

Report to: **Hub Committee**

Date: **27 April 2021**

Title: **Placemaking: Tavistock BID Renewal**

Portfolio Area:

Wards Affected: **All**

Relevant Scrutiny Committee: **Overview and Scrutiny Committee**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **Following Call In**

Author: **Chris Brook** Role: **Director, Place and Enterprise**

Contact: **Chris.brook@swdevon.gov.uk**

**Recommendations:**

- 1. That the Hub Committee supports the Tavistock Business Improvement District (BID) renewal process.**
- 2. That the Hub Committee notes the use of £20,000 of the ARG funding to support the BID renewal.**
- 3. That the Hub Committee approves a further £13,241.90 of revenue funding in total, up to March 2026.**

**1. Executive summary**

1.1 West Devon Borough Council (WDBC) prioritises business, safeguards jobs and supports the economy across the borough, consistently offering staunch support to its business community. This has recently been demonstrated through the issuing of numerous grants to business applicants to support them through three government required lockdowns as a result of the COVID-19 pandemic.

In addition, further investment has been made into the Devon LEAF and Business Information Point services, offering support to businesses, start ups and individuals seeking to start up their own business, right across the borough. This has included 76.25 hours business planning support to 11 pre-start ups and 19 existing businesses to date.

To support the high street, Okehampton and Tavistock have been given £5,000 to support safety measures during initial Covid-19 lockdowns. Funds from the Reopening High Streets Safely allocated £50k for safety measures within towns, including signage, sanitising stations and more. We're also appointing a Community Digital Communications Specialist to coordinate broadband improvements across the borough.

During January and March, meetings have been held with Okehampton Town Council representatives to discuss ways in which WDBC may assist and support their placemaking efforts. More conversations are set to take place to include their business representatives, including the possible re-exploration of whether to create a Business Improvement District within the town.

As part of WDBC's efforts to support its business community, the Tavistock BID is seen as a priority for safeguarding a resilient economy in the area and it is recommended to the Hub Committee to continue its ongoing support to the BID for a further five year term.

- 1.2 Tavistock BID renewal process will be going to a ballot of its members in July 2021 and requires the support of West Devon Borough Council to achieve that endeavour. The Council's support would align entirely with its aspiration to support the local economy, businesses, jobs and enterprise.
- 1.3 The BID supports 312 businesses in Tavistock and if successfully renewed will do so for a further 5 years.
- 1.4 The BID has delivered numerous place making and local economic improvements to the benefit of Tavistock and West Devon and has played a crucial supportive role through the pandemic (refer to section 3).
- 1.5 West Devon Borough Council's support will be both in Cllr and officer time and financial. The Financial ask is set out in section 5 and amounts to £13,241.90 over the next 5 years. An additional; £20k of support has already been provided through the ARG wider business support fund.
- 1.6 We are in the process of developing our corporate strategy and formulating our plans for West Devon and as part of our support for the economy we are committed to working with and supporting the other towns across the borough.

## 2. Background

### 2.1 The Relationship Between WDBC and Tavistock BID

WDBC has consistently supported the Tavistock business community in its ambitions to have a Business Improvement District (BID) since 2010. Working closely together and with the backing of the Tavistock Town Council, the public sector and private sector have formed a successful partnership through the vehicle of the BID to provide a cleaner, better marketed and more welcoming destination for residents and visitors alike. The BID focuses cash funding and in-kind contributions into Tavistock, and helps to safeguard the prosperity and resilience of the town's economy.

The BID, legislated by government, runs for a maximum term of five years and is due to come to an end during August 2021. In order to continue its work, the private sector led Board of the BID would like it to renew with a new five year business plan for delivery and funding from its business community. The timeline for renewal is fixed and dictated by government legislation, with procedures required to occur within specifically set numbers of days. The renewal timeline has occurred during a busy period over which WDBC must also administer an election as well as develop its new corporate strategy.

The BID is viewed as an important delivery for the Tavistock economy, equally benefitting rural economies local to the area, and as such will be an important delivery within the new WDBC corporate strategy. It is intended that the BID forms part of the suite of activity planned to support businesses across West

Devon and we plan to continue the good work and build upon the successful foundations already delivered by the first two terms (ten years) of the BID.

Due to the very specific timeline set by government, there is no opportunity of delaying the renewal process until later in the year, and it is required for Members to review the WDBC support at this point in time.

## 2.2 **Value for Money**

Upon review of the BID, it is found to provide excellent value for money. Taking two of the two most recent years of the current term as an example, 2018/2019 and 2019/20, the Business Improvement District has invested:

### 2018 - 2020

Placemaking	£40,253.63
Marketing, Promotion & Events	£53,187.07
Business Support	£720.65
Management & Admin (to WDBC for Levy collection)	£54,788.31 (£8,000 of this came to WDBC for Levy collection)
<b>TOTAL</b>	<b>£148,949.66</b>

Across this same period, WDBC invested c.£5,000 through payment of BID Levy.

This provided WDBC with a 29:1 return on investment across that two year period.

WDBC has also received benefit from having a BID Manager for the town in post to provide a consistent service to the business community and a focal point for channelling delivery, enquiries and ideas.

The business community has benefited from having the BID Manager in post to champion their views, coordinate activities and unify voices for the town. Through the Manager's work, Tavistock has also gained prominence at a regional level working through the South West BIDs Group, which successfully lobbies the HotSW LEP, MPs, Chambers and Ministers.

## 2.3 **Tavistock BID Renewal**

The Tavistock Business Improvement District (BID) was launched in 2011 and has successfully unified business voices across the town, advanced delivery of a number of key projects to animate and enhance the area, and acts as a force for change in developing future resilience for its business community and underpinning its high street strength. The BID is due to move to a renewal ballot of its business members in July 2021 and requires the support of West Devon Borough Council in order to advance the renewal process.

## 2.4 **What is a BID?**

A BID is based on a precisely defined geographical area within which the majority of businesses have voted to invest collectively in local improvements to enhance their trading environment and attract more business. Business rate payers within that area decide the new or expanded services required to improve business, which are to be funded through a levy based on the rateable value of their business premises.

A business plan is drawn up setting out how the money raised will be spent for the benefit of businesses within the BID. The BID does not affect the

existing level or quality of services provided by local authorities in the area. It provides improved or additional services, identified by local businesses, over and above the services already being provided by local authorities.

A BID can only be set up following a ballot of all the businesses that will be paying towards its costs. For the ballot to approve the setting up of the BID two majorities must be achieved. First, the majority of those voting must support the proposal; and secondly, the rateable values of those businesses voting for the proposal must be greater than that of those voting against.

## 2.5 **The Tavistock BID Area**

The area currently encompasses 312 business premises and is currently defined as follows:

The River Tavy between Vigo Bridge and Meadowlands swimming pool forms its south eastern boundary, which then wraps around the swimming pool and runs along the canal to Canal Road.

The boundary then runs north westwards along Canal Road, Chapel Street and West Avenue so that all premises to the east of that line are included.

The boundary crosses West Street from West Avenue to Rocky Hill to include all the premises to the east along West Street and up King Street as far as Madge Lane. From Madge Lane the boundary heads eastwards to include all of Market Street, Pym Street and Barley Market Street before running along Old Exeter Road as far as, and including, the Brook Street supermarket and car park.

It returns to the River Tavy to include the premises at 1 Parkwood Road and both sides of Vigo Bridge Road.



It is likely that the renewal of the BID will see a small increase in the geographical footprint of the BID and businesses are currently being consulted on whether they would support inclusion within the BID area.

Within its renewal proposal, the intention is to engage with 300 hereditament premises and extend the boundary along part of Plymouth Road. The Board agreed a 1.75% levy on rateable values over a 3,000 threshold. The Board agreed not to inflate the levy each year as has been the case in

the past so businesses will pay less than they have previously. By including about 300 levy payers, the expectation is to generate £86,000 p.a. and the intention is to use the 2017 ratings list throughout the five year term to provide certainty for businesses and the BID.

## 2.6 **How is the BID Funded?**

The BID charges an annual Levy of its business members, formed as a percentage of annual business rateable values. All businesses that are located within the BID boundary pay the Levy, those that fall outside of the boundary do not.

The Levy is charged for a maximum of five years. Currently, the Tavistock BID generates an annual Levy income of £70,000, providing a total of £350,000 across a five year term.

This Levy is required, under government legislation, to be invested to bring benefit to businesses within the BID boundary area. It is entirely permissible for management and administrative costs to be spent from the BID Levy, and at no cost to local authorities. This enables small and dedicated teams to be employed by the business community to work on behalf of that business community.

Additional cash income is generated from entrepreneurial means, such as street trading, tour guide or event ticket sales and sponsorship, whilst additional contributions are generated through in-kind contributions of staff time, labour costs and pro bono support.

The Tavistock BID is currently funded through:

### 2016 - 2021

BID Levy	£350,000
Entrepreneurial (sponsorship/sales)	£33,550
In-Kind (donations/staff time)	£52,000
<b>Total Five Year Value of BID:</b>	<b>£435,550</b>

## **How Does the BID Work with the Town Council?**

The BID has a partnership with Tavistock Town Council (TTC) that works well and is mutually beneficial, with TTC providing the following support to the BID Company across the 5 year term:

### In-Kind Contributions valued in excess of £43k:

- Installation, switch on and de-rig labour of annual BID Christmas lighting.
- Operational Support at the annual Dickensian Evening (Chapter 8 stewards implement and manage road closures)
- Health & Safety advice for events FOC – 5-year value approx.: £5,000 (based on 10 hours throughout a standard year).
- Installation, maintenance of brackets and watering of hanging baskets (cost of labour and use of bowser), c. £22,500 value
- Operational Support from Works Depot as needed (often FOC).
- Partnership with town reopening following COVID (assistance with pavement widening provision, signage).
- Collaboration on town marketing where appropriate
- Partnership to encourage Coach Visitors – BID funds the promotional leaflet, TTC provide cash incentive to visiting drivers.

- Free use of Bedford Square for all BID events (including Dickensian Evening) – 5-year value approx.: £6,000.
- Operational support for South West in Bloom entry – 5-year value approx.: £10,000 (based on a ½ day a week throughout the year dedicated to South West in Bloom projects).

**Cash Contributions of £13,000:**

- Cash incentive to visiting Coach Drivers – 5-year value approx.: £13,000.

### 3. Outcomes/outputs

#### 3.1 What Has the Tavistock BID Achieved?

Since 2011, the BID has generated an additional £700,000 from BID levy contributions, all of which has been reinvested within the BID area. The BID has also successfully levered in further investment from additional Town Council and Local Authority investment and delivered a number of place based projects. Here's an extract from the BID's current campaign materials:

“Providing you with a support mechanism and championing the needs of the business community – never more so than during the COVID19 pandemic.

- Funding and managing Tavistock Dickensian Evening, which is a landmark event in the local Christmas calendar bringing in over 5,000 people to the town.
- Organising and funding the town's hanging baskets throughout the summer. We increased these from 36 to 190! We pay for the baskets, brackets, planting, watering and feeding.
- Ensuring the town centre has beautiful Christmas lights. We are responsible for lighting on Plymouth Road, Russell Street, West Street, King Street, Market Street, Pym Street, Pepper Street, Paddon's Row and The Wharf.
- Managing the town brand and marketing through Visit Tavistock. As a levy payer, you get a dedicated listing on [www.visit-tavistock.co.uk](http://www.visit-tavistock.co.uk) and on the town App 'Tavistock Local' – both worth £50.
- Managing a marketing strategy for the town: advertising in local media at key times throughout the year and in annual publications such as Enjoy Dartmoor; collaborating with other destination marketing organisations such as Visit Dartmoor, Visit Tamar Valley, Visit South Devon and Visit Plymouth to increase the reach of our town brand; ensuring regular coverage of the town on BBC Spotlight, ITV West Country and BBC Radio Devon.
- Managing the 'Tavistock Gift Card' which locked in £18,000 to the town in the run up to Christmas. Levy payers can participate in the scheme at no cost.
- Producing marketing campaigns such as the recent 'Golden Hours' and 'Keep Christmas Local'.
- Providing seasonal shopping concepts for you to take part in at no cost – like the Tavistock Passport, the Goosey Gander and all the Fiver Fest promotions.

- Producing the official Town Guide, Tavistock Top 10 leaflet and promotional content for events that take place in the town throughout the year and distributing across Devon to accommodation providers and tourist information centres.
- Establishing the Customer Service Excellence Awards along with Rhiannon Sturgeon.
- Providing an entertainment programme throughout the year designed to increase footfall in every season – this includes the popular town trails.
- Collaborating with key partners such as Tavistock Town Council and West Devon Borough Council to ensure that your voice as the heart of the high street gets heard.
- Securing additional funding to the tune of £13,000 from strategic stakeholders to assist in key projects that support the town centre.”

### 3.2 **Creating the New Business Plan**

In terms of writing the business plan, the BID team have begun consulting with business owners with more planned over coming weeks. This will include a key stakeholders’ planning meeting in conjunction with West Devon Borough Council which will be held at the end of this month. Based on feedback, the Council will receive the proposals and BID business plan before they go to print. Under the regulations the Council does not have to 'approve' them, though a note when instructing the BID team to hold the ballot to say that West Devon Borough Council is happy with the proposals and that they do not conflict with any policy formally adopted by the Council would be great assuming we are when the time comes. The BID team are considering the inclusion of two new events: a Blues music event and a food festival.

The business plan will be written with reference to the British BIDs best practice criteria which can be seen here:

[https://cdn.britishbids.info/publications/BB\\_Business-Criteria-Plan\\_2020\\_24062020.pdf?mtime=20200924142114](https://cdn.britishbids.info/publications/BB_Business-Criteria-Plan_2020_24062020.pdf?mtime=20200924142114)

## 4. **Options available and consideration of risk**

### 4.1 **Council BID Renewal Commitments**

In order for the BID to successfully renew for a further five year term of delivery, there are a number of commitments required from West Devon Borough Council. These are as follows:

#### **1. Baseline Service Level Agreement**

A contractual agreement between the BID and the Council should be created, formed as a baseline service level and establishing a value of service and in-kind contribution to match fund against the business BID Levy. This will contractually oblige the Council to maintain agreed standards of service within the BID area.

The service level agreement will likely feature:

Safety – licensing and enforcement

Street scene and waste services – public conveniences, street cleansing, waste collection  
Statutory – Environmental Health, Planning, Maintenance – grounds maintenance, street maintenance (not falling to Devon County Council)  
Continuous Service Improvements

In order to create this, Heads of Service will be asked to review services across the BID area and estimate their value in order to match fund against the BID Levy.

## **2. *Operating Agreement***

An operational agreement should be created between the BID Board and the Council, setting out the ways of working, monitoring and reporting requirements. This takes the form of a legal contract between the local billing authority and the BID Body setting out the arrangements between them, particularly in relation to levy collection and oversight. This will serve for the full term of the BID and should form the basis of a strong working relationship between the Parties and should be agreed and entered into (subject to the Ballot outcome) ahead of the Ballot period and included within the BID Proposal.

## **3. *Levy Collection***

The Council collects the annual BID Levy on behalf of the BID Board each year; this is then paid quarterly to the BID account. Collection rates exceed 90% each year and the Council has charged an annual fee of £4,000 to cover administration costs (This was not charged in 2020/21). Most BIDs in the UK pay a commission fee to their local authority, however the two nearest BIDs in Plymouth are offered this as a free collection service up to the value of £9,000. Should administration costs exceed £9,000, then fees become chargeable to the BID.

It is recommended that the Council waives the £4,000 annual fee as a contribution toward the BID activities, which will be recorded as a £20,000 in-kind contribution to the BID within its five year business plan.

## **4. *Independent Ballot***

To avoid pressure upon our internal resources, the BID renewal team recommend commissioning the services of an independent authority to conduct the renewal Ballot of business voters.

There are currently 323 operational BIDs across the UK, and the majority use Civica to conduct their start up and renewal Ballots. Civica work with over 75% of the UK's local authorities, providing electoral registration services and helping them to administer local and general elections. They also work extensively with membership organisations, corporates, building societies and mutuals, NHS bodies and trade unions.

Their fee is likely to be in the region of £3,000 which is charged to the local authority in most cases.

## **5. *Renewal Campaign Fund***

The sum of £20,000 to successfully renew the BID, covering administrative costs and project costs. This has been allocated from the

ARG fund.

## **6. Council Votes**

West Devon Borough Council has had 14 votes during this current term of the BID, and will be asked to complete and return a Ballot paper for each within the renewal Ballot. West Devon Borough Council will now have 11 votes (3 were under the £3,000 rateable value threshold) so the total amount on 1.75% payable annually will be £2,048.38.

The papers will be sent to the Director of Place and Enterprise as the nominated voter for the Council.

## **5. Proposed Way Forward**

### **5.1 Timeline for BID Renewal**

Please see the separate enclosure (Appendix A) for the detailed stepped process for the renewal.

Key dates are as follows:

24 February	Letter to Secretary of State notifying of intention to go to renewal Ballot – COMPLETE
16 April	Agree baseline service delivery
23 April	Agree business plan project proposal
May	Placemaking Conference (with wider stakeholder group) – date to be confirmed
19 May	Final business plan issued to hereditament voters
21 May	Send final voter list to CIVICA
31 May	Issue Notice of Ballot to voters
14 June	Ballot papers dispatched to voters
15 July	Ballot day – final day of the Ballot and the votes are counted.
16 July	Ballot result

Overall value of contribution toward the Tavistock BID:

- £20k of ARG cash contribution toward the BID's renewal during April 2021.
- £20k value of in-kind contribution between April 2021 and March 2026 (Levy collection).
- £3k of WDBC cash contribution toward the BID's renewal during April 2021.
- £10,241.90 of WDBC cash Levy payment between April 2021 and March 2026.

Total WDBC Cash contribution over 5 years:	£13,241.90
Total ARG Cash during April 2021:	£20,000
Total WDBC In-Kind contribution over 5 years:	£20,000

It is recommended that the Hub Committee APPROVE these contributions.

## 6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<p>Business Improvement Districts were introduced by the Local Government Act 2003 (LGA 2003). Their establishment, enforcement and operation is regulated by the framework set out in the LGA 2003 and the Business Improvement Districts (England) Regulations 2004.</p> <p>The Council may veto a BID proposal where it is of the opinion that the BID arrangements are likely to conflict any policy that has been formally adopted or would place a disproportionate financial burden on any person or class of person.</p> <p>If the proposals are accepted under the dual-key mechanism that applies to the result of the ballot, the BID will go on to implement the BID arrangements.</p> <p>The BID is a company limited by guarantee and is managed by the BID Board. There is an opportunity for the Portfolio Holder for Enterprise to become an observer to the BID Board.</p>
Financial implications to include reference to value for money	Y	<p>£10,241.90 revenue funding over the next 5 years.            £3,000 capital funding.            £20,000 ARG funding (already paid)</p>
Risk	Y	<p>The BID renewal is not a forgone conclusion and requires a vote in favour from its members. That process will be concluded in July 2021. However, it will fail if the support of West Devon Borough Council is not agreed.</p>
Supporting Corporate Strategy	Y	Enterprise
Climate Change – Carbon/Biodiversity Impact	N	
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	
Safeguarding	N	
Community Safety, Crime and Disorder	N	

Health, Safety and Wellbeing	N	
Other implications	N	

**Supporting Information**

**Appendices:**

Appendix A.

**Background Papers:**

None

**Approval and clearance of report**

<b>Process checklist</b>	<b>Completed</b>
Portfolio Holder briefed/sign off	<b>Yes/No</b>
SLT Rep briefed/sign off	<b>Yes/No</b>
Relevant Heads of Practice sign off (draft)	<b>Yes/No</b>
Data protection issues considered	<b>Yes/No</b>
Accessibility checked	<b>Yes/No</b>