

**Brighouse Business Improvement District**

**Report of the Director, Regeneration and Strategy**

**1.      Purpose of Report**

- 1.1      Businesses within the town centre of Brighouse are currently being balloted as to whether they wish to pay a levy, based on their rateable value to deliver additional services within the town. Should the ballot be successful, a newly created Brighouse Business Improvement District (BID) company will be responsible for provision of these additional services.
- 1.2      This report provides a progress update on the Brighouse BID and details around the Council's role in levy collection to assist in the delivery of our priorities for growing the economy, reducing inequalities and building a sustainable future.

**2.      Need for a decision**

- 2.1      There is a need for Cabinet to approve the Council's role in the functions of administration and BID levy collection on behalf of the Brighouse BID. This will allow operational clarity for the Brighouse BID subject to a 'yes' vote in the October ballot.

**3.      Recommendation**

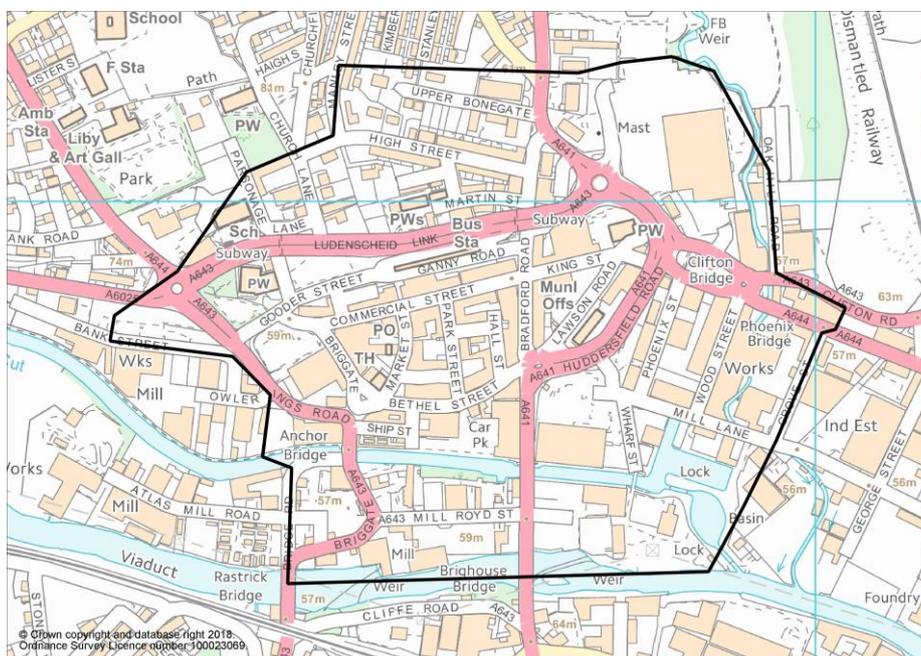
It is recommended:

- 3.1      That, in the event of a 'Yes' vote from the businesses of Brighouse in the October ballot, Cabinet agree that the Council be responsible for collection of the Brighouse BID levy on behalf of the Brighouse BID, for a 5 year period as set out in Option 5.2.

## 4. Background

- 4.1 Business Improvement Districts (BIDs) are business led partnerships which are created through a ballot process to deliver additional services to local businesses. As such they can be a powerful tool for directly involving businesses in local activities and improving the local trading environment.
- 4.2 A BID is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is based on the rateable value of the business and ring-fenced to develop projects which will benefit businesses in the local area.
- 4.3 The development of a Brighthouse BID initiative was approved by Cabinet on 2<sup>nd</sup> October 2017, with the Council investing £20,000 of funding to development the Brighthouse BID proposal. Since this time Officers have led on the development of the BID proposal, building on the work undertaken by the Brighthouse Business Initiative, leading to the formation of a steering group representing the views of local businesses.
- 4.4 Working alongside Council officers, the steering group have spent the last 12 months developing a business plan for a BID for Brighthouse. There has been extensive consultation with businesses, initially to determine if a BID could work for Brighthouse and more recently to identify the main issues that traders in the town would like to see tackled by a BID.
- 4.5 This work has also helped decide where the boundary should be for the BID area, which is shown below. The proposal has been completed and circulated to businesses requesting they vote in favour during the ballot in October 2018. Should the ballot be successful, then the Brighthouse BID will begin operations from April 2019.

# BRIGHOUSE BID



- 4.6 It is worth noting that Halifax town centre has had an operational BID since April 2017, which operates on the same basis regarding collection of levy as proposed for Brighouse. The Halifax BID raises in excess of £440,000 per annum for additional services in the town centre and is now in its second year of operation, having delivered an ambassador service, supported events and developed a marketing strategy for Halifax town centre.
- 4.7 Brighouse, whilst smaller than Halifax has a thriving retail centre and the potential to raise an annual levy of approximately £120,000. In recent years the town has seen a revival, thanks to a regular calendar of successful events, a thriving business community and a good mix of retail and other businesses. But lifestyles are changing rapidly and as the town competes for its catchment's disposable income, businesses in Brighouse need sustainable support to take advantage of its important strategic location, and lively town centre atmosphere.
- 4.8 Through the BID, businesses could implement changes that they choose, to help improve the profile of the town, develop links between the different commercial sectors, and encourage people to visit more often and stay longer thus sustaining a more vibrant economy across the whole town and its surrounding area.

## 5. Options considered

- 5.1 **Do nothing** – Subject to a successful ballot result, if the Council did nothing, then the Brighouse BID would have no mechanism to collect the BID levy. Whilst it is possible that the BID company could source someone else to provide this function, this would likely be at a higher cost, leaving less funding available to contribute towards value adding services within Brighouse. This option is not recommended.
- 5.2 **Approve the levy collection** – Subject to a successful ballot result, this option would set out the future relationship between the Council and the Brighouse BID company, in addition to authorising the Council to formally collect the BID levy. The BID will pay a fee to the Council to cover the cost of levy collection and administration, estimated at approximately £3,500 per annum. This is the recommended option.

## 6. Financial implications

- 6.1 The Brighouse BID has the potential to raise an additional £120,000 per annum. Over the proposed 5 year term of the BID, this equates to £600,000 to be spent in the Brighouse BID area. This will be used in line with the business plan to deliver services and improvements over and above what the Council currently provides. Baseline statements have been obtained from Council departments who deliver services in the BID area to ensure that the BID delivers additionality for Brighouse.
- 6.2 The Council has funded the development stage of the Brighouse BID, with a budget of £20,000 recommended by the Economy and Investment Panel. The project has been delivered within this budget.
- 6.3 The BID regulations allow Calderdale Council to charge the company for the collection of levy; at a rate of 3% of the total amount billed. This amount will be paid annually to the Council and will be approximately £3,500.

## **7. Legal Implications**

- 7.1 A formal Operating Agreement has been drafted in consultation with the Brighouse BID steering group and the Council's own Legal Services team. This agreement will be completed subject to a 'yes' vote from the businesses of Brighouse in the October ballot.
- 7.2 BIDs are focussed on providing 'additionality', doing things that the businesses themselves decide they want done, over and above what is expected from public services. A statement of existing baselined services will need to be provided prior to the incorporation of Brighouse BID.

## **8. Consultation**

- 8.1 Each business liable for the levy has been invited to complete a detailed questionnaire regarding the current situation in Brighouse and asking them to prioritise projects that a BID could deliver. The responses to this survey have formed the basis of the business plan on which businesses will be balloted in October 2018.
- 8.2 There have been workshop events, Q&A sessions, in addition to a number of one-to-one interviews. Regular emails and newsletters have also been sent throughout the BID development process.
- 8.3 Throughout the development process, regular updates have been provided to the Brighouse Ward Councillors, Brighouse Ward Forum and to the Brighouse Town Board.

## **9. Environment, Health and Economic Implications**

- 9.1 The Brighouse BID proposal is a strong fit with the Council's ambition to be the Best Borough in the North, in particular by growing the economy through the investment of around £120,000 per annum of BID levy.
- 9.2 Due to the changing nature of our high streets, the Brighouse BID proposal also provides the opportunity to address this and channel the levy to locally important place-making activities, contributing towards building a sustainable future.

## **10. Equality and Diversity**

- 10.1 The aim of creating the Brighouse BID is to make the town centre a more vibrant, positive and safer shopping and evening experience. This will lead to more employment opportunities notably in the retail and leisure sectors, suitable for school leavers, those returning to work and those with low attainment levels from all communities from Brighouse and across the wider Borough.

## **11. Summary and Recommendations**

- 11.1 Business Improvement Districts are a proven way of bringing additional funding to an area and the Brighouse BID proposal is a rare opportunity to secure around £120,000 per annum for additional services within the locality, to assist in the delivery of the Council's priorities for growing the economy, reducing inequalities and building a sustainable future.
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### **For further information on this report, contact:**

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### **The documents used in the preparation of this report are:**

1. Economy & Investment Panel 5<sup>th</sup> September 2017 – Retail market town agenda

### **The documents are available for inspection at:**

Major Projects, 3<sup>rd</sup> Floor Princess Buildings, Halifax, HX1 1TS

<http://www.brighousebid.co.uk/>