

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Cabinet

25th November 2020

Report of the Head of Property and Regeneration S. Brennan

Matter for Decision

Neath Business Improvement District Re Ballot

Wards Affected

Neath North

Purpose of the Report

To inform members of the intention of Neath Inspired (BID) to take a re ballot for another 5 year term in Neath Town Centre and to seek approval for the Council to act as ballot holder for the proposed ballot.

Background

A BID is a mechanism that has been recognised as being successful in bringing local businesses and other stakeholders together with the aim of improving their trading environment and enhancing their profitability. It works within a defined area where businesses in that area are required to pay a levy in order to fund improvements, projects etc. for the benefit of those businesses.

In 2016 a Business Improvement District was formed in Neath Town Centre as result of a positive ballot and will come to the end of their term at the end of March 2021. The BID term was 5 years and is now going to re ballot for a further 5 year term. (1st April 2021-2026)

During the past term Neath Inspired has been the voice for businesses in the town centre and has provided a link between local business, town centre users, partners and the authority. They have provided training, information, grants to improve shop fronts as well as supporting the town council with funding that has contributed to the appearance of the town

e.g. hanging baskets, bunting and Christmas lights. In addition to this they have provided free parking (free on 3 after 3 and during events) to improve footfall and attract visitors into the town centre. Neath Inspired have also supported events including NPT Neath Food and Drink Festival as well as running a number of their own, The Neath Music Festival, Halloween Event etc.

The support provided to assist Neath town centre is a result of consultations to determine what improvements businesses would like in their town over and above what the local authority is able to provide. The new term and business plan for the next phase, if successful, will be determined in the same way through consultation with levy payers.

During these difficult times it will be even more beneficial for a BID to contribute to the recovery of Neath town centre post COVID.

Business Consultation

During the previous two months Neath Inspired has been consulting with businesses within the area to inform them of the current situation and to determine what improvements for the next term would be beneficial. A business perception questionnaire has been carried out to determine what businesses would like to be addressed and what improvements they would wish see. This information will be utilised to form their next five year proposal that will be made available to all businesses within the BID area prior to the ballot.

The consultation was carried out with over 50% of levy payers, from which 87 of the 125 consulted with returned their questionnaires. The results from the questionnaire showed that 72% were in favour of the BID continuing, 10% were not in favour and 13% had not yet decided. A further 5% failed to comment on that particular question.

BID Levy

Neath Inspired set their levy at 1.25% for their 5 year term and propose to increase the levy for the following term to 1.5%. This decision was made in order to generate a similar income as the previous term in order for the BID to operate effectively. If the levy was to remain at the current rate then the income would be greatly reduced due to the decrease in business rates on which the levy is calculated.

Expected levy collection
£100k pa 2016 - 2021

£85k pa 2021 -2026

Due to the current COVID situation Neath Inspired made a decision in March not to collect the BID levy as they recognised the importance of supporting businesses through this difficult time and made the payment voluntary. The levy will be compulsory from April if the ballot produces a positive outcome.

Financial Appraisal

The financial impact upon the authority will be the costs incurred as a result of holding the ballot at approximately £2k. These costs will be retrieved under Regulation 10 of Business Improvement Districts (Wales) 2005 Regulations if unsuccessful or fail to meet the criteria and this has been confirmed with Neath Inspired.

Post ballot, if successful, NPTCBC will be required to pay the BID levy for all properties they are responsible for in the BID area.

Integrated Impact Assessment

Integrated Impact Screening Assessment complete no requirement to make a full assessment.

Valleys Communities Impact

There are no valley community impacts associated with this report.

Workforce Impact

NPTCBC will act as ballot holder for the purpose of re ballot as per regulations.

Legal Impact

The Council as ballot holder will need to comply with Business Improvement District (Wales) Regulations 2005.

Risk Management

There is no requirement under the Constitution for external consultation at this time.

Recommendations

It is recommended that the re ballot for Neath BID is supported by the Council to aid the recovery of town centres and that the Council be authorised to act as ballot holder for the purpose of the re ballot .

Reason for Proposed Decision

Neath BID has been supported over the past 5 year term and has improved the town centre, as a result a BID in Port Talbot was supported by NPTCBC in 2019. Neath BID is approaching the end of its term (March 21) and is keen to continue.

Implementation of Decision

The decision is proposed for the 3 day call in period.

List of Background Papers

N/A

Appendices

Bid Area – Appendix 1

Integrated Impact Assessment – Appendix 2

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