

Report

Report to:	Community and Enterprise Resources Committee
Date of Meeting:	9 August 2022
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Hamilton Town Centre Business Improvement District (BID) Reballot
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ request the approval of the business proposal prepared by the Hamilton Business Improvement District (BID) for the period 1 November 2022 to 31 October 2027 and associated Council support

2. Recommendation(s)

2.1 The Committee is asked to approve the following recommendation(s):-

- (1) that it be approved that the Council continues to work with the BID to deliver the objectives of the business proposal prepared by the Hamilton BID for Hamilton Town Centre, as set out in the BID Business Plan attached at Appendix 1 of the report; and
- (2) that the Council continues to actively support the BID through the range of measures set out at section 4 of the report.

3. Background

- 3.1. Hamilton BID represent the businesses in a defined area of the town centre and delivers a series of initiatives set out in their Business Plan. The BID is established through a ballot process and, if successful, remains in place for a period of 5 years. The BID's second term is coming to an end and the BID will seek renewal through a ballot on 6 October 2022. The BID is funded by a levy from the businesses they represent which is collected on their behalf by the Council.
- 3.2. The Enterprise Resources Committee of 15 June 2011 and the Enterprise Services Committee of 19 June 2012 approved the Council's support for the creation of a Business Improvement District (BID) for Hamilton Town Centre. Funding to assist in the creation of the BID and the costs associated with taking the proposal to a ballot of local businesses was also authorised.
- 3.3. Following a successful ballot on 12 October 2012, a BID Company was established and has gone on to deliver a variety of projects and initiatives in partnership with the Council. These include the Christmas Lights Switch On, Ready Steady Gallop, The Big Stampede, Classic Car Event, "Spring into Hamilton" Event, Real Radio Campaigns and a variety of business initiatives. The BID held a successful reballot in 2017 which granted them a second term until October 2022.

- 3.4. During this period the Council has been carrying out its statutory obligations to collect the BID levy from participating businesses. The transfer of monies raised through the levy to the BID Company is regulated by the statutory instruments regulating BIDs in Scotland. Alongside the statutory legal guidance, an Operating Agreement is in place which deals with the practicalities of the process. This agreement satisfies the requirements of the Council and its statutory obligations whilst providing a suitable mechanism for the BID.
- 3.5. The current 5-year term of the BID operation comes to an end on 31 October 2022. Under BID legislation the BID must hold a ballot to all members to establish whether they wish to renew the BID arrangements for a further 5 years or wind the BID company up.
- 3.6. The BID Business Plan (1 November 2022 to 31 October 2027) is attached at Appendix 1. The plan sets out the BID's proposed projects, the BID area and the levy that will be payable by the businesses affected. The Council has an important role in supporting and working alongside the BID company to ensure that projects and initiatives are complementary and benefit the town centre.

4. Proposals

- 4.1. It is proposed that the Council continues to provide the following support to the BID:-
- ◆ Votes in favour of the BID in the ballot for each of the Council properties in the area.
 - ◆ Continues to make the existing Palace Grounds service charge money, totalling £44,000, available to the BID. This is on the basis that the BID will continue to deliver a range of events to promote Hamilton town centre and enhance these through additional BID core funding. Economic Development Services staff will continue to take an active role in supporting these events.
 - ◆ Continues to provide office accommodation for the BID team in Brandon Gate, or such other suitable premises, over the period of the BID. The Head of Property Services, in consultation with the Head of Administration and Legal Services, be authorised to conclude such legal agreements as necessary to continue to formalise this arrangement. This arrangement will be at no cost to the BID company.
 - ◆ Continues to provide officer support in terms of a named liaison officer to coordinate all Council activity with the BID.
 - ◆ Manages the ballot process in line with the appropriate statutory instruments.
 - ◆ Continues to collect BID levy on behalf of the BID. The Council will not seek to recover the cost of collecting the BID levy or recovering arrears from the BID company.
 - ◆ Provides representation on the BID Board through two elected members.
- 4.2. By supporting the BID in this way the Council will provide financial and organisational stability to the BID giving it the greatest prospect of successfully delivering its objectives to the mutual benefit of Hamilton's businesses and the wider community.

5. Employee Implications

- 5.1. Economic Development Services will continue to be the principle point of contact with the BID and liaise on the day-to-day business from within existing staff resources.
- 5.2. Finance and Corporate resources will continue to manage the collection and onward payment of the levy through the non-domestic rates system from within existing staff resources.

- 5.3. Finance and Corporate Resources will manage and carry out the ballot process from within existing staff resources.

6. Financial Implications

- 6.1. Funding will be made available to the BID through existing Palace Grounds Service Charge resources totalling £44,000 per annum, in line with the recommendations at section 4 of this report.
- 6.2. Any non-payment of the statutory levy will be dealt with under the existing procedures for managing debt within the Council. The level of bad debt provision will be kept under review with the BID Company advised periodically on collection levels. The BID Company has a provision for a non-payment in its business plan.
- 6.3. The IT collection system has a maintenance cost of £2,000 per annum. Funding for this has been identified from existing Community and Enterprise Resources' budgets.

7. Climate Change, Sustainability and Environmental Implications

- 7.1. The appropriate use and management of the town centre will significantly contribute to the delivery of 20-minute neighbourhoods which will in turn support the Council's targets under climate change and sustainability.

8. Other Implications

- 8.1. The risks associated with not supporting the proposal is that the BID company will be in a poorer financial position and have greater risk of failure in delivering the Business Plan. The support to Hamilton Town Centre could be lost, leading to potentially further decline and increased calls for the Council's intervention and investment. The Council's reputation could also be damaged if it is not seen to actively support and encourage business initiatives and investments in Hamilton Town Centre at a time of economic difficulty.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no Impact Assessment is required.
- 9.2. Extensive consultations have been co-ordinated by Regeneration Services with a range of Council Services who have an ongoing role in delivering services and initiatives in our town centres. This consultation and co-operation will continue throughout the duration of the BID.

David Booth

Executive Director (Community and Enterprise Resources)

20 July 2022

Links to Council Values/Priorities/Outcomes

- ◆ Fair, open and sustainable
- ◆ Focused on people and their needs
- ◆ Ambitious, self-aware and improving
- ◆ We will work to recover, progress and improve
- ◆ Caring, connected, sustainable communities

Previous References

- ◆ Enterprise Services Committee June 2012, Hamilton Town Centre Business Improvement District (BID).
- ◆ Enterprise Resources Committee June 2011, Hamilton Town Centre Business Improvement District (BID).

List of background papers

- ◆ Business Improvement District proposal

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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