

7 June 2023

Report of	Monitoring Officer	Author	Andrew Weavers
			☎ 282213
Title	Renewal Ballot for Colchester City Centre Business Improvement District		
Wards affected	Castle		

1. Executive Summary

- 1.1 This report deals with renewal proposals for the Colchester Business Improvement District (BID) for Colchester City Centre. The renewal proposal is being led by Our Colchester Limited who have developed and consulted on the BID renewal proposal the details of which are contained in this report.
- 1.2 This report also provides detail on the required renewal ballot of non-domestic ratepayers within the BID area.
- 1.3 The Council's Returning Officer will act as the Ballot Holder and will administer the ballot of non-domestic ratepayers in the BID area.
- 1.4 This report details how the Council as Billing Authority will collect the BID levy should the renewal proposal be approved by the ballot.

2. Recommended Decision

- 2.1 To confirm that the Council as Billing Authority is satisfied with Our Colchester Limited's Business Improvement District (BID) Renewal Proposal for Colchester City Centre for 2023 to 2028.
- 2.2 To agree the ballot of non-domestic ratepayers within the BID area.
- 2.3 To agree to collect the BID levy in line with charges set out in section 8.2.
- 2.4 To instruct the Chief Operating Officer to vote "Yes" in the renewal ballot on behalf of the Council in relation to its non-domestic rate-paying Council properties located within the BID area.

3. Reasons for Recommended Decision

- 3.1 To enable the Council to formally endorse the BID renewal proposal for Colchester City Centre and proceed to the ballot of businesses in accordance with the relevant Regulations.
- 3.2 As the owner of 13 properties (hereditaments) in the BID area, the Council will have the opportunity to vote in the BID ballot.

4. Alternative Options

- 4.1 The Council could vote "No" in the BID renewal ballot. The Council is one of over 456 businesses who are eligible to vote in the BID ballot and the result will be determined by a majority vote (numeric and rateable value). The Council has demonstrated its support for

the BID through its funding, member and officer time and its formal endorsement at this meeting and other alternative options are not being suggested.

5. Supporting Information

- 5.1 Business Improvement Districts are business led partnerships which are created through a ballot process to deliver additional services to local businesses. A BID is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit business in the local area.
- 5.2 In 2018 Colchester Presents CIC developed a BID Proposal for Colchester Town Centre which comprised a business plan, details of baseline services and a draft Operating Agreement for 2018- 2023 (the term of the proposed BID) which it submitted to the Council in accordance with the Business Improvement Districts (England) Regulations 2004 ("2004 Regulations"). The Cabinet at its meeting on 6 June 2018 approved the Proposals and authorised the ballot of non-domestic ratepayers. The result of the ballot was that a majority of non-domestic ratepayers voted in favour by numbers and aggregate rateable value.
- 5.3 The 2004 Regulations require that a renewal ballot of non-domestic ratepayers in a BID area is carried out every 5 years following its creation. A renewal ballot follows exactly the same process as a proposal ballot to create a BID.
- 5.4 Our Colchester Limited as the operator of the Colchester City Centre BID has served notice on the Council that it intends to hold a renewal ballot. In accordance with the 2004 Regulations, it has provided the Council with its business plan for 2023 – 28 which is attached at Appendix 1 details the services intended to be provided within the BID area. It also contains details of who will be liable for the levy, the amount of levy to be collected and how it is to be calculated. Those businesses (approx. 456) which have a rateable value of £15k and over located in the renewed BID area will be subject to the levy as contained in the Proposals will be eligible to vote in a renewal ballot which will determine whether the Proposals are approved.
- 5.3 The renewal ballot for the BID will be undertaken by the Council's Returning Officer acting as the Ballot Holder in accordance with the provisions contained in the 2004 Regulations 2004. A business entitled to vote in the BID renewal ballot will have one vote in respect of each hereditament (property on which a business rate is paid) situated in the BID area. The full ballot procedure will be forwarded to businesses with the ballot papers. Voting will be from 23 June 2023 and will conclude on 20 July 2023. The announcement of the results is set for 21 July 2023. The notice of the result will be announced and published both on the Council and the BID websites (www.ourcolchester.co.uk).
- 5.4 A successful renewal ballot vote is one that has a simple majority in both votes cast and in rateable value of the votes cast. Each business entitled to vote in a BID renewal ballot is allowed one vote in respect of each property occupied or (if unoccupied) owned by them in the geographical area of the BID. Once the BID is in operation the levy is charged on all relevant businesses within the BID area (regardless of whether or how that business voted in the ballot).
- 5.5 In order for the renewal ballot to be successful it must meet two tests in order for a BID proposal to be approved:-
- (1) a simple majority (51%) of those voting must vote in favour; and
 - (2) those voting in favour must represent a greater total rateable value than those voting against.

- 5.6 In the event of a successful “yes” vote in favour of the BID, the term of the renewed Colchester City Centre BID would commence on 1 October 2023 and run until 30 September 2028 and be managed by Our Colchester Limited via an Operating Agreement with the Council.
- 5.7 If the BID renewal ballot is successful the Council as Billing Authority will continue to manage the billing and collection of the levy and will hold the levy in a ring-fenced revenue account on behalf of Our Colchester Limited which provides services within the BID area.
- 5.8 A Marketing and Communications Strategy has been implemented to promote and engage with businesses to secure a renewal vote in favour of the BID in June 2023. A range of Communication and PR activity is now underway including media releases, regular newsletters, dedicated website (www.ourcolchester.co.uk), ongoing business engagement forums and 1:1 meetings with businesses.
- 5.9 A draft Operating Agreement has been agreed between the Council and Our Colchester Limited which sets out the details of the operation of the BID, the use of the levy for the purposes of achieving the BID arrangements and also how the Council as Billing Authority will collect the levy from eligible business in the BID area. The Operating Agreement also contains details of baseline services which comprise the current service specification, delivery and performance measures by the Council. Services provided by the BID will be over and above those outlined in the baseline services.
- 5.10 The BID renewal Proposal and including the Business Plan 2023 – 2028 was published and launched to businesses in May 2023. This detailed the services provided by the BID company together with the indicative costs of providing those services. The Proposal identifies which businesses will be required to pay and what BID levy percentage would be charged. The Proposal also identifies any exemptions or discounts that may be applied.

6. BID Renewal Consultation

- 6.1 Our Colchester Limited has undertaken a consultation exercise with businesses in the City Centre regarding the proposal to renew the BID.

7. BID Renewal Proposal

- 7.1 The Renewal Proposal for the Colchester City Centre BID is the document upon which the businesses will decide how to vote in the renewal ballot. It contains details of the BID levy, BID area, BID projects and costs, BID budget, BID ballot process, BID management, BID alteration policy and evidence supporting the BID case.
- 7.2 A business plan for 2023 -2028 builds on the success of the previous five years and contains details of the services proposed to be delivered by Our Colchester Limited is available on the BID website and is attached at Appendix 1. It is proposed that the BID levy payable on all non-domestic properties in the BID area be increased from the current 1.5% to 1.75% of the rateable value. Charitable organisations which are subject to relief on their business rates currently pay 1.2% and it is proposed that this is increased to 1.5% of the levy. From 2024 onwards the levy rate will be increased by a fixed inflation rate of 2% per annum.
- 7.3 The business plan highlights that it is intended that the BID will deliver a wide range of benefits for businesses in the city centre BID area under 3 key themes of:
- Attracting visitors
 - Environment
 - Business community
- which are underpinned by the following strategic pillars:

A Memorable City

- Delivering exciting, innovative, and experienced-driven projects and events that make our visitors experience memorable. Through enhanced greening of City Centre spaces to large-scale events that bring our residents, workers, and visitors to the heart of Colchester. Through enhanced greening of City Centre spaces to large-scale events that bring our residents, workers, and visitors to the heart of Colchester. Delivering exciting, innovative, and experienced-driven projects and events that make our visitors experience memorable. Through enhanced greening of City Centre spaces to large-scale events that bring our residents, workers, and visitors to the heart of Colchester.

A Forward-Thinking City

- We will strive to enable innovation and a forward-thinking approach through well-engaged and researched visions and strategy to be ahead of the curve in place-making changes. Although it is important to manage short-term interventions, we must ensure we are always working towards an exciting future.

A safe and welcoming City

- Our guests first impressions are everything. From enabling the brilliant basics to ensuring that every visit is a safe one, we will invest in reducing, challenging, and raising awareness of crime and anti-social behaviour to protect our businesses, visitors and residents through the day and night.

A connected City

- Through a collaborative approach with our partners and businesses, we will delivering innovative campaigns, activations, and experiences to promote Colchester City Centre. Celebrating our USP's whilst driving Colchester as the leisure, tourism, and employment leader in the region.

7.4 It is considered that the BID renewal Proposal (and business plan) are compliant with the 2004 Regulations, do not conflict with any of the Council's policies nor propose a disproportionate burden on particular businesses within the BID area.

8.0 Financial Implications

8.1 There are three main financial implications for the Council in respect of the BID:-

- Costs of administering the BID
- The Council's own levy payment

Costs of administering the BID

8.2. The Council will remain responsible for the billing and collection of the levy for the BID. This involves a postage and printing as well as staff time. The table below summarises these costs showing which are one-off and which are recurring:-

	One off	Recurring	Total
External Costs			
System costs (incl. design and training)	n/a	n/a	
Post and print		£800	£800
Collection of levy			
Collection		£9,600	£9,600
Management		£2,400	£2,400
Admin of revenue account		£500	£500
Total		£13,300	£13,300

Cost of levy to CCC

- 8.5. The Council has 13 hereditaments with a rateable value of in excess of £15k and the resulting annual cost to the Council of paying the levy as proposed in the BID area is £28k. In the current year the cost is for only 6 months and therefore will be £14k. However, the Council will retain any court fees recovered as part of any legal proceedings for non-payment of the levy by any eligible business.

9. Strategic Plan References

- 9.1 The Colchester City Centre BID is a key part of the Council's Strategic Plan 2023 -26 under the Delivering Modern Services for a Modern City, Grow our economy so everyone benefits and Celebrate our city, and our heritage and culture strategic objectives.

10. Equality, Diversity and Human Rights Implications, Community Safety, Health and Safety, Risk Management and Environmental and Sustainability Implications

- 10.1 None identified at this stage.

11. Consultation and Publicity

- 11.1 Comprehensive plans for consultation and publicity are contained within the Our Colchester Limited's BID Plans.