

Economy & Growth Committee

Date of Meeting:	12 July 2022
Report Title:	Wilmslow Town Centre Business Improvement District
Report of:	Jayne Traverse, Executive Director of Place
Report Reference No:	EG/01/2022-23
Ward(s) Affected:	Wilmslow East/Wilmslow West and Chorley

1. Purpose of Report

- 1.1 A formal notification has been submitted to the Council, setting out the intention of Groundwork CLM, to put a proposal for a Wilmslow Town Centre Business Improvement District (BID) to a postal ballot.
- 1.2 This report considers the way the Council should vote in the BID ballot and seeks to ensure officers have appropriate delegations to complete ballot papers on behalf of the Council; provide advice to the BID; and ensure appropriate representation on any Wilmslow town centre BID Board and at BID meetings.

2. Executive Summary

- 2.1 The Council has received a request to hold a postal ballot on a proposal for a Business Improvement District in Wilmslow town centre. If successful at ballot, this will be the first BID in Cheshire East.
- 2.3 The Corporate Plan identifies the Council's ambition to ensure the success of town centres in our key towns. The BID Proposal is considered to be likely to deliver significant benefits supporting the vitality and viability of Wilmslow town centre.
- 2.4 On April 14th Corporate Policy Committee considered the obligations on the Council as billing authority under the Business Improvement Districts (England) Regulations 2004, agreed delegations to enable those

responsibilities to be actioned, and resolved that officers should seek to cover the costs to the Council as billing authority where eligible.

- 2.5 There are additional implications for the Council as the owner of several hereditaments within the proposed BID area. (A hereditament is a rating term to describe a property (or part of a property) that is included in the Local Rating List and is liable for Non-Domestic Rates.) Given its hereditaments, the Council will be entitled to vote in the BID ballot, and, if the BID is successful at ballot, will be liable to pay the levy for its hereditaments falling within the scope of the BID proposal.
- 2.6 Given the detail of the BID proposal was not fixed at the date this matter was considered by Corporate Policy Committee, and, having regard to the remit of Economy and Growth Committee, Corporate Policy did not resolve how to vote in the BID ballot but rather agreed that this should be considered by Economy and Growth Committee following the finalisation of the BID proposal.
- 2.7 Taking into account the relatively low cost to the Council and the anticipated benefits of the Wilmslow BID proposal, it is recommended that the Council support the proposal by voting “yes”, in favour of the BID, in the BID ballot.
- 2.8 To enable appropriate Council representation on any BID Board, and to allow officers to provide advice on matters discussed by the BID in a timely and agile manner, this report also seeks delegations to appropriate officers to make further decisions around these issues assuming the BID ballot returns a “yes” vote.

3. Recommendations

- 3.1 That Economy and Growth Committee resolve:
 - 3.1.1 That the Wilmslow Town Centre Business Improvement District shall be supported by the Council.
 - 3.1.2 That delegated authority be granted to the Director of Growth and Enterprise to complete any ballot slips the Council is entitled to complete in the BID ballot, voting in support of the BID in the ballot on behalf the Council for the Council’s hereditaments.
 - 3.1.3 That in the event the Council is requested to attend BID meetings in an advisory capacity, the Director of Economy and Growth shall accept and agree the most appropriate officer representation and empower that officer to provide such advice to BID meetings as they consider necessary.

- 3.1.4 That in the event of a 'yes' vote and the BID proceeding, delegated authority be granted to the Executive Director - Place to consider the Terms of Reference of the BID Board, and, having regard to any advice given by the Monitoring Officer, in consultation with the Chair of Economy and Growth Committee, determine whether to put forward a CEC representative for appointment onto the BID Board and if so, select the appropriate appointee and empower that appointee to make any decisions required on behalf of the Council.

4. Reasons for Recommendations

- 4.1. After consideration of the BID proposals, officers are of the view that the BID is likely to complement the efforts of CEC to support the vitality and viability of Wilmslow town centre, aligned to the Council's corporate priority to support successful town centres, and in line with the recommendations of the emerging Wilmslow Town Centre Vitality Plan. The initiatives which would be taken forward using the levy also align to a number of other Council priorities as set out in the Policy Section of this report and voting in support of the ballot demonstrates the Council's commitment to supporting positive interventions in the town centre.
- 4.2. These benefits need to be considered in the context of the anticipated cost of the levy which the Council would be eligible to pay as the body responsible for payment of business rates for several town centre hereditaments. On balance it is considered that the benefits of the BID are likely to justify the relatively modest costs of the levy.
- 4.3. It is understood that if the BID is successful at ballot, the Council is likely to be requested to attend specific BID meetings in an advisory capacity. Depending on the agenda of individual meetings and the advice required, different officers may be best placed to attend. To ensure adequate flexibility, it is considered appropriate that the Director of Economy and Growth shall agree the most appropriate officer representation for meetings, with the potential to delegate that responsibility further via local schemes of delegation.
- 4.4. Separate from this, BID best practice guidance advises that ideally the local authority will have a seat on the BID Board. It is therefore considered likely to be desirable for the Council to put forward a representative to sit on the BID Board. The Terms of Reference of the Board are likely to be highly relevant in determining who can represent the Council on the Board, having regard to the Constitution and legalities. Authority is therefore sought for the Executive Director - Place, having regard to advice from the Monitoring Officer and in consultation with the Chair of Economy and Growth Committee, to determine who should be put forward fulfil this role, once the BID Board Terms of Reference are confirmed.

5. Other Options Considered

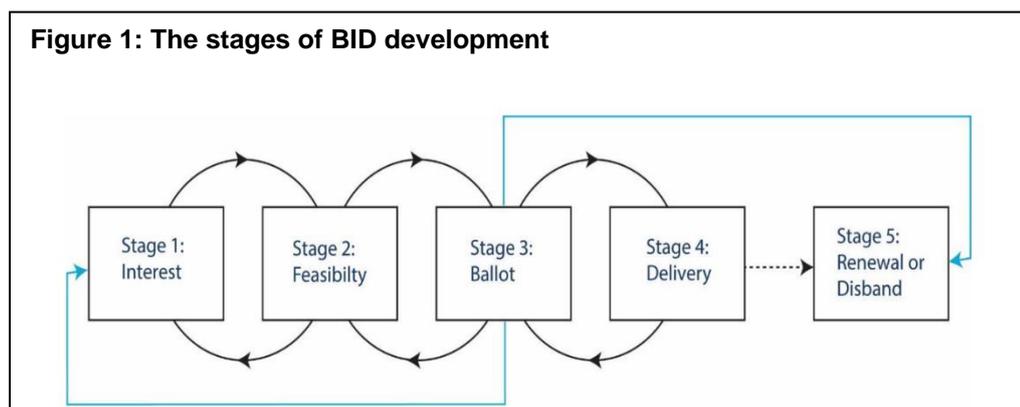
- 5.1 The Council could resolve to vote against the BID proposal or abstain from voting in the BID ballot.
- 5.2 As the BID proposals are considered to complement Council policies and aspirations relating to town centres, and as the cost to the Council would be relatively low at circa £5,500 per year, to vote against the proposals or to abstain from voting would indicate to the Wilmslow business community that whilst the Council states its support for town centres, it is not willing to commit even a modest resource to back up that statement. It is considered that this would be likely to undermine local confidence in the Council's integrity.
- 5.3 Although the Council does not have a particularly large presence in Wilmslow town centre in terms of its hereditaments, voting against the BID would increase the risk of the BID not being successful at ballot and ultimately not proceeding. This could result in the loss of circa £1m to the BID area over the five year term of the BID. This could potentially also lead to the loss of additional leverage and match funding which the BID might generate and would be likely to lead to dis-engagement of local businesses willing to work in partnership with each other and with the Council for the betterment of the area.

6 Background

- 6.1 A Business Improvement District (BID) is a defined area where business rate payers have voted in a ballot to pay a levy, in addition to business rates, into a fund for a fixed period (normally 5 years), and that levy is then managed to deliver specific agreed initiatives to benefit the BID area. The levy rate is typically something in the order of 1.5% of rateable value, but the rate is a matter of choice for the BID proposer. This income is ring-fenced to provide improvements in the BID area that would otherwise not occur. The BID can also draw on other public and private funding streams.
- 6.2 The majority of BIDs are focused on town centres and BIDs have the potential to bring significant extra regeneration impact to a town or district centre. The priorities for BID levy spend depend on the exact detail of the BID proposal, but town centre BIDs might typically support such things as improving the general appearance of the centre, enhanced marketing and promotional activity, events to stimulate footfall, crime reduction initiatives, access initiatives such as wayfinding, and support for business.
- 6.3 Legislation to enable BIDs was included in the Local Government Act 2003. Subsequently the Business Improvement Districts (England) Regulations 2004 outlined the procedures for their establishment and management.

Since their introduction, BIDS have become an important mechanism for place management in many locations. There are currently around 324 BIDs across Great Britain, Northern Ireland and Ireland (*Source 2021 BID survey*), but none in Cheshire East at present. There are however a number in neighbouring authorities including: Manchester BID; Stockport Town Centre BID; Warrington Town Centre BID, Altrincham BID, and no fewer than five BIDs in Cheshire West and Chester.

- 6.4 Eligibility to vote is based on one vote per eligible business premise (hereditament) situated in the defined BID area. BID proposals can be designed such that certain categories of business rate payers are exempt from the levy, and these would not then be entitled to vote in the ballot. To be successful at ballot a BID proposal must have gained a simple majority vote in favour, both in terms of the number of voters and the aggregate value of business rates of those that have voted.
- 6.5 BIDS have a maximum term of five years unless renewed by reaffirmation of support through a further ballot. Many BIDs progress beyond their initial five-year term, with some of the UK's longest-running BIDs, having now been in operation for over 15 years and through four ballots. Evidence indicates that BID ballot results increase in support the longer a BID has been in existence. (*Institute of Place Management 2019*). This suggests that BIDs can be seen by local businesses as adding value worthy of the levy charged. Regional locations with long-running BIDs include Liverpool City Centre and Winsford Industrial Estate in Cheshire West, both now in their fourth term.
- 6.5 The development of a BID can be described in the five stages set out in Figure 1 (*Source Institute of Place Management (IPM)*)



- 6.7 In general terms, where there is potential interest in a BID, work is undertaken to test the feasibility. This will involve consideration of a potential BID geography, testing the appetite of businesses, considering the amount of levy which could be raised, and contemplating the priorities the BID might focus on. If the feasibility work suggests there is likely to be sufficient support

for a “yes” vote, a BID proposal may then be developed further and the local authority as billing authority requested to put the BID proposal to a ballot. If the BID is successful at ballot, it will then progress to delivery stage.

- 6.8 In 2020 Wilmslow Town Council, appointed Groundwork CLM to carry out a feasibility study on a potential BID in Wilmslow town centre.
- 6.9 In undertaking this work Groundwork established a town centre management group and engaged with a sample of 200+ businesses and stakeholders to gauge opinion on a range of issues and challenges for Wilmslow town centre. This work identified a number of areas where a BID could potentially add value to the town centre management above and beyond the statutory responsibilities of Cheshire East Council and ultimately the study recommended that a BID proposal be developed.
- 6.10 In December 2021, Wilmslow Town Council considered the report flowing from the feasibility study and resolved that the Town Council would appoint Groundwork to continue its work to develop a BID to take to ballot.
- 6.11 Subsequently, on 18th February Groundwork Trust served notice on CEC confirming that the Wilmslow Town Centre Management Group intended to ask CEC to hold a BID ballot. This notice (the “84 day notice”) is submitted at least 84 days before the BID proposer submits the formal BID proposal and a formal notice requesting the holding of the ballot. If successful at ballot, this will be the first BID in Cheshire East.
- 6.12 Following receipt of the 84 day notice, on 14th April 2022 a report was taken to Corporate Policy Committee, explaining that a BID proposal was in development for a Wilmslow Town Centre BID, that it was anticipated the proposal would be finalised and a request to hold a ballot would be received in May.
- 6.13 The report to Corporate Policy Committee confirmed delegations to allow officers to respond to the BID proposal as required of the billing authority under the Business Improvement Regulations 2014. This covered delegations to enable officers to enable the BID ballot to be held, to check the final BID proposals against the regulations to ensure there are no grounds to veto the ballot, and in the event of a ‘yes’ vote at ballot, making any necessary arrangements for the completion and updating of any legal agreements necessary to facilitate the BID, for billing, collection and enforcement of the BID levy, and its transfer to Wilmslow Town Centre BID. The report to Corporate Policy also referenced the intention to report this matter to Economy and Growth Committee once the BID proposal had been finalised to outline the detail of the BID proposal and to seek any necessary further authority to respond.

- 6.14 The final BID proposal has now been received and is attached for Committee to read in full as Appendix 1 to this report. Key points regarding the proposal are summarised in 6.14.1- 6.14.16 below.
- 6.15 The area of the BID is illustrated in Figure 2. The boundary follows that of the 'town core' as defined in the Wilmslow Neighbourhood plan.

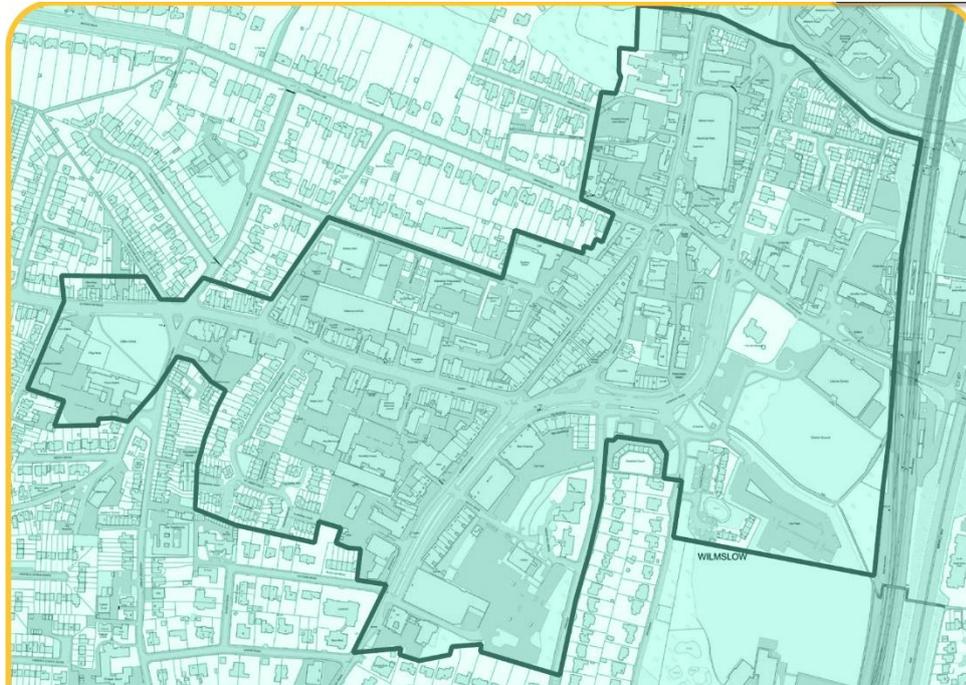


Figure 2: Proposed BID area

- 6.16 Hereditaments with rateable values below £15,000 would be excluded from the levy as would hereditaments with a prime purpose as a place of worship or state school.
- 6.17 Where payable the levy would be linked to rateable value, equating to 1.5% of a hereditaments rateable value per year (with an annual increase of 0.05%) with a cap of £8,000 per annum per hereditament.
- 6.18 It is estimated the BID would raise circa £1m over a five year period for investment in the BID area.
- 6.19 The BID would focus on delivering improvements under three themes:
- i. Improving visitor and consumer experience, for example creating a business led event programme, improving street furniture, street cleansing and art features to improve the town centre environment and introducing new measures focused on reducing anti-social behaviour.
 - ii. Delivering a dedicated year-round marketing and promotion campaign, growing the Wilmslow Way Better website, enhancing the online reach

of town centre businesses via social media, investing in professional video and image production promoting the town centre, driving forward promotional coverage in local and regional magazines, developing targeted marketing campaigns etc.

- iii. Supporting the business community creating a one-stop shop for businesses to refer problems and opportunities, providing consumer data, developing a package of support for growing independent businesses and building stronger links with support agencies.

6.20 The BID would be managed by Groundwork CLM, a not for profit charity and limited company with extensive experience of BID management in other boroughs and directed by a Board of eligible businesses and organisations from across the BID area, meeting a minimum of 6 times a year.

6.21 The Council is the rate payer for a number of hereditaments within the BID area. The estimated BID levy which would be payable on these hereditaments in the event of a “yes” vote is set out in the table below:

Hereditament	Rateable Value	Property Description	Current BR annual bill 2022/23	Estimated annual BID levy (1.5% of RV) 22/23
Wilmslow Library, Alderley Road, Wilmslow, SK9 1PT	45,000	Library & Premises	22,455.00	675.00
R/O 5-39 Alderley Road, SK91NX	65,000	Car Park & Premises	33,280.00	975.00
CEC, Broadway, Wilmslow, SK9 1NB	70,500	Car Park & Premises	36,096.00	1,057.50
CEC South Drive, Wilmslow, SK9 1NW	146,000	Car Park & Premises	74,752.00	2,190.00
CEC Car Park, Spring Street, Wilmslow, SK9 5AU	41,250	Car Park & Premises	20,583.75	618.75
TOTAL				£ 5,516.25

6.22 The levy is mandatory for all eligible properties in the event the BID returns a ‘yes’ vote. Thus, if the BID becomes operational, the Council will be obliged to pay the BID levy for these hereditaments regardless of whether it has voted in favour of the BID in the ballot. The circa £5.5K/annum (increasing

by 0.05% per annum after 22/23) the Council would be liable to pay in levies over the five year term of the BID is however relatively low.

- 6.23 The ballot is run as a secret ballot meaning that the BID Proposer will not be notified of which way votes have been cast at any stage of the ballot, or after the ballot has ended. It is commonplace however for Councils entitled to vote in a BID levy to be transparent and open with regard to their views.
- 6.24 As part of the assessment of a BID proposal, consideration has been given to alignment with Council strategy and policy as discussed in section 8.3. It is considered to be clear that the aims of the Wilmslow BID proposal are aligned with the aims of the Council in terms of its aspirations for town centres.
- 6.25 In recent years, competitive central funding opportunities have been heavily focused on supporting areas of deprivation. Wilmslow is, generally speaking, one of the more affluent parts of the borough and Wilmslow town centre has not been a location for which the Council has been able to pursue significant external funding. This being the case, pursuing alternative funding such as a BID levy may be the only realistic option for generating significant funding to support town centre vitality and viability.
- 6.26 Given the Council's stated desire to support successful town centres, and the lack of external funding streams available for this type of locality, supporting a BID proposal with a "yes" vote in the ballot is an opportunity for the Council to demonstrate its support in a practical manner.
- 6.27 The BID has the potential to deliver significant benefits in terms of town centre vitality and viability. On balance the cost of levies payable by the Council is low relative to the potential benefits of the BID and officers are therefore recommending the Council confirms its support for the BID proposal and votes "yes" in the BID ballot.

7. Consultation and Engagement

- 7.1 The proposed BID would fall within the two Cheshire East Wards of Wilmslow East and Wilmslow West and Chorley, represented by Cllr Jefferay, and Cllrs Goldsmith and Macfarlane respectively. Cllr Goldsmith is also a Wilmslow Town Councillor and Wilmslow Town Council have clearly been instrumental in funding work to bring the BID proposal forward. Ward Councillors have been briefed regarding the BID proposal and are supportive of the idea in principle.
- 7.2 As part of the BID development, Groundwork has carried out various stages of consultation with businesses in Wilmslow town centre. This is summarised in the BID proposal at Appendix 1. This has included gathering views on the challenges and opportunities that exist for Wilmslow to inform a draft BID proposal and gathering feedback on the draft proposal before its finalisation. It is understood that the draft proposal has been communicated via letters

and emails as well as via www.wilmslowbid.co.uk, and that online consultation events have been held by the BID Proposer.

8 Implications

8.1 Legal

- 8.1.1 There is no impediment to delegating authority to the Director of Growth and Enterprise to complete any ballot slips the Council is entitled to complete in the BID ballot, and directing they vote in a particular way in the ballot on behalf the Council for the Council's hereditaments.
- 8.1.2 The consequences of voting in a particular way have already been canvassed at paragraphs 5.2, 6.15 and 6.21 of this Report. In the event the BID vote is successful it follows that the Council will be become legally liable to meet the financial obligation imposed by the Levy.
- 8.1.3 In addition, it will be the Council's responsibility to collect the Levy as the local billing authority. It will be collected in the same way that non-domestic rates are collected now. In the event of non-payment, it will fall to the Council to take enforcement action to recover, and it is advisable that provision is made in an Operating Agreement with the BID body that enforcement costs can be recouped through the levy in the event they cannot be recouped from the defaulter.
- 8.1.4 There is no impediment to delegating to the Director of Economy and Growth the authority to agree the most appropriate officer representation for meetings with the BID Body where the Council is invited in an advisory capacity or with the potential to delegate that responsibility further via local schemes of delegation.
- 8.1.5 There is no impediment to delegating to the Executive Director of Place power, in consultation with the Chair of the Economy and Growth Committee to determine whether to put forward a Council representative for appointment onto the BID Board if so invited and if so invited to select the appropriate appointee. There is no statutory right for the Council to sit on a BID Board other than by invitation of the Board.

8.2 Finance

- 8.2.1 There are costs to the Council associated with assisting the BID proposer in developing the BID Proposal, holding the ballot, setting up systems ready for collecting the levy and annually with levy collection. The Corporate Policy Committee considered these costs on 14th April 2022 and resolved that the Council should seek to recover eligible costs from the BID Proposer or levy. Aligned to the resolution of the Corporate Policy Committee officers are seeking to recover all eligible costs.

- 8.2.2 The BID Proposer has agreed to include in the BID Proposal that the set-up costs for levy collection and annual levy collection costs would be recouped from the levy and repaid to the Council. Steps will need to be taken to ensure that the cost of recovery is reviewed regularly to ensure that additional debt recovery costs are met.
- 8.2.3 With regard to recouping the costs of the ballot, which are estimated likely to be in the region of £5,000, the regulations explicitly recognise only one scenario where the Authority can require the recovery of ballot costs, that being in the case of a “no” vote where the number of persons voting in favour is less than 20 per cent of the number of persons entitled to vote in the ballot. The BID Proposer has submitted information to provide assurances that the BID Proposer has the funds to cover the cost of the ballot in this scenario.
- 8.2.4 In the event of a “yes” vote the regulations indicate that the cost of ballot costs can be recouped from the levy. However, there is no express provision in the regulations that the billing authority is able to require the BID proposer to do so. Following the resolution of Corporate Policy Committee, officers have made the BID Proposer aware that the Council would like the ballot costs to be recouped from the levy in the event of a “yes” vote. The BID Proposer has declined to include this in their proposal, interpreting the regulations as this being discretionary. Consequently, these costs will likely need to be met from existing service revenue budgets.
- 8.2.5 The Business Rates team have identified the hereditaments for which CEC is the rate payer and it has been estimated that the total levy will amount to circa £5,500 per annum for the five year lifetime of the BID, if it is successful. The request for payment would be sent to Facilities Management as they receive and pay business rates for the relevant hereditaments.
- 8.2.6 Usually for small increases to revenue expenditure, services would be expected to find compensating savings from somewhere within their service. The increase for service budgets will be relatively small but will add an additional pressure. If pressures become too large to manage within the existing budget envelope, then additional budget would need to be sought via the annual MTFS route.

8.3 Policy

- 8.3.1 The Corporate Plan (2021-25) recognises that successful town centres are vital to ensuring thriving urban and rural economies with opportunities for all. A well-managed, successful BID should support Wilmslow town centre to thrive economically. The Cheshire East Local Plan also states that the Council is fully supportive of the aims of promoting the vitality and viability

of town centres as important places for communities and a major focus for employment and drivers of economic growth. The draft CEC Economic Strategy of 2019 also stated as its first objective Strategic “Improving quality of place, with a focus on regenerating our town centres”.

8.3.2 Taking into account the specifics of the Wilmslow BID proposal, it is clear that these are also aligned to a number of other Council priorities referenced in the Corporate Plan: reducing crime and anti-social activity; continuing to grow the visitor economy and improving the environment.

8.4 Equality

8.4.1 The Council has not undertaken an Equalities Impact Assessments (EIA) on this proposal since it is being brought forward by a third party.

8.5 Human Resources

8.5.1 There are considered to be no direct significant implications for human resources stemming from this report.

8.6 Risk Management

8.6.1 There is potential for both positive and negative reactions from local businesses to this proposal. Whilst the Council is not the BID proposer there is a clear possibility that the BID proposal may be perceived as a Council initiative with consequent potential positive or negative public reaction, particularly as the Council would be responsible for collection of the levy. Risks around this can be mitigated by ensuring clear communication and continuing close liaison with the BID proposer.

8.6.1 The checks undertaken by the Council on receipt of the BID proposal include a review of finances designed to enable the Council to ensure, that the BID proposer can cover the costs of the ballot should the number of votes in favour be less than 20 per cent of the number of persons entitled to vote in the ballot and the BID proposal not being successful at ballot, reducing the risk of abortive costs falling to the Council.

8.6.2 There are additional reputational and financial risks which might flow from procedural error, for example should a challenge be lodged claiming an irregularity in the ballot process.

8.6.3 There are considered to be reputational risks should the Council not support this proposal with a “yes” vote given the Council’s stated position on wishing to support vital and viable town centres.

8.7 Rural Communities

8.7.1 There are considered to be no specific implications for rural communities arising from this report.

8.8 Children and Young People/Cared for Children

8.8.1 There are considered to be no specific implications for young people/cared for children stemming from this report.

8.9 Public Health

8.9.1 There are considered to be no direct implications for public health stemming from the BID proposal. If the BID is successful in boosting the local economy this could have beneficial impacts although economic benefit may not necessarily filter to those in poorest health, particularly in a five-year period.

8.10 Climate Change

8.10.1 The BID proposal has the potential to impact on climate change in multiple ways. For example, if the BID supports business to thrive this could encourage more people in Wilmslow to stay in their local area for leisure but conversely it could attract new visitors from outside the area, both scenarios impacting on carbon emissions in different ways. Given that the Council would not be in control of BID expenditure it would likely be able to exercise only limited influence over initiatives which could have implications for climate change, whether positive or negative. If the Council has a representative on any future BID Board, there will likely be more scope to ensure that the climate change agenda is considered when decisions are made by the Board.

Access to Information	
Contact Officer:	Jo Wise, Development & Regeneration Delivery Manager Jo.wise@cheshireeast.gov.uk 07870 391694
Appendices:	Appendix 1: Copy of BID proposal
Background Papers:	Report to Corporate Policy Committee 14 April 2022