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<h1>REPORT TO EXECUTIVE</h1>	
PORTFOLIO AREA: FINANCE AND RESOURCES	
Date of Meeting:	3 April 2003
Public	
Key Decision:	No
Recorded in Forward Plan:	No
Inside/Outside Policy Framework	

Title: RE: BUSINESS IMPROVEMENT DISTRICTS (BID'S)

Report of: Head of Revenues & Benefits Services

Report reference: RB02/03

Summary:

This report advises members on how Business Improvement Districts (BIDS) can be set up. BIDs is a partnership arrangement enabling local authorities and the local business community to work together to implement initiatives of benefit exclusive to the needs of a particular area or of a particular community.

Recommendations:

The Executive's views are sought on the options detailed in 6.0 of the report.

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CITY OF CARLISLE

To: The Executive RB2/03

Date: 3 April 2003

Re: BUSINESS IMPROVEMENT DISTRICTS (BID'S)

1. INTRODUCTION

1. On 24 April 2001 the government announced their intention to introduce Business Improvement Districts (BID's) re affirmed in its White Paper on 'Strong Local Leadership – Quality' published in December 2001.
2. The ODPM has now issued guidance (running to 50 pages) detailing
 - i. the Government's vision for BID's and how it will be provide for it in the forthcoming Local Government Bill
 - ii. the flexible nature of the legislation and the framework within which BIDs will operate
 - iii. practical information and advice for those wishing to set up a BID in their local area.
1. This guidance has been deposited in the Executive Office and Group Offices and is summarised below.

2. THE SCHEME

1. BIDs is a partnership arrangement enabling local authorities and the local business community to work together to implement initiatives of benefit exclusive to the needs of a particular area or of a particular community.
2. Each scheme will be subject to the agreement of the ratepayers (NNDR) who will themselves decide in advance on how their money will be spent and how much additional levy they will be prepared to pay on top of their business rates bill, to finance a BID. Each ratepayer who is asked to contribute to a BID will be able to vote on whether that BID goes ahead or not. A successful ballot will have to meet two tests. Firstly, a majority of those voting must vote in favour. Secondly that those voting in favour must represent a majority by Rateable Value of the hereditaments of those voting. The Local Authority will responsible for counting the vote and announcing the result.
3. Alongside the additional levy that ratepayers will pay, legislation will allow voluntary contributions to the BID to be made by any billing authority, County Council, Parish Council, property owner or other organisation.
4. A BID may span more than one Local Authority. The size of a BID is not a

limiting factor.

5. A BID will operate for a defined period not exceeding 5 years. After that time it can be re-endorsed if necessary.

3. EXAMPLES OF BID SCHEMES

1. BIDs can include a broad range of projects in the issues they address. Examples could include: CCTV cameras; litter bins; replacing street lights; more frequent policing; rapid response to graffiti and litter; tree planting; mending pavements; more frequent local transport; local training and employment initiatives.

3.2 An important point to note is that all parties in the BID process agree on the improvement that needs to be made and on the necessary steps to be taken to achieve it.

4. LEGISLATIVE FRAMEWORK

1. The guidance has been prepared to enable those who work in Business Rates, regeneration, improvement strategies as well as leisure and tourism, to be aware and to prepare for the BID's scheme.

4.2 Subject to Parliamentary approval, legislation is expected to come into force during the Autumn of 2003 at the earliest. However Local Authorities are encouraged to prepare for BIDs by forming their partnerships before this date even though they will not be able to collect funds for BIDs through a BID levy before 1 April 2004 at the earliest.

5. ADMINISTRATION

1. Consideration must be given to who will be running and managing the BID. A shared vision for the community can be created by inviting members of the local community or area involved to sit on the BID board.

Voluntary schemes suggest forming a Board for a Bid which comprises people with the requisite skills to ensure success and with necessarily differing views and priorities to ensure success.

2. The Returning Officer for the Local Authority should act as the Returning Officer for a BID ballot. He will also be responsible for compiling a list of those who are eligible to vote in the ballot.
3. Attention to detail will be required in determining and defining the ratepayers in a BID area; attending to changes of occupation during the life of a Bid; methods of billing; calculation of the BID levy; exemptions from the Bid levy; recovery procedures for unpaid sums. Also funding streams for the BID should be considered in detail.

6. WAY FORWARD

1. Obviously the Council can be pro-active in talking to Business Leaders in the Carlisle district now in establishing the potential for any BID to be progressed in the 2004/05 Rating year. This course of action should be considered if any high profile improvement initiative is in the pipeline but stalled through lack of funding. However the facilitating of a BID in 2003/04 will require significant resources to be committed by the Council. Also the progressing of a BID initiative is not currently being considered or prioritised in the Council's Corporate Plan decision making process.
2. Alternatively the Council can take a re-active stance on this initiative and respond to any BID proposals put forward by the Business Community in 2003/04. Should none be put forward re-assess whether a more proactive role in facilitating BIDs should be considered in 2004/05.
3. Should the Executive be minded to take a proactive role in 2003/04 on this BID's initiative, a full report will be prepared by CMT for Executive consideration in July/Aug 2003.

7. CONSULTATION

1. Consultation to Date.

None taken to date.

2. Consultation proposed.

Subject to the Executive's decision on the way forward.

7. RECOMMENDATIONS

The Executive's views are sought.

8. REASONS FOR RECOMMENDATIONS

To respond to Government legislation on Business Improvement Districts subject to the Executive's decisions on the way forward.

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Revenues & Benefits

Carlisle

21 March 2003

PM/EL/RB2-03