

<b>CABINET</b>	<b>AGENDA ITEM No. 7</b>
<b>18 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

Report of:	Steve Cox, Executive Director of Place and Economy	
Cabinet Member(s) responsible:	Councillor Marco Cereste, Cabinet Member for Waste, Street Scene, and the Environment	
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**PETERBOROUGH BUSINESS IMPROVEMENT DISTRICT (BID) UPDATE REPORT AND PROPOSED NEXT STEPS**

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM:</b> <i>Councillor Marco Cereste, Cabinet Member for Waste, Street Scene, and the Environment</i>	<b>Deadline date:</b> <i>N/A</i>
<p>It is recommended that Cabinet note the progress that has been made towards establishing a Business Improvement District (BID) in Peterborough and approve the additional actions to support the preparatory work on the BID in the run up to the expected ballot date in 2020.</p>	

**1. ORIGIN OF REPORT**

- 1.1 On 19th November 2018 Cabinet approved a report recommending the development of a Business Improvement District (BID) in Peterborough, with the aim of attracting new investment and securing jobs in the City. The Cabinet report of November 2018 supported the development of a BID.
- 1.2 The purpose of the BID is to provide services additional to those provided by the local authority
- 1.3 Consultation and engagement with the business community over the past few months indicates that there is a positive desire to develop a BID that meets local business needs.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to provide Cabinet with an update on the actions which have been taken following the approval of the 19 November 2018 report and the steps now required to take the BID forward.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.2., "To promote the Council's role as community leader, giving a 'voice' to the community in its external relations at local, regional and international level, and fostering good working relationships with the Council's partner organisations, Parish Councils and the relevant authorities for Police, Fire, Probation and Magistrates' Courts Services."

**3. TIMESCALES**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	<b>N/A</b>
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**4. BACKGROUND AND KEY ISSUES**

4.1 Following the Cabinet report of Nov 18, work has been undertaken to develop this project.

Additional investment in Peterborough city centre is central to the Council's ambitions to support businesses and promote the city's vibrant and growing economy. The development of Peterborough BID is intended, over the long term, to help to attract more footfall to the city centre and encourage extra consumer expenditure and greater business investment. The development of a BID therefore remains central to PCC's strategy to support and revitalise Peterborough city centre.

### **WHAT IS A BUSINESS IMPROVEMENT DISTRICT**

BIDs enable businesses within a defined geographic area - such as a town or city centre - to agree a programme of initiatives additional and complementary to those already provided by the public sector, with the specific aim of boosting the health of the local business sector, by increasing visitor footfall and spend by shoppers for example.

The development of a BID in Peterborough will empower the business community and other city centre based organisations to decide what events and discretionary services they are prepared to fund and support.

The BID could be a forum which enables local stakeholders to assess the value and benefit of different initiatives and allocate resources accordingly.

### **CITY CENTRE MANAGEMENT IN PETERBOROUGH**

The development of the BID will also enable the Council to work with local businesses and take a strategic perspective of the economic forces acting upon the city centre, how these may shape the future of city centre services and what value the Council can provide to support the renewal and growth of Peterborough city centre.

### **PROGRESS WITH DEVELOPING THE BID SINCE NOVEMBER 2019**

#### **BID Steering Group**

A BID Steering Group has been set up composed of a wide variety of organisations, representing different sectors across the city to help develop a prospectus that will set out proposals the BID will pursue if businesses vote in favour of establishing a BID in the city. A full list of organisations represented on the Steering Group is shown in Appendix 1.

The BID Steering Group is led by an elected Chair, Mark Broadhead. As well as Chair of the Steering Group, Mark is Executive Director of the Queensgate Shopping Centre.

The BID Steering Group has approved the BID area boundaries. These have been revised since November 2018, most notably to include Fletton Quays. A copy of the BID area is shown in Appendix 2.

#### **Building an income generation model using the BID levy**

PCC officers have worked with the BID Steering Group to produce different funding models using data from the National Non Domestic Rates database. The final model for the Peterborough BID levy will take into account rateable value threshold for payment, existing service charges paid by businesses at Queensgate and Rivergate and will cap the total levy payable by the biggest few organisations.

#### **Communications**

A communications sub-group has been appointed and is due to report on options for a website design, and collateral required to support the BID marketing campaign.

### **PCC specific actions**

PCC officers have developed draft baseline agreements which set out the “as is” position of services currently provided by the City Council. Further discussions are due to take place to identify future services.

PCC is making provisional arrangements to implement the BID levy and holding the ballot in 2020 on behalf of the Steering Group.

### **TIMESCALE FOR FURTHER ACTIONS**

A structured programme of business engagement and communications has been set out below to ensure that all businesses and wider stakeholders in the city are fully familiar with the potential benefits of a BID well in advance of an anticipated ballot in 2020. The key stages of this programme are summarised as follows:

#### **BID proposed development timeline - key activity to implementation of vote in 2020:**

November 2019

- Business consultation & engagement
- Conduct business survey to identify key themes that will be used to develop the BID business plan

December 2019

- Develop PCC Baseline Agreements which will set out services PCC will deliver to the BID
- Collate findings business survey

January 2020

- BID Steering Group to notify PCC of intention to hold a BID ballot
- BID Steering Group to assess the feedback from business consultations and identify key priorities for the Peterborough BID

February 2020

- Create the draft BID Business Plan which will outline the possible projects and services requested by the business community with indicative cost figures
- Collate feedback from stakeholders on the draft BID Business Plan

March 2020

- BID Steering Group assesses “Go/No Go” decision on BID 2020 ballot
- Based upon above, issue notice of intention to hold a BID ballot to the Secretary of State (issued at least 84 days before the Notice of Ballot issued to businesses)

THE POINTS BELOW DEPEND ON “Go/No Go” decision:

- Notice of BID Ballot despatched (at least 42 days prior to the day of the BID ballot).

Q1/Q2 2020

- BID campaign / marketing strategy underway
- BID ballot papers dispatched (at least 28 days prior to the day of the BID ballot)
- BID ballot date (within 90 days of the Notice of the BID Ballot). 28 day postal ballot
- BID ballot results announced - 28 days for veto request to be made
- BID implementation day

Q4 2020 onwards

- 5 year BID term to commence
- Recruitment and selection of BID staff
- BID begins operation and levy invoices sent to businesses.

## **5. CONSULTATION**

- 5.1 A consultation and engagement plan has been drawn up by the BID Steering Group and there will be both a sectoral based consultation exercise with businesses and a questionnaire based survey to identify business views about priorities for improving the management and operation of services in the city centre. The consultation sessions will commence in November 2019.

## **6. ANTICIPATED OUTCOMES OR IMPACT**

- 6.1 Cabinet will be made aware of the detail of future proposals and provided with further information in due course.

## **7. REASON FOR THE RECOMMENDATION**

- 7.1 To provide Cabinet with an update of the current position.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 Do nothing option has been considered but would have negative financial and reputational impact on the City Centre, nor would the Council be able to benefit from the potential positive outcomes of BID.

## **9. IMPLICATIONS**

### **Financial Implications**

- 9.1 To take the BID to a positive outcome in 2020, BID Steering Group is looking to secure loan finance to support early development costs with a view to repayment on the assumption of a successful ballot outcome. A development fund will be administered by the Council in consultation with the BID Steering Group and is required for the funding of marketing, BID consultant fees and ballot costs. Once the optimum funding mechanism and amount required has been fully explored, approval will be sought in a separate report.

If the BID is successful, it is anticipated to generate levy income of circa £425,000 per annum over the 5 years of the initial BID programme.

### **Legal Implications**

- 9.2 In progressing the further matters set out below it is recognised that the Council may need to enter into legal arrangements including with its existing partners, or contract the services of a specialist supplier to administer the ballot. Furthermore, and in the event of a positive ballot, the Council will consider whether funding support is required by the BID company which will then be set up to progress the BID agenda. Any proposed form of funding to the BID company (or other proposed legal arrangements) will be subject to the Council's Contract Rules and governance requirements in the usual way.

### **Equalities Implications**

- 9.3 None.

### **Carbon Impact Assessment**

- 9.4 The BID is an exciting project which offers the possibility of reconfiguring services in the City Centre in a way which embraces issues of sustainability and enables the Council to reduce its carbon impact in the long term.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 10.1 None.

**11. APPENDICES**

11.1 Appendix 1 - BID STEERING GROUP MEMBERSHIP

Appendix 2 - MAP OF PROPOSED BID AREA

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