
Meeting of the Cabinet - 17th February 2022

Joint Report of the Director of Regeneration and Enterprise and the Director of Finance and Legal

Halesowen Business Improvement District (BID) re-ballot

Purpose

1. To advise Cabinet of the Halesowen BID proposal for re-ballot for a new five year term and to consider the timeline.

Recommendations

2. It is recommended that the Cabinet:-
 - Approve the BID proposal and timeline.
 - Agree for Halesowen BID to proceed to a re-ballot in Summer 2022.

Background

3. BID's are business led partnerships, created following a ballot, to deliver additional services to local businesses over a defined period, normally 5 years.

A BID is a defined area in which a levy is charged on all non-domestic ratepayers in addition to non-domestic rates. Such a levy can only be collected by the local authority and it is then passed on to the BID company less an amount for the cost of collection and administration.

A BID can only be established following approval of a proposal setting out what the BID will do. The levy will be used to develop such projects which will benefit businesses in the local area. This should be in addition to services provided by the local authority.

The Halesowen BID is seeking to go to re-ballot for a new five-year term proposed to start 1st August 2022. The timeline for the second term ballot is included at Appendix 2.

If successful, the BID will continue to be delivered by Halesowen BID Company (HBC), a not-for-profit company that will support the businesses in the town to deliver the BID Business Plan. It will be managed by a BID Manager and Board which will be made up of a business representatives from within the proposed BID area.

The proposed Business Improvement District (BID) area covers not only the Town Centre but also the surrounding areas and consist of more than 330 active companies with some 30 premises currently vacant in total.

For a re-ballot a BID proposer is required to develop a BID proposal (included at Appendix 1) and submit this to the local authority-

The proposal should set out the services to be provided and the size and scope of the BID. It will also set out who is liable for the levy, the amount of levy to be collected and how it is calculated.

The proposed BID levy will raise approximately £600,000 over the 5-year life of the BID. The amount of levy that will be required from each business levy payer will be calculated at 1.25% of the rateable value (RV). The BID proposal is legally binding, but the business plan can be changed.

Within the BID Proposal Halesowen BID have developed a Mission Statement to help shape the work and focus of the BID's second term,

"Together we'll prosper by creating a brighter and stronger town; a visitor magnet and a thriving, attractive business destination; enjoying a clean, safe and pleasant area by all those that live, work and socialise within it".

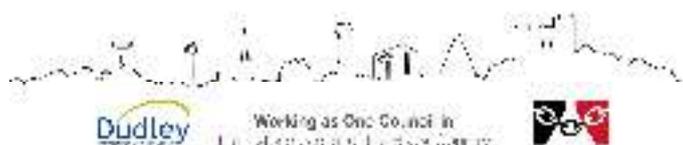
The second term will focus on the delivery of three main strategic objectives for the BID area namely:

- Experiential Destination
- Environmentally Focused
- Economy Focused Support

Where a BID includes undertaking additional work to that provided by the local authority, normally a baseline is established so that this "additional" work can be clearly identified. In the case of the Halesowen BID this work only makes up a small part of the three objectives, however the related baseline activity is commencing now.

A formal agreement between The BID company and the local authority will be produced which will mirror the existing agreement.

Once the Halesowen BID is in place for a new term, a monitoring group will be established to monitor the performance of the BID levy collection. This group will include the BID director, and representatives from the authority's Revenue & Benefit service, with Legal and Financial services representatives being called upon as required.



Finance

4. There are two direct financial implications for the Council arising from this report:
- The Council will forward fund the BID levy at the start of each financial year to support the BID's cashflow and to enable them to develop an annual programme of activity.
 - Business properties occupied by DMBC or empty business properties owned by DMBC in the BID area, will be liable for the levy.

Law

5. The Local Government Finance Act 1988, part 4 of the Local Government Act 2003 ("the Act") and the Business Improvement Districts (England) Regulations 2004 and or any subsequent regulations or enactment or consolidation of the Local Government Finance Act 1988 Act or the Act or the regulations which provide a legislative framework for the establishment and operation of a BID.

Risk Management

6. There are no identified material risks to the Council resulting from the report. Financial risks resulting from the forwarding funding of the BID levy are mitigated by the fact that Revenue & Benefits are responsible for collecting the BID levy on behalf of Halesowen BID.

A BID monitoring group will also be established which will include representation from the Council's Revenue & Benefit Service together with legal representatives (where required) to monitor any associated risks that emerge as part of the implementation of the BID's business plan.

Equality Impact

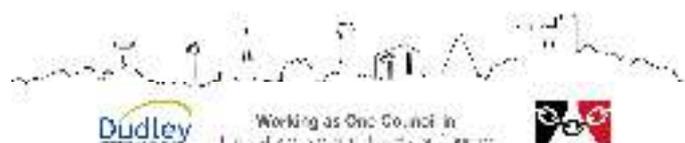
7. There are no equality impact implications arising from this report.

Human Resources/Organisational Development

8. There are no direct HR/OD impacts associated with this report as any work associated with this decision will be undertaken by the existing Halesowen BID team. Where additional specialist support is required to conduct the re-ballot this will be procured directly by the Halesowen BID team. Existing teams within the Council who already work with and support Halesowen BID will continue to do so should the re-ballot be successful.

Commercial/Procurement

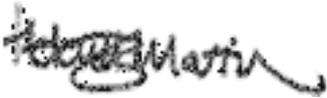
9. There are no direct commercial implications associated with this report.



Council Priorities

10. Supporting the re-ballot for a new five year term for Halesowen BID supports the council priorities of *Regenerating the Borough* and *Growing a Strong Visitor Economy* in addition to supporting the aspirations of the Borough Vision of creating "*vibrant towns and neighbourhoods which offer a new mix of leisure, faith, cultural, residential and shopping uses*"

The Halesowen BID's strategic objective of "*An Eco-Friendly Future*" also aligns with the Council's aims to reach net zero Carbon emissions by 2041.



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Appendices

Appendix 1: Draft BID Proposal
Appendix 2: Draft BID Timeline

List of Background Documents