



Coleraine Business Improvement District Levy Administration	21/08/2018
Corporate, Policy and Resources Committee For Decision	

Linkage to Council Strategy (2015-19)	
Strategic Theme	Innovation and Transformation
Outcome	The Council will continuously examine and introduce ways to provide services in more accessible and efficient ways
Lead Officer	Chief Finance Officer
Cost: (If applicable)	£5,000

1.1 Background

Business Improvement Districts (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.

1.2 Coleraine BID

In December 2017 a BID project manager was appointed in Coleraine and since then a full-time office has opened in the town from where businesses and public agencies have been consulted leading to the creation of a draft plan for the creation of a BID in Coleraine. The draft plan sets out a 5 year strategy for the area in various matters including public transport, energy, waste, communications and promotion of the area to name just a few. Finance for this plan will be raised by imposing a small levy on each of the businesses within the designated BID area over the 5 year life of the plan.

1.3 Current Status

A BID is created following a ballot of the businesses which reside within the designated BID area, the ballot for the Coleraine BID commenced on Friday 3rd August 2018 closing

6 weeks later on Thursday 13th September 2018. It is anticipated that the result will be announced on 14th September 2018. Subject to a successful ballot with businesses agreeing to the creation of a BID.

1.4 Council Role

Under the enabling legislation regarding BIDS the local Council is designated as the billing and collection authority for the BID levy which will fund the programme. This will involve raising an invoice to each business and the collection of the levy as set out in the invoice including, if necessary, any debt collection actions against defaulters. The collection process will be handled in line with Council's current Debt Management Policy. Each levy is calculated based on the rateable value of a business' premises the data for each property being held by the BID office. Invoices will be issued on a pre-determined date with the necessary data regarding all businesses being provided to Council finance staff in advance of that date to allow processing. Once the invoices have been issued Council will collect the levy from each business in the same manner as it would from any other customer of Council. Once collected the levy will at prescribed points in time be paid over to the BID team, the process for this is set out in section 1.5 below.

1.5 BID Levy Collection and Payment Process

If we assume that the levy invoices are to be issued on 1st November 2018 annually then the process will run as follows:

October 2018	BID levy data provided to finance staff, billing period being 1 st October 2018 to 30 th September 2019
1 November 2018	BID levy invoices issued to all relevant businesses
1 st Weds in December	Minimum of 80% of BID levy paid over to BID team
March 2019	Review of collections to date, status of any defaults and write-offs considered and agreed by BID office with remaining BID levy minus any outstanding debts paid to the BID office by 31 st March. Should there be any outstanding levy being actively pursued at this stage this will be paid over to the BID team immediately following successful collection.

1.6 Costs

There will be a cost to Council in terms of staff time, stationery and postage connected with the issue of invoices and possibly reminders to levy payers. In addition there may be debt collection costs if some payers default in accordance with our Debt Management

Policy and may therefore be pursued through legal channels. Provision exists under the legislation for Councils to recoup the cost incurred in the invoicing and collection of the levy on behalf of a BID. Officers have estimated that these costs will be approximately £5,000, this figure includes an assumption that a proportion of levy will be taken to legal action.

1.7 Recommendation

It is recommended that Council approve BID levy process as set out in section 1.5 and consider whether or not to recoup the costs outlined in section 1.6 from the BID office.