

UXBRIDGE BUSINESS IMPROVEMENT DISTRICT

Cabinet Member(s)	Cllr Eddie Lavery
Cabinet Portfolio(s)	Environment, Housing & Regeneration
Officer Contact(s)	Nigel Cramb – Place Directorate
Papers with report	Appendix 1 - Uxbridge BID Business Plan 2022-2027 Appendix 2 - Map of Uxbridge BID area

HEADLINES

Summary	This report seeks Cabinet endorsement and support for the proposal to deliver a second term of the Uxbridge Business Improvement District. To note and agree the financial implications of a successful outcome for a second term for the Uxbridge BID.
Putting our Residents First	This report supports the following Council objectives; <i>Our Heritage and Civic Pride; Strong financial management.</i>
Financial Cost	The total cost over the five-year period 1 st October 2022 to 30 th October 2027 is estimated at £146,379 and will be managed within existing revenues budgets for the Corporate Estates Service. The total income over the same period is estimated at £69,125 and is included in revenue budget assumptions for the Revenues and Benefits Service.
Relevant Select Committee	Environment, Housing & Regeneration
Relevant Ward(s)	Uxbridge North and Uxbridge South

RECOMMENDATIONS

That the Cabinet

- 1) **Notes and acknowledges the work of the BID in its first term, supports the proposal to extend the BID for a further five years from 1st October 2022 to 30th October 2022 and endorses the Uxbridge BID 2022-2027 BID Business Plan attached as Appendix 1;**
- 2) **Agrees the Council's annual levy contribution to the BID for the period of 2022 – 2027 as set out in the report;**
- 3) **Agrees to the Council administering the 2022 Bid Ballot under the independent auspices of Democratic Services;**
- 4) **Authorise the Leader of the Council, on behalf of the London Borough of Hillingdon, to vote in the BID ballot in respect of each of the Council's eligible rateable hereditaments.**
- 5) **Delegate authority to the Corporate Director of Place, in conjunction with the Leader of the Council and Cabinet Member for Environment, Housing and Regeneration, to make any further necessary decisions required and to agree the Baseline agreement and the Operating agreement, noting that these agreements are to be in place before Uxbridge BID commences its second five-year term.**

Reasons for recommendation

Enabled by the Local Government Act in 2003 and first seen in London in Kingston upon Thames in 2005, a Business Improvement District (BID) is a geographical area, which the local businesses and other qualifying organisations have voted to establish. Businesses are required to pay an additional levy to fund projects within the district's boundaries.

Alternative options considered / risk management

The Cabinet could choose not to support the recommendations for a further five-year BID term. If this was the case, it would make the challenge of securing a second term for the BID more uncertain and reduce the amount of income available to the BID to commit to the Uxbridge BID zone.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

BACKGROUND

Business Improvement Districts

Business Improvement Districts (BID) are defined as non-profit business led partnerships, which are created through a ballot process to deliver additional services to local businesses. BIDs cover specific areas defined agreed by local partners. Within the BID area, a levy is charged on all business rate payers (except those below a locally agreed threshold), which is in addition to the business rates bill.

This levy is used to fund delivery of services, improvements and promotions which will benefit businesses in the local area. The services a BID provides will be determined locally by the businesses within the defined area. There is, however, a requirement that the services provided by a BID will be additional to those provided by local authorities.

Typically, a BID's focus is on delivering environmental improvements, making the BID area welcoming and safe and marketing the area to a wider audience. The Uxbridge BID shares these aspirations.

The Uxbridge BID was established in 2017 following a successful bid ballot organised by the Council's Democratic Services team. Uxbridge BID covers an area in the centre of Uxbridge town centre (See Appendix 2). Businesses within the designated BID area voted to establish Uxbridge BID, which had a mandate to operate and collect a bid levy for a period of five years.

Current Levy

The current levy was set at 1.25%. The 'chargeable day' is 1st October. There is a fixed inflation rise of 3% per year.

Businesses with a Rateable Value below £15,000 per annum are exempt.
No single hereditament will be charged a levy exceeding £15,000 per year.
The Levy Rate – currently 1.25% is fixed for the five-year BID term.

In its first five-year term Uxbridge BID has to date secured at total of £2,484,364.13 from 395 accounts.

2017/18	£529,118
2018/19	£550,545
2019/20	£525,294
2020/21	£462,921
2021/22	£416,486

The decline in income in the BID for 2020/21 and 2021/22 is an example of how the Covid crisis has impacted businesses in Uxbridge, resulting in non-payment. The outstanding liabilities are subject to the usual debt recovery processes; however, enforcement of such processes is at the discretion of the Uxbridge BID.

BID's priorities

Uxbridge BID stated objective is to 'make Uxbridge an even better place to live, work and socialise.' The BID is managed by a board of Trustees and supported by an advisory group made up of BID levy payees and over the last five-years the BID has been promoting Uxbridge and delivering a rolling programme of events and activities.

Activities and impact

Since Year one (October 2017) Uxbridge BID has invested £2,000,000 in supporting businesses and consumers within Uxbridge Town Centre and continues to uphold its commitment to make Uxbridge a Better Place to Live Work and Socialise. It is anticipated that an additional £500,000 will be invested over BID Year 5 (October 2021 – September 2022).

Cleaner, Safer, Greener

As businesses emerged from Lockdowns, the focus of the BID activity shifted to 'Cleaner, Greener, Safer.'

In response to the Covid19 Pandemic, the BID introduced twice weekly Covid19 Hygiene cleaning across the whole Town Centre (June 2020), a service which continued until the end of September 2021. In addition, a full deep clean of the BID area was carried out over the period of June – August 2021; a repeat of the clean undertaken in 2019 (suspended during 2020).

The Security Ambassador Team are in the town centre seven days a week 10:00am to 6:00pm, they were reintroduced in June 2020, to reassure the public with regards to Covid19, support businesses and the Council to ensure that Uxbridge remains a safe place to visit for residents and town centre workers.

The BID continues to fund a Metropolitan Police Officer who works with the BID Ambassadors team. With the support of the Ambassadors team a multitude of incidents have been dealt with including anti-social behaviour, possession of offensive weapons, possession of illicit drugs, public order incidents, domestic incidents, vandalism, and missing persons.

Although the night-time economy has been slow to return to pre-pandemic levels, the late-night economy continues to be supported by the BID, with Street Security being deployed 10:00 pm to 2:00 am on weekends supporting Licensees, Door Staff with dispersal and issues of ASB.

As with many BIDs, as consumers and the wider public return to town Centres, the focus has been on making the environment as welcoming as possible. Uxbridge BID has also invested in the floral displays within the town centre, with an enhanced scheme around Uxbridge underground station.

Events – Driving Footfall and Welcoming people back.

Creating and supporting activity within the BID continues to be a key focus and the BID team continue to deliver events with a view to attracting and encouraging visitors to Uxbridge.

Activities include the Love Uxbridge Summer Festival, Easter and half term activities and the Christmas market and associated activities. Linked to the town centre events, the BID has continued to engage BID levy paying businesses and promote Uxbridge via a range of media. The BID also continues to promote the 'Love Uxbridge' discount card. The card affords users discounts from Uxbridge based business, focusing on retail, hospitality, and service sectors.

Relationship with LB Hillingdon

Uxbridge BID and the Council have worked effectively together both during the establishment of the of the BID and over its first five-year term. The initial five years of the BID has been a successful one with the BID contributing funds and resources to support Council led Uxbridge town centre activities.

In addition to attracting visitors to the town centre, the activities of the BID compliment the ongoing work of the Council in Uxbridge. This has included;

- Investing in the public realm town centre improvement schemes
- Supporting cleaning in the town centre, (regular deep cleaning of the public realm
- Sponsoring the hanging baskets
- Contributing towards the annual Christmas festive lighting display
- Meeting the cost of additional late night CCTV coverage

The first term of Uxbridge BID ends in September 2022 and they have advised the Council that they intend to seek a second five-year term and have requested that the Council's Democratic Services Team manage the ballot. Any costs associated with the BID ballot will met by the BID.

Subject to Cabinet endorsement the delivery of the ballot is scheduled to commence on Monday 10th June and will close at 5pm on Thursday 7th July. The outcome of the ballot will be publicly declared on Monday 11th July.

There follows a 28-day period when, under the BID ballot regulations, where there is the opportunity to challenge the outcome of the ballot. The challenge has to be made to the Secretary of State for Housing Communities and Local Government. A challenge can only be considered if it appears that material irregularities have occurred during the ballot process. It is not possible for objectors to mount an appeal solely on the grounds that they are against the principle of establishing a BID.

There are currently 395 properties within the Uxbridge BID area and each property, or hereditament as it is known, will have a vote. Each hereditament will be sent ballot papers and invited to complete the voting process.

If successful, the second BID Term will run from 31st October 2022 to 30th October 2027).

The Council has six hereditaments and therefore six votes. These relate to the following properties:

- Civic centre
- Central Library
- Grainges car parks upper & lower (two accounts)
- Cedars car park
- Pavilions Open market

The Council's current annual liability is £26,768 for the above six accounts.

Reasons for continued support

The BID has been highly active in organising events and promoting Uxbridge as a destination with a view to increasing footfall and commerce but there is still a considerable amount of work to be done to see Uxbridge back to pre-covid levels of activity.

One of the BID's initial priorities was to support the town's office sector and this support is now even more critical as the office sector in Uxbridge is certainly not as active as it was pre-covid.

The covid crisis also saw the loss of several of Uxbridge's national retailers e.g., Debenhams and Topshop and the closure of a number of chain restaurants. Furthermore, the covid crisis saw the cancellation of several planned commercial investments in Uxbridge.

The BID will need to work with partners to promote Uxbridge as an investment destination over the next few years to ensure that Uxbridge continues to be able to offer a range of retail, leisure and commercial facilities to residents and town centre employees.

Uxbridge BID 2022-2027 business plan

The BID has shared with the Council their next five-year business plan / BID proposal is attached in Appendix 1, which serves to highlight the priority themes and activities for the organisation should it secure a yes vote in the forthcoming ballot. The plan will be sent all businesses entitled to vote as part of the ballot process.

Cabinet support for a further five-year Uxbridge BID programme and endorsement of the business plan is recommended by officers. Additionally, endorsement for The Leader of the Council to formally vote in the BID ballot at the appropriate time is recommended.

The Council currently receives a payment of £13,825 (per annum) for collecting the levy on behalf of Uxbridge BID this service. (Based upon a collection rate of £35 for each account).

Future Levy

The BID has advised that the Levy Rate proposal for the first year of the five-year term is set at 1.25%. This will be reviewed annually in line with inflation, with initial estimates over the five-year period including a 3% annual inflationary uplift.

The number of properties or hereditaments liable for the levy is estimated at 396 – despite the impact of the covid crisis, this is a similar figure to when the BID commenced its first term. It is noted that the owners of untenanted properties or hereditaments will be liable for payment of the levy.

The BID estimates that if the ballot is successful the BID will look to secure income in the region of £2,496,334 over the proposed five-year term. The income expected for each year of the term is estimated as follows:

Year 1	476,124
Year 2	487,310
Year 3	499,530
Year 4	510,340
Year 5	523,030

Operating and baseline agreements

The relationship between the Council and its respective BID area is covered by an Operating agreement and a Baseline service agreement. Since the establishment of Uxbridge BID in 2017 these two agreements have been in place.

The Operating agreement sets out the arrangements between the Council and Uxbridge BID regarding the collection and subsequent payment to Uxbridge BID of the BID Levy.

As already mentioned in this report there is a requirement that the services provided by a BID will be additional to those provided by the BIDS host local authority. There is a requirement therefore that a Baseline agreement is in place. This baseline agreement is a statement of services which the local authority provides in a BID area. It provides both a starting point for negotiations for the Council and for a BID to plan additional or expanded service provision but is also a means by which local service provision can be monitored by a BID.

Both the Operating agreement and the Baseline agreements are being reviewed and updated in order that they are in place prior to Uxbridge BID entering its second five-year term.

It is recommended that the Corporate Director of Place, in consultation with the Leader/Cabinet Member be delegated authority to agree the Baseline agreement and the Operating agreements once they have been reviewed and agreed with Uxbridge BID.

Financial Implications

This report is seeking approval to extend Uxbridge BID for a second term, for a period of five years from 1st October 2022 to 30th October 2027. There is a strong focus on rebuilding the town centre following the pandemic and it is anticipated that wider economic benefits will be achieved through the Uxbridge BID initiative such as an increase in footfall and an increase in employment rates in the Uxbridge area.

Approval is also sought for the Council's annual contribution to the Uxbridge BID initiative. The direct cost to the Council, including an estimated annual 3% inflationary uplifts over the five-year period, totals £146,379. Inflationary rates may be subject to further review during the five-year term. The annual cost is estimated as follows and will be managed within existing revenue budgets in the Corporate Estates service.

Year 1	£27,571
Year 2	£28,398
Year 3	£29,250
Year 4	£30,128
Year 5	£31,032

The Council will receive income for collecting the levy on behalf of Uxbridge BID and will contribute towards the cost of officer time for the billing process undertaken by the Revenues and Benefits service. Currently, this attracts £35 per account and based on 395 accounts; it is anticipated that the annual income will be £13,825. Assuming the number of accounts remains consistent over the five-year period, the total income would be £69,125. A review of the £35 per account will be undertaken as part of the Operating Agreement and is therefore subject to an increase to reflect the increase in staff costs. Acting as an agent, there is minimal financial risk to the Council with this arrangement. Any non-payment of the levy will not impact Council budgets.

Uxbridge BID has requested that the Council's Democratic Services manage the BID ballot process again for the second term. Should Cabinet agree, any costs associated with administering the ballot will be covered by Uxbridge BID.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

Uxbridge BID has a stated objective of 'making Uxbridge an even better place to live, work and socialise.' All the BID activities are therefore focused on these objectives and therefore residents of both Uxbridge, the wider Hillingdon community who visit Uxbridge and town centre workers, all benefit from the ongoing activities of Uxbridge BID.

Consultation carried out or required

No specific consultation has been undertaken, but it is noted that Uxbridge BID is proposing a ballot on its proposed Levy proposals. The outcome of the ballot will serve to determine

whether the activities of the BID over the past five years have been valued by contributing Levy payers.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance has reviewed this report and concurs with the financial implications set out above, noting that the recommendation to agree the Council's annual levy contribution to the Business Improvement District, extending the Uxbridge BID for a second term at an estimated £146,379 over the five-year period. There are anticipated economic benefits for Uxbridge.

It is further noted that the Council receives income for collecting the BID levy and any costs in administering the ballot will be covered by Uxbridge BID

Legal

Business Improvement Districts are established under Part 4 of the Local Government Act 2003. As stated in the report, a BID only comes into being if a majority of business rate payers within the Uxbridge BID area vote in favour in a ballot held under the Business Improvement Districts (England) Regulations 2004.

The Borough Solicitor confirms that the Uxbridge BID proposals comply with the above mentioned legislation and that there are no legal impediments to the Cabinet from agreeing the recommendations set out in the report.

Comments from other relevant service areas

Other relevant service areas will be consulted as part of the Baseline Agreement and Operating Agreement review.

BACKGROUND PAPERS

NIL