



# **ENVIRONMENT & ECONOMY OVERVIEW & SCRUTINY PANEL**

## ***Panel Report***

**Public**

**Date of Meeting:** 5<sup>th</sup> April 2012

**Title:** City Centre Business Improvement District Update

**Report of:** Director , Economic Development

**Report reference:** ED.17/12

**Summary:** This Report briefs the Overview & Scrutiny Panel the progress with regard to the proposal for the creation of a Business Improvement District for Carlisle City Centre and the next steps in the timetable.

**Questions for / input required from Scrutiny:**

### **Recommendations:**

The Overview & Scrutiny Panel note the progress made to date on the proposal to form a City Centre Business Improvement District, and the remaining work programme leading up to the required formal ballot in July.

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## **1. Introduction.**

- 1.1 The proposal for the creation of a City Centre Business Improvement District (BID) was first put forward in 2010 as a result of a report drawn up by GJR Consulting for the City Centre Partnership in place at that time.

The City Council Executive (Ref;SD/03), on 14<sup>th</sup> March 2011 agreed to provide seed funding towards the creation of a Business Improvement District for Carlisle City Centre and this was reported to the Environment & Economy Overview & Scrutiny Panel on 23<sup>rd</sup> June 2011 (Ref:SD.04/11)

Environment & Economy Overview & Scrutiny Panel further considered the progress being made on this proposal at its meeting on 8<sup>th</sup> September 2011 (Ref: SD/05/11)

- 1.2 A Business Improvement District (BID) is an area within which local businesses agree through a local ballot to pay an additional charge on their business rates. These funds are managed by an independent business-led company. This company seeks to improve trading conditions and drive footfall of such a defined geographic area of commercial activity. The regulatory framework for BIDs was established in the Local Government Act 2003 and there are now approximately 125 BIDs operating in the UK.

The creation of BIDs was also mentioned in the recently published Portas Review as one mechanism of sustaining and improving the vitality of retail areas such as Carlisle city centre

## **2. Progress to Date**

- 2.1 A Project Steering Group was set up in September 2011 to drive forward the principle of a BID for Carlisle city centre, with a view to raise awareness of the benefits to businesses, and set an initial timetable of a formal Ballot in June 2012 with creation of a formal BID shortly thereafter.

- 2.2 This Project Steering Group comprises representatives from several City Centre retail businesses, both large and small, together with Cllr Bowman, and has operated under the Chair of the Director of Economic Development. Project management is provided through the Economic Development Manager, with additional specialist consultancy support from Gary Reeves of GJR Consulting.

## **2.3 Communication**

An initial round of communication with city centre businesses has been carried out. In February a Newsletter and Business Questionnaire was circulated to around 400 businesses in the central retail area and immediately surrounding streets. This was accompanied with local media coverage including substantial coverage in the Cumberland News about Business Improvement Districts.

Over 80 of these Questionnaires were returned and an analysis of them showed the following issues from City Centre businesses

- Trading in overall terms was reported as satisfactory, albeit the environment was seen as fragile;
- There is a lack of awareness of the BID model but respondents were keen to learn more and take a view on any future business plan;
- The issues most affecting the city centre were cited as the general economy, the retail mix, footfall levels, parking and city centre management;
- Respondents suggested the main activities for city centre management should centre upon marketing and publicity;
- There was an overwhelming desire for more information to be circulated to and between the business community with an emphasis on events and promotions;

These issues will help inform the business plan of the proposed BID Company.

Communication continues with City Centre businesses with Gary Reeves meeting individually with managers from both national chains and locally owned independent businesses. On all such occasions an invitation is issued for such businesses to become involved in the Project Steering Group.

## **2.4 Interim Management Company**

An important part of the process leading up to a formal BID Company is the creation of an interim company which can be the formal proposer of the Business Improvement District.

Following the approval of the Executive on 13<sup>th</sup> February (Ref:ED.08/12) such a formal company, Carlisle City Centre Management Company, has now been formed

with the City Council being one of three founding Members, with Cllr Bowman being nominated to be a Director of the Company.

The required service to Secretary of State of the 84 day notice of Intention to Hold a BID Ballot was subsequently served by this company on Thursday 15<sup>th</sup> March 2012

## **2.5 Internal Consultations**

The City Council already delivers a range of services into the City Centre area including maintenance, cleansing and licensing and enforcement. As part of the BID process a formal Baseline Position of such service delivery has to be established, above which any additional level of service subsequently requested by the BID company will need to be funded through the BID Business Plan.

Additionally it will be the City Council who will carry out the formal Ballot of businesses, and collect the additional levy on behalf of the BID company.

Therefore there has been an extensive discussion with various City Council departments that currently deliver services in the city centre area, and that will be involved in the creation of the BID. These include:

Revenues & Benefits – clarification of the Rating List, and future billing on behalf of the BID Company

Legal & Democratic Services – undertaking the required formal ballot of businesses, licensing issues.

Local Environment – Cleansing, maintenance and existing city centre management

Community Engagement – Crime and safety issues

Additionally these discussions will inform the creation of the Business Plan of the BID which requires as part of it an agreed Baseline Agreement of services delivered by the City Council within the proposed BID area.

- 2.5 The next phase of communication with City Centre businesses is now underway by way of circulation of a second newsletter. This will set out:
- Feedback on issues arising from the Business Questionnaire (as per 2.2 above).
  - Setting out the general geographical boundary of the BID
  - The proposed type of business that will be included in the ballot – retail, food and drink, retail banking and financial services.

- Programme of required activity leading up to the formal BID ballot in July
- The level of Rateable Value of businesses below which they will not be included as a constituent of the BID (hence not eligible to vote in the Ballot, or pay additional levy)

Additionally a dedicated website [www.CarlisleCityCentreBID.co.uk](http://www.CarlisleCityCentreBID.co.uk) will be launched as an additional source of information and this will also be used to publish the formal documents as required for the ballot (see below).

### **3. Next Steps / Timetable**

The programme of activity and required actions through to the proposed July Ballot date is set out below.

- i) Compilation and launch of formal Business Plan on which ballot will be based  
– Late April

The Business Plan will include:

Proposed Term of operation of BID Company

Levy rate – which will give the available budget for the BID Company

The proposed activities of the BID Company

Breakdown of Expenditure for the proposed activities

- ii) Further publicity & Newsletters - May, June and July
- iii) Formal consultation with and canvassing of city centre businesses who will be the proposed BID constituents – late April onwards
- iv) Formalisation of Ballot Process
  - Notice of ballot – Second week in June
  - Posting of ballot papers – Fourth week in June
  - Close of ballot – Fourth week in July
- v) Declaration of Ballot result – 31<sup>st</sup> July

Should the formal ballot result in a “yes” vote then it is proposed that the new City Centre BID Company will commence operations in September 2012.

#### **4. Recommendations:**

The Overview & Scrutiny Panel note the progress made to date on the proposal to form a City Centre Business Improvement District, and the remaining work programme leading up to the required formal ballot in July.

#### **5. Conclusion**

Progress towards the formation of a BID remains on track. However whether a BID is established depends on the outcome of the formal Ballot although there appears to be increasing support for the proposal as retailers become more informed of the process and benefits.

