



## ORDINARY COUNCIL

21<sup>st</sup> JUNE 2023

<b>REPORT TITLE:</b>	Brentwood Connected Business Improvement District (BID) Ballot
<b>REPORT OF:</b>	Phil Drane, Director of Place

### REPORT SUMMARY

On 17 May, the Brentwood Business Partnership (BBP) submitted a request to the council in accordance with Business Improvement District (England) Regulations 2004, to hold a ballot within Brentwood, Shenfield and Ingatestone to establish a Business Improvement District (BID) across the three centres. This report provides background information on BIDS, the priorities set out in the Brentwood Connected BID Business Plan and the role of local authorities in delivering BIDs. The report seeks approval to support the BID in relation to council properties in the area.

### RECOMMENDATIONS

- R1. Agree to vote in favour (i.e. Yes) in the Brentwood Connected BID Ballot in respect of the council properties within the BID area.**
- R2. Authorise the Director of Assets to cast the council's votes in the Brentwood Connected BID Ballot in accordance with the decision taken in R1.**
- R3. Note that the council will be subject to payment of the levy on its properties within the BID area.**
- R4. Confirm that the BID Proposal does not conflict with any council policy or disproportionately burden any business or class of businesses.**

### SUPPORT ING INFORMATION

#### 1.0 OTHER OPTIONS CONSIDERED

- 1. The Brentwood Connected BID Business Plan sets out four main priorities:

- a) **Improving places:** To dress our streets and create an environment for people to stay longer
  - b) **Promoting places:** To attract new visitors and additional spend through marketing and events
  - c) **Welcoming places:** To ensure our locations are well-managed, safe and friendly
  - d) **Connecting places:** To create great places to live, work and invest
2. If approved at ballot, the council will become the BID Body, thereby both collecting and administering the levy funds. A BID Manager will be recruited as a new officer role within the Economic Development team. The BID Manager will have responsibility for delivering BID initiatives as advised by BBP. The Manager's salary will be recharged to the BID.
  3. The BBP will operate as a BID advisory group. It will be made up primarily of levy paying businesses, with the council in attendance at all meetings. BBP's aim is to work with local businesses and the council to develop initiatives that will enhance and add value to the area covered by the BID in line with the business-led priorities listed above.
  4. If the BID ballot is successful, a partnership agreement between the council and BBP will need to be agreed to outline the provision of the local authority services that the council presently provides to the BID area and intends to continue to provide over the BID period, such as CCTV and street scene services. If delegated authority is required, a new report will be presented to the Finance, Assets, Investment & Recovery Committee.
  5. The levy rate to be paid by each property is to be calculated at 2% (subject to annual fixed inflationary increases of CPI or maximum 5% a year) of its rateable value (RV) as at each 'chargeable day' (1 October each year), based on April 2023 RVs. Only properties with an RV of £12,500 or over will be liable. Owners of all untenanted properties will be liable for payment of the levy. Charitable organisations that are subject to relief on their business rates liability will pay 20% of the levy amount that would otherwise apply. Units within The Baytree Centre already pay additional service charges and so will pay 75% of the levy amount that would otherwise apply. The maximum annual BID levy payable by any one business is £10,000.
  6. The total levy will average £420,000 per year, generating over £2m in revenue over the BID's five-year term.

7. The council has 13 properties within the BID boundary. The total BID levy liable for these properties is £17,015 in Year 1.

<b>Property</b>	<b>Rateable Value</b>	<b>Annual BID Levy</b>
Coptfold Road Multi-Storey	£234,000	£4,680
William Hunter Way Car Park	£201,000	£4,020
Brentwood Town Hall First Floor Suite 11	£168,000	£3,360
Chatham Way Car Park	£66,000	£1,320
1-2 Seven Arches Road	£35,750	£715
Brentwood Town Hall Suite 9 First Floor	£26,250	£525
Ingatestone Market Place Car Park	£26,250	£525
Brentwood Town Hall Suite 6 Ground Floor	£23,500	£470
Brentwood Town Hall Suite 10 First Floor	£17,000	£340
Hunter Avenue Car Park	£13,500	£270
Friars Avenue Car Park	£13,500	£270
Brentwood Town Hall Suite 3 Ground Floor	£13,250	£265
Westbury Road Car Park	£12,750	£255
<b>TOTAL</b>	<b>£850,750</b>	<b>£17,015</b>

8. Assuming that the council wants to vote the same way for all 13 properties listed in 1.7, then there are three options available:
- a) Vote 'yes' in favour of the Brentwood Connected BID Business Plan as an endorsement of the proposals and show clear support for wider investment in the borough's high streets
  - b) Vote 'no' in opposition to the Brentwood Connected BID Business Plan
  - c) Abstain, which would likely be seen as an opposition to the Brentwood Connected BID Business Plan
9. Seven Arches Investments Ltd (SAIL) has seven properties within the BID boundary, all located within The Baytree Centre. A separate report will be taken to the SAIL board on 14 June to agree their voting intentions.

## **2.0 BACKGROUND INFORMATION**

10. BIDs are business-led partnerships which are created through a ballot process to deliver additional services to local businesses. They can be a powerful tool for directly involving local businesses in local activities

and allow the business community and local authorities to work together to improve the local trading environment.

11. A BID is a defined area in which a levy is charged on 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.
12. There is no limit on what projects or services can be provided through a BID. The only requirement is that they should be in addition to services provided by local authorities. Improvements may include, but are not limited to, extra safety/security, street cleansing, events, marketing, training, networking and environmental measures.
13. BBP is the BID Proposer. If approved at ballot, the BID will cover the high streets and surrounding areas of Brentwood, Shenfield and Ingatestone, making it the first BID in the UK to include three locations.
14. BBP has a strong track record of delivering on initiatives along and across the borough's high streets. Examples include the Brentwood Art Trail, family friendly seasonal events and pop-up markets.
15. BBP submitted a BID Proposal (the Brentwood Connected BID Business Plan) to the council on 17 May 2023. The Proposal sets out the services to be provided and the size and scope of the BID. The Proposal also outlines who is liable for the levy, the amount of levy to be collected and how it is calculated.
16. A local authority must satisfy itself that the BID Proposal does not conflict with any council policy or disproportionately burden any business or class of businesses.
17. Businesses that are subject to the levy, as set out in the Proposal, will vote in a ballot that will be overseen by the council's Elections Team between 2 - 29 June. The outcome of the ballot is due to be declared on 30 June and will determine whether the BID goes ahead. A successful ballot is one that has a simple majority both in votes cast and in rateable value of votes cast. Each business entitled to vote in a BID ballot is allowed one vote in respect of each property occupied or (if unoccupied) owned by them in the geographical area of the BID. Once a BID is in operation a levy is charged on all businesses within the BID area (regardless of whether or how that business voted in the ballot).

18. The maximum period that a BID can last is five years. Once the term is completed the BID will automatically cease. If the BID wants to continue its activities, it must request a new ballot. The five-year term of the Brentwood Connected BID would commence on 1 October 2023.

### **3.0 FINANCIAL IMPLICATIONS**

**Name & Title: Tim Willis, Director – Resources & Section 151 Officer**

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19. The ongoing costs incurred by the Revenues & Benefits and the Finance teams for the billing, collection, enforcement arrangements and preparation of year end accounts for the BID will be fully reimbursed by the BID. The cost of this annual support is £18,000 which is in line with the guidance of £35 per hereditament as per BID legislation. This annual amount will rise by 2% each year of the BID term.
20. The costs of development of the BID will be repaid by the BID to the council over the five-year term. The set-up fees total £55,000.
21. The salary of the BID Manager will be paid from the BID revenue account. Any on boarding fees will also be borne by the BID.
22. From Year 2 onwards, the levy will be subject to an annual adjustment in line with the Consumer Price Index for June of each year, to account for inflation, up to a maximum of 5% on the previous year's levy. This will be based on the annual inflationary factor for Non-Domestic Rate bills as calculated by HM Government as published.

### **4.0 LEGAL IMPLICATIONS**

**Name & Title: Claire Mayhew – Joint Acting Director of People and Governance & Monitoring Officer**

**Tel & Email: 01277 312741/claire.mayhew@brentwood.gov.uk**

23. Business Improvement Districts (England) Regulations 2004 (The Regulations) provide the statutory powers and framework to enable a Business Improvement District (BID) to be created.
24. Local authorities have a statutory responsibility to support the development of BIDs and facilitate their establishment and successive ballots. This includes conducting the ballot and collecting and enforcing the levy.

25. Local authorities have right to exercise a veto after the outcome of the ballot if the council considers the arrangements are likely to either conflict to a material extent with any of their published policies or place a disproportionate and inequitable financial burden on any person or group of persons through manipulation of the BID geographical area or the structure of the BID levy.

## **5.0 EQUALITY & HEALTH IMPLICATIONS**

**Name & Title: Kim Anderson, Corporate Manager - Communities, Leisure and Health**

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26. The Public Sector Equality Duty applies to the council when it makes decisions. The duty requires us to have regard to the need to:
27. Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
28. Advance equality of opportunity between people who share a protected characteristic and those who do not.
29. Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
30. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for b. or c., although it is relevant for a.
31. The proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

## **6.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

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32. Economic implications are included within this report.

