

Appendices:
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NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	NORTHAMPTON TOWN CENTRE BUSINESS IMPROVEMENT DISTRICT RENEWAL
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AGENDA STATUS: PRIVATE

Cabinet Meeting Date:	9 th September 2015
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Chief Executive
Accountable Cabinet Member:	Councillor Hadland
Ward	Castle

1. Purpose

- 1.1 To consider a proposal for the renewal of the Northampton Town Centre Business Improvement District.

2. Recommendations

Cabinet are recommended:

- 2.1 To instruct the Ballot Holder (the Local Returning Officer) to conduct a ballot of local businesses in accordance with legislation, in order to determine whether the proposal for the renewal of Northampton Town Centre Business Improvement District may proceed.
- 2.2 To delegate to the Cabinet Member for Regeneration, Councillor Hadland, the authority to exercise the Council's rights to vote in the ballot on behalf of the Borough Council.

3. Issues and Choices

3.1 Report Background

- 3.1.1 Northampton Town Centre Business Improvement District (BID) was established in January 2011 following a ballot of businesses in the town centre.
- 3.1.2 Legislation requires that for a BID to continue after 5 years, a new proposal to renew the BID must be subjected to a ballot. Should such a ballot approve the proposal then the BID can continue after five years. A further renewal ballot would be required every five years.
- 3.1.3 Northampton Town Centre Limited (the BID) have indicated that they wish to ballot for renewal and in accordance with regulation have produced a Business Plan on which they have requested that the Council conducts a ballot.
- 3.1.4 The Business Plan has been produced by the BID, following on from extensive consultation with town centre businesses. The Plan has been discussed at a number of meeting between officers and representatives of the BID, and a meeting between the Leader and the Cabinet member and the BID.

3.2 Issues

Compliance with legislation

- 3.2.1 The Council has responsibilities under the BID legislation to ensure that before any ballot is instructed, the relevant regulations have been complied with by the BID proposer.
- 3.2.2 The submission from the BID is attached. This contains the BID proposal, details of the consultation undertaken, details of the finances and financial management of the BID, and the BID has demonstrated that it has the finances available to meet the cost of the ballot if this is required. Officers have also been provided with relevant background documents.
- 3.2.3 The Council has also received (on the 26th August) the required request to the Council to instruct the Ballot Holder (Returning Officer) to conduct a ballot.
- 3.2.4 Officers have assessed that the BID proposals provide all the relevant information required under the regulations.
- 3.2.5 Therefore it is advised to Cabinet that it would be within the law to instruct the ballot holder to hold a ballot on these proposals.

Content of the BID proposals

3.2.6 The BID proposal is attached for Cabinet to read. Some key points to note are:

- The proposed BID levy will be 1% of rateable value and 0.75% for those businesses inside shopping malls, with fixed levy charges for lower rateable values rising in line with inflation for the next 5 years
- The area to be covered by the BID is proposed to be unaltered.
- Through the proposed business-led programme of investment the vision is *“to develop the town into a quality destination with a clear identity, which provides opportunities for premier retail niches, specialists and independents, which respects and nurtures its professional services, celebrate its attractive diverse leisure and cultural offer, builds upon the town’s heritage and looks to the future.”*
- The programme of investment will be delivered through the three strategic objectives and related projects. The strategic objectives cover the promotion of the town centre and its businesses, the development of the town centre experience, and business growth and investment in the town centre.
- The BID should receive £1.5m in total over the next five years and will start on the 1st January subject to a successful ballot.
- The plan provides a framework for action, recognising the level to which it is possible to be specific about the activities that the BID will fund from the levy. Pages 21 to 24 of the attachment detail the kinds of activities that will be supported and provides an indication of what will be spent on activities in support of each objective.
- The BID will continue to be delivered by a not-for-profit, limited by guarantee, company Northampton Town Centre Ltd (NTCL), who have engaged specialist support from Partners for Better Business Ltd (PFBB). The Board of NTCL is made up of local business people and includes a representative of the Council in the Cabinet Member for Regeneration, Councillor Hadland. This position is held ex-officio. All levy payers may be members of NTCL.
- The proposals emphasise the importance of working collaboratively including with the local authorities and includes monitoring arrangements to ensure that the proposals are implemented successfully.

The Council’s right to veto proposals

3.2.7 The Council should satisfy itself that the BID proposal does not conflict to a material extent with any existing local authority policy formally adopted by an contained in a document published by the Authority, nor propose a significantly disproportionate burden on particular persons or businesses by way of an unfair levy charge on a certain ‘class’ of levy payers. The Council

also needs to be satisfied with the extent of consultation with the Authority in preparing the proposals. It is sensible to do this prior to allowing the ballot to take place so as to minimise the risk of having to veto the proposals following the ballot.

- 3.2.8 From the work undertaken between officers and the BID, no areas that would require the Council to consider veto-ing the proposals have been identified.

Ballot

- 3.2.9 Subject to Cabinet approving this report's recommendations and the expiry of the call-in period, the Ballot process will commence on the 17th September with the ballot closing at 5pm on the 29th October. The ballot holder is able to vary this date if needed, but it is expected that the date proposed by the BID is achievable on this basis.

- 3.2.10 After the ballot, there is a 28-day period during which requests may be made to the Secretary of State to void the ballot result. Assuming that no such issue arises, the BID will be able to operate on this renewed basis from 1st January 2016.

- 3.2.11 It is proposed that the Cabinet member for Regeneration exercises the Council's right to vote on these proposals in a ballot.

3.3 Choices (Options)

- 3.3.1 Given that no areas have been identified where the Council may wish to consider exercising its veto, the Cabinet should issue instructions to ballot.
- 3.3.2 Cabinet could decide to defer consideration for a short period within the regulations for some purpose. This is not recommended.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The BID proposal represents the policies of NTCL as the BID proposers and does not represent NBC policy. However officers advise that the BID proposal does not conflict to a material extent with any existing local authority policy formally adopted by and contained in a document published by the Authority.

4.2 Resources and Risk

- 4.2.1 The Council will, as a business ratepayer itself, continue to pay the levy for town centre premises. This is within the existing budget.
- 4.2.2 BID activities may require financial co-ordination with the Council or collaboration financially. Such instances will be agreed individually as the proposals are implemented and will be at the discretion of both the Council and the BID.

4.2.3 The BID have been told clearly by the Council that the current baseline expenditure by the Council in the Town Centre may vary in the future and the BID have expressed their understanding that the Council will approve budgets annually but will discuss relevant matters with the BID.

4.2.4 The levy provides a useful additional spend on supporting businesses in the town centre and as such helps make the town centre better than would be the case without.

4.3 Legal

4.3.1 The relevant legislative requirements are being complied with.

4.4 Equality and Health

4.4.1 No specific health or equality matters have been raised by these proposals.

4.5 Consultees (Internal and External)

4.5.1 The consultation undertaken by the BID was extensive and is summarised in the proposal. It is understood that the consultation significantly affected the proposal. The Council has not carried out any separate consultation.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The development and enhancement of the town centre is a critical priority for NBC and the BID proposal contributes potentially to this.

5. Background Papers

5.1 Northampton Town Centre BID Proposal 2016-2020 (attached)

David Kennedy, Chief Executive. 01604 837726