



WORTHING BOROUGH
COUNCIL

Joint Strategic Sub-Committee (Worthing)
5 July 2022

Key Decision [Yes/No]

Ward(s) Affected:

Worthing Town Centre Business Improvement District - Supporting the Fourth Term

Report by the Director for the Economy

Officer Contact Details

Andrew Willems
Head of Place & Economy
01273 263179
andy.willems@adur-worthing.gov.uk

Executive Summary

1. Purpose

- 1.1. The purpose of this report is to advise Members of the Town Centre Initiative's (TCI) proposal to ballot businesses located within the existing Worthing Town Centre Business Improvement District (BID), with a view to extending the term of the BID for a further five years.
- 1.2. Consider how best in the renewal of the BID, use this opportunity to strengthen partnership working between the TCI and the Council; to recommend that Members ensure both parties work collaboratively, in a spirit of mutual trust and cooperation; to align resources and activities that support shared priorities; and to communicate the work of BID partners in a way that enhances their reputation and that of the Town.

2. Recommendations

- 2.1. The Sub-Committee supports the proposal for a fourth term of the Worthing Town Centre BID for a period of five years to commence on 1st April 2023, and approves BID levy proposed by the TCI of 1.25%
- 2.2. That the Sub-Committee authorises the Director for the Economy to:-
 - 2.2.1. Receive the regulatory Notice to Renew the BID from the TCI; to agree any minor amendments to the renewal BID proposals and to work with Civica to hold the renewal ballot
 - 2.2.2. To finalise the terms of, and enter into, the BID Agreement between the TCI and the Council, and to incorporate into that Agreement the recommendations at paragraph 6.5 below.
 - 2.2.3. The Sub-Committee acknowledges the JOSC Working Group's response to its review of the Worthing Business Improvement District in 2022 and the Working Group's input into the recommendations contained in this report.

3. Context

- 3.1. A Business Improvement District (BID) is a defined geographical area where business ratepayers have voted to collectively invest in local improvements, in addition to those already delivered by the Council and other bodies. BIDs are a proven way for businesses to work together and generate funds to improve their local trading environment and provide additional services.
- 3.2. A BID allows the businesses to develop a business plan covering the services and projects to be implemented in the BID area, which is then voted on by those that would be liable to pay the BID levy. A 'Yes' vote requires at least 50% of those voting to be in favour of the BID, and for those businesses voting in favour to represent a greater total rateable value than those voting against.
- 3.3. A BID is usually managed by a not-for-profit company, which can only be formed following consultation and a ballot.

- 3.4. The Worthing Town Centre BID was first proposed and put to the ballot by the Worthing Town Centre Initiative during 2007. The initiative was supported by Worthing Borough Council at its Cabinet meeting on 6th June 2007 and, following a successful vote, the BID launched on 1st April 2008 for a term of five years. The levy was 1% of rateable value, with businesses having a rateable value of £10,000 or less per annum exempt. This raised approximately £200,000 per annum towards the three priorities identified by businesses, which were:
- a cleaner and well-maintained town centre
 - a safer and welcoming town centre
 - a vibrant and well-marketed town centre
- 3.5. In 2012, consultation and a ballot for a second five year BID term took place. This was successful and commenced on 1st April 2013. The levy remained at 1% and businesses with a rateable value of £10,000 or less remained exempt. The amount available to spend on priorities rose slightly to an estimated £210,000 per annum. Business priorities for the BID remained unchanged, with the addition of a fourth priority:
- to improve transport, parking, orientation and accessibility
- 3.6. In 2017, a further consultation and ballot was agreed for the third five year BID term. This was successful and commenced on 1st April 2018. Whilst the priorities remained relatively unchanged for this term, business support was included as an additional priority whilst there was a slight increase in the levy to 1.25% of rateable value. The Council's support was agreed at the Joint Strategic Committee on 4th April 2017.
- 3.7. Since its inception, Worthing Borough Council has collected BID levies on behalf of the Worthing Town Centre Initiative. The Council charges for this service and holds regular BID monitoring meetings with the TCI to ensure the collection and management of monies runs smoothly.
- 3.8. From January 2022, and in support of the BID's fourth term plan, the Council agreed for the Joint Overview and Scrutiny Committee to examine the mechanics of the BID and the relationship with the Council. The recommendations of the JOSOC Working Group is outlined in Section 5, whilst the full JOSOC report is referenced in the background papers.

4. Review of the third term

- 4.1. Over the last three terms, the BID will have invested significantly in activities to benefit Worthing Town Centre. The intended outcomes of this investment included helping to maintain footfall, reduce vacant property rates and improve the ambience and appeal of the town centre.
- 4.2. The BID has provided details of its own review of the activities undertaken during the last five years. This is detailed under their Fourth Term Business Plan 2023 - 2028, link provided in the background papers, however highlights include:
 - 500 hours a year of deep cleaning / chewing gum removal
 - 1.2 miles of Christmas lights installed
 - Over 5,000 business interactions annually
 - 8,000 Worthing Guides distributed promoting all town centre businesses
 - 80% of the businesses support having a BID
- 4.3. In addition to the activities listed, the BID supports a database of all town centre businesses and through the TCI collates data on footfall and vacant premises, which is reported at meetings of the Steering Group. Communications with businesses are maintained through email, newsletters, visits, meetings, surveys and events. The BID also provides a business voice on Town Centre issues and developments.

5. Proposals for the fourth term

- 5.1. The Worthing Town Centre Initiative is now preparing for the fourth term ballot, which will take place in Autumn 2022. If successful, it will come into effect on 1st April 2023.
- 5.2. The BID has carried out detailed consultation since September 2021 to determine the Business Plan for the fourth term. Engagement included:
 - September 2021: online survey focusing on current activity and what else is needed
 - November 2021: a face-to-face visit surveys to set priorities
 - February 2022: open event to launch the draft business plan and seek ideas and new suggestions

- April 2022: draft business plan circulated for comments

Throughout June and July the BID will continue to engage with visits to businesses planned, dedicated newsletters and targeted emails all to raise awareness of the business plan and its priorities.

5.3. Following the feedback, the Business Plan signals the following areas as priorities for the fourth term:

- Promoting the town and its businesses
- Improving the visual appeal of the town centre
- Delivering a safer and more welcoming town centre
- Driving footfall with markets, events and activities
- Providing business support and advice

Further details on the projects contained within these priorities can be found in Appendix C.

5.4. Due to the conditions experienced by businesses across, and as a result of the Covid-19 pandemic, it's been confirmed there will be no financial increase. The BID committee has agreed to remain at 1.25% of the rateable value for businesses with a rateable value of £12,000 and above. Any businesses with a rateable value below this threshold will not be required to pay the levy.

6. Worthing Borough Council Position

- 6.1. The Council has supported the Worthing Town Centre BID since its inception and made a significant financial contribution through the payment of levies on a number of Council-owned properties within the BID boundary.
- 6.2. The priorities of the BID continue to align with those of the Council and there is much to be gained by collaborating on initiatives that deliver shared outcomes. Specific opportunities exist to support the attractiveness and financial viability of the town centre through improvements to public realm; place marketing; and development of the visitor offer.
- 6.3. The investment made by the Council, including into the public realm and major projects around the town centre, continue to compliment the BID. However, the last five years has seen a significant change in the

town centre to a more experiential offer, complimented by retail rather than the latter being the key driver. Moving forward there continues to be real opportunities for the Council to collaborate with the BID to ensure growth and continued adaptation of the town centre, especially in a post-pandemic landscape.

- 6.4. The Council's proposition, in supporting the BID, is therefore to place a greater emphasis on aligning the resources available where they contribute to shared priorities. For example, the development of a 'town team' jointly delivering initiatives such as the 'Big Clean Up' (planned for Summer 2022) combines resource and expertise. Such an approach, based on partnership principles, fits well with the recommendations provided by the JOSOC Working Group, highlighted in 6.5.
- 6.5. From January 2022, a JOSOC Working Group was convened to scrutinise and review the BID and the relationship that exists between both parties. Following a number of interviews and inputs, a paper was presented to the Joint Overview and Scrutiny Panel on 9th June 2022. This paper recommended the Council support the BID with a number of recommendations, as follows:
- Having reviewed the Worthing BID proposals for 2023 - 2028 the Working Group considers that the Council should support the BID and vote 'Yes' in the ballot but that processes should be put in place to ensure that there is better communication and collaboration from the Council and others to help the BID be more successful.
 - That the Worthing BID and the 'Time for Worthing' Initiative should work in closer partnership once the TFW Business Plan is produced.
 - That the Town Centre Manager and Chairman of the Town Centre Initiative and Worthing BID Team be congratulated on the work that they are undertaking to provide the BID and offer
 - That an annual review report on the work of the BID be presented to the Joint Strategic Committee and Joint Overview and Scrutiny Committee.

- That the Council should continue with having Officer and Member representation on the BID Steering Committee only

6.6. The Council is likely to receive four ballot votes in respect of the properties below. It is worth noting this has been reduced since the last ballot in 2017/18 as Worthing Theatres & Museum Trust are now responsible for the cultural assets, including Connaught and Pavilion Theatres:

Property	1.25% Bid Levy 2022/23)	1.25% Bid Levy (estimate 2023/24)
Municipal Centre*	5,181	4,000
Car Parks	9,653	9,653
Pier & Tollhouse	581	581
Total	15,415	14,234

*includes Cannon House, Town Hall and Portland House. There will be no levy due for Cannon House in 2023/24 as it will be the responsibility of the tenant.

- 6.7. It's worth noting that the BID is also a customer of the Council. Through a series of costs, including BID collection, refuse collection for markets and events, other event costs (for example parking) and storage for equipment, on average, the BID spends £28,000 a year with the Council.
- 6.8. Subject to the recommendations highlighted, it is proposed that the Director for the Economy be authorised to vote in support of the BID on all the ballot papers issued to the Council. This recognises that the priorities of the BID align with the Council's aspirations for the town centre, that a successful BID leverages in significant additional investment for the benefit of the town and that together they can help to strengthen Worthing's reputation as a place where people want to live, work and visit.

7. Financial Implications

- 7.1. The current cost of the BID levy is built into the Council's overall revenue budget. If the result of the ballot is in favour of the BID,

Worthing Borough Council will be committed to paying an annual 1.25% BID levy on the rateable value of the Borough Council's property holdings for a period of five years, effective from 1st April 2023.

- 7.2. The Council could have additional levy costs to those set out in section 6.6 should any council owned business properties within the BID area become void and, as the landlord, we become responsible for the business rates and the BID levy until re-let.

8. Legal Implications

- 7.1 The Business Improvement Districts (England) Regulations 2004 govern the arrangements for the BID and the administration of the ballot process.
- 7.2 s1 Local Government (Contracts) Act 1997 confers power on the Council to enter into a contract for the provision of making available assets or services for the purposes of, or in connection with, the discharge of the function by the Council.
- 7.3 s1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation

Background Papers

- [Third Term Council Agreement - Joint Strategic Committee \(4th April 2017\)](#)
- [JOSC Working Group: Review of the Worthing Business Improvement District \(BID\) - Joint Overview and Scrutiny Committee \(9th June 2022\)](#)
- [Worthing Town Centre Initiative Business Improvement District Fourth Term Business Plan 2023 - 2028](#)

Sustainability & Risk Assessment

1. Economic

- The Worthing Town Centre Business Improvement District (BID) generates and delivers activities that contribute to the economic wellbeing of the town centre.
- One of the BID's priorities is to provide business support and advice to those companies residing in the town centre. This work, including the analysis around vacancy rates, provides reassurance that the town centre is being managed and, working in partnership with other parties, looks to grow the town centre economy.

2. Social

2.1 Social Value

- The BID seeks to work with and impact upon a number of communities in the town centre. Not only serving the business community, the actions as a result of the Business Plan seeks to deliver social value for residents and visitors by making the town centre more appealing.
- The BID Business Plan will help to deliver community wealth, in line with the priorities of the Council

2.2 Equality Issues

- The BID levy takes into account the impact on sole traders and small businesses, where they are operating in premises with a rateable value less than £12,000 per annum. All such businesses are exempted from paying the levy.

2.3 Community Safety Issues (Section 17)

- The Town Centre BID works with the Safer Community Partnership to help identify and address community safety issues in the town, and this work will continue if the BID is successful.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- The BID are committed to working with the Council in it's pledge to be carbon neutral by 2030.

4. Governance

- The Council is part of the BID steering group, which enables the Council (both Officer and Member) to have a 'voice' in terms of the delivery of the BID. In addition, the Council and BID will look to align policy and resources (where appropriate) to deliver an enhanced offer in the town centre.

- The JOSC report (identified under 6.5) recommends that an annual review report on the work of the BID is presented to the Joint Strategic Committee and Joint Overview and Scrutiny Committee. This is a new recommendation and will provide a continuous review of the Council and BID partnership over the next 5 year term.
- A number of initiatives and interventions are currently worked through in partnership, however this report represents an opportunity to work in a more systematic way to ensure resources are directed and prioritised in a collaborative manner. Any involvement by the Council will be agreed with Members ahead of any significant decisions relating to joint working with the BID.