

**Committee: Cabinet**

**Date: 7<sup>th</sup> March 2016**

Wards: All

**Subject: Wimbledon Town Centre Business Improvement District  
Renewal Ballot**

Lead officer: Chris Lee, Director of Environment and Regeneration

**Lead member:** Councillor Andrew Judge, Cabinet Member for  
Environmental Sustainability and Regeneration

Forward Plan reference number:

Contact officer: Sara Williams, FutureMerton, Programme Manager for Business and  
Economy

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**That the Leaders Strategy Group note**

- A. That the Love Wimbledon Business Improvement District (BID) proposal for renewal of the BID ballot is supported and any future decision on the BID renewal is delegated to Chris Lee, Director of Environment and Regeneration in consultation with the Cabinet Member Councillor Andrew Judge.
  
  - B. That the Council will charge the Love Wimbledon BID board for the costs for business rates staff in collecting and administrating the levy estimated in region of £7.50 plus VAT per rateable charge and the on-going software costs of £2,350 plus VAT annually.
  
  - C. That the Council recover the cost of the BID renewal ballot from the proposers if the renewal ballot is unsuccessful.
  
  - D. That the Council will vote in support of the BID renewal for its own rated properties in the BID area and that the voter will be Chris Lee, director of Environment and Regeneration.
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**1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1. This report outlines the proposal to support the renewal of the Love Wimbledon Business Improvement District (BID) in Wimbledon Town Centre. It outlines the BID proposal and identifies the timetable for the renewal ballot.
- 1.2. It also identifies the Council's role in the proposed BID and the costs the Council will incur should the BID be successful.

**2 DETAILS**

- 2.1. A BID is a legal body which can come into being, following a successful ballot in which all eligible businesses have a vote on proposals to improve the district.

- 2.2. A BID is a not for profit company set up by businesses in an area to improve the area. It is directed and funded by businesses to make improvements to the trading environment.
- 2.3. Provision of the business rate listing in a potential BID are free of charge.
- 2.4. Recovery of the costs if the BID is unsuccessful (if it is successful the council is obliged to pay the cost of the ballot) estimated at £2,000 for each BID area to be contained within the FutureMerton team.
- 2.5. The cost of collecting and full recovery of the BID levy by LBM is £7.50 (plus VAT) per hereditament and is paid for by Love Wimbledon BID.
- 2.6. Provision of on-going in-kind support for a successful BID renewal to be contained within FutureMerton team. .
- 2.7. Love Wimbledon started a 5 year term after a YES ballot of its businesses in 2012. Following the last successful 4 years the Business Improvement District (BID) will be holding its first renewal ballot this autumn to ask the businesses of the town centre if they would like Love Wimbledon to continue it's good work and vote for a second term.
- 2.8. This renewal process is a requirement of all BIDs and the businesses will decide through a democratic process whether they wish to continue to have a BID and therefore fund the activities or not. The vote is a simple yes/no – this is not a competitive ballot with other companies involved.
- 2.9. Over the next few months Love Wimbledon will be undertaking a consultation with businesses and preparing a BID renewal proposal for 2017 – 2022. Discussions will be held with all the relevant Council departments to maximise partnership opportunity wherever possible. LBM will work with Love Wimbledon for a successful outcome of this ballot.
- 2.10. The proposed boundary for Wimbledon BID was defined by the Love Wimbledon Board and this includes approximately 430 eligible businesses. The boundary was initially based on the council's UDP (2003) boundary and then expanded slightly following consultations with businesses in the town centre. The renewal is considering slight changes to the current boundary which could add c. 20 additional eligible businesses.
- 2.11. The Love Wimbledon BID will raise approximately £465,000 per annum through the BID levy. The levy will be 1% of the rateable value of each defined ratepayer in the area (although through consultation and discussion with the board this could be altered). There are approximately 430 eligible businesses in the proposed BID area. The money raised will be spent exclusively in the defined BID area in line with the wishes of the businesses paying the levy. The majority of the businesses pay between £200 and £1k per annum. From the £465,000 collected there will be a need to deduct the costs of administration and management of the BID, this is predicted to be 16% for management and admin with 12% for overheads but will be included in the annual accounts and will be a responsibility of the Board to keep this to a minimum.
- 2.12. There are seven Council hereditaments that would be eligible to pay the annual BID levy should the ballot be successful. The total levy payable by LB Merton represents 0.7% (£3,710) of the total levy payable. These sites are shown in

Appendix 1. The management of the BID is determined by Love Wimbledon and not associated with the costs.

- 2.13. Love Wimbledon is bringing additional ring fenced funding into the town centre from the business community enabling significant investment and undertakes commercial activities such as events and markets.
- 2.14. Complementary services to council public realm services will be provided by Love Wimbledon BID to enhance the environment.
- 2.15. Activities that Love Wimbledon will undertake will assist in the promotion of the town centre providing better business retention, increased footfall, attract new businesses and assist with business promotion etc.
- 2.16. Love Wimbledon has already demonstrated their value with regards to being a strong business voice for combined lobbying – e.g.: Crossrail 2 and this additional source should not be underestimated when addressing future issues. They act as a conduit for the Council with businesses for consultation/feedback, as eyes and ears in the town centre to assist with keeping the general environment presentable and vibrant and providing information and statistics to the council on vacancy rates and footfall along with intelligence about the business community.

### **3 ALTERNATIVE OPTIONS**

- 3.1. The Council could decide that the potential benefits from the existing Love Wimbledon BID are not sufficiently great to justify the provision of the financial resource identified and the input of officer time. The alternative is to not renew the ballot. It should be noted that the Council can only oppose a BID Proposal on the grounds that it conflicts with Council Policy.

### **4 CONSULTATION UNDERTAKEN OR PROPOSED**

- 4.1. A renewal ballot will be required to invite all of the eligible businesses within the BID area to vote for or against the renewal proposal.
- 4.2. For a BID renewal to be successful it must be won on two counts:
  - 1.A straight majority by the number of those voting
  - 2.By a majority in the rateable value of those voting

### **5 TIMETABLE**

- 5.1 The proposal is to carry out a renewal ballot in October 2016 and if successful then operations will continue for a further 5 years from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2022. The Council will be required to collect the BID levy payments. This will be done at the same time as the existing Business Rates Collection, due 1<sup>st</sup> April of each year.

5.2 The ballot timetable is currently suggested as follows:

- April 2016: Meet with Electoral Services to confirm details notice of ballot
- July 2016: Send final renewal BID proposal to billing authority
- 8<sup>th</sup> Sept 2016: Publication of notice of ballot (42 days before ballot date)
- 22<sup>nd</sup> Sept 2016 Issuing of ballot papers (28 days before ballot date)
- 10<sup>th</sup> October 2016: Deadline for applications for proxy votes
- 20<sup>th</sup> October 2016: Ballot date
- 21<sup>st</sup> October 2016: The ballot result will be announced
- 1<sup>st</sup> April 2017: If vote is possible YES then Love Wimbledon BID second BID term commences

## **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1 The development of the BID is supported by the council in the provision of services to support the renewal ballot and a financial contribution towards the BID levy for the sites identified in Appendix 1 to the value of £3,710 per annum to 2022.
- 6.2 Love Wimbledon will produce annual accounts for each financial year and these will be available to all the BID levy payers and the council. The BID board will decide how any unspent or additional income should be utilised.

## **7 LEGAL AND STATUTORY IMPLICATIONS**

- 7.1 The legislative framework for the establishment of Business Improvement Districts is contained in the Local Government Act 2003 with the regulations governing the BID development process and Statutory Instrument No. 2443-The Business Improvement Districts (England) Regulations 2004.
- 7.2 Love Wimbledon will refresh its baseline agreements with the London Borough of Merton to ensure that improvements and services carried out by the BID represent true additionality and will not replace services already performed by the council. The agreement will clearly define the level of provision by the

council and ensure our commitment to maintaining and improving the level of service during the BID.

- 7.3 Where council services are outsourced i.e. via the South West London Waste Partnership, reference should be made where possible in their contractual Operating Procedures to maintain good working relationships with the BID.

## **8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1. There are no direct implications arising from this report.

## **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1. There are no direct implications arising from this report.

## **10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

- 10.1 There is a risk that some increased business costs such as the high rateable values in Wimbledon and the additional costs of the Supplementary Business rates. However, the BID Manager has already spent a significant amount of time educating businesses that business rates and the BSBR are not applied by the Council and are put into central/regional pots.
- 10.2 Lack of support of the BID by the Local Authority could lead to some resentment from local businesses and possibly the view that the council was not supportive of local business. The majority in the 2012 ballot was strong with 70% of businesses that voted confirming their support. It is anticipated this will increase in this ballot.
- 10.3 In light of the potential implications of Crossrail 2 on Wimbledon, strong engagement with the business community will be essential. This combined with Love Wimbledon being an additional lobbying organisation for the town will be a great benefit to Merton Council as plans progress..

## **11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

- 11.1 Appendix 1 - Council hereditaments incurring a Love Wimbledon BID levy

## **12 BACKGROUND PAPERS**

- 12.1. Cabinet report dated 8<sup>th</sup> December 2008 agenda item 6 entitled Business Improvement Districts found here:  
[http://www.merton.gov.uk/democratic\\_services/w-agendas/w-fpreports/686.pdf](http://www.merton.gov.uk/democratic_services/w-agendas/w-fpreports/686.pdf)
- 12.2. Cabinet report dated 7<sup>th</sup> November 2011 agenda item 8 entitled Wimbledon Town Centre Business Improvement Districts found here:  
<http://democracy.merton.gov.uk/Data/Cabinet/20111107/Agenda/1080.pdf>

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