

Subject:	Brilliant Brighton Business Improvement District (BID) New Ballot		
Date of Meeting:	3 December 2020		
Report of:	Executive Director Economy Environment and Culture		
Contact Officer:	Name:	Cheryl Finella	Tel: 01273 291095
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report seeks Council support for the renewal of the City Centre Business Improvement District (known as Brilliant Brighton BID Ltd) in 2021.

2. RECOMMENDATIONS:

- 2.1 That the Committee supports the renewal of the City Centre Business Improvement District (BID) for the period 1 July 2021 to 31 June 2026.
- 2.2 That the Committee grant delegated authority to the Executive Director for Economy, Environment and Culture to oversee the BID process and the approval of the Renewal Operating Agreement.
- 2.3 That the Council agrees to post a Notice of Ballot by ~~19 February~~ 14th March 2021 pursuant to the Business Improvement District (England) regulations 2004.
- 2.4 That the Committee note the work being done to assess the feasibility and support for a Seafront Business Improvement District among seafront businesses.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 BID legislation requires that the current Business Improvement District (BID) comes to an end on 31 June 2021. Brighton City Centre BID Ltd, (trading name for the city centre BID) known to traders and public as Brilliant Brighton, would like to renew the current project for a further five years and consult with businesses on and extension of the current geography.
- 3.2 A BID (Business Improvement District) is a defined geographical area which involves all businesses located within it. The 2004 Legislation (The Business Improvement Districts (England) Regulations) state that businesses can join together to fund improvements to their trading environment. Currently there are over 300 BIDs comprising 133,424 businesses, investing £132,493,286 into

their local economies.

- 3.3 The 2021 BID Ballot will be the fourth iteration of the City Centre BID. The first ballot was held in 2006 with just 300 businesses. The second ballot in 2011 increased the geography of the BID area and it was extended further in the 2016 ballot, encompassing 517 city centre businesses.
- 3.4 The current City Centre BID will last until June 2021; it encompasses 517 city centre retail and hospitality businesses. The BID covers Western Road to the junction with Montpellier Road, Preston Street, North Street, and parts of both The Lanes and The North Laine. Between 2016 and 2021, nearly £1.8m will have been invested in Brighton city centre by its traders. The Brighton BID was formed to create a thriving, safe, clean and vibrant city centre that residents and visitors want to come back to time and again.
- 3.5 The BID also works with businesses to support trading in other ways by reducing overheads, providing business support and by working in partnership with agencies such as the Police, the City Council, the Business Crime Reduction Partnership and transport operators in the BID area.
- 3.6 Brighton BID currently contributes c£340,000 per annum (c£1.8m over the five-year term of the project including voluntary contributions) to supporting city centre businesses by providing three main projects. These are: -
 - a) Dressing the city in the summer months (hanging baskets, banners and bunting).
 - b) Providing the city's Christmas lighting displays
 - c) Providing on street security/City Centre Ambassadors seven days a week
- 3.7 The 2016 BID ballot was positive with 74% of businesses voting in favour of renewal. The BID is overseen by a Board elected from within the membership and is supported by a part-time Chief Executive Officer employed to manage the projects, oversee the work and report on BID finances. The Bid also employs a Social Media and Administrative Officer.
- 3.8 Since approval, over £50,000 of stolen goods have been returned to city centre businesses per annum, due to the work of the four BID Ambassadors who work with the Police and other local partners to reduce crime and gather intelligence on criminals working in the area. The Ambassadors also work with local agencies to refer rough sleepers and those in tented communities to appropriate support.
- 3.9 Alongside the seasonal promotions and security, traders also benefit from:

PR/ Marketing –The Brilliant Brighton website and social media presence has attracted over 10,500 Twitter followers, (approx.1,600 per day); 906 Facebook likes, (increasing by 20 new followers per day); and, rising numbers of Instagram followers, currently 2,281.

Negotiated discounts for business, e.g. business audits providing savings on utilities, NCP car parking, local advertising through traditional media, free help and support to get BID members online and promoting themselves.

The 2021 BID Ballot

- 3.10 At the July 2020 BID Board Meeting, the Directors agreed to initiate the process of BID renewal in the city centre and to explore the viability of increasing the BID area. It was agreed that for 2020 businesses in the existing area would be consulted along with businesses in the areas below:
- Queen's Road
 - Sidney Street
 - Duke Street
 - Ship Street
 - Prince Albert Street
 - Bartholomews
- 3.11 In addition to the retail and leisure sectors in these (and the current BID area) the BID will also consult with the office sector.
- 3.12 A full consultation exercise has now begun. Between Sept and Dec 2020 many of the businesses in the defined area will have been spoken to and given a consultation document. By December 2020 there should be enough evidence for the BID Board to decide whether to go ahead. If a go-ahead decision is made, a ballot will be held in ~~March-April~~ 2021, with the outcome declared on ~~9-April~~ May 2021 with the new BID starting in deliver its business plan on 1 July 2021.
- 3.13 The creation of the BID business plan is based on the results of the consultation. Businesses will be able to choose, by majority vote, the actions and activities that the BID will deliver. Consultation is the sole source of information that will inform the Business Plan and will be the document that businesses in the designated area will vote on in a new ballot in 2021.
- 3.14 BID guidance states that the costs for a BID ballot should be covered by the BID. However, the BID approached the local authority to support the BID ballot and the scoping work needed to extend the BID geography. The costs relating to the ballot are shared between Brilliant Brighton BID and the City Council in the form of a £20,000 contribution from the 2020/21 Economic Development Budget. The subsequent set up for the BID going forward from June 2021 (when the renewed BID is proposed to come in to being) are met by the BID; there are no further costs to the council.

Local Authority Role

- 3.15 The Local Authority is required to ensure the ballot is operated, either in-house or outsourced, in line with the BID Regulations. Irrespective of whether the ballot is run in-house or outsourced, the local authority Ballot Holder remains legally responsible for the ballot process as set out within the Regulations.
- 3.16 The Local Authority is required to manage the collection and enforcement of BID levy charges. BID Bodies and their local authority establish a levy collection agreement covering the BID term, referred to as an Operating Agreement. The purpose of this agreement is to define the principles and processes for collecting the levy; enforcing the payment of the levy; reporting on collection and bad debt; monitoring provisions between then BID and the local authority; and providing

regular detailed and summary information on the service to the BID as the client.

- 3.17 It is a requirement under Schedule 1, paragraph 1(1) (b) to the BID Regulations that the BID proposals include a statement of the existing baseline services provided by the local authority or any other public authority in the proposed BID area (if any). For Example, if street cleansing was included in the BID business plan the Local Authority would have to set out the current service provision as the baseline. Services funded by the BID would be set out and agreed as additional to the baseline offer. The statement of baseline services is only required where there is a correlation with the services proposed by the BID. This statement will form part of the BID proposals which demonstrate to businesses voting for the BID that the proposed BID services are, as at the time of the BID Proposal, additional to the baseline services provided by the public authorities (if any).
- 3.18 Brilliant Brighton BID has now started the process of consultation and will be working with council departments in the development of the Operating Agreement and the BID Ballot process.

Seafront BID

- 3.19 In January 2020, the BID carried out a feasibility study for a Brighton Seafront BID. The initial assessment for this proved positive enough with the businesses to move forward with a more thorough consultation with the business community in the area. By mid-November 2020 the consultation should reveal whether there is enough support within the business community in that area to go to ballot.
- 3.20 If there is an appetite amongst the business community for a seafront BID it would be established as a separate entity to Brilliant Brighton although there may be opportunities for collaboration with the City Centre BID in some areas. Similar to the City Centre, the Seafront BID would focus on enhancing the experience of residents and visitors who use the seafront for leisure and tourism reasons . Initial estimates suggest that a Seafront BID could bring in an additional £200,000 for place-making projects.
- 3.21 The geography of this potential BID would encompass the Brighton Centre therefore the City Council would become a major levy payer and a key consultee during this process.
- 3.22 Depending on the outcome of the initial consultation, a working group will be convened, and a further report will be brought to this committee seeking agreement to proceed with a ballot. The working group will be made up of key consultees and partners who will draft the Business Plan which will go out to the businesses in the Seafront BID area. If the final ballot is successful, this same group will be asked to form the initial BID Board and will have responsibility for hiring any staff associated with a new Seafront BID.
- 3.23 The Seafront BID timeline mirrors the City Centre BID timeline so that savings can be made by joining-up management responsibility for the two BIDs.
- 3.24 Current feedback from Seafront businesses would suggest that, although businesses are largely positive about the benefits of a BID, there is no current appetite within the business community to proceed at the current time. A full

report will be provided at the end of the consultation period in January 2021.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Under the BID legislation, the Local Authority reserves the right to veto the BID proposals. Under the following circumstance:

a) The Authority's conclusion that the consultation carried out to produce the Proposal and Business Plan has been inadequate. (A breakdown of the consultation will be provided in the associated BID Proposal documentation).

b) The BID is a significantly disproportionate financial burden on any person or class of persons (as compared to the other non-domestic ratepayers in the geographical area of the BID)

c) The BID proposal conflicts with any existing local authority published or formally adopted policy nor propose a disproportionate burden on particular businesses by way of an unfair levy charge on a certain 'class' of levy payers, for example by an inappropriate manipulation of the BID boundary, (an inappropriate manipulation would involve examples such as capturing a high rateable value property, which in geographical terms appears outside the scope of the BID).

4.2 The BID Proposal, Operating Agreement and Business Plan will be reviewed by officers in Economic Development and in Legal and to ensure that they pass the above tests.

4.3 In line with the legislation the BID is required to publish its Business Plan within a fixed period, as set out below. The Council is therefore requested to approve the BID renewal proposal so that the required actions can be taken to implement the ballot.

Timeline to ballot:

The final day of ballot has been scheduled for: **0806.0405.2021**

The deadline for the BID proposal and Letter of Request to the Local Authority: **23.0203.2021**

The deadline for the City Council to issue the Notice of Ballot and for the BID company to publish the business plan: **24.0204.2021**

4.4 If the Council chooses not to support the BID renewal the following opportunities will be lost: The opportunity to leverage in private sector investment to Brighton City Centre of c.£1.8m over 5 years; the loss of the city's annual display of Christmas Lights; an end to the city centre security/ambassador service which supports both Sussex Police and the Business Crime Reduction Partnership (in addition to the 517 members of Brilliant Brighton); no floral / banner or bunting displays during the summer months in the city centre; no dedicated PR and marketing for the city's 517 BID members via Brilliant Brighton's online channels and social media; and, the loss of a shopping basket of business support

measures aimed at making the BID levy costs as neutral as possible and supporting businesses bottom lines.

- 4.5 Brighton City Centre has been assessed by Centre for Cities, (*an independent, non-partisan urban policy research unit*) as, Strong. Their High Street Recovery Tracker shows that the city centre made a strong recovery in, some from the previous lockdown.

	Before Lockdown		Last week of Sept 2020		Change %
Where are visitors coming from	Outside of the City	61%	Outside of the City	68%	+7%
	City Suburbs	32%	City Suburbs	27%	-5%
	City Centre	7%	City Centre	5%	-2%
Where are workers coming from	Outside of the City	50%	Outside of the City	27%	-23%
	City Suburbs	27%	City Suburbs	41%	+14%
	City Centre	23%	City Centre	32%	+9%
Visitor Spend	Outside of the City	32%	Outside of the City	33%	+1%
	City Suburbs	61%	City Suburbs	60%	-1%
	City Centre	7%	City Centre	7%	No change
Weekend Visitors	Outside of the City	64%	Outside of the City	72%	+8%
	City Suburbs	29%	City Suburbs	24%	-5%
	City Centre	7%	City Centre	4%	-3%

Source: Centre for Cities, High Street Recovery Tracker. The Footfall data is all sourced from Locamiser (2020). The spend data comes from Beauclair Ltd (2020). Other sources: Local Data Company, 2018. Census 2011. The baseline for each footfall index is an average of users relevant day between 15 February 2020 and 6 March 2020, which is then to 100. Daytime is between 7am and 7pm, night-time is between 7pm and 7am. Some data is unavailable.

- 4.6 The diverse retail hospitality and leisure offer that the city centre provides remains a strong draw to visitors and local people. There is however, evidence of strain within the retail sector; city centre BID will therefore seek to include experiential programmes within the new business plan, (subject to agreement from BID businesses), providing new reasons to visit the city centre.

5 COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Brighton BID Company Ltd has started consultation in September 2020 and will complete it by December 2020. The exercise was designed to ascertain business perceptions and priorities for improvements to the retail districts in central Brighton and to determine the activities and actions that will form the new BID business plan.
- 5.2 The legislation enshrining BIDs dictates that all consultation must be transparent and robust. That means that each person who is liable to vote (the person who pays the National Non-Domestic Rates bill) must be personally engaged with where it is reasonably practicable. All interactions must then be held on a database for future reference in case of a complaint or legal challenge. With over

860 businesses (more if the BID is extended) to potentially be consulted with, the BID is using a team of people to support the process in the run up to the ballot in 2021.

- 5.3 The consultation process comprises a combination of leaflet distribution, one-to-one meetings held with businesses in the designated area via ‘street teams’ tasked with visiting all business premises in the area, along with phone calls to Head Offices.
- 5.4 As with the last three BID renewals. Brilliant Brighton BID will be supported in the renewal process by British BIDs, the highly respected and long-established organisation focused entirely on supporting the British BID network.

6. CONCLUSION

- 6.1 Brilliant Brighton BID has made a significant contribution to the health and vibrancy of the city centre. During the Spring lockdown the BID played a crucial role in offering advice and signposting to members to advice services. It also supported its members in re-opening safely and promoting the city centre as a safe place to be. A second BID for the seafront creates the possibility of private sector investment in enhancing this important part of the city for residents and visitors.
- 6.2 Council support for the BID along with delegated authority for the Director for Economy, Environment and Culture will help to streamline the process of renewal and ensure that a new BID can be in place by June 2021 if the ballot is successful.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 Brighton BID Ltd has budget reserves of £20,000 for the renewal process. This is being matched by Brighton & Hove City Council through the allocation of £20,000 from the 2020/21 Economic Development revenue budget, along with £5,000 from the 2020/21 Economic Development budget for the Seafront feasibility work.
- 7.2 Summary of associated costs to date:

Initial Consultation with potentially 1000 businesses	
Expenditure	£
Two x per year for mail outs	1,520
Plus, print and design for collateral	5,000
British BID Renewal Support	10,000
Civica Election Services (fees to be agreed)	TBC
Staffing Costs	23,040

4 f/t posts from October – March plus on costs	
Grand Total for renewal	39,560

- 7.3 Local Authorities are able to charge a reasonable fee for collecting the levy. The exact amount of the charge to Brilliant Brighton BID will be agreed for the full term of the five-year BID and set out annually within the BID Business Plan and the Operating Agreement.

Finance Officer Consulted: Rob Allen

Date: 11/11/20

Legal Implications:

- 7.4 Many of the legal implications are set out in the body of the report. The BID will need to adhere to the process set out in the Regulations and the local authority manages the ballot process.
- 7.5 The local authority is required to manage the collection and enforcement of BID levy charges. The Local Authority will establish a levy collection agreement, often referred to as the Operating Agreement. The purpose of this agreement is to define the principles and processes for collecting the levy; enforcing the payment of the levy; reporting on collection and bad debt; monitoring provisions between the BID and the local authority; and providing regular detailed and summary information on the service to the BID as the client. Legal services will advise on that Operating Agreement which will be monitored by the Economic Development Team.

Lawyer Consulted: Alice Rowland

Date: 13/11/20

Equalities Implications:

- 7.6 The consultation process will comprise a range of approaches e.g. distribution of literature, face to face meetings and telephone contact. The Street Teams responsible for the consultation will consider the needs of businesses and how they wish to engage. Through this approach the BID will be able to ensure that businesses are able to engage using the method that best suits their needs.

7.7 Sustainability Implications:

Brighton Business Improvement District delivers a range of projects designed to support the sustainability of Brighton City Centre and the businesses trading within it. An outline of the support they provide is given below:

Activity	Sustainability Implications
On-street security patrols	Making the city safer. enhancing reputation
Christmas lights & promotions/ Dressing the city for summer	Making the city more attractive. Enhancing reputation
Bulk purchasing procurement to reduce business overheads	Survival of independent retail sector Mainly local supply chains
PR and Marketing on Brilliantbrighton.com	Supporting independent retail sector to reach a wider audience

Managing agreement with Institute of Fundraising (Chuggers)	City centre feels more welcoming to visitors and shoppers
Provides collective voice for 517 city centre businesses	<p>Creating shared ownership of the management of the city centre with businesses</p> <p>Support delivery of the city councils newly adopted Corporate Plan – namely:</p> <ul style="list-style-type: none"> • Building Community Resilience • Empowering Communities • Tackle crime and antisocial behaviour • Support businesses to adopt carbon Reduction Initiatives • Developing the local visitor economy

7.8 Brexit Implications:

None

7.9 Any Other Significant Implications:

7.10 None

7.11 Crime & Disorder Implications

The BID Ambassadors work closely with Sussex Police and the city's Business Crime Reduction Partnership to reduce crime and gather intelligence on criminal working in the area. Annually, they have returned in excess of £50,000 worth of stolen goods and has been central in assisting Sussex Police with hundreds of arrests and many thousands of sightings of offenders.

Risk and Opportunity Management Implications:

7.6 None

Public Health Implications:

7.7 None

Corporate / Citywide Implications:

7.8 None

