

DRAFT RESPONSE SERVICE

As part of the Rural Opportunities Bulletin, RSN will regularly provide concise potential responses to key current consultations. These are not intended to be definitive or to reflect the views of RSN and may include potentially opposing responses to reflect different views designed to assist individual organisations in compiling their own response. We do however recognise the pressure members are under and we hope this service will assist.

Consultation on Business Improvement Districts – Department for Communities & Local Government

<https://www.gov.uk/government/consultations/consultation-on-business-improvement-districts>

This consultation covers proposals for strengthening the role of Business Improvement Districts including:

- increasing transparency
- suggestions for closer working between Business Improvement Districts and local authorities
- changes to charging arrangements for the Business Improvement District levy collection
- streamlining neighbourhood planning for Business Improvement Districts

It also proposes some changes to current legislation to strengthen consultation requirements.

This consultation closes on 19 June 2015.

Question 1 – *Do you agree that Business Improvement District bodies should be legally required to provide a certain level of transparency?*

Draft Response: Yes. This is clearly in the interests of all concerned – communities, local authorities, businesses and the BIDs themselves.

Question 2 – *If you answered “yes” to question 1, do you agree that this should be achieved by mandating the publication of independently audited annual accounts and report?*

Draft Response: This seems a reasonable approach to applying a degree of consistency across BIDs without requiring onerous additional work. It may also be worth noting in the guidance that BIDs are also encouraged to publicise their work through other means wherever this is practicable and useful in the interests of maximising engagement with local communities and the breadth of local businesses.

Question 3 – *If you answered “no” to question 1, please tell us why.*

Draft Response: Not applicable.

Question 4 – *Do you have alternative suggestions for increasing the transparency of Business Improvement District bodies?*

Draft Response: As noted above, further encouragement could be given to BIDs to adopt additional means to communicate their operations and activities in order to build wide local understanding and engagement. This could include e-bulletins, twitter, workshops with schools and other local organisations and other mechanisms as relevant.

Question 5 – *Do you think there should be a legally required set of procedural issues that Business Improvement District bodies and local authorities agree to and publish from the outset to ensure that both parties are clear on their working relationship towards one another?*

Draft Response: It is clearly necessary for local authorities and BIDs to work effectively together. It should be possible to achieve this through clear national guidance. However, if a set of procedural issues are to be set out legally it would be advisable to keep these requirements to a minimum in order to allow flexibility in how local authorities and BIDs choose to work together. As set out, it will be important to avoid duplicating requirements already in place and, whilst BIDs views on matters such as planning applications will clearly be important, it is right that decisions remain the responsibility of the democratically elected body.

Question 6 – *If you answered “yes” to question 5, how often do you think the agreement should be updated and what issues do these types of agreement need to cover?*

Draft Response: The issues covered should be restricted to procedural matters including frequency of review meetings and publication of minutes and actions arising from meetings. In principle, the agreement reached should last the length of the BID (i.e. 5 years), unless circumstances require amendment.

Question 7 – *What other ways can the working relationship between Business Improvement District bodies and local authorities be strengthened?*

Draft Response: Publication of good practice demonstrating examples of how BIDs are working effectively with local authorities would be valuable in encouraging others to follow suit.

Question 8 – *Do you agree that Business Improvement District bodies should have the option to decide who collects the levy on their behalf?*

Draft Response: The principle of covering the costs of collection without making a profit should apply to whichever organisation carries out the collection. As set out in the consultation document, it will be important to be transparent in relation to who carries out the collection, how they were selected and the associated costs.

Question 9 – *Do you agree that Business Improvement District bodies should be eligible to apply to the local planning authority to be designated as a neighbourhood forum, without meeting the current membership requirements?*

Draft Response: No. BIDs are currently eligible to apply for designation as a Neighbourhood Forum and this should remain. There is, however, no case for different treatment of BIDs compared to resident-led Forums. There is a danger that the proposed approach complicates Neighbourhood Planning which has been well received by communities across the country and could lead to potential conflict between local businesses and residents.

Question 10 – *Do you agree with the proposed conditions for any Business Improvement District body that wishes to apply for designation as a neighbourhood forum?*

Draft Response: If this proposal is to go ahead, there should be an additional requirement for BIDs to have undertaken consultation and engagement with local residents and a clear case should be made as to why a normal Neighbourhood Forum approach cannot be followed.

Question 11 – *What are your views on a Business Improvement District body automatically being a qualifying body for the purposes of neighbourhood planning?*

Draft Response: The comments set out in paragraph 34 are endorsed. In particular, the automatic qualification option would remove the possibility of a neighbourhood forum being brought forward

by residents living in the area. This would be unacceptable and clearly contrary to the objectives of Neighbourhood Planning.

Question 12 – *Do you have any further views on the proposal that Business Improvement District bodies can take forward neighbourhood planning in designated business neighbourhood planning areas?*

Draft Response: BIDs should be permitted to lead neighbourhood planning but only where this is endorsed by the local community. Businesses are important local stakeholders but a range of other critical stakeholders also exist.

Question 13 – *Do you agree that the Regulations should be changed to require clear consultation in the development stage of a Business Improvement District before submission to the billing authority?*

Draft Response: Yes. This would add further rigour to the process and significant value to the eventual proposals put forward and actioned.

Question 14 – *Do you agree that the process for notifying and balloting should be strengthened to include information on the consequences of voting, or not, in the ballot, and on the likely level of individual businesses' levy payment?*

Draft Response: Yes. This will serve to spell out the various potential implications for all those balloted.

Question 15 – *Do you agree that the Business Improvement District proposer should be required to provide individual notification of the outcome of the ballot to all of the businesses affected by the Business Improvement District proposals?*

Draft Response: Yes. This is in the interests of improved transparency and will assist in implementation of the actions agreed.

Question 16 – *Do you agree that ballot papers for ratepayer Business Improvement Districts should be sent outside England?*

Draft Response: Yes. As set out in the consultation document, this will ensure that the position as respects ratepayer Business Improvement Districts and property owner Business Improvement Districts, where ballot papers can already be sent to businesses located outside England, is aligned.

Question 17 – *If you answered yes to Question 16, should it be permitted to send ballot papers internationally or only within the UK? If you answered no, please tell us why.*

Draft Response: Yes.

Question 18 – *Do you agree that the time period should be extended for voters to apply for replacement ballot papers?*

Draft Response: Yes. This seems reasonable.

Question 19 – *If you answered yes to question 18, do you agree that it should be fourteen calendar days in advance? If you answered no, please tell us why.*

Draft Response: This too seems reasonable.

Question 20 – *Are there particular barriers that have put off businesses from considering setting up a Business Improvement District?*

Draft Response: This question is targeted at businesses.

Question 21 – *Do you support bringing forward property owner Business Improvement Districts outside London? If not, why not?*

Draft Response: Before any decision is taken on extending this option beyond London it would be appropriate to undertake an independent evaluation of those established in London to date. This would enable an informed decision to be taken.