

## Lichfield BID Steering Group Meeting

### Meeting 2

4<sup>th</sup> August 2014 – The George Hotel – Garrick Room

#### Attendees

- Paul Maddox (BID Chairman) Three Spires Coffee Shop & The Scales
- Adam Burns Mace – Tudor Row, The Tudor of Lichfield
- Judith Lundie – Room to Inspire
- Karen Wharton – Obsession Salon & Spa
- Lisa Prokopiou – Three Spires Shopping Centre
- Lizzie Braine – The Kitchen Shop
- Lizzie Thatcher – Lichfield District Council
- Michael Mullarkey – Michaels Menswear
- Michelle Baker – Lichfield BID
- Shaun Craven – Le Reve
- Angela Burns - The George Hotel

#### Apologies

- Anna Riley – Cure
- Brian Carruthers – Tempest Ford
- Dan Ralley – St Johns House
- Dave Crump – Greenwoods
- David Smedley – Lichfield District Council
- Guy Gibson – Staffordshire University
- Mark Bodley – HCB Solicitors
- Peter Young – Lichfield City Council
- Richard Lewis – Lichfield Chamber
- Sam Zeen – Debenhams

#### Introductions

Paul welcomed all to the meeting and the BID Steering Group gave their introductions.

Paul asked if attendees had read the recent article on the 'Meet the BID Team' in the Lichfield Mercury and said he had received positive feedback on the article and press photo.

Paul said he thought there should be a steady stream of press releases as the BID had to be high profile to get the exposure and to create awareness amongst businesses.

## **BID overview and where we are now**

Michelle and Lizzie described the BID at present – how many businesses within the initial BID boundary and the annual BID levy this would generate if the levy was set at 1% of RV and at 1.5% RV. A BID map was passed around to show the initial BID boundary, Michelle explained that this would become more defined over the forthcoming months as all BIDs revise their boundary during the BID development.

Adam Burns Mace requested a copy of the map. **Michelle to source from LDC.**

## **BID levy and what rate**

The group were advised that a decision had to be made whether the BID levy should be set at 1% or 1.5% of a business premises rateable value. This is required as Michelle is speaking with businesses and inevitably this is the first question asked.

It was agreed that the BID should be set at 1.5% levy in order to generate ample funds so that projects could be carried out effectively. BID levy charged at 1.5% RV for all businesses within the initial and widest possible BID boundary would generate £266,783 per annum. A 1% levy would generate £182,842 per annum. **BID levy agreed.**

Lizzie explained that the £266,783 per annum that a BID could raise would be 'best case scenario' but realistically certain decisions needed to be made by the Steering Group to assist in achieving a positive outcome at BID ballot next Spring and any decisions to remove certain areas from the BID would then be reflected in a reduced annual BID budget:

- UPPER ST JOHN STREET - There are circa 40 businesses in Upper St John Street, if all paying 1.5% of their rateable value these would generate a total of £5,028 per annum but there was low level support for a BID during the BID feasibility study as businesses in Upper St John Street did not feel a part of the City Centre and / or did not want to support a BID and the levy. The Steering Group were unsure whether to make such a decision at this stage and want to discuss at the next BID Steering Group on 1<sup>st</sup> September. The Steering Group asked Michelle to carry out some further consultation and report back to the group. If there remains insufficient support by the September Meeting the Steering Group acknowledged that a potential 40 'No Votes' could be harmful at BID ballot and as these raised a combined total of £5,000 per annum it would be logical to end the BID boundary at the bridge but to include the dental practice 'Dental Perfection' and chip shop at the cross roads of Birmingham Road / St John Street / Upper St John Street.

**Michelle to report back to Steering Group at Septembers Meeting.**

- GREENHOUGH ROAD - contains industrial units and the Steering Group made the decision to exclude this road from the BID boundary; Paul Maddox has spoken to a few businesses on Greenhough Road Industrial Estate and they do not want to be in the BID. Michelle explained that industrial businesses would have different concerns to city centre retailers as industrial BIDs concentrate on security / grounds maintenance etc. Greenhough Road does not alter the annual BID budget as they were excluded from the BID budget of £266,783 per annum.

**Steering Group made decision to exclude Greenhough Road from BID boundary.**

- THREE SPIRES SHOPPING CENTRE - these businesses / tenants are within a managed environment and already pay a high service charge for the security / shopping centre manager / footfall counters / hanging baskets / street cleaning / events / signage / litter bins / Christmas tree / marketing etc – all projects that may also be provided by the BID.

Managed areas such as Shopping Centres almost always receive a subsidised BID levy to acknowledge their service charge and the benefits of being within one managed environment, something a BID is trying to create but within a Shopping Centre something that businesses already benefit from to some extent. Great Yarmouth BID gives a 0.5% reduction for businesses whose shop fronts are located within a managed shopping centre.

Lizzie explained that if all businesses within Three Spires Shopping Centre were charged 1% RV and all other businesses within the BID area were charged 1.5% RV this would reduce the annual BID levy raised by £17,000 but that it would be beneficial for the vote and the support if there was a small subsidy made for Three Spires as we do want a 'Yes Vote'.

Michelle said that the BID may provide projects that are not already provided in Three Spires Shopping Centre and that we would be working with Lisa to write a Baseline Agreement to establish what is already provided and what the BID would provide. The purpose of Baseline Agreements is to prove and identify 'additionality' and this is a matter of course for BIDs with Shopping Centres and the Local Authority / Police to ensure that anything provided for by the BID is additional / over and above what is currently being provided through Service Charge / Business Rates.

Lisa Prokopiou said that Jones Lang LaSalle that manage the Shopping Centre would most likely look for a reduction in BID levy as their tenants pay service charges and tenants would want to know what additional benefits they were receiving by being in a BID area. Lisa spoke of forthcoming projects and the annual business plan businesses receive stating what benefits they have. Lisa also said she would support working in unison with the rest of the city and more joined up thinking.

Adam Burns Mace said his tenants at Tudor Row pay a Service Charge and Judith Lundie and Paul Maddox said they were subject to Service Charges at their business premises. Lizzy Braine said that The Kitchen Shop were not subject to a service charge but as a business they had to pay for the same type of benefits and so did not believe that allowance should be made for different areas of the city. **No decision was made in respect of charging all businesses within the BID area 1.5% RV and all businesses within Three Spires Shopping Centre 1% RV.**

**Michelle Baker to speak to Lisa and Jones Lang LaSalle.**

**Michelle Baker to establish the voting criteria of nationals** that are within a managed environment. Michelle believes that companies such as Debenhams and Boots who are supportive of BIDs, do expect the BID to take into account the fees they pay for being in a Shopping Centre and expect a reflection in the BID levy.

**BID Steering Group to make decision at Septembers Meeting.**

## **Progress to Date**

Lizzie had prepared graphs to illustrate the progress that had been made to date and the progress yet to be made. Lizzie explained that there was an Excel spreadsheet tracker which would increase over the forthcoming months.

To date:

- 27% of businesses have been engaged in the BID consultation so far
- This was 33.5% of businesses but the BID boundary had been widened
- 70% of those businesses are supportive of a BID
- 12% are unsure
- 18% of businesses are not supportive

### **Food & Drink Sector**

- 54% of businesses have been consulted
- 43% of those businesses are supportive of the BID
- 46% of business need to be consulted

### **Retail Sector**

- 42% of businesses have been consulted
- 23% of those businesses are supportive of the BID
- 58% of those businesses need to be consulted

### **Professional Sector**

- 8% of businesses within the professional sector have been consulted
- 5% of those businesses are supportive
- 92% of businesses within the professional sector need to be consulted

Lizzie said that a concerted effort had to be made to ascertain what projects the professional services sector wanted and to gain their support for a BID.

A screen shot of the BID tracker was shown to the Steering Group showing only a small sample of national businesses – businesses marked red were not supportive, amber were a maybe and those marked green were in full support. The BID tracker enabled Paul, Lizzie and Michelle to keep track of progress and see the levels of support by sector and street. This will assist the Steering Group in the months up to the BID ballot as Members will know the businesses within their Street / sector that are unsure / unsupportive and it is hoped the BID Steering Group members will assist Michelle and Paul in urging them to support.

Lizzie explained the database contained confidential information as the Excel spreadsheet detailed rateable values and their individual stance on the BID. It would be useful for the BID Steering Group if it was circulated and a Non-Disclosure Agreement may be drawn up for each Member of the BID Steering Group to sign.

**Lizzie to seek legal clarification on Data Protection / legal advice.**

**Michelle to speak to Sutton Coldfield BID regarding a Non-Disclosure Agreement.**

## **BID Business Plan**

Lizzie circulated a table that contained the priorities chosen for by over 30% of all Lichfield businesses during the BID feasibility study and at the 'Meet the BID Team Event'.

The projects fell under the following themes:

- A voice for local businesses
- Events
- Marketing and promotion
- Attractive, safe and clean

Lizzie asked the BID Steering Group whether they would accept the four key themes should form the categories for the Lichfield BID Business Plan. **All agreed.**

Lizzie went through the potential projects that could be funded and managed by the Lichfield BID and each project was discussed. Each project has a working group / individual who will carry out some research for the BID Steering Group meeting in September.

**(Please see accompanying document entitled, 'The Lichfield BID Business Plan')**

Lizzie explained that in total there were 37 projects and it was highly unlikely that they could all be delivered by the BID, certainly not in year 1 of the BID as the BID funds would be too stretched.

A standard BID business plan details 6-10 projects that the BID will fund and it is for the Lichfield BID Steering Group to hone down the 27 projects to 10 that the BID can fund and execute effectively. Example BID Business Plans were circulated.

Lizzie said the list was not exhaustive as there may be projects that the Professional Services sector would want.

Michelle asked the Steering Group to think of the projects and improvements they want the BID to focus upon and inform Michelle so that she can obtain information and quotes on the projects.

**All 37 BID projects to be discussed at Septembers Steering Group Meeting.**

In order to progress the wide variety of potential projects, it was agreed that assistance from across the BID Steering Group would be needed, to help to scope out/consider in detail the projects the steering group want delivered - such a Lichfield Fashion event. Please see the attached document entitled 'BID Business Plan - draft version for discussion - 4 August (1)'.

**This approach to working will help ensure that the projects meet the BID team's needs.**

**Please refer to the document 'Lichfield BID Business Plan' and if named next to a project please speak to Lizzie / Michelle.**

**BID Timeline**

Michelle explained that she had from now until December to meet with businesses and ensure they understand the BID development and gain their support.

**Any Other Business**

None.

**Next Meeting**

Monday 1<sup>st</sup> September 6.15pm

Location TBC