



<u>Committee and Date</u>
Cabinet
20 th July 2022

<u>Item</u>
<u>Public</u>

Oswestry Business Improvement District (BID) Renewal

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1 Synopsis

- 1.1 Cabinet Report outlines the background and outcomes of the first four years of Oswestry BID following its initial successful ballot and the benefits and impacts to Shropshire Council of supporting the renewal process for the period from 2023-2028.

2. Executive Summary

- 2.1 Business Improvement Districts (BIDs) are business led partnerships which are created through a ballot process to deliver additional services to local businesses. A BID is a defined area in which a levy is charged on all business rate payers in addition to their business rates bill. The levy collected is then used to develop projects to benefit businesses and improve the trading environment.
- 2.2 Oswestry BID is an independent, not-for-profit company, dedicated to delivering projects, programmes and services that improve the trading environment for businesses in Oswestry Town Centre and surrounding industrial estates. The Oswestry BID was elected in 2018 and operates in an area covering approx. 800 businesses, with 320 mandated to contribute to the BID Levy, alongside 40 volunteer members who contribute c£4,620 above the BID levy collection. Over the first term to date, projects delivered via Oswestry BID has seen an investment of c£1.27m to date via its BID Levy collection into projects across the BID area. The Oswestry BID is nearing the end of its first 5 year term and as such is up for renewal. The intention is that a ballot of all businesses mandated to pay the levy within the defined BID area will take place from 6th October to 3rd November 2022 where businesses will be asked to vote for or against a second term of the BID.

- 2.3 The purpose of this report is to update Cabinet on the progress of the Oswestry BID renewal process, to seek sign-off on the drafted BID Business Plan and to delegate authority for the Council's voting rights.
- 2.4 As per the mandatory notice period of 126 days before the ballot date, the Board of Oswestry BID has notified Shropshire Council (as the billing authority) and the Secretary of State of their intention to seek a renewal ballot.
- 2.5 There are a number of Council properties within the BID area which will be subject to the levy and Shropshire Council receives one vote for each of these premises. Given the importance and impact of the BID company and its activities within the BID area, as detailed in the proposed Business Plan, it is recommended that Shropshire Council vote yes for the renewal of the BID.

3 Recommendations

- 3.1 That Cabinet notes that Oswestry BID has served notice of their intention to seek a renewal ballot to the Secretary of State and Shropshire Council.
- 3.2 That Cabinet endorses the draft Oswestry BID 2023-2028 business plan and renewal proposal (attached as Appendix 1).
- 3.3 That Cabinet approves a vote in support of Oswestry BID's continuation in respect of the Council's voting rights for the Council owned premises in the renewal ballot and delegates authority to exercise this vote to the Assistant Director Commercial Services.

REPORT

4 Risk Assessment and Opportunities Appraisal

- 4.1 The most significant risk faced is if Oswestry BID is not successful in their renewal. Oswestry would lose investment in the region of £1.64 million from 2023 onwards.
- 4.2 Without Oswestry BID there would be a significant loss of momentum and activity in the Town Centre. During its first 5 year term, the BID has achieved a great deal against its key project themes, together with a number of major marketing campaigns, significant cost savings for businesses, and the support of strategic development work across Oswestry through their role in Future Oswestry Group, alongside Shropshire Council and Oswestry Town Council.

- 4.3 Oswestry continues to face increasing competition from nearby towns and cities, retail parks and the internet. Oswestry BID has made significant achievements in its first term but for the town to remain competitive it needs to continue to deliver projects which attract more people to the town, improves the experience for visitors and supports the business community on key strategic and operational matters.
- 4.4 The following alternative options have been considered but are not recommended:
- To vote against the BID renewal: not recommended due to the significant positive impact the BID has had to the business community and the partnership.
 - To abstain for the vote: not recommended due to the significant impact the BID has had to the business community and the desire for Shropshire Council to be seen as positively leading the way for businesses to vote yes.
- 4.5 At a local level, Shropshire Council, Oswestry Town Council (OTC) and Oswestry BID have been leading an ongoing programme of community and stakeholder engagement under the Future Oswestry project. The Future Oswestry Group (FOG) (<https://shropshire.gov.uk/future-oswestry-project/future-oswestry-group-meeting-minutes/>) enables collaborative approaches to neighbourhood and economic planning, for example reviewing Oswestry's neighbourhood plan, supporting delivery of the High Street Heritage Action Zone programme, master planning and in the design of public engagement approaches. Representatives included elected councillors (town and county), business representatives and recently appointed community representatives.
- 4.6 The Council sets out to demonstrate equal treatment to people in Protected Characteristic groupings or at risk of social exclusion, and to people who are not, through having 'due regard' to their needs and views when developing projects such as Levelling Up Fund bids to Government and in working with Oswestry BID on this and related endeavours. The anticipated positive equality impacts of intended outcomes minimise the legal, financial and reputational risks that could apply were there deemed to be non-compliance with the Public Sector Equality Duty set out in the Equality Act 2010, either by ourselves or by contractors acting on our behalf. Additionally, the Council also includes consideration of health and wellbeing impacts within overall equality impact screening assessments and within ongoing engagement activity.

- 4.7 There is clear complementarity between this Oswestry BID Renewal proposal and the Council's own strategic approaches, within which equality, social inclusion and health impact assessments (ESHIA) are integral to efforts to ensure that the likely impacts of policy decisions upon and within our diverse communities are considered as fully as possible. This is in order that negative impacts may be minimised, and positive impacts maximised, and that these may be monitored and reviewed, recognising the need for ongoing engagement with our communities and our service users. ESHIA are carried out as screening assessment at stocktake moments. The constituent members of Oswestry BID will be involved in any such ESHIA undertaken for projects in Oswestry, including in relation to the Levelling Up Fund work, as a target audience in stakeholder engagement work.
- 4.8 The likely impact of any work in which Oswestry BID are involved, regarding equality, diversity and social inclusion, is assessed as being principally in economic terms and is likely to be positive across groupings in the community with regard to economic growth opportunities, particularly the Protected Characteristic groupings of Age, Disability and Sex.
- 4.9 Additionally, positive impacts may be anticipated with regard to Social Inclusion for low income households and people living in this part of what is a very large, and sparsely populated rural county, recognising social mobility opportunities. There is potential for further positive impacts, particularly for young people, through the stimulation of economic development and investment which will provide jobs and improved workspace.

5 Financial Implications

- 5.1 Shropshire Council's current annual Oswestry BID Levy contribution is £12,963.14, covering ten properties across the BID area. The contribution towards the levy may alter for 2023, however this will be influenced by several factors. This will include any disposals of existing assets or acquisitions, the calculation of a new ratings list in 2023 and whether Oswestry BID decide to increase or decrease the 1.75% charge against a properties rateable value (further information on charge at point 7.7).
- 5.2 Shropshire Council currently charges Oswestry BID £7,198.66 per annum (before VAT) per annum to collect the BID levy on their behalf. The costs for collection for 2023 have not yet been confirmed. This figure ensures that the Council makes full cost recovery.

6 Climate Change Appraisal

- 6.1 Whilst there may be no direct impacts from this decision, it is important to highlight the significance of climate and carbon considerations for local business. Shropshire Council is working with the Shropshire Chambers of Commerce and local businesses in the Oswestry area such as Aico and Arla Foods to support their efforts to decarbonise and improve access to renewable energy.
- 6.2 Oswestry BID have also highlighted the increasing pressure on businesses to reduce their carbon footprint, not only to improve the environment, but also to counter rising energy costs. They have acknowledged that this will be a core focus running through the second BID term, should they be successful, running across all activities to help make Oswestry a healthier and more sustainable town.
- 6.3 Oswestry BID will be working with sector experts, partners and stakeholders to understand Oswestry Businesses energy consumption and waste generation. This will allow them to explore opportunities to help Levy Payers reduce their carbon footprint and reduce their energy and waste costs.

7 Background

- 7.1 A Business Improvement District (BID) is a business-led and controlled partnership in a given area such as Oswestry Town Centre and surrounding industrial estates, which delivers an agreed set of services and projects. These are agreed, and formally voted for, by all mandated to pay BID levy businesses in the BID and are additional to what the public agencies provide.
- 7.2 A BID typically lasts for five years with the overall aim being that it improves the trading environment for businesses. BIDs are governed by legislation contained in the Local Government Act 2003 and The Business Improvement Districts (England) Regulations 2004 ("the 2004 Regulations").
- 7.3 BIDs can deliver any projects or services that are agreed by businesses in the BID area. Over the past four years, Oswestry BID has delivered projects and services across four areas:
- Raising Profile - To effectively develop and promote the strengths and characteristics of Oswestry to prospective visitors and business investors.
 - Business Support and Investment - To actively support the growth and development of existing local businesses and support start-ups, young businesses and new investment which complements and builds upon Oswestry's existing strengths.

- A Great Place to Be - To build upon Oswestry's multi-faceted heritage and cultural assets to further develop a welcoming, vibrant & enriching environment where visitors, workers & residents want to be.
 - Accessible and Safe Environment - To facilitate safe, functional and efficient access and navigation for visitors, workers, residents and businesses
- 7.4 A list of wider projects has also been included within the appendices providing additional information on projects either delivered or in delivery through or in partnership with Oswestry BID through its first term. This can be found in Appendix 2.
- 7.5 Oswestry BID is set up as a Company Limited by Guarantee. This is a business controlled, not-for-profit company that is responsible for the delivery of the Oswestry BID Business Plan and is accountable to the BID Board and its levy payers.
- 7.6 Oswestry BID operates in the main business areas of Oswestry as well as incorporating areas targeted for development. The BID area covers the main commercial area of the town and extends to the north along Gobowen Rd at the junction of Whittington Rd. The boundary then runs eastwards along Whittington Rd to the A5 and then northwards to just north of Park Hall Farm. At this point the boundary runs eastwards and then south to include the showground and Whittington Business Park. The boundary then continues south crossing the Whittington Rd, before moving back to the A5, following the A5 down to the junction with the A483. At this point the boundary moves south west along the A483 to a point just past the junction with Maesbury Rd to include businesses in the south west along part of Weston Rd. At this point the boundary then runs north along the railway track to the west of Maesbury Rd before joining Victoria Rd and then running around the west side of the town. A boundary map of the Oswestry BID area can be found in the draft business plan, located in the Appendix 1, page 25.
- 7.7 Those businesses that are located within the Oswestry BID area and whose property has a rateable value of £12,000 (in line with small business rate relief threshold) and above pay 1.75% of their rateable value towards the BID. This is called a BID Levy. The BID Levy is normally paid by the occupiers of a property. The Oswestry BID Levy is collected in April on an annual basis and invoices are issued by Shropshire Council. Properties with a rateable value below the threshold that are located within Oswestry Town Centre and surrounding industrial estates are invited to be a voluntary member of Oswestry BID with 40 businesses contributing an additional c£4,620 funding. This means that the property will receive similar benefits of levy paying members including promotion through the One Oswestry platform.

- 7.8 BIDs can only carry out projects or services in addition to those that public agencies have to provide on a statutory basis and/or choose to deliver on a discretionary basis.
- 7.9 Oswestry BID is governed by a board of directors consisting of 12 elected members that is representative of the sectors in the town including: Engineering (1), Industrial (2), Independent Retail (1), Tourism (1), Professional Services (2), Food and Drink (1), Large Retail (1), Hospitality (2) and Trade Counter (1).
- 7.10 In line with the 2004 Regulations; Regulation 4, Oswestry BID must submit to Shropshire Council a copy of their renewal proposal, their proposed financial business plan, a summary of the consultation taken with the BID levy payers and a summary of the financial management arrangements for the BID. These have been provided as part of the draft business plan at Appendix 1. Officers have reviewed these documents and have ensured that they satisfactorily meet the regulation requirements.
- 7.11 The content of the BID business plan and renewal proposal are determined by Oswestry BID in consultation with their members. Shropshire Council has no right to veto the proposal based on opinions regarding the contents, although may choose to vote against the proposal if it is opposed to the content of the plan.
- 7.12 The Council owns a number of assets located within the proposed BID area and therefore will be invited to vote as part of the ballot, with one vote for each asset that would be subject to the BID levy. It is the recommendation of this report that the Council votes in favour of the BID given the importance of this initiative and the positive impact on the town centre trading environment and delivery of key projects it has demonstrated in the first term. These improvements and impacts will be continued if the BID renewal is successful through the delivery of the activities outlined in the draft business plan at Appendix 1.

8 Additional Information

- 8.1 The work of Oswestry BID aligns well with the Shropshire Plan, specifically across two areas of activity; Healthy Economy and Healthy Environment. To date, Oswestry BID have delivered a wide range of programmes that align with Healthy Economy, including a range of business training, grants and wider support and mentoring, along with promotional work such as their Business Directory and development of the One Oswestry website.
- 8.2 Two of Oswestry BID's priority areas have been delivered under Healthy Environment, have included installation of lighting and wifi

within the town and targeting areas for environmental improvements, such as litter picks, street cleaning and public realm improvements, along with safety improvements including traffic management and signage improvements and security patrols.

- 8.3 Support under these Shropshire Plan priorities, will continue in the proposed new Oswestry BID period, 2023-28 under the revised Oswestry BID priorities of Representing, Supporting, Improving and Promoting, all of which are outlined within the draft business plan at Appendix 1, but will include specific focus on areas such as energy and waste costs, support with refurbishment and repurposing of vacant properties and continued business grant support and training programmes.

9 Conclusions

- 9.1 This report has endeavoured to highlight the positive impacts that have been made by Oswestry BID within its first four years of operation and has aimed to focus on the continued benefits of Oswestry BID remaining in place. As previously outlined, without Oswestry BID there would be a significant loss of momentum and activity in the Town Centre as well as additional investment into the Town through the support of the BID Levy. Whilst there is a cost to Shropshire Council, the outputs delivered over the period of the BID through the investment of the c£1.27m to date in BID Levy, far out way the costs brought to Shropshire Council.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Annual Reviews and the past four years accounts are available at:
www.oneoswestry.co.uk

Cabinet Member (Portfolio Holder)

Cllr Ed Potter - Deputy Leader and Portfolio Holder for Economic Growth, Regeneration and Planning

Local Member

Cllr John Price (Oswestry East)
Cllr Chris Schofield (Oswestry East)
Cllr Duncan Kerr (Oswestry South)
Cllr Mike Isherwood (Oswestry West)

Appendices

1. Oswestry BID 2023-2028 Business Plan and Renewal Proposal DRAFT
2. Oswestry BID Project List

