

Officer Non Key Executive Decision

Relevant Chief Officer:	Neil Jack, Chief Executive
Relevant Cabinet Member:	Councillor Lynn Williams, Leader of the Council
Implementation Date of Decision:	15 February 2021

BLACKPOOL TOWN CENTRE AND BLACKPOOL TOURISM IMPROVEMENT DISTRICT PROPOSALS

1.0 Purpose of the report:

- 1.1 To consider the Council's position with regard to whether it wishes to veto the proposed Business Improvement District (BID) ballots. BIDs are expected to offer services to their levy payers as an addition to those provided by the local authority. This is referred to as 'additionality'. The Council can veto BID proposals if there is a conflict with an existing local authority policy.

2.0 Recommendation(s):

- 2.1 To endorse the principles and overall approach of the Blackpool Town Centre BID and its Business Plan for 2021 to 2026 (attached at Appendix 'A').
- 2.2 To endorse the principles and overall approach of the Blackpool Tourism BID and its Business Plan for 2021 to 2026 (attached at Appendix 'B').
- 2.3 To note that the Chief Executive as Returning Officer will instruct a Ballot Holder to undertake a ballot of appropriate businesses within the Town Centre Business Improvement District area and the Tourism Business Improvement District area, as defined in the attached Business Plans.
- 2.4 To delegate to the Director of Communication and Regeneration authority to vote on behalf of the Council in both ballots, following consultation with the Leader of the Council.
- 2.5 To note that officers are working with the BID proposers to agree both an Operating Agreement and a Baseline Agreement.
- 2.6 To agree that the Council does not exercise its right of veto in relation to the ballots taking place.

3.0 Reasons for recommendation(s):

- 3.1 To place on record the Council's view on whether it wishes to veto the proposed BID ballots and identify its general support for the ballots.
- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No
- 3.2b Is the recommendation in accordance with the Council's approved budget? Yes
- 3.3 Other alternative options to be considered:
- 3.4 To veto the two ballots but the criteria for applying a veto is not met and therefore it is not recommended that a veto be exercised.

4.0 Council Priority:

- 4.1 The relevant Council Priorities are "The economy: Maximising growth and opportunity across Blackpool" and "Communities: Creating stronger communities and increasing resilience".

5.0 Background Information

- 5.1 A Business Improvement District (BID) is a business-led partnership that enables coordinated investment in the management and marketing of a commercial area, and is a defined geographical area. Governed by legislation to ensure fairness and transparency, a BID is created for a five year period following a successful ballot of local businesses. During the term of the BID, all businesses defined within the BID Business Plan geography will be required to pay the mandatory levy, irrespective of whether they cast a vote in the ballot or not.
- 5.2 Schedule 1, Regulation 4, Section 2a of The Business Improvement Districts Regulations (Local Government, England)² states that a BID organisation may only be in situ for a five year term before it must be re-elected by the levy payers via a ballot renewal. There are now over 300 BIDs across the UK. The first Blackpool BID was voted in by Town Centre levy payers in 2005. The latest BID term was from 2015 to 2020 and a ballot for renewal was due to be held in August 2020. However, due to the coronavirus, the time period for the ballot for BIDs was extended under the Coronavirus Act 2020 and a ballot now has to take place before 31st March 2021.
- 5.3 It is considered that the BID has proved popular with the majority of levy payers and has played a significant part in supporting Blackpool businesses and promoting Blackpool Town Centre and will assist in the recovery from the pandemic.

- 5.4 In order to establish a BID, a BID proposer needs to submit a proposal to the local authority along with a business plan. Once the local authority has ratified the proposal they will put it to a ballot.
- 5.5 A second BID proposal has also been received to set up what is to be called a Tourism Business Improvement District which would broadly cover the Promenade and other key Tourism areas which are set out in the attached Business Plan.
- 5.6 In order to pass, the majority of businesses who would be subject to the levy (if approved) must vote in favour of it. Additionally, a majority of votes must be achieved in terms of overall rateable values.
- 5.7 Once approved, the Business Improvement District body is established. This is often a not-for-profit company. BIDs are expected to offer services to their levy payers as an addition to those provided by the local authority – this is usually referred to as “Additionality”. BIDs are not expected to provide services that would normally be provided by the local authority. There is currently a Blackpool Town Centre Business Improvement District Limited and it is envisaged that should both BID ballots be successful then there would be one company which would oversee both BIDs.
- 5.8 The Local Authority is required to ensure the ballot is operated, either in-house or outsourced, in line with the BID Regulations. Irrespective of whether the ballot is run in-house or outsourced, the local authority Ballot Holder remains legally responsible for the ballot process as set out within the Regulations.
- 5.9 The Local Authority is required to manage the collection and enforcement of BID levy charges. BID Bodies and their local authority establish a levy collection agreement covering the BID term, referred to as an Operating Agreement. The purpose of this agreement is to define the principles and processes for collecting the levy; enforcing the payment of the levy; reporting on collection and bad debt; monitoring provisions between then BID and the local authority; and providing regular detailed and summary information on the service to the BID as the client.
- 5.10 It is a requirement under Schedule 1, paragraph 1(1) (b) to the BID Regulations that the BID proposals include a statement of the existing baseline services provided by the local authority or any other public authority in the proposed BID area (if any).
- 5.11 Services funded by the BID would be set out and agreed as additional to the baseline offer. The statement of baseline services is only required where there is a correlation with the services proposed by the BID.

Does the information submitted include any exempt information? No

List of Appendices:

Blackpool Town Centre BID and its Business Plan for 2021 to 2026 - Appendix 'A'.

To endorse the principles and overall approach of the Blackpool Tourism BID and its Business Plan for 2021 to 2026 - attached at Appendix 'B'.

6.0 Legal considerations:

6.1 The responsibilities of a Local Authority and the process for organising BID ballots are covered in the Business Improvement Districts (England) Regulations 2004. Further guidance is also set out in the Department for Housing, Communities and Local Government Business Improvement Districts 'Technical Guide for Local Authorities' published in 2015.

7.0 Human Resources considerations:

7.1 None

8.0 Equalities considerations:

8.1 There are no equalities considerations with regard to the Council's responsibilities for whether to veto the proposed BID ballots.

9.0 Financial considerations:

9.1 The cost of the ballots for both BIDs is the responsibility of the Council and would be under £10,000 which is covered within existing revenue budgets.

10.0 Risk management considerations:

10.1 To safeguard itself from challenge by the Secretary of State the Council must have regard to the Business Improvement Districts (England) Regulations 2004 and accompanying guidance when deciding whether to apply a veto, organising a ballot or collecting a levy.

11.0 Ethical considerations:

11.1 There are no ethical considerations with regard to this report.

12.0 Internal/ External Consultation undertaken:

12.1 Consultation has taken place with the Leader of the Council with regard to the support for a ballot for the renewal of the Town Centre BID and a ballot for the creation of a Tourism BID.

13.0 Decision of Chief Officer

13.1 To endorse the principles and overall approach of the Blackpool Town Centre BID and its Business Plan for 2021 to 2026 (attached at Appendix 'A').

13.2 To endorse the principles and overall approach of the Blackpool Tourism BID and its Business Plan for 2021 to 2026 (attached at Appendix 'B').

13.3 To note that the Chief Executive as Returning Officer will instruct a Ballot Holder to undertake a ballot of appropriate businesses within the Town Centre Business Improvement District area and the Tourism Business Improvement District area, as defined in the attached Business Plans.

13.4 To delegate to the Director of Communication and Regeneration authority to vote on behalf of the Council in both ballots, following consultation with the Leader of the Council.

13.5 To note that officers are working with the BID proposers to agree both an Operating Agreement and a Baseline Agreement.

13.6 To agree that the Council does not exercise its right of veto in relation to the ballots taking place.

14.0 Reasons for the Decision of the Chief Officer

14.1 To place on record the Council's view that it does not wish to veto the proposed BID ballots and identify its general support for the ballots.