

REPORT TITLE: WINCHESTER BUSINESS IMPROVEMENT DISTRICT BALLOT
2022

22 JUNE 2022

REPORT OF CABINET MEMBER: Councillor Thompson, Cabinet Member for
Business & Culture

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WARD(S): ST BARTHOLOMEW, ST PAUL AND ST MICHAEL

PURPOSE

This report notifies the council of the official request from Winchester City Centre Partnership to ballot for a fourth term of the Winchester Business Improvement District. The official letter was sent to the Secretary of State on 16 May 2022 giving the required "84 days notification required of the intention to request the billing authority to put the BID proposal to ballot". The BID ballot day is 3 November 2022.

This request places obligations on the city council to run the ballot and collect the BID levy if the vote is successful in securing an additional term. The council will also be liable to pay the BID levy on its property within the BID area. As a property owner the council has the right to vote on the proposals in the ballot, the detail of which is given in this report.

The Winchester BID has been managed and operated effectively for the past three terms and is well regarded within the network of BIDs across England. Through the funds raised by the levy it generates additional capacity and resources to those of the council to ensure Winchester city centre is well maintained and safe, businesses are supported and informed and the place is promoted to residents and visitors. The BID works closely with the city council on these mutual areas of interest and over the years this has developed into a constructive partnership relationship.

RECOMMENDATIONS:

Cabinet are asked to:

1. Support the principle of a Winchester BID Ballot on 3 November 2022 to determine whether there will be a fourth Winchester BID for the area covered in the BID Area Map (Appendix 1);
2. Delegate authority to a Strategic Director to exercise the ballot votes in support of the BID in respect of city council properties in the BID area;
3. Note the financial implication associated with the Winchester BID in respect of running the ballot; ongoing levy collection and paying the BID levy as set out in section 2.
4. Delegate authority to the Corporate Head of Economy & Community, in consultation with the Cabinet Member for Business and Culture, to provide comment on the Winchester BID Draft Business Plan (Appendix 2), noting those made by the Winchester Town Forum at its 16th June 2022 meeting and subject to any comment from Cabinet;
5. Inform Winchester BID that the services set out in the Winchester BID Baseline Statements 2023-2028 (Appendix 3) may be subject to review through the annual council budget setting process and the BID will be consulted on any change arising throughout the life of the BID term 1 April 2023 to 31 March 2028.

IMPLICATIONS:**1 COUNCIL PLAN OUTCOME**

- 1.1 Tackling the Climate Emergency and Creating a Greener District
- 1.2 Winchester BID supports and is a member of the Sustainable Business Network. In the Draft Business Plan for the new term a new priority theme of “Clean, Attractive and Sustainable City” has been included to reflect the importance of these issues to the BID and its members.
- 1.3 Vibrant Local Economy
- 1.4 Through, amongst other things, the BID Independent’s working group, sponsoring Business Excellence Awards; offering the Savings and Advisory Service and Winchester Business Centre; and putting on training, networking and business events, the BID contributes to:
- a) Working in partnership to strengthen the appeal of the Winchester district by promoting and developing our unique cultural, heritage and natural environment assets
 - b) Promoting our independent businesses and supporting start-ups
- 1.5 Living Well
- 1.6 The BID contributes to “A wide range of physical and cultural activities for all ages and abilities” through its marketing and promotion and events activities such as the family focused Bunny Hop trail and Christmas Lights Switch-on; the Winchester Guided Tours;

2 FINANCIAL IMPLICATIONS

- 2.1 The financial implications to the council cover three aspects; the cost to run the BID ballot; the ongoing collection of the BID levy; and the cost of the levy with regard to council property within the BID area.

Item	Cost	Expenditure	Budget
Running the ballot	£3,000	Mainly to postage and printing. Council as billing authority cannot pass on or otherwise recover these costs.	Elections
Levy collection	£8,600	Billing administration and annual licence costs for dedicated software	Revenue & Benefits
BID Levy on council property	£35,200	Business premises, public toilets and car parks within the City Centre	Estates

- 2.2 The costs associated with the ballot have to be met by the council as billing authority. The cost of annual billing and collection of the levy is met from with the Revenues and Benefits core budget.
- 2.3 In addition there is a £15,400 annual collaboration agreement between WCCP and the city council (met from the Economy Team budget) that facilitates partnership working on a number of areas of mutual benefit. This includes activity under the following outcomes:
- a) Festivals and promotions
 - b) Christmas in Winchester
 - c) High Street Priority Plan and longer term vision
 - d) Climate emergency and Carbon Neutrality Action Plan
 - e) Winchester District Green Economic Development Strategy
 - f) Representation and business voice

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The ballot and collection process is governed by The Business Improvement District (England) regulations 2004 as amended. The Ballot will be managed by the Elections Team in accordance with this regulation.

4 WORKFORCE IMPLICATIONS

- 4.1 The BID Ballot, the collection of the Winchester BID levy and ongoing relationships with the BID is resourced within existing officers' roles, including Revenues, Legal, Elections and Economy teams. These roles are incorporated into officer workloads as the council moves into its 15th year of working with the BID.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The council is currently responsible for the rates on 50 properties in the area covered by the BID. If the BID Ballot is successful and the BID can run for another five-year term the council will be liable for the BID levy in addition to the business rates for these properties.
- 5.2 Within the Baseline Statement details of the services provided in relation to property and assets are included in the sections for Contract Management, Engineering & Transport, Estates, Parking and Special Maintenance.

6 CONSULTATION AND COMMUNICATION

- 6.1 The BID is responsible for consulting on its business plan for the next term 2023 to 2028. Independent research, in the form of a detailed survey of BID members in autumn 2021 helped the BID to focus its proposals in the draft Business Plan. Each year the BID produces an Annual Review which is circulated with the levy notices, and includes a summary of work and activity during the past year, future plans, a financial report, FAQs. The draft proposals for the BID's fourth term were launched at the BID Forum in

February and the Annual General Meeting held 27th April 2022, and which is open to all, included a summary of the draft proposals.

- 6.2 The Winchester Town Forum at its 16th June 2022 meeting received a presentation from Winchester BID on the business plan and ballot proposals and the comments will be reported verbally at the Cabinet meeting. A members briefing will also be organised to consider the Draft Business Plan.
- 6.3 The BID Executive Director, Paul Spencer and Company Secretary and Business Development Director, Christopher Turner, has met with the officers including Corporate Head of Economy & Community, Service Lead - Revenues & Benefits and Governance Manager to discuss and agree the ballot arrangements. In addition, Corporate Heads of Service and Service Leads from a number of council services have been consulted on the Baseline Statements (Appendix 3), so that this up-to date and holds the correct information at this time.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The running of the BID Ballot does require the printing of voting papers and the BID proposal and draft business plan. These will be printed on recycled paper and use environmentally friendly inks.

8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 The Public Sector Equality Duty (PSED), at section 149 of the Equality Act 2010, requires public bodies, including the council to have due regard to the aims of the general equality duty when making decisions and when setting policies.
- 8.2 Having due regard to the need to advance equality of opportunity involves considering the need to remove or minimise disadvantages suffered by people due to their protected characteristics.
- 8.3 To minimise disadvantage for anyone participating in the Ballot:
- a) Voting papers can be provided in large print or alternative formats for anyone who requires it;
 - b) Voting is postal, minimising the need to travel;
 - c) Voting is secret.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None. The data used to generate the voting papers for the Ballot comes from the council's rating list, as allowed under regulation 11 of The Business Improvement Districts (England) Regulations 2004 (as amended), and is held

and managed in accordance with council policy by the Revenues and Benefits Team.

10 RISK MANAGEMENT

- 10.1 With regard to the council's vibrant local economy priority of the current risk appetite is moderate. This means tending towards exposure to modest levels of risk in order to achieve satisfactory outcomes. The following assessment does not identify any risk that are incompatible with this moderate risk appetite.

Risk	Mitigation	Opportunities
<p>Financial Exposure</p> <p>Cost of BID levy on council property.</p> <p>Cost of services in the city centre.</p> <p>Additional cost of service and project delivery should the BID ballot be unsuccessful.</p>	<p>The levy is fixed on each property for the BID term and no inflation will be added. Therefore the cost to the council will remain known provided no new properties are created by the council within the BID area or property owned by the council which is currently occupied by a tenant is not left vacant, as both would create additional liability for the levy.</p> <p>A BID Baseline Statement 2023-2028 has been created in consultation with council officers.</p> <p>The BID levy raises est. £580K p.a. this level of funding cannot be replaced by the council.</p>	
<p>Exposure to challenge</p> <p>Challenge to the Ballot process.</p>	<p>The Revenue and Benefits and Elections Teams are experienced in running ballots and ensuring full compliance with the regulations.</p>	

Risk	Mitigation	Opportunities
<p>Innovation</p> <p>None – this process is governed by The Business Improvement District (England) regulations 2004 as amended.</p>	<p>N/A</p>	
<p>Reputation</p> <p>Failure to secure a fourth BID term impacts on the reputation of the city as a place that supports and invests in its high street businesses and environment.</p>	<p>The council will run the Ballot in accordance with the regulations.</p> <p>Subject to Cabinet approval the council will support the BID proposals when exercising its right to vote in the Ballot.</p>	
<p>Achievement of outcome</p> <p>The BID Ballot does not proceed.</p>	<p>The Revenue and Benefits and Elections Teams are experienced in running ballots and ensuring full compliance with the regulations</p> <p>A timetable to monitor timescales and key dates has been created.</p>	
<p>Property</p> <p>None other than financial – see section above.</p>	<p>N/A</p>	
<p>Community Support</p> <p>The BID Ballot is not supported by the businesses.</p>	<p>The BID has successfully run three terms and has built its reputation of delivery and benefit to the businesses in the BID area. Consultation and feedback has helped direct the priorities in the Business Plan to reflect the needs of these levy payers.</p>	

Risk	Mitigation	Opportunities
<p>Timescales</p> <p>There are fixed timescales detailed in the regulations for the issue of notices etc.</p>	<p>The BID in agreement with the city council has created a timetable to monitor these timescales to ensure dates are met.</p>	
<p>Project capacity</p> <p>Lack of staff or resources to run and complete the BID Ballot.</p>	<p>The Revenue and Benefits and Elections Teams are experienced in running ballots and will ensure there is capacity to hold the Ballot.</p>	

11 SUPPORTING INFORMATION:

11.1 **BID Ballot and Levy**

11.2 BIDs are operated by not-for-profit partnership organisations, and can only be established through a referendum (BID Ballot) of businesses in the defined BID area in which there is a majority in terms of both votes cast and the rateable value of votes cast.

11.3 Voting in the BID Ballot is open to each business property in the defined BID area. A successful BID Ballot entitles the local authority to levy a small additional percentage on top of the standard National Non Domestic Rates or Business Rates. Payment of this levy is mandatory, and all levy monies are passed back to the BID body. Details of this are set out in Winchester Business Improvement District (BID) Operating Agreement 2023 – 2028 (Appendix 5). The Winchester BID is operated by Winchester City Centre Partnership Limited the Memorandum and Articles of Association for which are provide in Appendix 6.

11.4 The BID has completed three five-year terms. The last ballot was in November 2017 and had the following results:

Total votes cast (minus those rejected)	352
Total votes in favour	272 (77% of the votes cast)
Total rateable value of premises represented in the ballot	£42,438,794
Total rateable value of premises represented by 'yes' vote	£17,676,714
Total rateable value of premises represented by	£2,698,975

'no' vote	
Turnout	40.45%

11.5 The BID ballot takes the form of a 28-day postal ballot, that will commence 7th October 2022 and close 5pm on 3rd November 2022. Results will be announced on Friday 4th November.

11.6 Winchester BID proposals

11.7 The area covered by the BID for the next term remains the same as the current one and is shown on the Winchester BID Area Map (Appendix 1). This currently encompasses 931 properties both retail and commercial.

11.8 Winchester BID Draft Business Plan (Appendix 2) sets out who the BID is, how it is managed and what it will deliver over the next five-year term. The projects and activities in the new term build on the previous business plan and fall into four priority themes:

- a) A Better Promoted City
 - (i) Marketing
 - (ii) Supporting Independent Businesses
 - (iii) City Centre Events
 - (iv) Festivals in Winchester
 - (v) Seasonal Promotions
 - (vi) Winchester Guided Tours

- b) A Safe and Secure City
 - (i) Business Crime Reduction Partnership
 - (ii) Shopwatch and Pubwatch
 - (iii) Best Bar None Awards
 - (iv) BID Rangers
 - (v) Street Pastors
 - (vi) Spare Change for Lasting Change

- c) A Clean, Attractive and Sustainable City
 - (i) Floral Displays
 - (ii) Christmas Lights
 - (iii) Additional Public Realm Enhancements
 - (iv) Sustainable Business Network

- d) A Thriving Business Community
 - (i) Winchester Business Excellence Awards
 - (ii) Savings and Advisory Service
 - (iii) Training, Networking and Business Events
 - (iv) Winchester Business Centre
 - (v) Health and Wellbeing

- (vi) Equality and Diversity:
- (vii) Business Continuity
- (viii) Influencing the Agenda
- (ix) Footfall and car parks data
- (x) Parking and Access Management
- (xi) City Centre Audits
- (xii) Business Barometer

11.9 It is proposed that the levy will remain as the current term and as set out in Winchester Business Improvement District (BID) Levy Rules 2023 – 2028 (Appendix 4). The annual BID Levy will be calculated as Rateable Value x BID Multiplier. The multiplier, in summary, will be:

- a) Nil where the hereditament is occupied by a charity and is in receipt of Mandatory Rate Relief or has a rateable value (RV) which is less than £1,250.
- b) 1.25% of the RV on Managed Shopping Centres. These are defined as hereditaments included in The Brooks Shopping Centre.
- c) 1.5% of the RV on all other hereditaments

11.10 Over the life of the BID term the multiplier cannot be increased without an Alteration Ballot.

11.11 **Conclusion**

11.12 Cabinet is asked to support the BID proposals when exercising its right to vote on the Ballot on 3 November 2022.

11.13 Winchester BID has built on its past years of performance to provide a high quality service to the businesses in the city centre, and support to the council through working collaboratively on a number of activities. The Draft Business Plan sets out these achievements and provides a sound financial plan for how the levy raised will be used over the next five years. The priority themes have been updated and projects and services run by the BID are regrouped to better reflect their outcomes. Cabinet is asked to support this business plan and agree that the formal approval of the final document to be provided by the Corporate Head of Economy & Community in consultation with the Cabinet Member for Business & Culture.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 The option not to support the BID proposal, and exercise those votes against the proposal was rejected. Should the BID Ballot be unsuccessful the BID would cease trading as of 31 March 2023. This will mean the projects and initiatives that would have been delivered in the next term could not happen.

BACKGROUND DOCUMENTS:-Previous Committee Reports:-

CAB2927	18 May 2017	Winchester and Segensworth BID 3 Business Plans
CAB2833	7 September 2016	Business Improvement Districts: Third BID Ballot and Renewal Arrangements
CAB2329	17 May 2012	Winchester BID Proposal Update
CAB2239	9 November 2011	Second Winchester Business Improvement District: Business Plan, Map and Baseline Statement
CAB2181	15 June 2011	Business Improvement Districts: Second BID Ballot and Renewal Arrangements
CAB1450	11 April 2007	Winchester BID Development Update

Other Background Documents:-

Government Guidance: Information and guidance on Business Improvement Districts

<https://www.gov.uk/guidance/business-improvement-districts>

APPENDICES:

1. Winchester BID Area Map
2. Winchester BID Draft Business Plan 2023-2028
3. Winchester BID Baseline Statements 2023-2028
4. Winchester BID Levy Rules 2023-2028
5. Winchester Business Improvement District (BID) Operating Agreement 2023 – 2028
6. Memorandum and Articles of Association of Winchester City Centre Partnership Limited