

WIRRAL COUNCIL

CABINET – 10TH APRIL

SUBJECT:	WIRRAL BUSINESS SUPPORT - BIRKENHEAD BUSINESS IMPROVEMENT DISTRICT PROPOSAL
WARDS AFFECTED:	ALL
REPORT OF:	STRATEGIC DIRECTOR - REGENERATION AND ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER:	CLLR PAT HACKETT ECONOMY
KEY DECISION:	YES

1.0 EXECUTIVE SUMMARY

- 1.1 In March 2012 the Government announced a £10m package of measures to support empty properties on our high streets and to provide resources to those areas specifically affected by the riots of August 2011. Wirral was one of 100 local authorities allocated £100,000 grant funding to support those areas that were impacted by the disturbances.

The report seeks Cabinet approval to the allocation of the £100,000 High Street Innovation Fund (HSIF) to the Wirral Chamber of Commerce to work up proposals for the establishment of a potential Birkenhead Business Improvement District (BID).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Portas Review of the High Street has helped to identify what government, local authorities, businesses and communities can do together to promote the development of new models of prosperous and diverse high streets. High streets are a very visible indicator of how well a local community and economy is thriving. They are recognised as important places where communities come together, and they provide employment and business opportunities. However, high streets cannot simply rely on retail – they have to offer something new and different that neither shopping centres nor the Internet can match.
- 2.2 Wirral Council and Wirral Chamber of Commerce are proposing the development of Business Improvement District (BID) in central Birkenhead and surrounding commercial areas. Part 4 of the Local Government Act 2003 and The Business Improvement Districts (England) Regulations

2004 (as amended) permit local business communities to set up a BID as part of the borough community strategy.

- 2.3 A BID is a geographical area where businesses are invited to decide how to improve their trading environment. A local mechanism is used to progress the BID where non-domestic ratepayers occupying local business premises pay an extra levy on top of the annual business rates for a fixed period (up to 5 years). This additional funding is ring fenced and spent at the discretion of the BID Board based on a business plan of services and improvements within the designated BID area.
- 2.4 The statutory regulations allow any local business community to set up a BID, provided that at least 51% of voting business ratepayers in the proposed area vote in favour and the “Yes” votes must also represent more than 50% of the total rateable value in the proposed area. The vote for a BID is carried out by secret postal ballot, which is organised by the local authority. Eligibility to vote is based on one vote per each eligible business premise situated in the defined BID area.
- 2.5 The regulations require the BID business plan (‘the BID proposal’) to include the range of new or expanded services and works over and above those provided by the local authority. The local authority is in turn required to demonstrate its intention to maintain its existing services to businesses within the geographical area of the BID for the duration of the BID.
- 2.6 BIDs are a tried and tested method of regenerating town centres, commercial districts and some tourism zones. There are currently 126 formal BIDs in the UK, of which 39 have been successfully renewed. Around 80% of ballots for a new BID return a “yes” vote. There are two successful BIDs in the Liverpool City Region including City Central BID and The Commercial District both based in Liverpool. Sefton Council is also in the initial stages of establishing a BID in its Southport town centre.
- 2.7 Typical BID activities cover anti-crime and community security measures, higher levels of street cleaning, marketing initiatives, business development events, environmental improvements, training & networking services and business support services. A BID has the potential to bring significant extra regeneration impact to a town or district centre.
- 2.8 In March 2012 the Government announced a £10m package of measures to support empty properties on our high streets and to provide resources to those areas specifically affected by the riots of August 2011. Wirral was one of 100 local authorities allocated £100,000 to support those areas that were affected by the disturbances. Members will recall the disturbances at the time were focussed primarily around the Charing Cross area of

Birkenhead. Businesses in this area did experience a loss of footfall and a reduction in spend with damage being experienced by businesses.

- 2.9 The funding is intended to catalyse innovative local approaches to managing and revitalising local high streets. Establishing a BID is compatible with this aim.

3. THE PROPOSAL

- 3.1 This funding would enable a Birkenhead BID business plan to be produced which will detail projects and services over and above those of the statutory baseline services currently being provided by the local authority and other partners.
- 3.2 Wirral Chamber of Commerce is suggested as the body to take forward the BID proposal, given it already operates shop watch and pub watch in the area and is more likely to secure business engagement given its role. A BID steering group will be formed to manage the activities of the BID on a day-to-day basis. Cabinet is asked to agree a local ward councillor be nominated as the local authority BID Steering Group Members and that the Strategic Director for Regeneration and Environment acts in the capacity of strategic advisor for matters relating to Council business.
- 3.3 The idea of developing a Birkenhead BID will be launched at a briefing event held by the Chamber of Commerce and will be followed up by a questionnaire to all levy payers in the proposed BID area. A number of consultation events will be held with specific industry sectors and other stakeholders in the town centre. These will be supported by detailed discussions with members of the Steering Group, Merseyside Police and Wirral Council.
- 3.4 The feedback gained from those activities will be used to develop the priorities for the BID and the type of activity that it will deliver.
- 3.5 The funding will be used to resource a BID Manager through Wirral Chamber of Commerce to drive the feasibility and consultation activity. It will also be used for canvassing and marketing activity to gain support for the BID and promote a “Yes” vote from the local business community, including the costs of the postal ballot referred to in paragraph 2.4 above, and any costs associated with the setting up of a BID.
- 3.6 Any remaining funding will be used for improvements in the proposed BID area. The types of improvements will be based on the feedback gathered from consultations with businesses in the BID area. This activity will act as a showcase to demonstrate the type of activity and enhancements businesses will see if they vote “Yes” at the BID ballot.

- 3.7 Birkenhead has been selected as the initial BID area due to the fact that the HSIF is specifically defined to be spent in Birkenhead (the exact geographic area is set out in the map attached at Appendix A). If the Birkenhead BID is successful the approach could potentially act as a blueprint to roll out the BID model in other areas of Wirral such as Wirral Waters, Wirral International Business Park, Liscard, etc.

4.0 RELEVANT RISKS

- 4.1 It is well publicised that high street retailers up and down country are struggling to stay in business while having to compete with out of town shopping centres as well as a rapidly emerging online markets. Recent data released by PricewaterhouseCoopers and the Local Data Company shows that town centre stores are shutting at a rate of 18 a day across the UK.
- 4.2 Birkenhead town centre is at risk of decline with strong competition from Liverpool One, Cheshire Oaks Outlet Village and online shopping. Without investment and a coordinated approach to regeneration of the area the loss of further retailers and inevitably jobs in the area are a real prospect.
- 4.3 There is clearly a risk that local businesses may not support the development of a BID via a vote, but the work done to that stage will hopefully still prove valuable should that be the case.
- 4.4 The funds transferred to the Wirral Chamber of Commerce will be managed by requiring the organisation to enter into an appropriate grant funding agreement, and the BID board will include a Council representative.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 Not to proceed with a Business Improvement District for Birkenhead thus missing out on an opportunity for a private sector led regeneration of Birkenhead and its surrounding commercial districts.
- 5.2 The Council could set up a mechanism to allocate grants to local businesses which would be a short term option and would be costly to administer. Investing the funds to develop a BID could provide greater benefits and over a longer time period.

6.0 CONSULTATION

- 6.1 This report is consistent with the principles of Wirral's Investment Strategy, which provides the framework for business support activity and this has

been reviewed following an extensive consultation with partners. The development of the proposals has also been informed by the consultation which has taken place with a number of private sector partners and members of The Wirral Chamber of Commerce Board.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 None as a result of this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

8.1 The £100,000 High Street Innovation Fund (HSIF) will be used to fund the costs of Wirral Chamber of Commerce establishing the BID.

9.0 LEGAL IMPLICATIONS

9.1 The Council has the power to enter into a grant funding agreement with the Wirral Chamber of Commerce pursuant to section 1 of the Localism Act 2011. This provides that the Council has the power to do anything that individuals generally may do.

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached

This links to the existing EIA conducted for Wirral's Investment Strategy
<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010-0>

11.0 CARBON REDUCTION IMPLICATIONS

11.1 None

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 None

13.0 RECOMMENDATION/S

13.1 It is recommended that members approve the use of the High Street Innovation Fund (HSIF) monies (£100,000) to support the Wirral Chamber of Commerce to work up proposals relating to the establishment of a Birkenhead BID, as described within this report.

13.2 The Head of Legal and Democratic Services be authorised to agree and enter into a grant funding agreement between the Council and the Wirral Chamber of Commerce.

13.3 The Strategic Director of Regeneration and Environment and a local ward councillor is nominated as the local authority BID Steering Group Members.

14.0 REASON FOR RECOMMENDATION

14.1 To support the proposal for a sustainable regeneration programme in Birkenhead, lead by the private sector.

REPORT AUTHOR: Alan Evans

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date