

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	Thursday 4 January 2024
<b>Subject:</b>	Southport Business Improvement District		
<b>Report of:</b>	Executive Director - Place	<b>Wards Affected:</b>	Cambridge; Dukes;
<b>Portfolio:</b>	Cabinet Member - Regeneration and Skills		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

### Summary:

To consider the Southport Business Improvement District (BID) Business Plan for the period 2024-2029 and agree the next steps by the council as part of the BID ballot process.

### Recommendation(s):

- (1) Approve the proposals for the Southport Business Improvement District (BID);
- (2) Authorise the Executive Director Place to submit a positive vote on behalf of the Council;
- (3) Provide delegated authority to The Chief Executive, in consultation with the Leader of the Council and Section 151 Officer, to sign a future BID Baseline Agreement on behalf of the Council;
- (4) That the Executive Director of Corporate Resources and Customer Services be authorised to complete the necessary formal agreements required for the collection of the BID Levy if a Yes vote is achieved; and
- (5) As the relevant ballot holder, authorise Civica to hold the BID ballot.

### Reasons for the Recommendation(s):

To allow the BID ballot to commence and then thereafter for the BID company to deliver a new 5 year term

### Alternative Options Considered and Rejected: (including any Risk Implications)

There are no other alternative options for BID delivery, or similar model that would secure the level of private sector investment into Southport. If the Council were to refuse a new BID ballot the existing BID would stop at the end of October 2024, this would see a loss of £2.4m invested over the next 5 years.

## What will it cost and how will it be financed?

### (A) Revenue Costs

It is estimated that the BID Company would raise in the region of £448,000 in year 1 raising to £504,00 by year 5 for key areas of investment in the town (in accordance with the BID business plan).

This would represent over £2.3 million of additional investment within the BID area over this period.

The Council has rateable property within the BID area. Based on the rateable value of these properties, it is estimated that the Council's contribution towards the BID would be in the region of £30,414 per year through BID levy payments. This is met through individual department budgets as is currently the process.

As per The Business Improvement District (England) Regulations 2004 The Local Authority is legally responsible for the ballot process including costs incurred. The costs for Civica to hold and manage the ballot will cost £5,565.

If a Yes vote is achieved the levy collection costs incurred by the Council will be rechargeable to the BID Company. The Council will pass on the revenue it collects using reasonable endeavours to collect any shortfall. Depending on collection levels, the budget available to the BID Company may vary slightly from year to year.

### (B) Capital Costs

#### Implications of the Proposals:

<p><b>Resource Implications (Financial, IT, Staffing and Assets):</b></p> <p>The Council will have 18 levy payments to make per year totalling £30,414. These individual payments will be met from the relevant service budgets.</p>
<p><b>Legal Implications:</b></p> <p>The Business Improvement Districts (England) Regulations 2004.</p> <p>If the BID achieves a Yes vote a number of legal agreements will need to be formalised in relation to levy collection and baseline services.</p>
<p><b>Equality Implications:</b></p> <p>There are no equality implications associated with the ballot.</p>
<p><b>Impact on Children and Young People:</b> None associated with the ballot itself.</p>
<p><b>Climate Emergency Implications:</b></p>

The recommendations within this report will	
Have a positive impact	No
Have a neutral impact	Yes
Have a negative impact	No
The Author has undertaken the Climate Emergency training for report authors	Yes
The ballot renewal will have a neutral impact.	

**Contribution to the Council's Core Purpose:**

Protect the most vulnerable: N/A
Facilitate confident and resilient communities: The BID will bring over 700 businesses together to work in partnership and create a confident business partnership.
Commission, broker and provide core services: N/A
Place – leadership and influencer: A thriving Town Centre is critical in creating a sense of place for residents, businesses and visitors.
Drivers of change and reform: Private Sector taking a lead in delivering additional services
Facilitate sustainable economic prosperity: Investment in Southport town centre will help improve the vitality and viability.
Greater income for social investment: N/A
Cleaner Greener: The BID will focus on improved planting and other cleaner greener initiative.

**What consultations have taken place on the proposals and when?**

**(A) Internal Consultations**

The Executive Director of Corporate Resources and Customer Services (FD7456/23) and the Chief Legal and Democratic Officer (LD5556/23) have been consulted and any comments have been incorporated into the report.

**(B) External Consultations**

The BID has consulted levy payers as part of the business plan process, this has involved a comprehensive survey of levy payers to help formulate the business plan. The BID also hold a number of regular events for levy payers to attend and allows the BID team to actively consult throughout the BID term.

## Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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### Appendices:

There are no appendices to this report.

### Background Papers:

There are no background papers available for inspection.

## 1. Introduction/Background

- 1.1 A Business Improvement District (BID) is a defined area where businesses get together to plan how to improve their trading environment, identifying additional projects and services that will improve the town centre. Businesses within the BID area agree the level of funds which they will contribute to make it happen and they have total control of the money and how it is spent.
- 1.2 Businesses pay an agreed levy based on the rateable value of their premises. In Southport, this is currently at 1.5% (proposed to increase to 2% in the new term). The funding is collected by the council and handed to the Southport BID Company to spend as the businesses have requested. Businesses within a successful BID area will pay this levy so that everyone who benefits will have paid towards it; it is therefore fair and transparent.
- 1.3 The process by which a prospective BID seeks to become formally established is set out below in accordance with the 2004 BID Regulations:
  - Formal notification to the local authority and Secretary of State
  - Request to local authority to hold ballot, which must be accompanied by:
    - A copy of the BID proposals
    - The proposed business plan with estimates of cash flow, revenue and expenditure, the predicted budget and the contingency margin included in the budget
- 1.4 The Southport BID have now submitted their business plan for a third term, and this report summarises the main proposals.

## 2.0 Business Plan

- 2.1 The BID's second term comes to an end in November 2024, and the new business plan has identified many BID achievements in the first 5 years - these include.
- The BID Team has dedicated 2,000 hours every year to visiting and talking to BID businesses, offering an ongoing support and delivering collaborative projects.
  - 'Your Southport' was launched in August 2022 and has quickly established itself as the leading platform to celebrate the people and businesses that make Southport special. It has received almost 500,000 engagements so far. The content the BID produced for businesses is valued at more than £200 000.
  - The BID has created and delivered more than 200 x bespoke promotional articles for the business community.
  - Southport Stars Annual Awards - launched in 2021 delivered the opportunity for businesses to come together, connect, and celebrate achievements.
  - Street improvements – Using the BID income and securing further funding the BID delivered comprehensive street light programme valued at £250,000.
  - Every Christmas the BID displays a 60-foot Christmas tree together with 200,000 additional festive lights and further bespoke light installations including The Bear and The Reindeer. The Christmas celebrations were accompanied by events and programmes which attracted 70 000 people.
  - Throughout the year the BID decorates the town with stunning floral displays. Up to 10,000 are planted every year.
  - Safe in Southport – The BID are committed to ensuring Southport town centre is a safe and secure place for businesses, residents, and visitors alike. This includes providing ongoing support and training for the Southport Pub watch group, management of the Town Link Radio scheme, replacement of a number of CCTV cameras and working closely in partnership with Merseyside Police.
  - Representation- by bringing more than 1,000 people together through leadership forums and networking events (often in collaboration with, but also additional to the Council).
- 2.2 The above achievements alone demonstrate the value of The BID to Southport Town Centre, and to continue the programme of investment it is recommended that the Council submits a positive vote on its properties.
- 2.3 The BID business plan sets out a rateable value of 2%, this will be for business rate payers that fall within the BID area as identified in the business plan. The BID are increasing the levy to achieve same income as previous terms, due to lower rateable values on properties It should also be noted businesses with a rateable value under £7,000 will not be liable while Charities will not be exempt as per the BID regulations and will have to pay the 2% levy based on their property rateable value.
- 2.4 The BID is projected to raise a total of £2.4 million over 5 years; this includes the levy, voluntary contributions along with other revenue streams.
- 2.5 The Southport BID priorities for the next term are;

- Promotion – continued investment in the ‘Your Southport’ platform as the primary means of advertising town centre businesses to residents and visitors.
- Celebration – the hugely successful Your Southport Stars Awards will spotlight exceptional businesses and the people that work in them, whilst new programmes will celebrate the heritage of the town and work collaboratively with schools and colleges to support young people in engaging with the business community so that they can provide the dynamic workforce of the future.
- Activation – significant investment into light animation of the streets of Southport at Christmas and during the year, accompanied by luscious floral displays, which collectively create an attractive environment for events, and family programme. Safe Southport ensures that activities take place in a welcoming environment by working with Merseyside Police and Sefton Arc to deliver town wide security programmes, building on the Town Link radios programme already active across the area.
- Collaboration – cementing the work already started on developing a sense of community amongst businesses, representing their views, and lobbying in their interests, providing them with the resources they need to make trading decisions (e.g., footfall, economic trends, changes to legislation etc.), and working with other stakeholders nationally and throughout the Liverpool City Region. The BID will drive diversifying of the town centre economy, by lobbying for investment to improve infrastructures with a specific focus on digital connectivity to attract new business sectors investment and create a more sustainable all year-round economy.

2.5 The management team and the BID Board’s role is to execute programmes designed to meet the priorities set by BID’s businesses. Through one-to-one meetings and business forums and events, the BID holds over 1000 conversations each year. To inform future strategy further, the BID carried out a representative survey of 100 businesses. The returns fed into their new strategy.

### 3.0 The Council’s Vote

- 3.1 Sefton Council as a business rate payer within the defined BID area has several votes in the BID Ballot. The Southport BID is seeking approval from Sefton Council for a “Yes” vote. The council is recommended to vote “yes” in the ballot.
- 3.2 Sefton has 18 separate hereditaments within the defined BID area with a total rateable value of £1,520,700 The levy liability is £30,414 at 2%. This also allows Sefton Council to have 18 individual votes, the table below details the hereditaments and the levy for each one.

Property	Rateable Value	Levy (2%)
Talbot Street Family Wellbeing Centre	12750	255
Dunes Leisure Centre	520000	10400

Car Park Adj Floral Hall	50000	1000
Public Convenience, Corner Of Lord Street & Eastbank Street	9800	196
1-2, Promenade	34750	695
The Atkinson, Lord Street, Southport, Merseyside, PR8 1DB	430000	8600
9-11, Eastbank Street, Southport, Merseyside, PR8 1DL	44750	895
Eco Centre & Car Park Esplanade	43750	875
77-91, Tulketh Street	35000	700
Rear 55, Tulketh Street	50500	1010
Adj, Marine Lake, Marine Drive	33000	660
66 , Nevill Street	34000	680
Havana, Promenade	69500	1390
Southport Pier, Promenade,	14500	290
Sefton Metropolitan Council, Town Hall	98000	1960
3, Eastbank Street	9400	188
5-7, Eastbank Street	21250	425
The Esplanade, Princes Park	9750	195
<b>Total</b>	<b>1,520,700</b>	<b>30,414</b>

#### 4.0 Formal Agreements

- 4.1 If a Yes vote is achieved a formal agreement between the Council and Southport BID will have to be reviewed to cover services provided by the Council within the BID Area.
- 4.2 The baseline agreement will demonstrate what additional services the BID will deliver to its members while also acting as a tool for the BID Company to monitor and work with Sefton Council to deliver improved existing services.
- 4.3 Due to the BID term being 5 years there will be flexibility for the Baseline Agreement to be amended every financial year due to the realisation that the level of services within the BID area may change.
- 4.4 Cabinet are recommended to give delegated authority to Chief Executive, in consultation with the Leader of the Council and section 151 officer, to sign the BID Baseline Agreement on behalf of the council
- 4.5 The Council will collect the levy on behalf of the BID company, once collected the monies will be passed on to the BID. The collections costs will be recharged to the BID company.
- 4.6 An operating agreement will need to be reviewed and agreed between the BID Company and Sefton Council for the collection of the levy. Cabinet are recommended that The Executive Director of Corporate Resources and Customer Services be authorised to complete the necessary formal

operating agreements required for the collection of the BID Levy if a Yes vote is achieved.

4.7 The ballot must meet two tests for the BID to be approved. A simple majority of those voting in favour over those who do not, and those voting in favour must represent a greater total rateable value than those voting against.

4.8 As the relevant ballot holder (Sefton) Cabinet is asked to authorise the use of Civica to conduct the BID ballot.

## **5.0 Next Steps**

5.1 Ballot papers will be sent out in April 2024, with the result of the ballot being announced in May 2024.

5.2 If the vote is in favour the BID will start a second term on the 1 st of November 2024, the baseline agreement and operating agreement can then be signed by the delegated officer.