

GODALMING TOWN COUNCIL

Tel: 01483 523575
E-Mail: office@godalming-tc.gov.uk
Website: www.godalming-tc.gov.uk

107-109 High Street
Godalming
Surrey
GU7 1AQ

28 January 2022

I HEREBY SUMMON YOU to attend the **EXTRAORDINARY POLICY & MANAGEMENT COMMITTEE** Meeting to be held in the Council Chamber, Waverley Borough Council, The Burys, Godalming on THURSDAY, 3 FEBRUARY 2022 at 7.00pm.

Andy Jeffery
Town Clerk

If you wish to speak at this meeting please contact Godalming Town Council on 01483 523575 or email office@godalming-tc.gov.uk

Where possible proceedings will be live streamed via the Town Council's Facebook page. If you wish to watch the council meeting's proceedings, please go to Godalming Town Council's [Facebook](#) page.

| | |
|----------------------|--|
| Committee Members: | Councillor Follows – Chair Councillor Williams – Vice Chair |
| Councillor Adam | Councillor Ashworth |
| Councillor Boyle | Councillor Cosser |
| Councillor Crooks | Councillor Duce |
| Councillor Faraday | Councillor Heagin |
| Councillor Hullah | Councillor Martin |
| Councillor Neill | Councillor PMA Rivers |
| Councillor PS Rivers | Councillor Rosoman |
| Councillor Stubbs | Councillor Weightman |
| Councillor Welland | |

AGENDA

1. **MINUTES**

To approve as a correct record the minutes of the meeting held on the 13 January 2022, a copy of which has been circulated previously.

2. **APOLOGIES FOR ABSENCE**

3. **DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS**

To receive from Members any declarations of interests in relation to any items included on the Agenda for this meeting required to be disclosed by the Localism Act 2011 and the Godalming Members' Code of Conduct.

4. PETITIONS/STATEMENTS/QUESTIONS FROM MEMBERS OF THE PUBLIC

The Chair to invite members of the public to make representations, ask or answer questions and give evidence in respect of the business on the agenda or other matters not on the agenda. This forum to be conducted in accordance with Standing Order 5:

- the period of time designated for public participation at a meeting for a maximum of three minutes per person or 15 minutes overall, unless otherwise directed by the chairman of the meeting;
- a question shall not require a response at the meeting nor start a debate on the question. The chairman of the meeting may direct that a written or oral response be given. If a matter raised is one for Principle Councils or other authorities, the person making representations will be informed of the appropriate contact details.

5. QUESTIONS BY MEMBERS

To consider any questions from Councillors in accordance with Standing Order 6.

6. GODALMING BUSINESS IMPROVEMENT DISTRICT – ITEM FOR DECISION

Recommendations:

If Members are in agreement, they are requested to resolve to:

- A. Allocate £10,500 from the Emerging Projects Fund to support the development of the Godalming Business Improvement District (BID).**
- B. Agree to provide £2,500 of In-Kind support to the development of the Godalming BID in office and administrative support.**
- C. Authorise the Town Clerk to represent GTC on the BID Task Force.**
- D. Nominate one GTC Member as the elected representative of GTC to represent and support the work of the Godalming BID on the BID Task Force.**

Members to consider a report from the Town Clerk (attached for the information of Members) regarding a proposal for Godalming Town Council to support the development of a Godalming Business Improvement District (BID).

The report has been brought to this Committee in order to be able to meet decision timelines. As Members will see in the report if the development of a Godalming BID along with a funding commitment is agreed by GTC, additional funding would be able to be secured. However, the Town Clerk is being asked to indicate whether the Town Council supports this initiative by 9 February 2022. The agreement of such a commitment is not within the Town Clerk's delegated authority, hence the need for the Council to make this decision.

7. COMMUNICATIONS ARISING FROM THIS MEETING

Members to identify which matters (if any), discussed at this meeting, are to be publicised.

8. DATE OF NEXT MEETING

The next meeting of the Policy & Management Committee is scheduled to be held in the Council Chamber on Thursday, 10 March 2022 at 7.15pm or at the conclusion of the preceding Environment & Planning Committee, whichever is later.

9. ANNOUNCEMENTS

Brought forward by permission of the Chairman. Requests to be submitted prior to commencement of the meeting.

6. BUSINESS IMPROVEMENT DISTRICT

Introduction

On 12 July 2018, Members of the then Policy & Management Committee agreed that Godalming Town Council (GTC) should engage with the feasibility study element of the Business Improvement District (BID) process. Members further agreed that if the outcomes of the feasibility study indicated that the Waverley BID should progress to the next stage that a further report would be brought to that committee (Min No 92-18 refers).

In March 2019 Waverley Borough Council (WBC) shared the outcomes of the feasibility study with GTC (the original [March 2019 report](#) is available on the GTC website).

Members of GTC considered this report on 11 April 2019. Members noted the report's recommendation that it considered that a case existed for a Godalming-based BID area and looked forward to receiving further information regarding the development of the BID.

The timing of the report covering the development phase of a BID process coincided with the 2019 local elections and further progress was put on hold due to the reprioritising of resources throughout 2020 and 2021. However, WBC has recently re-instigated engagement with the local Chamber of Commerce groups and the Towns and Parish councils covering the BID areas in Waverley, hence this item being brought to the Policy & Management Committee for consideration.

A point that Members may wish to note is that during the pandemic period of 2020 & 2021, in approved BID areas, many of the activities and support provided by local councils such as GTC were delivered and funded through the BID company.

Why Should GTC Support the BID Process?

GTC is not only the local council for the potential BID area but, within the terms of the BID, could be subject to any resultant BID levy; GTC would also be enfranchised to vote in any ballot.

Although, as stated in the March 2019 report, GTC is well regarded within the business community, an oft mooted point is that as a local council, GTC receives no income from businesses under the existing Non-Domestic Business Rate system, but indubitably it does support the local business community. However, that said, the support provided to the business community by GTC is not directed to any individual business or sector but has an aim for providing benefits to residents (who are council tax payers) that are derived from a vibrant and successful primary retail centre.

It is the importance of a vibrant and economically successful primary retail centre that Members may wish to consider. A successful BID has the potential to provide in the region of one million pounds of investment within the BID area over a five year period. This level of investment is unlikely to be available through any other means. Members may also wish to consider that success often leads to success. If a BID provides successful outcomes in its first 5 years, as with 4 out of 5 of the existing BID areas that have been subject to a re-ballot, it is perfectly feasible that it could secure a further mandate and thus provide continued investment.

It is suggested that a financial commitment of £10,500 plus an addition £2,500 of in-kind support for a potential investment in excess of £1,000,000 over 5 years to support the vibrancy and economic well-being of the primary retail area would be of significant benefit to not only the local business community, but also to the residents of Godalming.

As a progressive local council, GTC is being requested to join with the Borough Council and the local business community to develop the potential to enhance the vibrancy and economic well-being of the primary retail centre of Godalming and support Action 20 of the Council's Town Centre Area Strategy document 'Preserving the Past, Protecting the Present, Planning the Future'¹.

In considering the request, Members will be mindful that the BID could fail to be accepted at ballot, in which case neither GTC nor the local business community would be refunded its financial contribution. However, even if that were to be the case, Members are asked to consider that the requested investment will, irrespective of the outcome of a ballot, provide GTC, WBC and the local business community with valuable information and data regarding the needs and challenges of the primary retail area for future decision making.

Recommendations:

If Members are in agreement, they are requested to resolve to:

- A. Allocate £10,500 from the Emerging Projects Fund to support the development of the Godalming Business Improvement District (BID).
- B. Agree to provide £2,500 of In-Kind support to the development of the Godalming BID in office and administrative support.
- C. Authorise the Town Clerk to represent GTC on the BID Task Force.
- D. Nominate one GTC Member as the elected representative of GTC to represent and support the work of the Godalming BID on the BID Task Force.

BUSINESS IMPROVEMENT DISTRICT GENERAL INFORMATION

1. Overview

BIDs are business led partnerships which are created through a ballot process to deliver additional services to local businesses. They can be a powerful tool for directly involving local businesses in local activities and allow the business community and local authorities to work together to improve the local trading environment.

2. What is a Business Improvement District?

A BID is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses in the local area.

There is no limit on what projects or services can be provided through a BID. The only requirement is that it should be something that is in addition to services provided by local authorities. Improvements may include, but are not limited to, increasing safety/security for businesses and customers, cleansing and environmental measures, marketing and events and better transport and access arrangements.

It should be stressed there is a clear difference between statutory services that a local authority must provide and discretionary services which it may provide. The creation of a BID does not fetter a local authority's decision-making process regarding the delivery of discretionary services.

A BID could support a local authority to maintain discretionary services which the BID considers important to the local business community and/or work with local authorities to enhance the provision of statutory services.

¹ [Preserving the Past, Protecting the Present, Planning the Future Adopted by Full Council – April 2021](#)

The important thing is that BIDs are in the main addressing operational matters and that actual projects and services will be determined as a result of detailed consultation with all the business in the BID area.

3. Why is a BID needed?

A BID is a mechanism which allows businesses to control a sum of money to manage and deliver projects which they believe will improve the trading environment for them. It should ultimately increase trade and drive down costs for those businesses that are paying for the improvements.

4. How is a Business Improvement District Established?

A BID can be set up by the local authority, a business rate payer or a person or company whose purpose is to develop the BID area, or that has an interest in the land in the area. The BID proposer is required to develop a proposal and submit this to the local authority, along with a business plan.

The proposal should set out the services to be provided and the size and scope of the BID. It will also set out who is liable for the levy, the amount of levy to be collected and how it is calculated.

Businesses that are subject to the levy, as set out in the proposal, vote in a ballot. This determines whether the scheme goes ahead.

A successful vote is one that has a simple majority both in votes cast and in rateable value of votes cast. Each business entitled to vote in a BID ballot is allowed one vote in respect of each property occupied or (if unoccupied) owned by them in the geographical area of the BID.

Once the BID is in operation the levy is charged on all businesses within the BID area (regardless of whether or how that business voted in the ballot), any new businesses opening within a BID area will automatically be subject to the levy.

The local authority will manage the ballot process.

5. Who Pays the Levy?

The BID proposal must set out who is liable for the levy, the amount of levy to be collected and how it is calculated.

The proposal should also provide details of any relief from the BID levy that may apply and who is eligible. The amount and type of relief is dependent upon local circumstances and is set out within the proposal. For example businesses with a rateable value below an agreed amount ie. £5,000 could be exempt from the levy.

Usually BIDs charge a levy rate of between 1% and 4% of rateable value, with a typical rate being 2%. However, this is dependent upon local circumstances.

6. How Long Will a Business Improvement District Last?

The maximum period that a BID levy can be charged is 5 years. Once the term is completed the BID will automatically cease. If the BID company wants to continue its activities it must hold a new ballot, currently 4 out of 5 BIDs that have reached the re-ballot point have held and been successful in a new ballot.

7. Who Manages the Business Improvement District?

A BID is managed by a Business Improvement District body. This is often a not-for-profit company limited by guarantee but can also be a partnership with the local authority. Most BID bodies are not-for-profit companies. The BID body is responsible for developing and implementing the proposal which sets out how the BID will operate.

They will provide the local authority with this proposal along with the business plan (including the estimated cash flow and predicted revenue to be generated by the BID) along with the financial management arrangements for the BID body.

The local authority will manage billing and the collection of the levy and will hold the levy in a ring-fenced revenue account on behalf of the BID body.

8. What is the Vision for a Business Improvement District within the Waverley Borough Area?

The vision within Waverley for BIDs is to develop four separate BIDs, one within each of the four main settlements of Cranleigh, Farnham, Godalming and Haslemere, with the potential of some shared back office function.

9. How Will the Waverley BID be Taken Forward?

The first requirement of any BID is to carry out a development and feasibility study to determine the level of support, potential viability and the ability to create a credible business plan. WBC funded this element of the BID with the report being presented by its appointed consultants in March 2019.

The next steps in the process can be considered as engagement, development and campaign. Through these steps the BID is developed to culminate in a ballot of the eligible business electorate.

| | Key Milestone | Estimated Date |
|--------------------------|---|-----------------------|
| FOUNDATION PHASE | Complete Feasibility Study | Month 0 |
| | Secure Resources for Development & Campaign Phase | Month 1 |
| | Agree Preliminary Study Area | Month 2 |
| | Agree Preliminary Ballot Date | Month 3 |
| DEVELOPMENT PHASE | Project Support in Place | Month 4 |
| | Set up BID Task Group | Month 5 |
| | Complete Detailed Consultation | Month 6 |
| | Agree Initial Project Lists & Costs | Month 7 |
| | Agree Baseline Statements | Month 7 |
| | Agree Delivery Model | Month 7 |
| | Agree Operating Agreement | Month 8 |
| | Agree Final BID Area | Month 9 |
| | Agree Business Plan | Month 9 |
| CAMPAIGN PHASE | Agree Formal Ballot Process | Month 9 |
| | Agree Champions, Campaign Methods & Material | Month 9 |
| | Campaign Period | Month 10 |
| | Formal Ballot Notification | Month 10 |
| | Formal Ballot | Month 11/12 |

10. BID Task Force

As the envisaged BID process for Waverley involves four separate BID areas, it will be for each area to form a BID task force to fund and deliver these phases of the process.

The 'BID Task Group' is responsible for putting together a detailed business plan setting out the projects it aims to deliver on behalf of the businesses in the area. This is based upon a detailed consultation process with businesses. The business plan will include the projects, cost, delivery guarantees, performance indicators and the management structure.

As a stakeholder in the BID development, GTC would be expected to be represented on the BID Task Force, this will involve a commitment of approximately 1 hour per week during the BID development process.

As stated above, a confidential postal vote is then held of all the businesses that would pay the BID Levy.

11. Potential BID Levy Income

At this stage of the process, the exact BID levy income cannot be guaranteed, the potential income would be affected by the final BID area, the percentage set for the levy and any level of exemption of the levy provided.

However, an estimate provided at a presentation given to the Town Clerk and the President of the Godalming Chamber of Commerce by WBC Economic Development Team and their consultants on 24 January 2022 indicated that at a 2% levy, based upon a BID area focused on the Godalming primary retail area as indicated within the Neighbourhood Plan, coupled with a Levy exemption on businesses with a rateable value of less than £5,000 (25% of businesses within the BID area), an income in the region of £210,000 pa or £1,050,000 over the lifetime of the BID could be generated.

This figure should be considered as a potential best figure for levy income, however, a BID is also expected to be able to generate approximately 20% in additional, non-levy income (this maybe from events income, or allowing non-levy paying businesses to access procurement deals etc.).

12. BID Development Funding

WBC consultants have indicated that the cost to take the BID process to a ballot in Godalming would be in the region of £38,500.

The cost breakdown (January 2022) being:

| Item | Detail | Cost (12 Months) |
|-------------------------|--|---------------------|
| Project Management | BID team to deliver Development and Campaign Phases | £15,000 |
| Office & Administration | IT, Stationery, Postage, Copying | £2,500 |
| Marketing & Comms | Market Research & Consultation, Promotional Material, PR & Business Plan | £7,500 |
| Legal & Financial | Ballot Costs | £3,500 |
| Consultancy Support | Specialist Advice, Template Documents, Negotiations | £10,000 |
| Total | | £38,500 |

Of the indicated funding required to take the BID process forward in Godalming, WBC has pledged £10,000 in cash support plus the ballot costs. Additionally, the local business community has indicated they are able to fund a further £12,000. This leaves a current unfunded balance of £13,000, which GTC is being asked to support.

If GTC were to provide office and administration support in kind (as it did for the 2009 Healthcheck and the Neighbourhood Plan) this would result in an outstanding cash requirement of £10,500.

Based upon the above, GTC is being asked to fund £10,500 in financial contribution plus the equivalent of £2,500 of in-kind office and administration support to enable the Godalming BID to proceed.

Members will wish to note that upon a successful BID ballot the funding partners would be reimbursed from the BID Levy income. Conversely, if the ballot was unsuccessful the funds provided would be lost.

GODALMING TOWN COUNCIL

Disclosure by a Member¹ of a disclosable pecuniary interest or a non-pecuniary interest in a matter under consideration at a meeting (S.31 (4) Localism Act 2011 and the adopted Godalming Members' Code of Conduct).

As required by the Localism Act 2011 and the adopted Godalming Members' Code of Conduct, **I HEREBY DISCLOSE**, for the information of the authority that I have [a disclosable pecuniary interest]² [a non-pecuniary interest]³ in the following matter:-

COMMITTEE:

DATE:

NAME OF COUNCILLOR: _____

Please use the form below to state in which agenda items you have an interest.

| Agenda No. | Subject | Disclosable Pecuniary Interest | Non-Pecuniary Interest | Reason |
|------------|---------|--------------------------------|------------------------|--------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Signed _____

Dated _____

¹ "Member" includes co-opted member, member of a committee, joint committee or sub-committee

² A disclosable pecuniary interest is defined by the Relevant Authorities (Disclosable Pecuniary Interests) regulations 2012/1464 and relate to employment, office, trade, profession or vocation, sponsorship, contracts, beneficial interests in land, licences to occupy land, corporate tenancies and securities

³ A non-pecuniary interest is defined by Section 5 (4) of the Godalming Members' Code of Conduct.