

# Caterham Valley Renewal Ballot

## Strategy & Resources Committee Tuesday, 5 October 2021

Report of: Alison Boote, Executive Head of Communities

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

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Publication status: Open

Wards affected: Harestone and Valley

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### Executive summary:

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

This Committee needs to determine whether the Council will vote in support of a renewal ballot for the BID in Caterham Valley and whether Levy collection and support costs should be reimbursed by the BID.

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**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"

**Contact officer** Yvonne Morland ([ymorland@tandridge.gov.uk](mailto:ymorland@tandridge.gov.uk))

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### Recommendation to Committee:

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

- A. agree that the Council votes in support of a BID in Caterham Valley; and
  - B. agree that the cost of Levy collection be met by the Caterham Valley BID.
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## **Reason for recommendation:**

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

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## **Introduction and background**

1. In November 2014, The Resource Committee agreed that the Council would support BIDs in the District through:
  - exemption of BIDs from levy collection costs; and
  - provision of Officer representation in an advisory role on BID boards where requested.
2. The BID is a local, democratically-elected organisation that focuses on delivering specific improvements needed by local businesses in a defined area.
3. BIDs invest in and deliver projects to improve the local trading environment and raise the area's profile.
4. BIDs are led and controlled by local businesses; they are independent organisations with ring-fenced resources and finances.
5. 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.
6. If supported, Caterham BID renewal ballot will take place between the 21<sup>st</sup> October 2021 and the 18<sup>th</sup> November 2021. The Ballot result will be announced on the 19<sup>th</sup> November 2021.
7. The Renewal Ballot will be run externally at a cost of approximately £1800. Civica Election Services will manage the ballot.
8. 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, Caterham Valley BID, is liable. (Reg 10 of the Business Improvement Districts (England) Regs 2004).
9. Officers would like to highlight that there is a risk that the Council will bear the cost of the ballot if the fee cannot be reclaimed from the BID at the end of the term.
10. The Caterham BID operating area, will see some small changes next term. It has removed hereditaments that have a business rateable value (less than £3,000) as the levy collected is offset by the administrative costs of collection.

11. Additionally, Eothen Close has been removed as there is limited opportunity for businesses located here to benefit from the BID
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 £3,310 in Levy Payments in 2020/21.
15. The Council expects to collect just over £100K each year of the five year term in Levy Payments.
16. The priorities outlined in the Caterham BID Draft Business Plan have been developed following consultation with local businesses. These priorities are a mixture of operational interventions (eg identifying ways to improve the night time economy/ Christmas lights) and strategic aspirations that will involve supporting improvements to the shopping experience in Caterham Valley and embracing digital technology to support the businesses.
17. In deciding how the Council will vote, Members need to consider whether they are satisfied with the BIDs priorities, the levy rate and the exemption costs.
18. In 2019/2020, it cost the Council £952.25 in postage (excluding stationery) to collect levy payments for Caterham Valley BID, and 28 staff resource hours @ M4 grade (£778.12) to support issuance of notices, reminders, summonses, bailiff and reconciliation duties. The reason we have shown 2019/20 figures is because the following year was the pandemic year and business were not opened all year.
19. 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**

20. 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's 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**

21. Consultations with local businesses and the BID have taken place via Zoom calls and social media and follow-up 1-1 meetings, where requested. All activities have been managed by the BID.
22. Further consultation and promotions will require the support of the Council.
23. 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.
24. 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.
25. 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**

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

### **Comments of the Head of Legal Services**

28. 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.
29. 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.

30. 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.

### **Equality**

31. 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**

32. 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.
33. 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.
34. 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 – Caterham Valley BID Operating Agreement

Appendix B – Caterham Valley BID Baseline Agreement

Appendix C – 2019/2020 Costs for collection of BID Levy

### **Background papers**

None

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