

Report to: **Hub Committee**
Date: **05 March 2024**
Title: **Okehampton Business Improvement District**
Portfolio Area: **Economy & Jobs – Cllr N Jory**

Wards Affected: **Okehampton North and Okehampton South**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: Notification to the Secretary of State would take place on 11 March 2024

Author: **Nita Jarram** Role: **Economic Development Support Officer**

Contact: **Email:** nita.jarram@swdevon.gov.uk

RECOMMENDATIONS

That the Hub Committee:

- 1. instructs officers to notify the Secretary of State of our intention to progress to a ballot to vote on a Business Improvement District (BID) in Okehampton; and**
- 2. delegates authority to the BID steering group to carry out the actions required to progress the BID to ballot. This includes setting up a Ltd company that will be transferred to the steering group and become the BID company if the ballot is successful.**

1. Executive summary

- 1.1** Since the re-establishment of the Place and Economy team in 2021, West Devon Borough Council has been delivering a range of economy related activities in Okehampton to support the town and its high street. These have included the Welcome Back Fund, which helped to make improvements to the high street and encourage people into the town after Covid, funding business support to help businesses to start up and to grow in the town, and work to explore

better ways of communicating with our business community. Our objectives are to make our towns and their high streets into thriving business communities, where entrepreneurs are able to start new businesses, and existing businesses feel well supported and that they have a voice when they have issues which need to be addressed.

- 1.2 In 2022 survey work began with Okehampton based businesses to measure the potential to develop a formal business group in the town. The aim of this ongoing project is to explore the creation of a structure that will help to strengthen the relationship between West Devon Borough Council (WDBC) and the town and parish councils with the Okehampton business community. It would need to give Okehampton businesses a platform from which their voices could be heard and make them better able to influence the town's future, and it would also need to act as a vehicle for developing, resourcing and sustaining projects in the town.
- 1.3 The initial survey work came back suggesting that there was a real appetite within the business community for some kind of formal structure to be developed, and a desire to see greater projects come forward which would have a positive impact on the town and its businesses.
- 1.4 The Council, in conjunction with Okehampton Town Council (OTC), Okehampton Hamlets Parish Council (OHPC) and Devon County Council (DCC), commissioned a specialist consultancy firm, Locus Management Solutions, to expand on the initial survey work in the town, and they established that the best mechanism to meet the aims that businesses had identified, could be a Business Improvement District (BID) to support the town and its activities.
- 1.5 After further consultation work with businesses up to January 2024 it has been concluded that there is an appetite for a BID in Okehampton and therefore we that we are now in a position to progress to a ballot.
- 1.6 The process for progressing to a ballot requires the notification to the Secretary of State and the organisation of a formal procedure to conduct the ballot. We are therefore asking members to approve officers to notify the Secretary of State that Okehampton BID wishes to be put to ballot, and to delegate authority to officers and the Okehampton BID Steering Group to proceed with the necessary tasks to enable this to happen.

2. Project Detail

- 2.1 In January 2022, a formal Okehampton business survey was conducted by an independent organisation, commissioned by West Devon Borough Council. This identified that 37% of businesses felt marketing and events were important for their business, with

others saying that tourism and the ability to bring more people into the town from outside the area would help to sustain their business. Some argued that there should be a greater number of music events and other varied events to attract more people to the town. These are exactly the types of activities that can be coordinated and funded through a BID.

2.2 A BID is usually set up as a not-for-profit organisation, a business-led and business funded body formed to improve a defined commercial area. The benefits of BIDs are wide-ranging and include:

- Businesses decide and direct what they want in their area;
- Businesses are represented and have a voice in issues affecting their trading area;
- BID levy money is ring-fenced for use only in the BID area;
- Increased footfall and spend;
- Improved staff retention;
- Reduced business costs;
- Enhanced marketing and promotion;
- Place based activities, animations and events;
- Looking at infrastructure, pollution and movement;
- Guidance in place shaping vision activities;
- Facilitated networking opportunities with neighbouring businesses; and
- Assistance in dealing with the Council, Police and other public bodies.

2.3 In the UK, the majority of BIDs exist in town and city centres, however they are also in industrial, commercial and mixed-use locations. The BID mechanism allows for a large degree of flexibility and as a result BIDs can vary in shape and size.

2.4 The average size of a BID is 300-400 hereditaments, with some of the smallest having fewer than 50 hereditaments and the largest at over 1,000. Annual income is typically £200,000-£600,000 but can be as little as £50,000 per annum and as much as £2 million+.

2.5 According to West Devon Borough Council records, within the Okehampton Town there are 288 businesses in all, and within the Hamlets, there are 163 businesses.

2.6 Since the initial survey work was delivered, Locus Ltd have been funded by West Devon Borough Council, DCC, OTC and OHPC to progress the development of a BID, delivering consultation activities with the Okehampton business community, and researching the potential value that a BID could bring to the town. This work reached a crucial milestone in August 2023, with all funding partners agreeing to support the final phase of BID development which has seen the development of a BID steering group with representatives from the Council, Okehampton Town Council, Okehampton Hamlets Parish Council and the business

community. The steering group is responsible for moving forward the following activities:

- Finalise the BID boundary area;
- Set up a Limited Company (this will remain dormant, but will be transferred to the BID steering group to run the BID if the ballot is successful);
- Produce BID Proposal and Business Plan;
- Give formal notice to the Secretary of State that a ballot is intended to take place; and
- Appoint Civica to carry out the ballot.

2.7 Separately, the Place and Economy Team will be working internally to:

- Liaise with the relevant internal teams (rates, finance, democratic services) on operating agreement, baseline statements, ballot, and levy collection arrangements.
- Finalise the Council's set-up costs reclaim policy (which can be based upon the existing setup that is used for supporting the Tavistock BID)

3. Financial Information

3.1 To date, the BID development activities have cost:

Funding Organisation	Amount contributed
WDBC	£17,813
DCC	£8,887
OTC	£10,212
OHPC	£3,588
Total	£40,500

3.2 There are also outstanding costs to be incurred which can be recouped from the first year of BID levy income. It should be noted that in the event of the BID failing at ballot, there is a risk to WDBC that these costs will need to be covered:

- Production of Business Plan - £7,000
- Outsourcing of ballot to Civica – Approximately £4,000
- Ballot paper courier costs – Approximately £3,000

4. Next Steps

4.1 If Members approve the recommendations of this report, the already established BID Steering Group will meet at least once per month to progress the above actions.

4.2 Locus Management Solutions, the consultants who have been funded by WDBC, DCC, OTC and OHPC to progress the BID development, have suggested that we aim for the following timeline to bring the BID to fruition:

Milestone	Approximate Date
Notification to the Secretary of State (minimum 84-days prior to date of formal letter of request)	11/3/2024
Formal letter of request to Local Authority with final BID Proposal	4/6/2024
Notice of ballot	5/6/2024
Ballot papers issued	17/6/2024
First day of ballot	21/6/2024
Final date of ballot	18/7/2024
Count and declaration	19/7/2024
End of veto period	2/8/2024
End of challenge period	17/8/2024
BID commencement (assuming a successful ballot)	Must happen before 18/7/2025 (within 365 days of the declaration)

4.3 If the BID ballot is successful, the BID Steering Group will become the BID Board, the body which will oversee the running of the BID and the coordination of all BID related activities in the town.

Appendices:

None

Further Information:

For further information about the BID proposal, process and activities delivered please contact:

Chris Shears – Head of Place & Economy
Chris.shears@swdevon.gov.uk

Nita Jarram – Senior Economic Support Officer
Nita.jarram@swdevon.gov.uk