

Crawley Borough Council

Report to Cabinet

6 November 2024

Crawley Town Centre Business Improvement District (BID) Renewal

Report of the Head of Economy & Planning, PES/469

1. Purpose of the Report

- 1.1 The Town Centre Business Improvement District (BID) is nearing the end of its first five-year term (March 2025) and wishes to seek renewal for a further five years commencing 1st April 2025. This report sets out the background to the BID, the renewal process, financial implications and recommends that the Cabinet support the continuation of the BID for a further five-year term (2025-2030).

2. Recommendations

- 2.1 That the Cabinet is recommended to:
- a) Note the achievements and impact of the Town Centre BID during its first term (2019-2024).
 - b) Agree the proposal to support the renewal of the Town Centre BID and that the Council will vote 'Yes' in favour of the BID and, by doing so, agree to pay the levy on those rateable hereditaments owned by the Council which are located in the BID area, as listed in **Appendix A**. The cost to the Council to be included within future years budgets if the renewal ballot is successful.
 - c) Subject to recommendation b) above, agree to instruct the Leader of the Council as the nominated representative to cast the 'YES' vote in respect of the Council's eligible hereditaments in the BID boundary area.
 - d) Agree and request that the Chief Executive, as Returning Officer and Ballot holder, should hold a ballot for the Town Centre BID renewal.
 - e) Agree that the Head of Governance, People and Performance be authorised to complete the necessary legal agreements required for the BID levy operation together with any other relevant documentation for the proposed BID renewal.
 - f) Agree that the Council continues to perform the role of billing authority for a further five years, collecting the BID levy on behalf of the Town Centre BID, subject to the BID securing renewal.

3. Reasons for the Recommendations

- 3.1 Since the outcome of the ballot for the Town Centre BID's initial term permitted a maximum five-year period to 31 March 2025, a renewal ballot for a second term is required amongst Town Centre levy payers to determine whether the majority wish for the Town Centre BID to continue for a further five years. Cabinet is therefore asked to agree to the Town Centre BID's renewal proposal.
- 3.2 The Council also needs to determine whether it wishes to continue to undertake the role of billing authority, collecting the BID levy on behalf of the BID (subject to legal agreement).
- 3.3 The BID (England) Regulations 2004 require the Council as 'billing authority' to instruct the ballot holder to hold the renewal ballot. The ballot holder is the person the relevant billing authority has appointed under section 35 of the Representation of the People Act 1983 (a) as the Returning Officer for elections to that authority i.e. the Chief Executive.
- 3.4 Given the Council owns 20 rateable property hereditaments within the Town Centre BID area (with a rateable value of more than £10,000) it will be required to pay a BID levy for those properties (except for 7 properties leased to tenants that are liable for the BID levy) should the BID be renewed for a second term. Details of these hereditaments and their respective liabilities are shown in **Appendix A** and in paragraphs 6.2.3 to 6.2.5. This entitles the Council to vote during the period of the BID ballot as a levy payer.
- 3.5 The Council is required to ensure that the process associated with BID renewal and the operation of the Town Centre BID during a second term (subject to a 'Yes' vote) is undertaken in accordance with the BID (England) Regulations 2004.

4. Background

- 4.1 Crawley town centre is one of three main employment areas within the borough and performs a number of important roles. It is leading sub-regional destination for retail and leisure, popular with Crawley residents and attracting visitors from a wider catchment area outside the borough. Home to more than 450 businesses, the town centre has a workforce of around 13,500 (14% of all the jobs in Crawley) across a range of sectors including retail and leisure, administrative and professional services including those offering legal, financial, recruitment, marketing and property services.
- 4.2 There is much to be positive about. Crawley Town Centre attracts more than 1.2 million visitors every month, has a relatively low vacancy rate (11.3%) and around 100 independent retailers. It is also a sustainable place to live with a residential population that has risen to approximately 1,500 in recent years. Moving forward, significant new residential development is planned and it is recognised that the town centre is diversifying to become a neighbourhood in its own right.
- 4.3 Crawley's economy was badly affected by the Covid-19 pandemic with many town centre businesses having to close during periods of lockdown and adversely impacted by a dramatic fall in visitor numbers. Changes to shopping habits have brought additional challenges for the town centre as it continues to develop its own distinct offer and proposition for all stakeholders.
- 4.4 In response, the Council led efforts to boost the town centre economy and generate new business investment through our programmes of new infrastructure and

regeneration. The Council's 'One Town' Economic Recovery Plan 2022-2037 provides an overarching strategic plan for those delivery programmes, setting out a vision for Crawley's future socio-economic prosperity. This includes securing "*a vibrant neighbourhood and sustainable economic future for the town centre via significant qualitative investment*".

4.5 In 2018, following a commitment set out in the Town Centre Regeneration Programme, Crawley Borough Council commissioned a feasibility study to form a new Crawley Town Centre BID. This was followed by a campaign to establish a BID and in September 2019, Cabinet agreed to support the establishment of the Town Centre BID, culminating in a successful BID ballot in October 2019 where 68% of town centre businesses voted in favour of its creation.

4.6. A BID is defined as "*an arrangement whereby businesses get together, decide what additional improvements they want to make, how they are going to manage and deliver those improvements and what it will cost them. This all goes into a business plan which is voted on by all those who would have to pay. The BID can last for a maximum of 5 years and must be able to demonstrate how it has benefited businesses who have funded it.*" [Source: Ministry of Housing, Communities & Local Government – guidance on BIDs)

A successful Ballot is one that has a simple majority vote; both in the number of votes cast and in rateable value of votes cast.

4.7 A BID is a precisely defined geographical area where the businesses within that area vote to collectively invest in local improvements to enhance their trading environment. The Town Centre BID area is shown at **Appendix B** and remains unchanged from the original BID term. Eligible businesses (those occupying properties with a rateable value of more than £10,000 per annum) pay a levy for which the Town Centre BID second term is proposed to be 1.75% of the rateable value of their premises – an increase from the equivalent to 1.5% of the rateable value of their premises during the first term.

4.8 Being at an advanced stage, the BID proposals for the second term are now ready to be launched: the priority projects have been identified, the levy rate with upper and lower limits provisionally set and the revenue raising potential assessed, the details of which are set out in **Appendix C**.

4.9 Businesses in the BID area decide what they want to BID to do, they vote to create it and they run it by the rules they agree which must accord with the BID (England) Regulations 2004. This is the legislative framework for the establishment of BIDs which is contained in the Local Government Act 2003. The maximum period that a BID levy can be charged is five years. Once the term is completed, the BID will automatically cease unless it is renewed. There are over 350 BIDs operating in town centres and business parks across the UK.

4.10 The Council assumed responsibility for administering the first Town Centre BID ballot as Ballot Holder in October 2019 and since October 2020, has acted as Billing Authority, collecting the BID levy from Town Centre businesses on behalf of the BID and passing these monies on to the BID. The Council is also required to provide the BID billing information related to non-domestic ratepayers in the BID area.

4.11 As a result of the Covid-19 pandemic, the official start date of the Town Centre BID was delayed to 1st October 2020 with the term period set to end on 31st March 2025. The BID

Company is legally and operationally responsible to the businesses within the BID area and for all BID activities. The Cabinet Member for Planning and Economic Development is a member of the Company as the Council's representative.

- 4.12 This report seeks approval for the Council to perform the same duties as above regarding the proposed second term period 1st April 2025 – 31st March 2030.
- 4.13 Ballot papers are expected to be issued to prospective BID levy payers on 1st February 2025. Announcement of the BID result is expected as soon as possible after the Ballot day of 28th February 2025.
- 4.14 Details of the timescales associated with the BID development are shown in **Appendix D**.

5. Information and Analysis Supporting Recommendation

- 5.1 Since it was launched in October 2020, the Town Centre BID has had a positive impact in the town centre and supported by Crawley Borough Council, has delivered new services, events and initiatives that have helped to make the town centre safer, more engaging, better promoted with increased footfall and a place where businesses are better connected. Highlights from the past four years include:

SAFE

- BID Ambassadors have recovered over £100,000 worth of stock.
- 3,050 business welfare checks conducted.
- 4 additional CCTV units installed helping to prevent crime and anti-social behaviour.
- Every levy payer received free membership of the Gatwick & Crawley Business Watch.
- Working with Sussex Police and Crawley & Gatwick Business Watch to mark +500 bikes
- Best Bar None hospitality quality mark launched
- Additional lighting solutions for dark areas

ENLIVEN

- 15 x monthly 'Give it a Go' workshops
- 4 x outdoor cinemas
- 2 x festive light-up events
- 2 x Make Music Days
- 1 x Crawlifonia programme including Wellness Wednesdays and a pop up beach
- 2 x Creepy Crawley programmes including ghost tours, street acts, adventure books and a pumpkin patch – attracted 15,000 more visitors to the town centre in October.
- 3 years of an 'enhanced' festive lighting scheme and maintenance (e.g. bauble in Memorial Gardens)

CONNECT

- Over 140 professional service employees attending 'Third Wednesday Club'
- 292 town centre businesses welcomed to Connected Crawley events over two years
- 400+ focus group guests sharing ideas and feedback
- Active member of the Crawley Town Centre Cultural Quarter Steering Group
- Providing a voice for town centre businesses on the Town Deal Board, Station Gateway and Eastern Gateway project boards

PROMOTE

- Features in 12 x editions of Crawley Live covering 60,000 households.

- Adverts on 7 x digital screens in Manor Royal, K2, County Mall and Three Bridges Station.
- 4 x television interviews, 4 x radio interviews
- Magazine coverage, 1 Business-2-Business event
- Advertising in RH Uncovered, Streetwise and Raring to Go reaching over 200,000 households
- 1 x Town Centre 'Showcase' event at the Create Building.

5.2 Looking towards a second term, a new BID Business Plan (2025-2030) has been developed, based on feedback from town centre businesses and the BID's experience during the first term. The new Business Plan sets out an exciting programme of continued investment in new and enhanced projects and services over the next five years, building on what the BID has already achieved and realising the vision *"Through a real commitment to collaboration and partnership, to create a thriving town centre that is a destination of choice where people want to be."*

Underpinned by the four strategic objectives, the proposed Business Plan includes details of additional services, projects, events, improvements and investment over the next five years that otherwise would not happen. These include:

- **Safer and Cleaner** - Continue to deliver enhanced levels of dedicated security and reassurance to businesses and explore opportunities for enhancing the standard of maintenance throughout the town centre.
 - Continue to deliver the highly rated Ambassador service
 - Free to access Business Watch scheme for all
 - Deliver Best Bar None Scheme
 - Attract additional funding to improve CCTV coverage
 - Become a Walk Home Safe town
 - Explore the potential for improving cleanliness and maintenance of the town centre
- **Lively and Engaging** - Deliver a year-round programme of engaging events to animate and excite people about visiting Crawley Town Centre to make it a destination of choice.
 - Deliver tailored programme of exclusive, additional events to increase footfall
 - Work with partners to establish centre for arts and culture
 - Work with Crawley BC to deliver festive lights and entertainment programme
 - Deliver a new 'Around the World' food festival celebrating local cultural diversity
 - Investigate specialist markets and fairs to draw footfall into the town centre
 - Deliver Crawley's first ever Steam Punk festival
- **Better Connected** - Provide a platform for businesses to connect with one another, where staff and business owners feel part of a supportive community and build strategic partnerships for the benefit of a thriving town centre.
 - Continue to run monthly focus groups for town centre businesses.
 - Provide free networking events for town centre businesses through Connected Crawley and Gatwick Diamond Business
 - Organise programme of Third Wednesday Club for the professional services sector
 - Crawley Town Centre News quarterly newsletters and monthly e-bulletins
 - Explore potential to develop online town centre 'venue finder'.
 - Build a free-to-access online business directory for the town centre.
 - Invest in technology to understand retail spend in the town centre.

- **Proud and Promoted** - Promote Crawley town centre to attract visitors, investment and new businesses and help businesses to promote themselves to each other and attract new customers.
- Promote town centre to attract new and retain existing businesses.
- Attract additional investment to fund new projects and maximise value of the BID levy.
- Develop a loyalty scheme to encourage and lock-in local spend.
- Influence economic development activities as they impact the town centre.
- Provide a dedicated point of contact for investors, businesses and staff.
- Undertake town centre place audit to identify areas in need of improvement.
- Introduce a bespoke town centre jobs fair to support local recruitment.
- Continue to deliver a Crawley Town Centre Showcase event to spotlight businesses.

5.3 Crawley Borough Council recognises the changing nature of the local economy and the impact this has had on Crawley town centre and its business community. Recent years have seen a number of high-profile closures such as Debenhams and Morrisons and the imminent closure of M&S is further evidence of decisions being made by major commercial operators in response to economic challenges and changing shopping habits.

5.4 It is therefore vital that we continue to work closely with the Crawley Town Centre BID and partners to deliver lasting regeneration of the town centre and secure long term, sustainable growth in footfall and alternative business and retail investment. There is strong evidence to suggest that this is already having a positive impact and we have seen a number of new, niche retail and café openings that are changing the character of the town centre including Chaiwalla, Longdan Oriental Supermarket, Tesco Express, GymCrawley, Mooboo Bubble tea, Barakah Groceries, Something Wiccan and Elegans Boutique. These investments may not be as high profile as some of the more traditional brands but they are significant and mean that Crawley has something exciting and different as part of its town centre offer.

5.5 In addition, the Council continues to encourage investment in retail and footfall in the town centre through a range of infrastructure schemes including the £7.4m Station Gateway public realm, bus station and highway improvement scheme (for which a planning application has recently been submitted) and the £14m Surrey and Sussex Institute of Technology and the Green Construction Skills Hub; both currently under construction on the Crawley College campus. These two schemes form part of a major programme of around £30m public funding investment in the town centre.

6. Implications for Crawley Borough Council

6.1 Staffing

6.1.1 Discussions with the Council's Electoral Services and Finance teams about the implications of the Town Centre BID renewal have taken place. The postal ballot, including the issue and collection of ballot papers will be managed by the Council's Electoral Services team, within existing resources.

6.1.2 The collection and administration of the BID levy will be managed by the Council's Corporate Finance Team and a levy collection fee will be charged to the BID.

6.2 Financial

- 6.2.1 As Billing Authority, the Council has the right to charge the Town Centre BID a levy collection fee, in recognition of the resources incurred by the Authority in collecting the levy from approximately 460 businesses and passing it on to the BID. This charge will be agreed with the Town Centre BID and reflected within a final Operating Agreement as set out in para 6.3.5.
- 6.2.2 The BID Regulations (England) 2004 require the Council to pay for the ballot. The postal ballot process managed through Electoral Services, is estimated to cost £1,000 and this will be absorbed through existing resources. The cost would be recoverable in the event of a very low turnout of votes supporting the BID renewal.
- 6.2.3 In the event of a 'Yes' vote and in view of the rateable property hereditaments owned by the Council within the Town Centre BID area the Council would be liable to pay an annual levy for each of these properties. See section 3.4 and **Appendix A**
- 6.2.4 The Council owns 13 hereditaments where it is currently liable for the BID levy. Of those, 5 hereditaments are 'fixed' (i.e. Exchange Road Car Park, Kingsgate Car Park, Orchard Street Car Park, Create Building (CBC occupied space) and the District Heat Network) and equate to a BID levy liability of £16,427 per annum.
- 6.2.5 The remaining 8 hereditaments are 'variable' and not fixed because once these properties are either developed, demolished or leased to a third party, the BID levy liability would fall away from Crawley Borough Council (i.e. Telford Place car park, Ashdown House, Old Town Hall and Create Building (vacant floors)) and equate to a BID levy liability of £38,440 per annum.

6.3 Legal

- 6.3.1 The legislative framework under which Business Improvement Districts are established, renewed and governed is contained in Part 4 of the Local Government Act 2003. The establishment and operation of the BID is also subject to the BID (England) Regulations 2004.
- 6.3.2 This requires that prior to becoming operational, BIDs must be subject to a ballot of all eligible levy payers. A BID is legally permitted to exist if the majority of BID levy payers vote in favour. For the BID to proceed to another term, more than 50% of those eligible to vote, must vote 'Yes'. Of those 'Yes' votes, the total rateable value must be higher, when added together, than the rateable value of those who voted 'No'.
- 6.3.3 In the event that the result of the renewal ballot is negative, the Town Centre BID will cease to exist on 1st April 2025. If the result is a majority 'Yes' vote, the BID can then only operate for a maximum of five years before being subject to a further renewal ballot.
- 6.3.4 The Council only has the power to veto a BID proposal if it is contrary to formally adopted and published Council policies. The renewal proposal is in line with Council policies and procedures and therefore this report recommends formal Cabinet endorsement.
- 6.3.5 Subject to a positive BID renewal vote by Town Centre BID levy payers, the billing and collection of the BID levy will be undertaken by the Council's Revenues and Benefits team, for which a detailed Operating Agreement with the Town Centre BID is required.

This Operating Agreement will be negotiated and signed off, setting out the levy criteria, any exemptions and details of collection.

- 6.3.6 The Head of Governance, People and Performance will negotiate the BID Operating Agreement with the Town Centre BID and therefore the confirmation of the Council's role as levy collector is subject to legal agreement.

6.4 Equalities

- 6.4.1 Subject to renewal, the Town Centre BID will ensure that all projects, initiatives undertaken by the BID take into account equalities and access requirements.

7. Background Papers

[Crawley Town Centre Business Improvement District \(BID\) - report to Cabinet 25 September 2019 \(PES/333\)](#)

['One Town' Crawley's Economic Recovery Plan – report to Cabinet 24 November 2021 \(PES/391\)](#)

[Town Centre Regeneration Programme Third Edition - report to Cabinet 16 March 2022 \(PES/397\)](#)

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Appendix A – list of Council Borough Council owned properties in the proposed BID area

Properties where the Council is (currently) liable for the BID levy.

NB where these properties are leased to a tenant, the tenant becomes liable for the BID levy.

Full property address	Current Rateable Value	Levy per annum
Town Hall Multi Storey Car Park*	£46,000	£805
Orchard Street / Pegler Way Car Park*	£109,750	£1,921
Kingsgate Multi storey Car Park*	£165,000	£2,887
Pay & Display Car Park, Telford Place	£130,000	£2,275
Ashdown House, 125 -133 High Street	£420,000	£7,350
Old Town Hall (excl 5 th floor)	£221,000	£3,868
Old Town Hall - 5 th floor	£34,000	£595
Create Building - Town Hall*	£795,000	£10,000
Create Building - District Heating Network*	£46,500	£814
Create Building - part 3rd floor	£218,000	£3,815
Create Building – 4 th floor	£442,500	£7,744
Create Building – 5 th floor	£510,000	£8,925
Create Building – part 6 th floor	£221,000	£3,868
TOTAL		£54,867

*these properties are 'fixed' and where CBC is liable for the BID levy – see para 6.2.4.

Properties with a rateable value of more than £10,000 owned by the Council and leased to a tenant that is liable for the BID levy.

NB if these premises fall vacant, where the business rates liability falls to the Council, so would be BID levy liability.

Full Property Address	Current Rateable Value	Levy per annum
1-7 Station Road (<i>Richard Place Dobson</i>)	£46,500	£814
49 High Street, Crawley RH10 1BQ (<i>The Clubhouse Steakhouse</i>)	£81,500	£1,426
103 High Street (<i>Crawley Museum</i>)	£17,000	£298
1-7 Station Road (<i>Sussex NHS Trust</i>)	£34,750	£608
Create Building 8 th floor (<i>British Airways Holidays</i>)	£510,000	£8,925
Create Building 7 th floor (<i>Chubb Services</i>)	£510,000	£8,925
Create Building Pt 6th floor (<i>Varian Medical Systems</i>)	£370,000	£6,475

The Crawley Town Centre BID area

We are proposing to retain the Crawley Town Centre BID area.



Appendix C – BID Levy proposals and revenue generating potential

a. Levy proposal

- A 1.75% levy based on the rateable value of a property, applied with upper and lower caps.
- Lower cap = no business with a rateable value of less than £10,000 per annum pays a BID levy
- Upper cap = no business will be required to pay more than £10,000 per annum, per hereditament, as a BID levy.
- A 25% discount will be applied to those businesses based in the County Mall shopping centre and the Crawley Leisure Park on London Road.

b. What will this cost individual businesses?

Rateable Value of the property	Annual Levy	Monthly cost	Weekly cost	Daily cost
Less than £10,000	£0	£0	£0	£0
£10,000	£175	£15	£3	£0.48
£12,000	£210	£18	£4	£0.58
£15,000	£263	£22	£5	£0.72
£20,000	£350	£29	£7	£0.96
£30,000	£525	£44	£10	£1.44
£50,000	£875	£73	£17	£2.40
£100,000	£1,750	£146	£34	£4.79
£150,000	£2,625	£219	£50	£7.19
£250,000	£4,375	£365	£84	£11.99
£350,000	£6,125	£510	£118	£16.78
£500,000	£8,750	£729	£168	£23.97
£650,000	£10,000	£833	£192	£27.40
£750,000	£10,000	£833	£192	£27.40
£1,000,000 and over	£10,000	£833	£192	£27.40

c. What will this expect to generate for the Town Centre BID?

This will generate an annual levy income of around £433,000 per annum which equates to around £2.17m over five years.

d. How will the funds be spent?

Based on research and consultation with businesses, the new Business Plan sets out details of the vision, four strategic objectives and a range of projects, services, improvements and investment that will be delivered over the next five years.

Appendix D - BID timetable of key events

Notify the Secretary of State with copy to Local Authority of the intention to hold a ballot	23 October 2024
Send BID Proposal and Letter of Request to Local Authority	16 January 2025
Finalise voter list with Local Authority Electoral Services	By 31 January 2025
Issue Notice of Ballot (42 day prior to ballot)	17 January 2025
Send out ballot packs (minimum 30days before ballot day)	31 January 2025
VOTING STARTS – first day of ballot	1 February 2025
Deadline for Proxy cancellations (10 days prior to ballot day)	18 February 2025
Deadline for Replacement of lost ballot papers	25 February 2025
Deadline for replacement of spoilt ballot papers	25 February 2025
VOTING CLOSES – last day of ballot (up to 5pm)	28 February 2025
Count and Declaration (this date or as soon as practically possible)	3 March 2025
End of BID Term 1	31 March 2025
Start of BID Term 2	1 April 2025