



Subject:	Business Improvement Districts - Update
Date:	13 May 2015
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Is this report restricted?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to update Members on progress on the BIDs (Business Improvement Districts) process and to highlight key issues that the Council may need to consider in readiness for a potential positive BID ballot.
1.2	Members will be aware that DSD invited applications from areas interested in taking forward development work on a BID. They appointed a consultancy team – Mosaic Partnership and Place Solutions – to deliver a “BIDs Academy” guiding successful applicants through the development process required to bring a BID to the stage of running a ballot.
1.3	Three areas in Belfast were successful in their application to DSD. These were: <ul style="list-style-type: none">- Belfast City Centre (planned October ballot)- Cathedral Quarter (no firm date for ballot but possibly early 2016)- Lisburn Road.

<p>1.4</p> <p>1.5</p>	<p>Due to unforeseen circumstances, it is likely that the Lisburn Road BID may not be taken forward, although this has not yet been officially confirmed.</p> <p>The Ballymena BID was approved on 31 March with a 41% turnout and an 80% yes vote.</p>
<p>2.0</p>	<p>Recommendations</p>
<p>2.1</p>	<p>Members are asked to:</p> <ul style="list-style-type: none"> – Note the updated position on Belfast BIDs – Agree to receive an update on BIDs from Mosaic Partnership and Place Solutions, the consultancy team appointed by DSD to carry out the BIDs academy, along with the BIDs contacts in Cathedral Quarter and City Centre. Following this meeting, a more detailed report – including resource implications – will be brought back to a future committee meeting.
<p>3.0</p>	<p>Key issues</p>
<p>3.1</p> <p>3.2</p> <p>3.3</p>	<p>Belfast City Centre Management made an application for support to the Development Committee in early 2014 to secure the resources necessary to allow them to appoint a full-time member of staff to work on the BID. This resource will not be in place until October 2015 – the expected timescale for the BCCM ballot.</p> <p>BCCM have been carrying out a range of engagements with businesses in the BID area and have now established a BID Team who will be responsible for taking the BID to ballot stage. Details of team representatives are outlined in Appendix 1.</p> <p>They have recently completed a survey of businesses in the area to identify issues that they wish the BID to address. 125 survey responses were received – a response rate of 14%. The priority issues identified are:</p> <ul style="list-style-type: none"> – Marketing and promotion – Safety and security – Environment (removal of litter, trade waste etc.).

<p>3.4</p>	<p>The BCCM BID area contains just in excess of 1,000 properties, all of which have now been verified by BCCM (Appendix 2). While the actual levy has not yet been finalised, BCCM have been advising that it might average an additional £800 per property – but larger properties will obviously pay substantially more. This figure is based on a levy set at 1.5% of rateable value. This would generate a budget of around £1million per year from the levy.</p>
<p>3.5</p>	<p>Cathedral Quarter Trust is managing the BID process for the Cathedral Quarter area. They also asked the Development Committee for funding towards a development officer but this request was not approved. Tourism NI has been providing some support resources both in cash and in terms of staff time.</p>
<p>3.6</p>	<p>The BID for the Cathedral Quarter area is likely to focus on marketing and promotional activity, reflecting the dominance of the hospitality sector in the area. The first meeting of the BID team is imminent, and while the final composition of the group has not yet been established, it is likely to involve a mix of hospitality and professional services organisations based in the area.</p>
<p>3.7</p>	<p>The Cathedral Quarter Trust has not yet provided a timeframe for the BID ballot in the area although they have been looking at early 2016 as a possible date. There are around 500 properties in what might be considered the “core” Cathedral Quarter bid area, although they are also looking at possibly widening the boundary to take in a wider catchment area encompassing a total of around 800 properties (Appendix 3).</p>
<p>3.8</p>	<p>The Lisburn Road has made limited progress in developing the BID for the area, largely down to a lack of dedicated resource. While they have not formally withdrawn from the process, it is unlikely that it will go ahead within the coming year at least.</p>
<p>3.9</p>	<p>Should the BIDS progress, there are a number of operational issues for the council to discuss and consider. These include:</p> <ul style="list-style-type: none"> – A baseline service agreement needs to be established between Councils and the BIDS before a BIDS business plan can be created and future performance measured. Given that much of the funding to BCCM is currently discretionary and is not guaranteed year on year, consideration will need to be given to expectations of businesses in that area. Equally, for Cathedral Quarter, there is currently no

core funding for the managing organisation (i.e. Cathedral Quarter Trust) but, clearly, the council still provides a significant range of services in the area

- The legislation suggests that the council is responsible for collecting the BID levy. Consideration will need to be given to how this can be achieved, given that the other rates income is collected by LPS (Land and Property Services)
- Need to think about communication to businesses that clearly distinguishes between rates payments and BIDS payments. In Ballymena, LPS will issue a first letter detailing the separate BID Levy bill and Mid and East Antrim Council have outsourced the levy invoicing and collection to a third party
- Need to consider potential reputational risk to the council of – on one hand – taking on a new, more supportive role to businesses through the transfer of functions, while on the other hand possibly having to pursue enforcement action in the case of non-payment of BIDS levy payments
- Belfast City Council owns three properties within the Belfast One BID area (City Hall, Seymour House and Digital Services building). This means that the council will be liable for payment of the relevant levy on these three properties
- Need to consider potential implications for future resourcing of BCCM and CQT. Currently, BCCM receives £190,000 from the council while CQT receives no core funding. BCCM also receives funding of £176,000 from DSD. From 1 April 2016, this function will transfer to Belfast City Council. CQT is currently core funded by DSD and, as with BCCM, this function will transfer to Belfast City Council from April. However the resources of the organisation are minimal and there is likely to be a need for additional capacity, should the ballot be successful. At present, the DSD core funding to CQT is around £65,000 per year
- BCCM is currently in the process of considering how the organisation should be structured in the future, in the case of a successful BID. This may have funding implications for the council, depending on the Board's decision
- Given that both BIDs are likely to focus heavily on the need for additional marketing and promotional activities, it will be important for the council to consider what resources it currently provides for this activity – principally channelled through Visit Belfast at present. However, given that this organisation is being asked to align to the tourism strategy approach of increasing overnight stays, it is likely that their marketing activity may change to reflect this. If this is the case, consideration may be given to how more local marketing campaigns are organised and resourced,

	<p>looking at opportunities for synergy and cost reduction</p> <ul style="list-style-type: none"> - The council may be asked to facilitate the ballot process for the BIDs. This would require significant involvement from Democratic Services and officers from other parts of the council. <p><u>Financial and resource implications</u></p> <p>Resource implications are unknown at this stage.</p> <p><u>Equality or good relations implications</u></p> <p>No perceived equality or good relations issues.</p>
4.0	Appendices – Documents Attached
	<p>Appendix 1: Details of Belfast One BID team</p> <p>Appendix 2: Belfast One BID area boundary</p> <p>Appendix 3: Cathedral Quarter BID boundary</p>