



<b>Subject:</b>	Business Improvement Districts (BIDs) Update
<b>Date:</b>	9 <sup>th</sup> September 2015
<b>Reporting Officer:</b>	Donal Durkan, Director of Development
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<b>Is this report restricted?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report</b>
1.1	The purpose of this report is to update Members on proposals to establish Business Improvement Districts (BIDs) in Belfast and to make a recommendation as to how the council might vote in the Belfast One BID Ballot, which closes at the end of October 2015.
<b>2.0</b>	<b>Recommendations</b>
2.1	Members are asked to: <ul style="list-style-type: none"><li>– Note the update on the Belfast One and Destination CQ BIDs</li><li>– Agree to a yes vote in the Belfast One BID ballot, with the votes to be cast by the Director of Finance and Resources on behalf of the Council</li></ul>
<b>3.0</b>	<b>Key Issues</b>
3.1	At the 12 <sup>th</sup> August 2015 meeting of the City Growth and Regeneration Committee, members were advised of the impending ballot within the Belfast One Business Improvement District (BID) area (see map in Appendix 1). The ballot will open on 17 <sup>th</sup> September 2015 and will close 6 weeks later on 29 <sup>th</sup> October 2015 with the result to be announced on 30 <sup>th</sup> October 2015.
3.2	

3.3	<p>Members are reminded that a BID is a business-led initiative in a defined area where businesses decide what additional improvements they want to deliver in that area. The businesses agree on the level of funding required to deliver the projects and services that are additional to those already provided by the council or other statutory partners. They agree to fund these services – set out in a business plan – through a levy which all businesses in the area are required to pay.</p>
3.4	<p>The draft business plan for the Belfast One BID will be issued to all businesses in the area from 11th September 2015. It will set out the broad priorities for action agreed to date by the BID Task Team (comprising rate payers in the area). The final business plan cannot be agreed until the BID is operational. At this point, it becomes a legally binding document which the BID company commits to deliver. If the ballot is successful, the BID will become operational from 1<sup>st</sup> April 2016.</p>
3.5	<p>In advance of the ballot, Land and Property Services (LPS) have provided some more refined rates data. This confirms that there are now 1,025 properties within the Belfast One BID area, with a combined rateable value of £77.7 million. The Belfast One BID is proposing a levy of 1.5% of the rateable value. This should produce a total annual income of around £1.1 million for the BID. There will be a number of exemptions, including properties with an NAV of less than £10,000 per annum and churches and charities with no retail outlets. There will also be a reduced levy (1.2%) for properties located within shopping centres.</p>
3.6	<p>Belfast City Council pays rates on three properties within the Belfast One Boundary; Seymour House and Digital Services buildings in Gloucester Street and City Hall. The Council will be liable for a BID levy of almost £12,000 annually for these properties. It will have 3 votes in the BID ballot.</p>
3.7	<p>The Belfast One Task Team is confident of a yes vote in the ballot. In order to secure a yes vote, the BID ballot must attract a 25% turnout of eligible businesses by number and rateable value, as well as a 50% yes vote by both property number and rateable value.</p> <p>The Task Team – as well as some of the businesses responding to the consultation of the draft plan – have expressed some concern that the BID could be seen by the council and other statutory parties as an opportunity for them to step back from their obligations and</p>

previous levels of commitment within the city centre. They have been keen to emphasise that the BID will focus on additional activity. While some work has been done to baseline current delivery of frontline services in the city centre e.g. cleansing, it is more difficult to establish a baseline for the other discretionary activities, such as events, festivals and marketing support. It will be important to consider how these services are taken account of when establishing the baseline. The City Centre Regeneration Plan recently approved by the council commits to a programme of capital and revenue investment in the city centre. Consideration will need to be given to how that support aligns with the work of the BID.

3.8 Figures presented by Belfast One show that the top 10 levy payers will account for 15% of the total levy. The top 20 will pay 25% of the levy and the top 100 will pay around 50% of the total levy for 70% of businesses, the levy will total less than £1,000 per annum.

3.9 Members will be aware that, at the August 2015 meeting of the City Growth and Regeneration Committee, it was agreed that the Director of Finance and Resources would cast the votes on behalf of the Council in the Belfast One BID ballot.

3.10 It is proposed that the council uses its votes to support the BID. This recommendation is based on a number of factors:

- Department for Social Development (DSD) as the promoters of this policy have confirmed that they will support the BID and have written to all government departments that have properties in the BID area to advise them to support the BID
- The Belfast Chamber has also confirmed that it is supportive of the BID – albeit that each of the Chamber members based in the BID area will be able to take their own decision about how they want to vote in the ballot
- The BID is a mandatory levy. By agreeing to pay it, businesses are taking responsibility for their area and making a commitment to improvements of the business environment. The council has always been keen to promote a collective approach to city regeneration: this represents a commitment by the private sector to invest their resources not only in their own business but in the wider city centre area
- The BID provides a strong engagement mechanism for the council with businesses in the area: by making a financial commitment, this will encourage businesses to take greater ownership of and interest in city centre development activities. There is an opportunity for the council to have at least one representative on the BID

Board and, thereby, directly influence and engage with the BID

- The BID represents an opportunity for the council to demonstrate its commitment to the City Centre Regeneration Plan, with a focus on improving the city centre and supporting further regeneration. It will also enable the council to make informed decisions around its investment in the city centre, based on direct engagement with businesses located in that area
- The Belfast One BID area is the retail core and represents a significant proportion of rates income to the city. By supporting the BID, the council will be seen to recognise the value of that contribution
- Experience from elsewhere suggests that BIDs works best when the council and the BID work well together. In all of the BIDs that have taken place across the UK, the council has always voted to support the BID, where it has properties in the area.

3.11

As mentioned in the August report to this Committee, if the BID is successful, it will present the council with a number of decisions as to how it supports and resources city centre regeneration and promotion. This may include the current nature and level of support to organisations such as Belfast City Centre Management and, to some extent, Visit Belfast, as well as consideration of how investment in activities such as city marketing and events and festivals can be taken forward to ensure maximum benefit, avoiding duplication of effort and activity. A further report on these issues will be brought back to a future meeting of this Committee.

3.12

The Belfast One area is one of two locations currently going through the process of developing a BID. The other is the Cathedral Quarter area (boundary also set out in the map in **Appendix 1**). The Destination CQ BID is not as advanced as the Belfast One BID. The team is currently developing the business plan and hopes to have a draft by mid-October. The business plan will be finalised by December and the ballot will be issued in early January 2015, with a closing date of 25 February 2015.

3.13

The Destination CQ BID anticipates generating an annual income of around £300,000 from the BID levy. While the overall priorities are not fully determined at this stage, feedback from preliminary surveys suggests that the key priorities will be place making (events, markets, public realm improvements) and marketing. Clearly there are synergies between the activities of the two BIDs and both recognise that there are likely to be opportunities for collaboration.

<p>3.14</p> <p>3.15</p> <p>3.16</p>	<p>While BCCM have appointed a BID Manager (supported by Belfast City Council and Department for Social Development), Cathedral Quarter Trust (CQT) have been trying to develop the activities within existing resources which have also been pared back to recent funding costs. Cathedral Quarter Trust have now written to the council to ask for funding towards staffing and project costs for the BID development work between now and March 2016. CQt have been advised that the council does not have any provision for funding within its current revenue estimates. Tourism NI has committed £10,000 towards the development activity but much of this funding has been spent at this stage.</p> <p><u>Financial &amp; Resource Implications</u></p> <p>None</p> <p><u>Equality or Good Relations Implications</u></p> <p>No specific equality or good relations implications.</p>
<p><b>4.0</b></p>	<p><b>Appendices – Documents Attached</b></p>
<p>4.1</p>	<p><b>Appendix 1:</b> Map of Belfast One and Destination CQ BID areas</p>