

CITY OF PLYMOUTH

Subject: Business Improvement District (BID) Power to VETO.

Committee: Growth and Prosperity Overview and Scrutiny Panel

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Part: I

Plymouth City Centre Company Ltd established a Business Improvement District for Plymouth City Centre in April 2005 and the BID Business Plan 2005-10 has been successfully implemented with £11m total expenditure: indeed the Plymouth BID has won 13 national awards and is widely recognised as being one of the best in the UK.

BIDs must be renewed every 5 years through a democratic ballot of all eligible businesses located with the BID boundary. The City Centre Company has consulted widely with its members and stakeholders over the last 2 years to produce a new BID Business Plan (for 2010-15) with £10m total projected expenditure: which is currently being balloted on by all eligible City Centre businesses. Assuming a majority of businesses vote 'Yes' in the ballot (both by number and rateable value), the BID will be renewed and if so the Council has already agreed to continue to support the BID. The result of the BID ballot is due to be publically announced by 21/22 October 2009.

The legislative framework for BIDs includes a provision permitting a local authority to veto BID proposals where; (a) they conflict to any material extent with any corporate policy of the Council, or (b) have a significantly disproportionate effect upon any person or class of persons.

In exercising the veto an authority is to have regard to specific matters including: the amount of support for the BID shown in ballot; the nature and extent of the corporate conflict (if any); the distribution of the effect of the BID Levy; the degree to which there has been previous involvement of persons, including the Council, in the preparation of the BID and the costs incurred in canvassing opinions.

With Plymouth BID being effectively a partnership between the Council and the business/retail sector in the shape of the City Centre Company it is

considered important that a degree of independence is maintained when the time comes for the Council, as a whole, to consider whether the power of veto is applicable and should be used in these circumstances. Hence the involvement of the Growth and Prosperity Overview and Scrutiny Panel. The Growth and Prosperity Overview and Scrutiny Panel is invited to view the BID Business Plan 2010-15 at: www.plymouthcitycentre.co.uk/BID and come to a formal recommendation in relation to the Council's power of veto over the Plymouth BID.