

CITY OF PLYMOUTH

Subject: Renewal of Business Improvement District for the City Centre
Committee: Working Plymouth
Date: 15 October 2014
Cabinet Member: Cllr Mark Lowry, Cabinet Member for Finance
CMT Member: Strategic Director for Place – Anthony Payne
Author: Amanda Lumley, CEO Destination Plymouth
Contact: Tel: 01752 307268
E-mail: Amanda.lumley@plymouth.gov.uk
Ref:
Key Decision: No
Part: I

Purpose:

The purpose of this report is to seek confirmation of the City Council's support for the proposed renewal of Plymouth City Centre Company's Business Improvement District (BID). This report describes the key BID project priorities and themes that will be the focus of the proposed 2015-20 BID. It also seeks a commitment from the City Council to provide match funding and in kind support, should the BID be successfully renewed through a democratic BID ballot, involving all City Centre businesses, due in March 2015. Full details of the BID Proposal (BID Business Plan) will follow; however, at this stage, the City Centre Company seeks reassurance that PCC will continue to match fund and provide help-in-kind support for the 2015-20 BID.

Executive Summary:

Plymouth City Centre's economic vibrancy is of vital importance to the City and a key priority for this Council. Through the existing and original BID we have invested heavily in the City Centre, matching the contribution of levy payers and prioritising City Centre projects, including from within our capital programme, in line with the BID's ambitions. Overall, the BIDs have proved to be a resounding success.

Supported by the City Council, the Plymouth City Centre Company Ltd. (PCCC) has been hugely successful over the past 10 years. It has won more than 15 national awards. In addition, it has provided a major voice for many businesses, organisations and partnerships within the City. Representing over 700 businesses within the Plymouth City Centre area it has gained a national reputation for best practice and has maintained the city centre environment as a safe, clean and more vibrant place for residents and visitors alike.

A Business Improvement District (BID) is a private sector led management organisation for a precisely defined geographical area, where business rate payers have identified projects and services that will have a positive impact on their trading environment. Businesses within the area vote to invest collectively in delivering these improvements which are wholly additional to those already delivered by local, statutory bodies. Once a BID has been established all businesses contribute a BID Levy based on the rateable value of their premises (hereditaments) to ensure fairness and equity. BIDs have a maximum duration of five year.

The continuation of a Business Improvement District for the Plymouth City Centre is an important element of the Local Economic Strategy 2006-2021 & Beyond (LES) supporting five of the key flagships and is a crucial element in delivery of the Visitor Plan for the city. The LES identifies the visitor economy (Tourism and Culture) as a priority growth sector, which has the potential to generate 7,000 additional jobs over the next ten years. Tourism is a significant industry in Devon & Cornwall and has been recognised in the heart of the South West (HotSW) LEP prospectus. The Visitor Plan is a key component of the implementation of the LES; setting out a framework for realising the potential of Plymouth's visitor economy to 2026. The City Centre BID will also act as a catalyst and conduit of information to help facilitate delivery of the 'Ocean City Infrastructure', Business Growth and wider flagship projects of the LES.

Extensive consultation has taken place with the City Centre businesses and other key stakeholders since August 2013 through a series of face-to-face meetings, surveys, workshops and 'open door' meetings (25 workshops and meetings). The BID is about investment in the area and sustainable partnerships for delivery. The BID legislation does not require the Local Authority to endorse the BID proposals, however it is essential that Plymouth City Council confirms its support, financial and in kind prior to the ballot and before the BID will reach the end of its second term on March 31st 2015.

The Plymouth City Centre Company Ltd. will be responsible for delivering the City Centre BID. PCCC is an independent, not for profit company limited by guarantee, which currently operates as a voluntary membership partnership with a Board of Directors representing all the key business sectors in the BID area, run by and for local businesses.

PCCC will provide leadership and management and be directly accountable to City Centre businesses for the delivery of the BID Business Plan, working in partnership with Plymouth City Council, Plymouth Waterfront Partnership, Destination Plymouth, the Police Authority, Plymouth University and other public agencies to benefit businesses located within the City Centre area.

Further to consultation, the emerging BID priority themes are:

1. Clean City Centre: Including group buying of waste management services and an enhanced waste recycling scheme.
2. Safer Centre: Including PARC to reduce business crime in the day and night.
3. Marketing and PR: Marketing campaigns to attract more shoppers and visitors to Plymouth.
4. Events and Activities: Reinvigorate Christmas themed activities and other events year-round to enhance the shopping experience.
5. Advocacy: Including effective advocacy at local level and through national representative bodies on issues important to businesses in Plymouth, for example moves to pay on exit parking to encourage greater length of stay, and protection from out-of-town shopping developments.
6. Reduce business costs: Including assessments for business rates and utilities.

The BID boundary area covers the primary areas of the City Centre including the area to the North of Royal Parade and up Armada Way to North Cross, the area West of Armada Way across to Western Approach, the area to the East of Armada Way across to Charles Cross. As part of the renewal process for 2015 to 2020 the City Centre Company has identified an additional geographic area which includes the British Land Drake Leisure development and this has been identified on the attached plan. The City Centre Company BID area will buffer up to the Plymouth Waterfront Partnership BID area where possible to enhance links between the two areas and a seamlessly positive visitor experience.

The full draft version of the Plymouth City Centre Company BID Business Plan will be available from mid November 2014 at: www.citycentrebid.co.uk

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

Plymouth City Centre's economic vibrancy is of vital importance to the City and a key priority for this Council. Through the City Centre Company and the consolidation of resources the City will help encourage enterprise, drive retail trading performance, and reassert Plymouth City Centre as the region's premier shopping and leisure destination. In addition, it will help attract more visitors and visitor spend, increasing the number of jobs within the visitor economy.

The renewal of the City Centre BID will also support the following Corporate Plan outputs:

Growing: Supporting strategies: Local Economic strategy	A strong economy creating a range of opportunities Plymouth is an attractive place for investment
Pioneering: Supporting strategies: 'Vital Sparks' cultural strategy	Plymouth's cultural offer provides value to the City
Caring: Supporting strategies: Children's strategy	Children, young people and adults are safe and confident in their communities
Confident Supporting strategies: Plymouth Visitor Plan	Citizens enjoy living and working in Plymouth Plymouth's brand is clear, well known and understood

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

Plymouth's BID is based on a BID Levy of 1.332% of the rateable value of every business representing an investment of £2,150,000 over 5 years. Matched with funding from Plymouth City Council, property owners and other contributors this will generate significant additional funding for BID projects over the BID's 5-year life. In addition, it is anticipated that the City Centre Company will secure external match funding towards proposed BID projects, which will further increase the scale of expenditure and investment.

The proposed City Council and City Centre Company funding and 'in kind' support for 2015 to 2020 will be detailed in the Cabinet report due in December 2014. Once the BID has been established, through national BID legislation PCCC will establish a contractual agreement with Plymouth City Council to regularly review Council services delivered within the BID area. As with previous BIDs, the Council will be contractually obliged to maintain agreed standards to conform to baseline Service Level Agreements for all existing statutory services and in kind support provided, which includes premises, ICT, legal and administration support at current levels, together with ongoing provision of BID levy billing, collection and enforcement costs (through the Courts to a maximum value of £9,000 per annum), payroll, accountancy and invoice payment support.

BID projects will be entirely additional to existing City Council services and support. A successful ballot for a new BID would lock the City Council into maintaining existing levels of service and agreed support for the BID's five-year duration until end of March 2020.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

None. Plymouth City Centre Company Ltd will continue to ensure that its activities support these objectives.

Recommendations and Reasons for recommended action:

It is recommended that the Working Plymouth Overview and Scrutiny Panel:

1. Endorse Plymouth City Centre Company's approach to the BID's renewal, including the principles and overall approach of the proposed Business Plan for 2015 to 2020.

Reason: To confirm the City Council's partnership with the City Centre Company and its Business Improvement District.

2. Support the decision to approve the City Council's financial and in kind contributions and continued commitment to support the City Centre Company's BID at agreed levels through the proposed BID Concordat and Contract for the provision of services within the Plymouth City Centre Business Improvement area.

Reason: To enable the Plymouth City Centre Company Ltd to implement the Business Plan 2015 to 2020, if the BID is approved through the Ballot.

3. Support the decision to authorise the Chief Executive to instruct a Ballot Holder to undertake a ballot of appropriate businesses within the City Centre Company Business Improvement District area.

Reason: To enable a ballot in the Business Improvement District area to be conducted in accordance with Regulation 7 Schedule 2 of the Business Improvement District (England) Regulations 2004.

4. Support the decision to delegate to the Chief Executive authority to vote on behalf of the City Council in the Plymouth City Centre Company Business Improvement District ballot.

Reason: To discharge the City Council's responsibilities in relation to the ballot as an occupier within the Plymouth City Centre Business Improvement District area in a timely manner consistent with the Business Improvement District ballot programme and in order to achieve the City Council's wider economic and regeneration objectives for the city centre.

Alternative options considered and reasons for recommended action:**Option 1: Progress city centre management through a different vehicle using a voluntary contributions approach**

This has been rejected by the City Centre Company because the anticipated income and levels of commitment would be significantly reduced as a result of differential contributions from different businesses.

Option 2: Amend some of the assumptions in the Business Improvement District Business Plan

This was rejected as the level of service provision within the City Centre has to be enhanced above pre-Business Improvement District levels for the duration of the BID Business Plan in order to meet the requirements of the BID regulations. In addition, experience in delivering the City Centre BID Business Plans demonstrates the added value of a realistic but challenging programme of integrated initiatives in leveraging other sources of income above the basic Business Improvement District levy.

Option 3: Abandon the Business Improvement District Model

This was rejected as it would mean that some of the services and management to be undertaken by the City Centre Company would have to be managed in-house by the City Council or would be stopped completely and it is not considered this would achieve value for money or efficient operations.

Background papers:

See www.citycentrebid.co.uk for to view the Plymouth City Centre Company's draft BID Business Plan available online from mid November 2014.
