

Title: Update on BID (Business Improvement District) Leamington Ltd
Renewal Process and Progress

Lead Officer: Joanne Randall, joanne.randall@warwickdc.gov.uk, 07887
684059

Portfolio Holder: Councillor Liam Bartlett

Wards of the District directly affected: Clarendon and Milverton

Approvals required	Date	Name
Portfolio Holder		Cllr Liam Bartlett
Finance		Andrew Rollins
Legal Services		
Chief Executive		Chris Elliott
Director of Climate Change		Dave Barber
Head of Service(s)		Philip Clarke
Section 151 Officer		Andrew Rollins
Monitoring Officer		Andrew Jones
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	Yes by Cabinet	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	Yes – details of BID Ballot not yet public but will be sent to voters later in Feb 2023	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes	
Accessibility Checked?	No	

Summary

To provide an update to Cabinet on the progress of the BID Leamington Ltd Renewal; to present the draft BID Business Plan and to provide a recommendation on Warwick District Council's voting rights.

Recommendation(s)

- (1) That Cabinet notes the content of the BID Renewal proposal and its business plan for the next 5 years (attached as Confidential Appendix 1).
 - (2) That Cabinet agrees to notify BID that the draft BID business plan and renewal 2023 – 2028 (attached as Confidential Appendix 1) meets the relevant regulatory requirements as detailed in the Business Improvement Districts (England) Regulations 2004.
 - (3) That Cabinet agrees to return a YES vote to the BID Renewal for each of the WDC's 7 eligible premises.
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1 Reasons for the Recommendation

- 1.1 Cabinet was advised of the BID Renewal Proposal at the last Cabinet Meeting of 7th December 2022. This report is an update on the progress of the Renewal process. As per the mandatory notice period of 126 days before the ballot date, the Board of BID has notified WDC (as the billing authority) and the Secretary of State of their intention to seek a renewal ballot.
- 1.2 In line with The Business Improvement Districts (England) Regulations 2004; Regulation 4, BID must submit to WDC a copy of their renewal proposal, their proposed financial business plan, a summary of the consultation undertaken with the BID levy payers and a summary of the financial management arrangements for the BID. This is attached as **Confidential Appendix 1**.
- 1.3 The document has been subject to due diligence, and it can be confirmed that:
 - there is no conflict with any of our published formal policy documents (as detailed in Regulation 4 of the 2004 Regulations).
 - BID has sufficient funds to meet the costs of the renewal ballot in the event that WDC are in a position to recoup the ballot costs should the ballot return a NO result (as detailed in Regulation 10 of the 2004 Regulations); and
 - the BID arrangements are not likely to be significantly disproportionate. The content of the BID business plan and renewal proposal are determined by BID in consultation with their members. WDC has no right to veto the proposal based on opinions regarding the contents, although may choose to vote against the proposal if it is opposed to the content of the plan.
- 1.4 The Business Plan and renewal proposal is still in draft format and therefore may be subject to change. It is not anticipated that there will be material changes that will affect the outcome of officers' due diligence.
- 1.5 There are a number of Council properties within the BID area which will be subject to the levy and WDC receives one vote for each of these premises. All

rateable premises have been subject to a re-valuation and as such the number of WDC premises which will be liable for a levy has fallen from 9 to 7 to include: 4 x car parks, parking land at Newbold Terrace and The Pump Rooms and Royal Spa Centre (The Museum & Art Gallery has been down-valued below the £15,000 threshold where a levy becomes due and the Town Hall is now categorised as 'Offices' by the VOA). WDC has the same rights as any other levy payer to review the renewal documents and decide if it wishes to vote for BID renewal, vote against BID renewal or abstain from voting altogether.

1.6 The BID business plan offers numerous benefits to the Royal Leamington Spa town centre. These include:

- An estimated level of investment into the town centre of £1,462,425 over the course of the five years.
- National and regional promotion of Royal Leamington Spa through websites, social media, print and events. An example of the scale of this promotion is the Royal Leamington Spa website, which receives in excess of 30,000 hits per month.
- Enhancement of the streetscape through beautification projects and ongoing work to tackle begging, rough sleeping and vacant properties.
- Supporting businesses to develop and grow, which is all the more necessary with the challenges facing the changing High Street in the next five years.
- Acting as the collective voice for the town centre businesses in fighting for the business' and the town centre's interests.

There is no other organisation, including WDC, who would be able to supply the same level of financial support or staff time as is currently offered by BID. The resultant effect would be a complete absence of the services that the town centre currently benefits from.

1.7 Considering the substantial value of investment gained from £1,462,425 of town centre investment versus a WDC levy payment of £9875.00, it is clear that the BID provides significantly greater value to the town centre than the levy cost and, as such, a yes vote for BID renewal is recommended.

1.8 To reflect the importance of the vote, it is recommended that the Chief Executive (CE) be responsible for completing the ballot return with a yes vote for each Council building in the BID area.

2 Alternative Options

2.1 To veto the BID proposal: not recommended as the proposal documents do not conflict with any WDC published policy documents and the levy will not create a significantly disproportionate financial burden.

2.2 To vote against the BID renewal: not recommended due to the significant impact to the business community

2.3 To abstain from the vote: not recommended due to the significant impact to the business community.

3 Legal Implications

3.1 A Business Improvement District (BID) is a business-led and controlled

partnership in a given area such as Leamington Town Centre, which delivers an agreed set of services and projects. These are agreed, and formally voted for, by all businesses in the BID and are in addition to what the public agencies provide.

- 3.2 A BID typically lasts for five years with the aim of improving the trading environment. BIDs are governed by legislation contained in the Local Government Act 2003 and the BID Regulations (2004).
- 3.3 BIDs can deliver any projects or services that are agreed by the relevant businesses. In Royal Leamington Spa, these are marketing & promotional activities, improved way-finding and higher profile events. The actual projects and services are determined as a result of detailed consultation with all the business in the BID area and are set out in the Business Plan.
- 3.4 BID Leamington Ltd is set up as a Company Limited by Guarantee. This is a business controlled, not-for-profit company that is responsible for the delivery of the BID Business Plan and is accountable to the BID Board and ultimately its levy payers.

4 Financial

- 4.1 Existing budget provision is available and has been sufficient to accommodate WDC's current BID Levy of £9875.00.
- 4.2 Warwick District Council currently charges BID Leamington £8,500 per annum (before VAT) to collect the BID levy on their behalf. This figure will be reviewed to ensure that Council costs are covered and that the collection fee is proportionate and in line with national BID guidance. It is noted that the number of hereditaments subject to the BID levy has reduced by 15 due to changes in ratable vale and the retail / leisure composition of the town centre.

5 Business Strategy

- 5.1 Warwick District Council has adopted a Business Strategy which sets out key areas for service delivery.
- 5.2 **Health, Homes, Communities:** BID Leamington is committed to health and wellbeing of Leamington Spa and its residents, businesses and community please see below under Health & Wellbeing for further details.
- 5.3 **Green, Clean, Safe:** BID Leamington delivers a number of activity strands that contribute to a safer, greener Town Centre. This has included significant investment in additional floral baskets as well as contributing to the Safer Neighbourhood Forum, Meaningful Change and the Retail Crime Partnership. Future activities will also focus on strategies to tackle anti-social behaviours.
- 5.4 **Infrastructure, Enterprise, Employment:** BID Leamington's existence has a marked impact on the vibrancy of Leamington Town Centre given the level of investment (£1.46 million) and the amount of work (promotion, campaigning, events) it provides for the town centre. It also works to make members more efficient and productive thereby improving the performance of the local retail economy.
- 5.5 **Effective Staff:** BID Leamington Board ensures that the right people are in the job and supported to have the right skills and tools to undertake the task.
- 5.6 **Firm Financial Footing over the Longer Term:** BID Leamington Board ensures effective financial management of the BID's operations.

6 Environmental/Climate Change Implication

- 6.1 BID Leamington is committed to working with WDC and other stakeholders on environmental and climate change initiatives and plays an important role in

stakeholder groups within the town on such topics. It is a key advocate of WDC policies and an important partner in the delivery and promotion of such policies and initiatives in the town. In the event of a yes vote, WDC will use its influence to work with the BID to shape a low carbon future for the BID area and Leamington Town Centre more widely.

7 Analysis of the effects on Equality

- 7.1 No Equality Impact Assessment has been undertaken but WDC and BID Leamington both have robust policies in place to ensure best practice in respect to equality, diversity and inclusion.

8 Data Protection

- 8.1 Protocols exist between WDC and BID Leamington to work in partnership to share data only as appropriate and where permitted and to work within the strict guidelines of GDPR and Data Protection.

9 Health and Wellbeing

- 9.1 BID Leamington has a commitment to ensuring the town centre is a community centre and business and community health and wellbeing forms a strand of the Business Plan. Events such as the Food Festival and Lantern Parade are free to attend and contribute to a more healthy, integrated community. BID Leamington also supports many other cultural and creative events and charities such as Art in the Park, Cars in the Spa, the Myton Santa Dash and in the past, the Carnival, Peace Festival, TEDx Leamington and others.

10 Risk Assessment

- 10.1 The most significant risk faced, if BID Leamington is not successful in their renewal, is Leamington town centre may lose investment in the region of £1.5million over the course of the five years in respect of the loss of levy payers' fee to BID which is re-invested in the town. The BID also brings in considerable additional revenue to the town through events such as the Annual Food Festival, and fund raising and grants which are re-invested into the marketing of the town and other initiatives.
- 10.2 Warwick District Council would lose the income it receives to collect the BID levy if the renewal is not successful. However, given that the income relates to specific work undertaken on behalf of the BID, the loss of income will be offset by no longer requiring the expenditure. Further, in the event of a 'no' vote the Council would not be required to pay its BID Levy charges.
- 10.3 At a critical time economically where businesses are recovering from the Covid pandemic, struggling with the cost-of-living crisis and effects of high energy prices, facing difficulties with recruitment, and navigating the changing face of retail and the 'High Street', the support provided by BID Leamington is significant and the loss of such activities would be detrimental to the town.

11 Consultation

- 11.1 Consultation externally within the business community has been carried out to inform the BID Proposal and Business Plan and will continue to be carried out by BID Leamington Ltd throughout the course of the BID Renewal process and subsequent Ballot.

Background papers:

None

Supporting documents:

This is not a legal requirement but may assist others in identifying documents you have referred to in producing the report.

- Draft BID Leamington BID Proposal & Business Plan (Confidential) – attached as Item 25