

REPORT TO TOWN CENTRE COMMITTEE

BUSINESS IMPROVEMENT DISTRICT FEASIBILITY REPORT



Report Reference T-24-02
Meeting Date 17th June 2024
Agenda Item 8
Prepared by Town Centre Manager

1.0 BACKGROUND

1.1 BACKGROUND

As part of the Shared Prosperity Fund work, Mosaic Partnership was commissioned to undertake a business improvement district (BID) feasibility study. The full report has been circulated.

1.2 WHAT IS A BID

In brief, a BID is a defined area in which a levy is charged on business rate payers on top of the rates levied by government. The BID levy supports the implementation of an agreed business plan.

The creation of a BID firstly involves developing a business plan that sets out what the BID will do and how the levy will be used to support the area. This business plan is then put to a ballot of business rate players and to be implemented it must receive majority support both in terms of number of votes cast and total rateable value.

The levy is collected by Cheshire East Council as part of collecting business rates and is paid to the BID to fund programmes and initiatives that are agreed within a BID business plan. A BID only provides additional services to town centre businesses and does not replace essential services: it is designed to be “value added”.

BIDs are commonly set up as a company limited by guarantee and run by a board representing and appointed by the business community.

The first BIDs established in Cheshire East are in Wilmslow and Crewe. Other neighbouring towns, including Altrincham and Northwich also have BIDs.

2.0 FEASIBILITY STUDY

A feasibility study is the first stage of a BID development and is focused on assessing the needs and wants of the business community in Knutsford’s town centre and to ascertain if a BID would be ‘right’ for the town. The Mosaic Partnership undertook:

- Desktop review looking at Knutsford’s current plans (for example, Vitality Plan, Neighbourhood Plan, Top to Bottom Street, Council’s strategic plan 2023-2032)
- Survey with the business in the study area

- One to one meeting with key individuals and organisations
- Presentation to businesses, landlords, letting agents and Councillors
- Defined the BID area
- Defined the rateable value and potential amount a Knutsford BID could raise.

The report concluded:

- There is potential to develop a Knutsford BID that could generate circa £1 million over the next 5 years.
- The BID area could include the main town centre streets including Toft Road, Tatton Street, Northwich Road, Adam's Hill plus Tatton Park.
- 389 business rated units
- £9.1 million total rateable value raising £182,000 in an annual levy
- 80% of businesses would pay £1 a day or less.
- Overheads would be circa £40,000 p.a.

In summary, it would generate £945k of investment into the town centre over the five year BID period. The survey results indicate that businesses felt a BID could:

- Enhance business support, marketing and promotion
- Improve environmental and sustainability of businesses
- Improve safety and security in the town centre
- Improve accessibility and parking
- Improve cleaning and appearance of the town centre

The general consensus was that the Town Council does the best it can with its allocated resource and that the additional BID investment would help to secure Knutsford's future in the face of increasing competition (both regionally and online) and difficult trading conditions.

3.0 NEXT STAGE: DEVELOPMENT

The next stage of establishing a Knutsford BID is the "development stage" which involves developing the detailed business plan which would form the core of the work of the BID and be put to the ballot. This is set out in more detail in the appended report.

The indicative cost for the development stage is £32,500.

Previously, the government provided funds through the BID Loan Fund (2013-2019) which funded the development stage on the basis that a successful BID would repay the loan. The development stage could also have been funded through the Shared Prosperity Fund (which funded the feasibility stage). Noting the impending general election, it is unclear if there will be a central government fund to support the development of BIDs. Subject to the direction of the committee, this would be pursued with the MP for Tatton in July.

In the event there is not government funding, the view of the committee is sought as to whether the town council would fund this stage, either partially, outright or through a loan.

4.0 RECOMMENDATIONS

The feasibility report recommends a Knutsford BID should move to development stage. This is

endorsed by the Town Centre Manager.

The committee should consider:

- a) Whether it supports the continued exploration of a Knutsford BID
- b) Whether to lobby the MP for Tatton to call for government funding for the development of BIDs
- c) Whether in the absence of government funding, the council would consider funding the development stage