

Oxted BID Renewal Ballot

Strategy and Resources – 2nd February 2021

Report of: Alison Boote, Executive Head of Communities

Purpose: For Members to decide how they wish the Council to vote in the Oxted Business Improvement District (**BID**) renewal ballot.

Publication status: Unrestricted

Wards affected: Oxted North & Tandridge and Limpsfield

Executive summary:

Oxted BID has reached the end of its first term with the BID ballot now up for renewal.

This Committee needs to determine whether or not the Council will vote in support of a renewal ballot for the BID in Oxted and whether or not Levy collection and support costs should be reimbursed by the BID.

This report supports the Council's priority of: to support economic recovery in Tandridge "we will continue to meet with local Business Improvement Districts (BIDs) and hold annual business network meetings to understand what's needed to help economic recovery"

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Recommendation to Committee:

That, in accordance with its delegated powers, we ask the Committee to agree:

- a) that the Council votes in support of a BID in Oxted
- b) that the cost of Levy collection be met by the BID.

Reason for recommendation:

To support economic recovery in Tandridge by *working closely with businesses and listening and responding to business concerns.*

Introduction and background

1. On 24th September 2015, The Resources Committee agreed to support the introduction of the BID to Oxted Town Centre.
2. At this Committee, it was also agreed that the Council would support BIDs in the District through:
 - a) exemption of BIDs from levy collection costs; and
 - b) provision of Officer representation in an advisory role on BID boards where requested.
3. The BID is a local, democratically elected organisation that focuses on delivering specific improvements needed by local businesses in a defined area.
4. BIDs invest in and deliver projects to improve the local trading environment and raise the area's profile.
5. BIDs are led and controlled by local businesses; they are independent organisations with ring-fenced resources and finances.
6. BIDs operate for up to five years. Throughout this term they are accountable to their levy-paying businesses and must demonstrate how they make a difference.
7. Oxted BID's first term should have finished on 31st December 2020 but was extended as part of the Coronavirus legislation in March 2020.
8. If supported, the BID renewal ballot will take place between the 18th February 2021 and the 18th March 2021. The Ballot result will be announced on the 19th March 2021.
9. The Renewal Ballot will be run externally at a cost £1,855 plus VAT. Civica Election Services will manage the ballot.
10. The Council is required to meet the cost of the ballot unless the ballot is unsuccessful, and turnout is less than 20% in which case the proposer, Oxted BID, is liable. (Reg 10 of the Business Improvement Districts (England) Regs 2004).
11. The Oxted BID operating area will remain the same for the next term. It has removed some hereditaments that have a business rateable value, but there is no opportunity for them to benefit from the BID e.g. ATMs and public conveniences. On Station Road East the BID area will also stop at Waitrose on that side of the road.
12. The BID levy will be mandatory for all liable businesses in the BID area regardless of whether they choose to vote.

13. The BID levy is set by the BID and it is proposed to remain at 2% for 2021/22.
14. The Council paid £11,297.20 in Levy Payments in 2020/21, this will reduce for 2021/22 given some business premises will be removed from BID Levy.
15. The priorities outlined in the Oxted BID draft Business Plan (see confidential appendix D) have been developed following consultation with local businesses. These priorities are a mixture of operational interventions (e.g. hanging baskets, Christmas lights) and strategic aspirations.
16. The following update has been received from the Oxted BID manager (25.1.2021) in relation to the draft Business Plan for the next term – *"A draft Business Plan has been included. While there will not be any substantive changes, at the time of inclusion in this report this was still a draft document in Word and is therefore not suitable for wider publication."*
17. The Council is one of the largest contributors to the BID along with Morrisons, Waitrose and Freedom Leisure. As such, under BID legislation relating to the ballot (which requires more than 50% of those who vote to vote in favour and that those who voted in favour to represent more than 50% of the total rateable value for all votes cast) the Council has considerable voting power in determining the outcome of the BID.
18. In deciding how the Council will vote, Members need to consider whether they are satisfied with the proposals in the Oxted BID Draft Business Plan, particularly in relation to the priorities, levy rate and exemption costs.
19. In 2019, it cost the Council £980.20 in postage (excluding stationery) to collect levy payments for Oxted BID, and 29 staff resource hours @ M4 grade (£805.91) to support issuance of notices, reminders, summonses, bailiff and reconciliation duties. The Council financed the full cost of this support to the BID.
20. It is worth noting that nationally, of the 200 BIDs in the UK, almost all have support from the relevant Local Authority whether as a levy payer or through contributions.

Other options considered

21. The alternatives to voting in favour of the ballot renewal are:
 - The Council can elect to veto the vote if they do not agree with the Bid Proposals
 - The Council can elect to abstain from voting. If Members decide on this route the Council will leave the outcome of the ballot in the hands of local business holders to decide. If the Council abstains from voting, this may give the appearance that the Council does not support the BID.

Consultation

22. Consultations with local businesses and the BID have taken place via Zoom calls, social media and follow-up 1-1 meetings, where requested. All activities have been managed by the BID.
23. Further consultation and promotional work will require the support of the Council.
24. The Council's Communications team will need to promote the renewal ballot through social media channels, the business e-newsletter and any digital channel the Council currently uses.
25. The Council's Revenue and Benefits Team will continue to offer the opportunity for tailored mailshots to be included with Levy payment notices. This is dependent on the BID meeting officers' deadlines for issuing notices.
26. Print and Media also offer support to the BID although minimal – as occasionally they print promotional flyers or posters, (maybe a couple of hundred posters or flyers once or twice a year and never more than £150.00 in costs).

Key implications

Comments of the Chief Finance Officer

27. The financial costs identified in this report will be contained within the current and future budgets.
30. There are no capital expenditure implications within the report

Comments of the Head of Legal Services

31. Part 4 of the Local Government Act 2003 along with the Business Improvement District (England) Regulations 2004 (as amended in 2013 and 2014) provide the legislative framework which allows the Council to undertake the activities detailed in this report.
32. The purpose of BID arrangements is to enable the projects specified in the arrangements to be carried out for the benefit of the BID, or those who live, work or carry on any activity within it; and for those projects to be financed by a BID Levy imposed on the non-domestic ratepayers, or a class of them, within the BID.
33. The Council has legal powers to enter into arrangements to facilitate the BID, including levy collection and may enter into a Baseline Agreement for the provision of standard services and an Operating Agreement to confirm agreed arrangements.
34. There are no immediate legal issues arising in respect of the Data Protection Act 2018 or the UK GDPR.

Equality

35. There is no equality impact as all the business within the BID business area are contacted and have the same rights and opportunities to input and vote.

Climate change

36. The way in which businesses operate and carry out their activities has implications for climate change and sustainability. Given the District Council's and Surrey County Council's declarations of a climate change emergency, and adoption of their respective climate change action plans, the Council would encourage the BID to pursue the same ends in their activities.
37. Sustainability is a key part of Oxted's BID business plan. This will include business support, advice and activities to support individual businesses' carbon goals. Key areas that local businesses can look at are: reducing their consumption of energy and water; ensuring their premises are as energy efficient as possible; reducing waste and single use (especially plastic) products; and supporting climate change and sustainability principles in their relationships with their value chain.
38. Much of what the BID will deliver will be driven and resourced directly by themselves but supporting the more structural and strategic ambitions will require strong partnership working with stakeholders such as Tandridge District Council, Surrey County Council and third sector organisations.
38. Whilst interaction with local businesses will feature in the development of the Council's climate change communications strategy, this report and proposal does not make provision for the Council to place any binding climate change commitments into the agreement with the BID. Therefore, assessing the potential of the BID to address climate change will rely on it providing and publishing its own documentation.

Appendices

Appendix A - Oxted BID Operating Agreement;

Appendix B – Oxted BID Baseline Agreement;

Appendix C – 2019 Costs for collection of BID Levy;

Appendix D – Oxted BID Draft Business Plan (restricted – not for wider publication); and

Appendix E – Draft summary of Oxted BID Business Survey December 2020 (restricted – not for wider publication).

Background papers

None