

Neath Port Talbot County Borough Council

Policy and Resources Cabinet Board

7th January 2016

Report of the Head of Financial Services – David Rees

Matter for decision

Wards Affected:

Neath East and Neath North

Business Improvement District (BID) Company – Levy Collection

Purpose of report

1. To seek approval from members that the Council's NDR section bill for and collect the Business Rate levy payable to the Business Improvement District (BID) Company.

Background

2. Members will be aware that in November 2015, businesses voted in favour of establishing a Business Improvement District (BID) in Neath. The BID will be funded by a levy raised on the Business Rates paid by business within the BID area, and will be operated by a newly established BID Company.
3. The role of Finance staff will be to raise and send the bills for the levy to the respective businesses, collect and hold the payments in the Council's accounts, before passing them on to the BID Company at agreed intervals.
4. Whilst the new BID Company has not yet been established, the details of the relationship between the Council and the BID Company are currently being developed as part of a proposed operating agreement.

5. In order that Finance staff can develop the processes necessary, approval is sought from members to enable the Council to bill for, collect and pass over to the BID Company the income from the BID levy.

Financial Impact

6. All income from the BID levy is due to the BID Company and so any shortfall in collection will affect the BID Company's income and not the Council's.
7. Additional costs incurred in billing for and collecting the levy will be paid by the BID Company. These include IT upgrade and module costs, stationery, printing, postage, bank charges etc. The council will be entering into an operating agreement in relation to these services in the near future. In kind staff time will be provided as part of this arrangement.

Equality impact assessment

8. There was no requirement for an equality impact assessment in terms of this report.

Workforce impacts

9. When established, there will be a small amount of staffing resource required which will be absorbed within the Non Domestic Rates (NDR) Team

Legal impact

10. There are no legal impacts arising from this report.

Risk management

11. There are some minor risk management issues arising from this report. The main risks lay with the BID Company.

Consultation

12. There is no requirement under the Constitution for external consultation on this item.

Recommendation

13. It is recommended that members approve the provision of services to the proposed Bid Company with the recovery of additional costs incurred.

Reason for proposed decision

14. To enable the Council to provide services to the Neath Bid Company.

Implementation of decision

15. The decision is proposed for implementation after the three day call in period.

Appendices

16. None

List of background papers

17. Bid Referendum files

Officer contact

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