



CABINET: 14 MARCH 2017

Report of: Director Development and Regeneration

Relevant Portfolio Holder: Councillor I Moran

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SUBJECT: DEVELOPING AN ORMSKIRK BUSINESS IMPROVEMENT DISTRICT

Wards affected: Ormskirk Ward(s)

1.0 PURPOSE OF THE REPORT

- 1.1 To provide Members with information on the concept of developing a Business Improvement District (BID) for Ormskirk Town Centre.

2.0 RECOMMENDATION

- 1.2 That the appointment of Groundwork to undertake a feasibility study to investigate the implications of developing a BID for Ormskirk Town Centre at a cost of £7,600 be approved.

2.0 BACKGROUND

- 2.1 Members will be aware that following the adoption of the Ormskirk Town Centre Strategy 2015-2020, an Ormskirk Town Centre Management Group with appropriate sub groups has been established. This group involves representatives from West Lancashire Borough Council, Ormskirk Community Partnership, Ormskirk businesses, Business In The Community (BITC), Edge Hill University and Edge Hill Student Union.
- 2.2 In November 2015 the Town Centre Management Group held its first meeting and they discussed the potential of developing a BID for Ormskirk. At the time

the group believed that there may be merit in developing a BID for Ormskirk but that it was too soon, as the Management Group had only just been established and they felt it would be more appropriate to discuss the proposal at a later date, i.e. in approximately 12 months. The folding of 'Love Ormskirk' also set back these ideas, as that group would have been the natural vehicle by which to promote and take forward a BID.

3.0 BUSINESS IMPROVEMENT DISTRICTS

- 3.1 A BID is a business-led and business-funded body formed to improve a defined area. BIDs can enable business to have a collective voice and allow the business community and Council to work together to identify and deliver additional services in order to improve the local trading environment.
- 3.2 BIDs are created following a ballot process and funded via a levy. The levy is charged on business rate payers within the defined BID area, which is paid in addition to their current business rates bill. BIDs were first established in the UK in 2005 and there are now over 200 BIDs nationwide. The majority of BIDS are located in town centre locations although they also exist in industrial and commercial areas.
- 3.3 There is specific legislation in place for BID's, the levy is a legal requirement just like Business Rates and is treated as a statutory debt. The legislation which relates to the BID's is The Business Improvement Districts (England) Regulations 2004 and the Non Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989. The legislation details all the steps and processes involved in developing or altering a BID, providing specific information relating to proposals, renewing proposals, altering proposals, preliminary procedures, instructions on how to undertake a ballot, and it details all the specifics a proposer needs to undertake to develop a proposal.
- 3.4 The levy can be used as a catalyst to raise funds for improvements through a range of projects and initiatives that provide benefits to the local business area as long as these are over and above the services already provided by the Borough Council.
- 3.5 A BID can be established (proposed) by either a local authority, a business rate payer, or a person or company whose purpose it is to establish a BID. The proposer will be required to develop and submit a 'Proposal' and a Business Plan to the local authority.
- 3.6 The Proposal must set out the priorities for the area, the services to be provided, the size and the scope of the BID. It would also set out who is liable for the levy, the individual amounts to be collected and how it is calculated as well as how it will be operated and managed.
- 3.7 The development of a BID for Ormskirk Town Centre could deliver potential benefits. Some specific examples of what BIDs have delivered in other areas include:

- Promoting and marketing campaigns-This has included the development of numerous town centre websites, utilising all forms of social media, as well as additional advertising and publicity.
- Improving safety and security- The Liverpool Central BID funded the UK's first privately funded police station in St Johns shopping centre which has helped the police reduce violent crime by 20% in the city centre. This initiative has received both national and international recognition. The Southport BID has also re-introduced taxi marshals and body cameras for security personnel to improve safety enhancing the night time economy.
- Promoting tourism –The Chester BID have appointed two full time welcome ambassadors to greet tourists, helping to increase the amount of time visitors spend in the town. These ambassadors have also helped to promote local businesses and attractions and have helped to raise the profile of the town as a visitor destination.
- Improving the appearance of town centres- The Southport BID have introduced a quarter of a million tree lights along Lord Street helping to improve the appearance of the town creating a boulevard of light. Other initiatives include the delivery of public art and additional street furniture.
- Speaking for business- A BID enables businesses of a town to speak with one voice which can be helpful when dealing with the Council, Police and other public bodies. It can also act as a key contact point for a council or other public body when wanting to disseminate information e.g. public works taking place, availability of grants, public consultations etc.
- Increasing footfall– Numerous festivals and events have been developed and supported by BIDs including Southport's Spookport, Kendal's Film festival, Lancaster Chilli Fiesta and numerous Christmas events, amongst others. These festivals/events have increased footfall and helped to raise the profile of the towns.

3.8 A BID can only be formed following consultation and a ballot in which businesses vote on a BID proposal for the area. The ballot is run by the local authority. To be successful over 50% of the businesses in the area who cast their ballot must vote in favour and those voting in favour must also represent over 50% of the total rateable value of those businesses.

3.9 Once a ballot has been won the Proposal becomes a legally binding document and this then becomes the framework within which the BID will operate. A BID lasts for 5 years after which another ballot must be held as to whether to continue for a further 5 years.

4.0 CURRENT POSITION

- 4.1 Since the establishment of the Ormskirk Town Centre Management Group a number of important actions contained within the strategy have been undertaken/delivered including undertaking market research, developing and introducing branding to promote the town centre, delivering and supporting a number of town centre events and the strategic purchase of Wheatsheaf Walk shopping centre.
- 4.2 At the time of writing this report it is planned that a town centre Stakeholder Event will take place on the 1st March. Following this event a detailed Cabinet report will be prepared to update Members on progress of the delivery of the Ormskirk Town Centre Strategy, as agreed by Cabinet on the 15th September 2015.
- 4.3 At a recent meeting of the Town Centre Management Group on the 8th December there was a special presentation by Groundwork in relation to BIDs and the possible development of a BID for Ormskirk Town Centre. Groundwork has significant experience in the delivery of BIDs in the UK including several examples of successful BIDs in the North West in market towns of a similar size to Ormskirk. After the presentation there was discussion and an opportunity for questions in which there appeared to be genuine interest for how a BID for Ormskirk could work. The Group agreed that there was a need for further information around costs, potential revenue and views from local businesses. Before making a decision on whether the group should progress a BID for Ormskirk, the Management Group agreed that there was a need for a feasibility study to be undertaken to fully understand the implications and potential benefits of how a BID may work. The Management Group agreed that the best way to move forward a BID would be to appoint Groundwork to undertake the feasibility study.

5.0 NEXT STEPS

- 5.1 To enable the next steps to be taken and the consideration of a BID to be properly embraced it is critical that the business community and other town centre partners fully understand how a BID for Ormskirk would work and the benefits it might potentially deliver. Following on from the last meeting of the Ormskirk Town Centre Management Group in December, Groundwork were asked to provide a proposal to undertake a feasibility study which has now been received. The proposal involves effective business engagement to ensure that there is support for this approach from the outset. Given that the development of a BID would have to come from the business community and the specialist nature of this work it is appropriate for the feasibility study to be developed by an independent, specialist consultant.
- 5.2 Groundwork Cheshire, Lancashire and Merseyside Ltd were approached to conduct this study as they have significant experience in this specialist area and they are a not for profit organisation offering a competitive and value for money service due to the fact there are no profits going to owners or shareholders. At the presentation delivered by Groundwork they demonstrated that they had sufficient experience and capability to deliver a comprehensive feasibility study and their methodology was supported by all

members of the Town Centre Management Group. They have also already conducted some initial research into developing a BID for Ormskirk which was presented to the Management Group.

5.3 The proposal we have received from Groundwork will answer the following key questions:

- The potential boundaries a BID could take
- Potential income that could be generated through different approaches/models for a BID
- Expected outcomes from a BID project
- Who would be included in a BID (company size, locations)
- The timeline for a BID and the expected development costs

Within the proposal it states that the report will highlight:

- Key findings and trends from consultation with business and stakeholders
- Options for development of a BID (location, sector, business, size)
- Recommendations on timescales and the process for developing a BID
- Consultation with resident businesses, securing 30 responses from a sample of 60.
- Production of a rateable value (RV) database including the analysis of RV data.
- Development of a BID timeline and a summary of outcomes a BID could generate.
- A developed understanding for West Lancashire Borough Council on the role a BID could play in the future development of Ormskirk Town Centre.
- The development of this study will take approximately four months

5.4 The feasibility study will provide a clearer understanding of the implications for an Ormskirk BID and the level of support from local businesses and will make recommendations as to whether developing a BID for Ormskirk is appropriate. When the report has been completed the results will be brought back to Cabinet outlining the recommendations and any proposed next steps and resource implications

5.5 The cost of appointing Groundwork to prepare the feasibility study is £7,600 with 60% of the fee being payable upon successful completion of the project. There is funding available to deliver the Ormskirk Town Centre strategy which could be utilised to appoint Groundwork. If this feasibility study demonstrates that there is a positive case for a BID for Ormskirk there are grants available from the Department for Communities and Local Government (DCLG) which could be utilised to fund further development work of a BID including the cost of administering a BID ballot.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

6.1 There are no significant sustainability impacts associated with this particular report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

- 6.2 However at the point that an Ormskirk BID is given further consideration, there will be some positive impacts and these will need to be given due attention including detailing any specific links to the Sustainable Community Strategy.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 There are some financial and resource implications arising from this report in respect of the cost of appointing and managing Groundwork, however the financial cost and staff resource implication will be met using existing funding/resources to deliver the Ormskirk Town Centre Strategy managed by officers from the Economic Regeneration team.

8.0 RISK ASSESSMENT

- 8.1 The actions referred to in this report are covered by the scheme of delegation to officers and any necessary changes have been made in the relevant operational risk registers.
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Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is a direct impact on members of the public, employees, elected members and / or stakeholders; therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report.

Appendices

Appendix A- Proposal to Undertake a Feasibility Study for a Business Improvement District in Ormskirk Town Centre

Appendix B- Equality Impact Assessment (EIA)