

	Overview & Scrutiny Committee Tuesday 9 th June 2009	Agenda Item No.
	Title	Warwick Business Improvement District (BID)
For further information about this report please contact	Matthew Caddick Warwick Town Centre Manager 01926 410815 matthew.caddick@warwickdc.gov.uk	
Service Area	Economic Development & Regeneration	
Wards of the District directly affected	Warwick South, Warwick West	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No.	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes 190

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Relevant Director	22/05/09	Bill Hunt
Chief Executive		
CMT		
Section 151 Officer		
Legal	26/05/09	John Gregory
Finance	26/05/09	Marcus Miskinis
Portfolio Holder(s)	25/05/09	Councillor John Hammon
Consultation Undertaken		
Every business in the proposed BID area has been, and will continue to be, consulted at every stage of the BID process and encouraged to identify the improvements they would like the BID to deliver.		
All businesses within the BID area will get a copy of the business plan outlining exactly what the BID will deliver and how much it will cost them before they are asked to vote in autumn 2009.		
Final Decision?	No	
Suggested next steps (if not final decision please set out below)		
Progress update and business plan to be submitted to the Executive before the vote confirming financial implications for Warwick District Council.		

1. **SUMMARY**

- 1.1 The county and district councils are supporting Warwick town centre's business community to develop a Business Improvement District (BID) to enhance and promote the town. This report outlines the BID concept, the key stages in Warwick BID's development and the potential financial implications for Warwick District Council.

2. **RECOMMENDATION**

- 2.1 That the Overview & Scrutiny Committee notes progress on the Warwick BID and the potential financial implications for Warwick District Council.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The BID should have a positive impact on the vitality and viability of Warwick town centre. Every business within the BID area is being consulted on the proposal and will be encouraged to vote in the autumn. Every business will have to pay the levy if a successful majority vote is secured.
- 3.2 The district council's levy contribution will need to be approved and budgeted for. The financial implications will be confirmed in a report to the Executive before the BID vote.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 The Town Centre Manager works with businesses and stakeholders to enhance and promote Warwick. This activity will continue whether the BID is established or not but an annual operational budget of £16,000 limits what can be delivered.

5. **BUDGETARY FRAMEWORK**

- 5.1 Warwick District Council currently pays business rates on 17 properties within the potential BID area with a combined rateable value of £147,525 - 9 car parks, 5 offices, 2 public conveniences and 1 shop. The final BID area is still to be confirmed which may affect this figure. Should any council-owned property currently occupied become vacant, the BID levy obligation defaults to the landlord.
- 5.2 If the BID levy was set at 1.5% of rateable value, Warwick District Council would pay £2,213 a year over the term of the BID which can be three or five years. If the levy was set at 2%, the council would pay £2,951. These figures are also only indicative at this stage as the BID levy and area is still to be set.
- 5.3 If the BID levy became payable for part of this financial year, we would aim to make our contribution from existing budgets and address future years' payment as part of the 10/11 budget setting process. This would be considered in detail in the Executive report closer to vote time by when the BID area and consequent levy liability will be clearer.

6. **POLICY FRAMEWORK**

- 6.1 The BID proposal supports the Corporate Strategy vision of making Warwick District a great place to live, work and visit. It directly impacts upon the Development objective to create thriving town centres, keep pleasant villages and make the district an attractive place to live and work. The BID may also help achieve the key

objectives of high environmental standards and safe, vibrant and sustainable communities.

- 6.2 The BID proposal supports the Community Plan objective to create a Prosperous community with a strong local economy, particularly P1: to continue the regeneration of the town centres.
- 6.3 Section 2 of the Local Government Act 2000 gives councils the power to promote or improve the economic, social or environmental well-being of the area.

7. **BACKGROUND**

- 7.1 A lot has been done in recent years to enhance, animate and promote Warwick town centre. However there's still a gap between what can be delivered with existing resources and the aspirations of businesses.
- 7.2 Over the last two years, the county and district councils have supported Warwick businesses to investigate the feasibility of introducing a Business Improvement District (BID) to close this gap. Warwick Chamber of Trade and Warwick Castle have also provided financial support and sit on the BID Development Group.
- 7.3 Business Improvement Districts are an arrangement whereby businesses get together, decide what improvements they want to make in their trading environment, how they're going to manage and deliver those improvements and what it will cost them. This all goes into a business plan which is voted on by all those who would have to pay. The BID can last for a maximum of 5 years and must be able to demonstrate how it has benefited the businesses who have funded it.
- 7.4 Specialist consultants were commissioned to undertake a feasibility study in 2007 which revealed that the 470 businesses in Warwick town centre could generate an annual budget of around £150,000 to deliver projects that they feel would improve their trading conditions. The BID Development Group felt that the feasibility study demonstrated sufficient potential and support to explore the opportunity further by employing a dedicated BID Development Manager.
- 7.5 Warwick BID Development Group appointed a BID Development Manager in September 2008. The BID Manager has been engaging with the business community to identify their needs and aspirations. The results of the initial survey were published in a newsletter in May and online at www.warwickbid.co.uk. Street and sector meetings took place in April and May to discuss the issues identified and to start developing potential projects. A business plan will be developed over the summer and the vote is planned for October.
- 7.6 The district council is a member of the BID Development Group and is supporting the development process to determine whether a BID is appropriate and viable for Warwick. The proposed BID area, sectors, projects and consequent levy have not been established at this stage.
- 7.7 A report outlining the business plan and financial implications for the council will be submitted to the Executive before the vote.
- 7.8 The Warwick BID is part of the county council driven Warwickshire BIDs Programme. Rugby BID (www.rugbybid.co.uk) has been established since 2005 and will bring in £5million over its five year term. BID Leamington

(www.bidleamington.com) secured a successful vote in March 2008 generating an annual budget of £300,000 to attract people to the town. Businesses in Stratford voted in favour of their BID (stratforward.co.uk) in April 2009. Solihull is also aiming to establish a BID this year. It is therefore important that we explore how a BID could maintain and improve Warwick's competitiveness in the region.