

## **Appendix 2.**

### **BIDs in Denbighshire**

- 1.** As a BID is a legal entity and the process required to set one up requires particular expertise, a procurement exercise was undertaken by the County Council with the involvement of BID Task Groups to secure the services of an expert in this field to work with the businesses in the towns. This procurement process was undertaken for Rhyl & Prestatyn in 2017 and again for Llangollen in 2018. The MOSAIC Partnership were successful in both instances and embarked on the process of supporting businesses to explore BIDs in each of these 3 towns.

### **2. The process of forming a BID**

*2.1 Feasibility* - This initial stage considers Financial analysis; area/boundary modelling and engagement with businesses and both Town and County Councils through e.g. meetings and surveys. It identifies business interest and assesses the viability of a BID.

*2.2 Development & Campaign* - If the BID has been seen to be feasible both in terms of finance and local support then a team to explore it further is developed. This 'BID Task Group' is formed in the town and comprises mainly businesses but often includes a representative from Town and County Councils. It is supported by the independent experts and develops the Draft Business Plan, engaging more widely with local stakeholders through:

- face-to-face meetings with businesses
- workshops, presentations, stakeholder meetings and drop in sessions
- websites created for the potential BID
- newsletters/mail shots to all potential levy payers within the proposed BID boundary

Once this process of consultation and collaboration is complete, the Final Business Plan is produced.

2.3 *Final Business Plan* - The Local Authority by law must be satisfied the BID proposals contain all the information needed to make a clear assessment. The Final Business Plan contains this information - it is the document on which businesses vote. It usually contains the following:

Statement of Works	Summary of Consultation
Delivery Body and Type	Budget Forecast
Baseline Services Statement	Duration of BID Arrangements
Description of Geographical Area including Map	Commencement Date for BID
BID Levy Rules (amount, payers, exemptions)	Statement on Development
Statement for any Alteration Arrangements (with or without ballot)	

### 3. The Power of Veto

3.1 The Local Authority has a duty in law to be satisfied with the BID proposal/ Business Plan. It can veto the proposal only on a limited number of issues (set out below). The Business Plan is therefore examined by officers ahead of recommendations to Cabinet and prior to a BID Ballot in order to assess if the proposals are likely to:

- conflict to a significant extent with an existing local authority policy,
- place a disproportionate financial burden on particular businesses e.g. by manipulating the boundary or
- the burden from the levy is unjust e.g. one particular sector pay a far lower or higher charge than others.

### 4. The Ballot

4.1 Once the BID proposers request has been accepted through Cabinet as meeting the criteria set out in legislation, the Council provides the mailing list

of ratepayers within the BID boundary to the BID proposer. The BID proposer has a part to play in ensuring the list is as up to date as possible, working with the Authority.

- 4.2 At least 84 days before submitting proposals, the ballot proposer (in Denbighshire this has been to date the independent experts on behalf of the businesses), notifies the Local Authority and the Secretary of State of their intention to put the BID proposal to ballot. For Rhyl this was dated 19<sup>th</sup> June 2018. For Llangollen notification was dated 15 October 2019.
- 4.3 At least 42 days before the final ballot date, the ballot holder should publish a notice stating the date of the ballot, and send a copy of this to the Secretary of State. In Denbighshire an independent provider, the Electoral Reform Service, has been used to conduct the ballot and count the votes.
- 4.4 Businesses that are subject to the levy, as set out in the proposals, vote in the ballot. This determines whether the scheme goes ahead.
- 4.5 In Rhyl notice of ballot was sent on 11 Oct 2018 and ballot packs sent to each qualifying property on 25 October 2018 giving 28 days to cast their vote.
- 4.6 Each business entitled to vote in a Business Improvement District ballot is allowed one vote in respect of each property occupied or (if unoccupied), owned by them in the geographical area of the Business Improvement District as delineated in the BID Business Plan.
- 4.7 As a non-domestic rate payer the Council has a vote for each eligible property they have in the BID area in the same way that businesses do, and this information is presented to Cabinet Briefing and Cabinet. For Rhyl this was 10 September 2018 and 25 September 2018. For Llangollen this is scheduled for 13 & 21 January 2020. In Denbighshire the vote is delegated to a Chief Officer. This also means that as a voter the Council is liable to pay the BID levy. In Rhyl this year the Council is liable for £19,361 of BID levy. In Llangollen the current projection is for £6,250 p.a.
- 4.8 Whilst the Local Authority is legally responsible for overseeing the ballot process, the BID Task Group is responsible for, and plays a vital role in

communicating, providing information and campaigning for business support. Businesses that would not be subject to the levy or who are outside the BID boundary will not receive ballot papers or direct communication on the proposals. However, information about the proposed BID appears in local media and the Final Business Plan is published on line in the run up to the ballot so is readily available.

- 4.9 A successful vote is one that has a simple majority both in votes cast and in rateable value of votes cast. In the Rhyl BID these criteria were met. There were 463 eligible properties of which 99 voted with 66 in favour.
- 4.10 As soon as practicable after the vote the local authority makes the announcement. In Rhyl the ballot closed on 22/11/2018 and the announcement was made on 23/11/18 and posted on the local authority website and the BID website on 27/11/18. A Press release on behalf of the BID was issued by the local authority to the media on 27/11/18. The BID proposers then wrote to levy payers summarising the next steps going forward.

## **5. Declaring a ballot void**

- 5.1 There is a 28 day period straight after the ballot result announcement during which a request to the Secretary of State can be made to declare the ballot void. The request can be made by the BID, at least 5% of the voters or the local authority and must be in writing setting out the basis of the challenge, which must be a material irregularity in the ballot process. The Secretary of State cannot consider questions surrounding the result, nature or merit of the Business Improvement District or Business Improvement District policy.

## **6. Current Position**

- 4.1 In the case of a 'yes vote' the local authority will manage billing and the collection of the levy and will hold the levy in a ring-fenced revenue account on behalf of the BID. This usually takes the form of an operational agreement between the new BID and the Council.

- 6.1 The Rhyl BID has been through the feasibility and development process according to legislative requirement and resulted in a 'yes' vote at ballot. It is now established as Rhyl Bid Ltd, a not for profit company. The operational agreement is in place and the BID has a manager in post reporting to a BID Board comprising business representatives, a Town Council and a County Council representative (Head of Highways & Environmental Services).
- 6.2 Businesses in Prestatyn did not wish to progress further with the development of a full BID business plan, though there may be future interest from new business representatives.
- 6.3 Llangollen has been through feasibility and is currently coming to the close of development process. Its proposals are scheduled for Cabinet Briefing and Cabinet for January 2020 with a view to going to ballot in February 2020 closing 19 March 2020.