARDS AFFECTED**

11.1 Town Centre ward

#### 12.0 **CLIMATE CHANGE**

12.1 There are no climate change implications relating to this report.

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Date: 1 March 2011

Appendices A- BID Factsheet  
B- BID Business Plan

Background Papers: n/a