

**Cabinet Member for Economic Development and South Wiltshire Recovery  
Cllr Pauline Church**

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**Salisbury BID re-  
ballot 2019**

**Purpose of Report**

1. To outline the process for the Salisbury Business Improvement District (BID) proposal ballot scheduled to take place in February 2019, Business Improvement Districts (England) Regulations 2004 (henceforward, 'the BID Regulations');
2. To note the activity of Salisbury BID to date and the content of its business plan for a second term (2019-2024), and;
3. To delegate authority to the council's Section 151 Officer to cast the authority's votes for its hereditaments within the proposed Salisbury BID boundary.

**Relevance to the Council's Business Plan**

4. The council wants to continue sustainable growth in our communities. We recognise that we need to have clean, safe and attractive environments. Business Improvement Districts can be a powerful tool for directly involving local businesses and other city stakeholders in local activities to achieve these objectives by allowing the business community and local authorities to work together to improve the local trading environment.
5. The council is also committed to working with its partners as an innovative and effective council. This includes community involvement, maintaining an outstanding workforce, and designing services with communities and considering new delivery models. The Business Improvement District proposals align with these objectives by bringing benefits to council and partner employees within Salisbury, the co-funding of the CCTV system that is housed at the council's officers at Bourne Hill, and additional services in public areas in the city such as responsive additional cleaning.

**Background**

6. The development and campaign for the first Salisbury BID was supported by the council following a cabinet decision made on 22 October 2013.
7. Salisbury BID was elected in 2014 and encompasses over 550 business members within the ring road of the city centre who pay into the Salisbury BID levy.
8. Business premises with a rateable value exceeding £10,000 pay a 1.5% levy. Salisbury BID's funds exceed more than £400,000 each year which is allocated to projects and services which are beneficial to its members. These are split into

three key areas:

- a. Welcoming, Clean and Safe
  - b. Marketing and Events
  - c. Business Support
9. Businesses are represented through a board of directors, all of whom are levy payers from different business sectors in the city or are members of partnership organisations who have an interest in Salisbury and the business economy, including Wiltshire Council, Salisbury City Council, VisitWiltshire, the Cathedral, Wiltshire Creative, and the Chambers of Commerce.
10. Over the past five years, Salisbury BID has delivered projects and services as outlined in its first term business plan (available from <https://salisburybid.co.uk>). Its achievements are set out in its second term business plan; the following are an excerpt for illustrative purposes:
- a. £300,000 investment into VisitSalisbury digital channels and marketing campaigns to promote the city to visitors, which has over 12,000 followers on social media
  - b. Leveraged £225,000 of additional funding into BID projects from other stakeholders
  - c. Achieved savings of over £80,000 for businesses through its cost saving scheme launched in 2018
  - d. £70,000 grant funding to enhance events bringing visitors to the city
  - e. Over £50,000 investment into city dressing, street furniture and floral display enhancement
  - f. Successful launch of the Salisbury Gift Card scheme
  - g. Co-funding with Salisbury City Council of coach ambassadors and distribution of over 300,000 mini guides helping visitors explore the whole city
  - h. Ongoing support to Pubwatch, Shopwatch and Citywatch including modernisation of the radio link service and joint funding with Salisbury City Council of Citywatch which ensures the city's CCTV is fully operational
11. 2018 was a year of considerable challenge to Salisbury following the major incident involving nerve agent in March. Throughout the response and recovery process Salisbury BID has represented businesses and evidenced the impact of the incident, which has been important in securing government support and funding for the city. In this and throughout its first term the BID has been a strong voice for businesses, ensuring their views are heard in local decisions and communicating with its members key messages, opportunities and the support that is available to them. Its City Rangers visit BID members face to face regularly and help to ensure that issues such as those concerning highways and cleaning are efficiently dealt with.
12. Salisbury BID's first term is coming to an end on 31 March 2019. To enable the BID to continue to a second five-year term, Wiltshire Council as the relevant billing authority has been requested in accordance with the BID Regulations to arrange a re-ballot.
13. The re-ballot will run from 31 January to 28 February 2019, and all BID levy

paying businesses will be invited to vote.

14. For the BID to be successful and continue a second five-year term, a majority in number and a majority in the proportion of the rateable value of those voting must be achieved.
15. If the BID proposal is successful, Salisbury BID will start a second five-year term commencing on 1 April 2019. If it does not achieve the required majorities at re-ballot, then Salisbury BID will cease on 31 March 2019.
16. There is no replacement body that will deliver the objectives, projects and services outlined in the BID's Business Plan (2019-24).

## **Main Considerations for the Council**

### Ballot Process

17. On 15 October 2018 The BID proposer notified the Secretary of State of Housing, Communities and Local Government of its intention to hold a ballot.
18. Wiltshire Council is the relevant billing authority and is therefore responsible for instructing the ballot holder, the returning officer for elections to that authority, to hold a re-ballot. In line with the BID Regulations, this instruction has been made and arrangements for the discharge of his functions under the BID Regulations are in place.
19. Notice of the ballot will be given on 17 January 2019. Ballot Papers will be issued in time for 31 January 2019. The ballot period shall run from 31 January to 28 February 2019, with the announcement of the ballot result being made on 1 March 2019.

### BID 2 Business Plan (2019-24)

20. A comprehensive consultation was held with its business members in summer 2018 to find out what businesses want the BID to deliver in the next five years. More than 300 BID levy payers took part in the consultation. Members were asked for feedback on key areas of the BID's work including marketing, events, business support and ensuring the city is welcoming, safe and clean. The results from the consultation have shaped the BID's business plan proposal (2019-2024). The BID has also sought the advice of Dr Julie Grail, a specialist advisor on BIDs in the UK with the Institute of Place, in developing its proposals.
21. The BID proposer has discussed the BID proposals with the authority before submitting its BID proposals formally. Council officers are satisfied that the proposed BID arrangements are not likely to conflict to a material extent with formally adopted policy, nor to be a significantly disproportionate financial burden on any person or class of persons in the proposed BID area, for the following reasons:
  - a. The services being proposed in the BID business plan are additional to the statutory and other services provided by Wiltshire Council and other public authorities (including Salisbury City Council) in Salisbury, and therefore do not conflict with formally adopted policy by duplicating these. This is

ensured by way of the “Baseline Agreement” between these authorities (including Wiltshire Council) and the BID proposer, which is described at paragraph 47 of this report.

- b. The services being proposed in the BID business plan are not contrary to formally adopted policy and will support the council’s business plan objective to support the economy by having clean, safe and attractive environments.
- c. The BID boundary in the new proposal has not substantively changed since the previous BID term. Some minor amendments have been made to specific streets that no longer have many businesses having a sufficient rateable value to be included in the levy (although they can volunteer to join the BID), and the overall principle of including key streets within the Salisbury ring road has been retained. The levy cost is not increasing, being maintained at 1.5%. During the last BID term, the council has not received any complaints from businesses within the BID area that they have been caused a significantly disproportionate financial burden. It is therefore not expected that the new BID proposal would be of any significant or disproportionate financial burden on any person or class of persons in the proposed BID area.

22. The themes of the business plan proposal for the BID’s second term are:

- a. Welcoming and Enhancing
- b. Promoting and Supporting
- c. Representing and Influencing

23. The full version of the proposed business plan is available from the BID website (<https://salisburybid.co.uk>). The following excerpts are to illustrate the proposed objectives that the BID will aim to deliver if it is successful in securing a second term:

- a. Develop a comprehensive Business Crime Reduction partnership with clear objectives to reduce the impact of crime against businesses and staff, including financial support to the city’s CCTV system so that it is fully operational
- b. Enhance the appearance of the city centre by providing additional services over and above the council’s statutory provision, including responsive cleaning services, empty shop dressing, city dressing, graffiti removal and support for pop up shop projects
- c. Invest in wayfinding for visitors including printed maps, signage, visitor trails and coach / city ambassador initiatives
- d. Promote Salisbury businesses, through social media channels, websites, marketing campaigns and events, working with VisitWiltshire to attract more visitors and residents into the city centre
- e. Promote, enhance and support quality events to bring footfall into the city
- f. Deliver cost saving schemes for businesses using collective buying power, facilitating free workshops and training for businesses seeking to reduce their costs, and communicating promotional offers to members
- g. Represent and champion Salisbury business needs in local and national

debates and events

- h. Monitor city centre performance data, understand trends and feedback to relevant partners on matters affecting trade

- 24. If it is successful in securing a second term, the BID will continue to be an important stakeholder in the wider South Wiltshire Recovery Task Force as we move through 2019/20.
- 25. The Business Plan also sets out the BID proposer's financial plan (budget), its communication plan, and management and governance structure, as well as the list of streets included within the mapped proposed BID area.

#### Wiltshire Council entitlement to vote

- 26. Wiltshire Council owns and operates ten hereditaments within the proposed BID area. It is therefore entitled to cast a vote for each of these hereditaments in the BID re-ballot.

### **Overview and Scrutiny Engagement**

- 27. The council's statutory functions as billing authority and ballot holder in this matter are well established by the BID Regulations, including matters of procedure. As the council's decision-making power on these matters is therefore limited to those of operational detail, it is considered it would unlikely be a good use of the committee's time to review them. The council has successfully run two BID ballot processes in Wiltshire (one in Salisbury, and one in Chippenham), without issue.
- 28. With respect to the BID organisation itself, this is a private entity and may be considered as not delivering public services in Wiltshire, and therefore outside of the scope of Overview and Scrutiny. It should be noted that Wiltshire Council (and other relevant public authorities, such as Salisbury City Council) are represented on the BID's board. Overview and Scrutiny may therefore at its discretion ask how public authorities engage with and work in partnership with the Business Improvement District, and indeed seek the advice of the BID organisation itself as an expert on the economy of Salisbury to help it in its work.

### **Safeguarding Implications**

- 29. There are no safeguarding implications relating to this decision.

### **Public Health Implications**

- 30. Salisbury BID has had a positive impact on Salisbury's city centre environment, business economy, crime reduction and public safety. The proposed business plan for second term proposes to continue delivering objectives that will benefit these determinants of public health.

### **Procurement Implications**

- 31. Under Regulation 6(2) of the BID Regulations the ballot holder may by writing under his hand appoint one or more persons to discharge all or any of his functions under those Regulations.

32. Following engagement with the council's Electoral Services team, it was decided that the best route to delivering the ballot services for the Salisbury BID re-ballot would be by procurement of a third party ballot services provider, given the special nature of a Business Improvement District ballot which concerns a comparatively limited and special set of persons entitled to vote and the procedures regarding the ballot papers set by the BID Regulations.
33. In line with the council's procurement and contract rules, and corporate procurement strategy, competitive bids were sought from providers of these specialist ballot services including: advice on the ballot process; project management including reporting, handling of voter enquiries; design and document composition and proofing; processing of mailing data including data quality assurance checks; postal distribution for both the notice and ballot; receipt and processing of return envelopes; producing internal voting reports and the final result, weighted by rateable value; preparation, quality assurance and provision of voting turnout reports, and; storage of ballot material.
34. Competitive tenders were received in response to the council's request for quotations and evaluated for cost and quality. Following evaluation, having submitted the preferred tender Electoral Reform Services was appointed to provide the BID ballot services to Wiltshire Council, the Ballot Holder for the Salisbury BID re-ballot.

### **Equalities Impact of the Proposal**

35. There are no specific equalities concerns regarding the Salisbury BID re-ballot. However, the council will continue to encourage the BID organisation to adopt good practice with regards to equality.

### **Environmental and Climate Change Considerations**

36. The BID Business Plan proposals (2019-24) will incur no significant impacts on current energy consumption or carbon emissions, although it is possible that as part of supporting businesses to make costs savings, the BID may encourage businesses to implement energy efficiency measures.
37. The BID Business Plan proposals (2019-24) include several measures to improve the general environment of the city centre, with the objective of benefiting businesses and attracting visitors.

### **Risks that may arise if the proposed decision and related work is not taken**

38. The BID Regulations clearly set out the statutory functions of Wiltshire Council as the relevant billing authority and Ballot Holder. Failure to arrange the Salisbury BID re-ballot in 2019 could put the council at risk of legal challenge.
39. The council as the relevant billing authority must have regard to the BID Business Plan to ensure that the proposed BID arrangements are not likely to conflict to a material extent with any formally adopted policy, not to be a significantly disproportionate and inequitable financial burden on any person or class of persons by way of structuring the levy or geographical area. Failure to undertake this review and record its decision could put the council at risk of legal challenge.

40. If the council decides not to vote in the BID re-ballot despite being a 'person entitled to vote', then the council will not be represented in the BID re-ballot outcome.

**Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

41. It is important that the BID re-ballot process and timelines are followed correctly to minimise the risk of failing to deliver on the council's statutory responsibility as set out in the BID Regulations. To manage this risk Electoral Reform Services has been appointed to advise on and manage the process on the council's behalf as the Ballot Holder.

**Financial Implications**

42. Cost of the ballot services: The overall cost of running the Salisbury BID re-ballot will be approximately £2,000. In accordance with the BID Regulations, unless exceptional circumstances arise, these costs shall be paid by the relevant billing authority, which in this case is Wiltshire Council. The necessary budget has been identified within existing Economic Development and Planning budgets.

43. Cost of operating the levy: There are operational and software costs associated with the collection of the BID levy. Under the BID Regulations the council will deduct the cost to the authority for the year in respect of collecting the BID levy. The proposed BID Business Plan (2019-24) includes a £8,000 per annum provision to cover these costs, a £2,000 increase from the £6,000 per annum provision made during the BID's initial term (2014-19).

44. Potential levy to the council: If the Salisbury BID proposals are successful and ballot and the BID commences a second term on April 1 2019, the council will become liable for the BID levy on hereditaments it owns and operates within the BID area. The following table summarises the approximate potential cost:

<b>Hereditament</b>	<b>Rateable Value</b>	<b>Potential annual BID levy payment</b>	<b>Total potential BID levy liability 2019-24</b>
The Council House, Bourne Hill	£190,000	£2,850	£14,250
Brown Street Car Park West	£59,000	£885	£4,425
Culver Street Car Park	£105,000	£1,575	£7,875
26/28, Endless Street	£52,000	£780	£3,900
City Hall	£61,500	£922.50	£4,612.50
Salisbury City Library	£113,000	£1,695	£8,475
New Canal Car Park	£15,750	£236.25	£1,181.25
Salt Lane Car Park	£63,500	£952.50	£4,762.50
Old Fire Station Enterprise Centre	£57,000	£855	£4,275
Central Car Park	£620,000	£9,300	£46,500
<b>Total</b>		<b>£20,051.25</b>	<b>£100,256.25</b>

These figures are based on the following assumptions:

- 2017 Valuation, no revaluations. In reality, revaluations usually happen every five years. The most recent revaluation came into effect in England and Wales on 1 April 2017 based on rateable values from 1 April 2015. It may therefore be anticipated that the next revaluation could come into effect in 2022, having a knock-on effect on the BID levy amount.
- No recharge made to tenants to cover a suitable proportion of the cost of the BID levy. In reality, a change in the business rate liability will usually be reflected in the lease arrangements between the council and the tenant.
- The council's property operation and ownership in the BID area does not change over the course of the BID term.
  - The BID does not apply an inflationary factor to the levy. The proposed BID business plan provides for the BID board of directors to apply a maximum 2% per annum inflationary uplift annually, at its discretion.

45. Based on these assumptions there will be a minimal new financial impact on Wiltshire Council as a result of a second Salisbury BID term, because its BID levy liability is already budgeted for.

### **Legal Implications**

46. Engagement has taken place with the council's Legal Services team with respect to the re-ballot, the BID Operating Agreement, and the BID Baseline Agreement.

47. The statutory requirements that are imposed on the Council in respect of this decision are set out in the BID Regulations which have been referred to throughout this report.

48. The Salisbury BID re-ballot procedure has been described at paragraphs 16 through 18. The procedure is in accordance with the BID Regulations.

49. The BID Regulations specify that a statement of the existing baseline services provided by the relevant billing authority be included in the BID proposals. Relevant heads of service responsible for the provision of services by Wiltshire Council in Salisbury were consulted on these. Legal Services were engaged in the finalisation of the 'Baseline Agreement' between Salisbury BID and Wiltshire Council, and this is published as part of the BID proposals on the BID website (<https://salisburybid.co.uk>).

50. The BID Regulations specify that the relevant billing authority shall, by the commencement date (of the BID), provide for the imposition, administration, collection, recovery and application of the BID levy. This will be enshrined by an 'Operating Agreement' which is agreed between the council's Revenues and Benefits team, the council's legal services team and the Salisbury BID proposer.

### **Options Considered**

51. As set out in regulation 12 of the BID Regulations, under section 51(2) of the Local Government Act 2003 the relevant billing authority (which in this case is Wiltshire Council) may veto BID proposals under prescribed circumstances, which are where the billing authority is of the opinion the BID arrangements are likely



- a. To conflict to a material extent with any policy formally adopted by and contained in a document published by the authority; or
- b. To be a significantly disproportionate financial burden on any person or class of persons and
  - i. That burden is caused by the manipulation of the geographical area of the BID or by the structure of the BID levy; and
  - ii. That burden is inequitable

The BID proposer has discussed the BID proposals with the authority before submitting its BID proposals formally. Council officers' have considered the proposed business plan carefully as outlined at paragraph 21 of this report, and believe that the proposed BID arrangements are not likely to conflict to a material extent with formally adopted policy, nor to be a significantly disproportionate financial burden on any person or class of persons in the proposed BID area. The option to veto the BID proposals is therefore rejected.

52. The council is entitled to vote in the BID re-ballot, because it falls within the class of non-domestic ratepayers to be liable for the BID levy described in the BID proposals (as set out in further detail in the attached report). This does not oblige the council to vote, but it is recommended that authority be delegated to the council's Section 151 officer to cast the council's votes on its behalf, to ensure that it is represented in the BID re-ballot outcome.

### **Proposal**

53. To note the process for the Salisbury Business Improvement District) (BID) proposal re-ballot scheduled to take place in February 2019, in accordance with the BID Regulations (henceforward, 'the BID Regulations');
54. To note the activity of Salisbury BID to date and the content of its business plan for a second term (2019-2024), and;
55. To delegate authority to the council's Section 151 Officer to cast the authority's votes for its hereditaments within the proposed Salisbury BID boundary.

### **Reason for Proposal**

56. To perform Wiltshire Council's duties as the relevant billing authority and Ballot Holder in accordance with the BID Regulations;
57. To recognise the activity of the Salisbury BID in its first term (2014-19) and consider the content of its business plan for the proposed second term (2019-2024), and;
58. To ensure that the council's votes are counted in the Salisbury BID re-ballot.

### **Appendices**

None

## **Background Papers**

The following documents have been relied on in the preparation of this report:

Salisbury BID Business Plan 2014-19

Salisbury BID Business Plan 2019-24