

**EXETER CITY COUNCIL**  
**SCRUTINY COMMITTEE – ECONOMY**  
**8 SEPTEMBER 2011**

**CITY CENTRE BUSINESS IMPROVEMENT DISTRICT**

**1. PURPOSE**

- 1.1 To inform Members of the outcome of the ballot towards establishing the proposed Business Improvement District (BID)
- 1.2 To seek Member's views on whether the City Council should support work towards a second ballot.

**2. BACKGROUND**

- 2.1 Scrutiny Committee and Executive received a report in June 2011 on the detailed priorities and projects contained in the proposal document for establishing a Business Improvement District in the city centre. Executive confirmed its support for the proposals and authorised the Portfolio Holder for Economy and Tourism to cast the City Council votes in favour of establishing the BID.
- 2.2 A BID is an area within which local businesses agree, through a local ballot, to levy a supplementary rate in addition to their business rates to support a programme of activities and improvements in that area. Officers have been working with a steering group made up of city centre businesses, including representatives of the Chamber of Commerce and Industry and a cross section of the retail and professional business community, to prepare the proposal document and to try to gain sufficient support to secure a positive vote to establish the BID.
- 2.3 The aims of the proposed city centre BID were to:-
  - increase new and repeat customers – promoting the area, its attractions and events
  - improve the visitor and resident experience – making the area brighter, cleaner and safer
  - provide a significant financial resource to make a real difference to business success, protect and create employment, and support projects targeted at specific areas of the city centre
  - introduce a positive brand and profile – involving pro-active promotion of development and investment opportunities
  - help to attract and retain quality staff
  - encourage and co-ordinate proactive strong businesses groupings around the city centre – to collaborate on key projects or address issues in their locality
  - be fair and inclusive – allocating BID funds to benefit all businesses in the city centre
  - act in a honest and transparent way – proposals would be decided by businesses, developed by businesses, delivered by businesses.

- 2.4 The specific services and projects contained in the proposed document/business plan were the result of extensive consultation and communication with the business community in the city. In the first year the priorities were to:-
- develop and implement a new City Centre marketing plan
  - deliver a series of additional new events/festivals to attract visitors in peak periods
  - deliver major improvements to Christmas lights across the city centre
  - provide Area Based Grants to enable groups of businesses to carry out specific projects to enhance business success
  - extend evening Park and Ride services to enable people to stay longer and assist staff travel
  - enhance graffiti/fly-posting removal
  - undertake additional planting/landscaping to provide visual and aesthetic benefits
  - install two additional CCTV cameras – Musgrove Row and Northernhay Park
  - enhance street power washing (outside of Princesshay and Guildhall areas)
  - enhance street maintenance regime for footway repair and street furniture
- 2.5 The proposed levy of between 1- 1.5% of rateable value was intended to raise over £720,000 per year for five years to fund these and further projects to support city centre businesses/organisations and the employment that depends on their success.

### **3. BALLOT RESULT**

- 3.1 The ballot was held from 24 June to 22nd July 2011, and undertaken by the Electoral Reform Society on behalf of the City Council. Of the 740 potential votes, 372 (50.2%) were cast, of which 180 were in favour (48.4% of votes cast), and 192 (51.6%) were against.
- 3.2 The voting was also measured by the total of the rateable values represented by each of the votes for and against the proposals. The 180 votes in favour amounted to £14,277,000 of rateable value (44.8%) compared with the £17,569,000 (55.2%) against. Both voting measures would have had to exceed 50% in favour for the BID proposal to go ahead.
- 3.3 The ballot was confidential but some information is available which indicates the following:-
- Many national retailers occupying large units did not vote. Some had indicated they would do so positively or were known to have done so on other BID votes in other locations
  - Some organisations known to be supportive of the BID had more than one vote covering more than one premises, but only cast one vote.
  - A number of businesses who indicated that they would vote and vote in favour did not in the end cast their vote.

### **4. NEXT STEPS**

- 4.1 There does not appear to be one clear reason why businesses/organisations chose not to vote or to vote against the proposals. For some there is no doubt that the economic situation was a key factor. For others it may well be that the proposals did

not excite or convince them. The outcome is however partly surprising in view of the growing number of existing new or repeat BIDs being established in the region.

- 4.2 The competitive challenges facing city centre businesses and the importance of maintaining the city's attractiveness for investment remain, and are all the more important to address in these difficult times. A considerable number of businesses and organisations did vote for the proposals, realising the contribution the additional funding could make to the success of the city centre. There appeared prior to the vote to be a higher number of potential votes in favour than the final result indicated.
- 4.3 The potential benefits to the city centre are covered by the aims of the BID as set out in 2.3 above, as previously agreed and supported by the Council, and are certainly still worth pursuing. It is proposed that discussions are held with the BID Steering Group to undertake the following:-
- Consult with the businesses/organisations in the proposed BID area to confirm or otherwise the suitability of the proposals and interest for a second ballot
  - Review the effectiveness of the communication and engagement with businesses employed for the first voting round

**5. RECOMMENDATION that:-**

- 5.1 Members give their views on whether the City Council should support working with the business community to review the proposals for establishing a city centre Business Improvement District and promote a second ballot.

**RICHARD BALL  
HEAD OF ECONOMY AND TOURISM**

**ECONOMY AND DEVELOPMENT DIRECTORATE**

**Local Government (Access to Information) Act 1985 (as amended)**

**Background papers used in compiling this report:**

1. Report to Executive: 21 June 2011 City Centre Business Improvement District.