



Business Improvement District

**WELSH GOVERNMENT ENTERPRISE & BUSINESS
COMMITTEE**

TOWN CENTRE REGENERATION INQUIRY

PAPER AUTHOR

**MR RUSSELL J GREENSLADE BA (Hons) FCIM CM
CHIEF EXECUTIVE**

SWANSEA BUSINESS IMPROVEMENT DISTRICT (BID)

What is a Business Improvement District?

A Business Improvement District (BID) delivers a sustainable financial model to a defined geographical area of a town, city, commercial district or tourism and visitor area, where businesses have voted to invest collectively in local improvements in addition to those delivered by statutory authorities. They are often, although not exclusively, a partnership arrangement through which the local business community and the statutory authorities can take forward projects which will benefit the local economy.

A BID is not a substitute for central or local government, but an additional investment to strengthen the local economy and give local businesses a unified voice, helping to provide an arena for businesses and local authorities to increase their understanding of each other's priorities.

Before agreeing to fund the additional investment the businesses within the proposed BID area will determine the issues and decide how their money will be spent and how much they are prepared to pay. The Business Plan produced should include performance guarantee, a management structure and a delivery mechanism.

BIDS are developed, managed and paid for by the business sector by means of a compulsory BID levy which the businesses within the proposed BID area must vote in favour of before the BID can be established. Each business liable to contribute to the BID will be able to vote on whether or not the BID goes ahead. The interests of both large and small businesses are protected through a voting system that requires a majority in the numerical votes cast and the rateable value of votes cast. Borne out of Town Centre Management Partnerships (TCMPs), the concept was originally set up in Canada but took off in the US in the late 1970's. The BID concept has proved successful in growing the local economy and helping to maintain and improve the asset value.

A BID can last for no more than five years, and will either be dissolved at the end of its term or will seek a new mandate and term.

Swansea Business Improvement District (BID)

The Local Government Act 2003 contains provisions to give the National Assembly for Wales's powers to set up Business Improvement Districts in Wales (BIDs).

Powers to set up Business Improvement Districts were granted to Wales in the Local Government Act 2003 and set in regulations in 2005 (Business Improvement Districts (Wales) Regulations 2005).

The City & County of Swansea lead on the formation of Swansea BID funding the first ballot process and assisting in the creation of the BID Company working with local private business leaders to operate the BID as a Company Limited by Guarantee.

The establishment of Swansea BID was determined through a formal democratic private ballot process in which every business, irrespective of size received equal representation and had the opportunity to vote YES/NO to Swansea BID in May 2006.

The area covered by the BID is shown at Appendix I

Prior to the Ballot taking place the businesses had indicated objectives that needed to be delivered and a business plan was produced accordingly.

The key objectives for the BID to deliver were:

1. Transportation
2. Marketing
3. Safety & Security
4. Supporting & Attracting Business
5. Cleansing

The ballot in 2006 was successful and Swansea Business Improvement limited was set up and commenced trading in August 2006. The company, as previously mentioned, is a private company limited by Guarantee. All BID payers in the BID area being members of the company.

Working with the Police and partnership agencies Swansea BID has delivered the following –

- Reduced violent crime & disorder by 68% (*during festive season 2009*)
- Reduced retail crime by 21.1% (*1st April – 30th Sep 2010*)
- Reduced Anti Social Behaviour by 25.5% (*1st April – 30th Sep 2010*)
- Reduced violent crime by 14.9% (*first quarter 2010 compared to previous year*)
- Reduced general crime reduction by 10.2% resulting in approx 32 fewer victims of crime per month in Swansea City Centre (*first quarter 2010 compared to previous year*)
- Delivered 73.7% arrest / detection rate, this means more offenders are being brought to justice and substantial amounts of stolen property recovered and returned to our BID Members.
- Won The British Cleaning Councils City Centre Award 2009/2010 making Swansea the cleanest City Centre in Wales.
- Brought in over thousands of extra people through events
- Brought in over 250,000 cars through FREE car parking projects
- Put Swansea on National TV for the first time, seen by millions
- Delivered over £1.5m worth of FREE media coverage.
- Radio and press campaigns have given over 2m people the opportunity to hear and read about businesses and Swansea City Centre.

On March 7th 2011 Swansea BID secured a strong mandate to continue for a further 5 years until July 31st 2016. After consulting with BID Member as part of our revote strategy we have been tasked to develop and deliver on the following core projects going forward –

1. Car Parking & Transportation
2. Safety & Security
3. Marketing/PR & Events
4. Cleansing
5. Supporting & Attracting Business

BID's as a concept has grown tremendously fast over the last couple of years with the BRC (British Retail Consortium), IBRF (Inter Bank Rating Forum) and FSB (Federation of Small Businesses) expecting the number of BIDs to grow rapidly in the next few years and see BID's a vital Town Centre/City Centre regeneration tool now and more importantly in the future.

Swansea BID is now one of 120 BIDS in the UK and the second biggest BID in UK based on number of businesses within it. At present we are the only BID in Wales.

Summary of actions

Below is a summary of the main actions we have undertaken towards regenerating areas of Swansea, some funded solely by the BID some funded jointly with third parties.

Car Parking & Transportation

We have worked with the Local Authority on a 2 hour FREE car parking project coupled with a Park & Ride offer to help increase foot flow into the City Centre.

In March 2010 we changed the offer to 1 hour FREE at all City Centre NCP Car Parks. Since BID started this FREE car parking project over 200,000 cars have used the FREE car parking offer.

We have also brokered a deal with the NCP that workers in the City Centre can park at NCP's at a greatly reduced costs helping businesses retain staff who themselves save money daily.

We feel that all the Car Parking & Transportation BID initiatives undertaken have helped increase footfall into Swansea City Centre.

Support was received from the Local Authority in the form of a joint venture for 2 hours FREE car parking at local authority car park. The NCP project is solely funded by the BID.

Safety & Security

BID funds three City Centre Rangers to include Night Time Rangers to support the local authority Night Time Economy Officer.

We also fund 6 Taxi Marshals during the Night Time. This is a 100% BID funded project. These six SIA (Security Industry Accredited) Taxi Marshals operate during the night time Economy and have proved to be highly successful and impactful. This BID initiative offers safety and security to BID Member's staff and customers alike.

Between 1st April 2010 and 30th September 2010, compared to the same period in the previous year, BID worked with our partners to obtain a 15.3% reduction in retail theft within the BID area, saving our BID Members literally thousands of pounds in shop theft.

Working with our partners during the first quarter of 2010 we have achieved a 73.7% arrest/detection rate resulting in more offenders being brought to justice and thousands of pounds worth of stolen property recovered and returned to our BID Members.

Working in partnership we have reduced violent crime by 14.9% compared to the previous year and obtained a general crime reduction of 10.2% resulting in approximately 32 fewer victims of crime per month in Swansea City Centre.

Due to Swansea BID safety / security efforts in working with our partners to reducing violent disorder / crime Swansea is now **THE** safest University City in Wales.

Local authority supports BID funding by matching the cost of three City Centre rangers with an additional three rangers.

Marketing, PR & Events

We introduced major marketing TV, Radio and Press campaigns, spreading the word about the city's transformation and challenging outdated perceptions. We put Swansea on National TV for the first time. Proactive and holistic PR has delivered over £1.5m worth of FREE media coverage.

Our marketing programme / vehicle has been hugely successful with over 400 Members directly using it to advertise their business on local radio and in publications FREE of charge. Our generic radio and press campaigns have given over 2m people the opportunity to hear and read about Members businesses and Swansea City Centre.

Going forward we are developing a 5 year marketing / PR Strategy, built on strong research, in partnership with our Members to consolidate Swansea City Centre's position as an exciting regional destination. We will target new markets and seek to retain our existing market share. We will aim to place Swansea City Centre as a first choice destination in shoppers' minds.

We have organised and delivered several successful events such as Swansea Live, Independents Day, Urban Golf Day, Get Welsh and City Centre Easter Egg Hunt.

All events were widely recognised as a highly innovative way of generating additional retail spends in the City Centre. Delivering thousands of additional visitors, these events have been highly lucrative for the City Centre generating increased foot-flow and business.

The marketing programme and events have been 100% funded by BID. Local authority has supported events in kind through officer support and licensing.

Supporting & Attracting Business

We are promoting the City Centre as a destination for exciting events and new attractions as a method of driving up footfall and generating additional spend.

We are working with our strategic partners, local authority, property agents and landlords to enhance the area aesthetically through window vinyling. The aim will be to enhance the look of any empty shops to visitors and help recruit new tenants to the area thus improving City Centre economy and vibe.

Working with Skill Smart Retail we have delivered a shopper profile questionnaire and mystery shopper scheme in the City Centre. This project is part of the Mary Portas 'Queen of Shops' national High St report to the Prime Minister. We have been in contact with the Welsh Office inviting Mary Portas herself to Swansea once she has finished in England.

We believe she will be visiting one City/Town in each Country, as the only BID in Wales and having lead on mystery shoppers, shopper surveys etc we are pushing for the Welsh visit to be Swansea.

BID obtained £30,000 funding from Skill Smart Retail who were funded by European Social Fund (ESF) The Welsh Assembly Government for this project.

We have placed together a BID pack for property agents that will include local demographics, foot flow etc aimed at recruiting more businesses into the City Centre. Property agents are all fully on board with this and using the pack as a key marketing tool when talking with potential new City Centre tenants.

Working with a professional procurement company we have conducted recycling/waste consultation with City Centre Businesses. From this consultation we aim to be a position to offer free or heavily discounted recycling/waste collection to BID Members which is helping maintain their bottom line in these difficult times.

Local authority BEP (Building Enhancement Programme) support the vinyling project with five thousand pounds in a joint funding.

Cleansing

Our cleansing projects in our first term helped us to win The British Cleaning Councils City Centre Award 2009/2010 making Swansea the cleanest City Centre in Wales. Going forward we are now working with The Local Authority to deliver a unique gum removal service in The City Centre which is something businesses put at the top of their wish list. The local authority is following gum removal with street washing in order to provide a structured cleansing regime.

This gum removal project is a joint venture between local authority and BID for 6 months with BID pledging to continue this project for a further 6 months to ensure we remove as much gum as possible. This will no doubt enhance the appeal of the City Centre to visitors and businesses and help with regeneration.

Funding

The vast majority of our funding is from Businesses in Swansea City Centre who pay the 1% levy on business rates to BID.

The Local Authority funds ten thousand pounds per year towards the BID Management costs. We are in discussions for the BID Levy cost of Fifteen Thousand Pounds to be waived by the Local Authority.

Welsh Assembly government (as it was) funded thirty thousand pounds towards BID at start up in 2006.

Since we started in 2006 we have received no further funding from Welsh Government to help deliver the hugely impactful regeneration projects that work.

Funding is an issue I would like to make the committee aware of. In order for BID's to develop and grow further central government funding mechanisms need to be investigated in order that BID's can make even more of an impact on Town/City Centre regeneration.

Recommendations

On reflection of the above I feel the following recommendations should be considered by the committee when compiling their report.

1. Mechanisms that can help support BIDs in terms of funding. Swansea BID's progress since 2006 coupled with businesses themselves voting us back in for a further 5 years clearly demonstrates the positive impact a BID has on Town/City Centre Regeneration and development plus businesses value Swansea BID.
2. Investigations into developing new BID's in Wales. Scotland operates an overarching BID's company called Business Improvement Districts Scotland. Scotland currently has 11 established BID's and 17 developing BID's and 30 or so in the pipeline so they are advanced in developing the BID's concept.

This clearly supports the fact that Scotland Central Government feels BID's work and fully supports them through funding and set up. The overarching BID's company supports the other established and developing BIDs in terms of ballot, set up, business/ project planning, good practice guide, management team structure and mentoring to ensure positive ROI for all stakeholders. This overarching Business Improvement District Company is 100% government funded.

3. The Enterprise Park model may need further investigations. This would directly benefit Town/City Centres due to relaxed planning and business rates policies that will encourage regeneration and development. I am not an expert in this area and I am aware our local authority are already looking into this, however, from a BID point of view I can see how this concept would work with and support a BID and its members.
4. We work very closely with The Local Authority and deal with a wide breath of levels to deliver our projects and objectives. We operate a board of Directors and Sub Groups which include local authority representatives, Councillors national traders, independent traders and local media. Perhaps the Committee would consider The Welsh Government becoming more involved with Swansea BID in terms of non-voting representation. This representative can present to BID board/Sub Groups on Welsh Government issues in order for us to be able to disseminate this information to our 800+ businesses.

Summary

To conclude, it is clearly evident that Wales are falling behind other Countries in BID's development as the Scottish BID's example above clear illustrates. Other countries such as Sweden and Norway are now passing legislation to bring BID's to life.

Wales has some of the best Cities/Towns in the UK, based on the success of Swansea BID these Cities/Towns would only get better with a BID with visitors, businesses and property owners benefiting. The businesses in a BID genuinely control their trading environment that is driven by a private sector management approach.

A BID is a valuable investment for any City/Town Centre, unlocking millions of pounds of additional consumer spending. We/Swansea BID have delivered a real step change in the trading environment in Swansea City Centre and delivered a direct major investment of 2.3m into Swansea City Centre.

We would like to set up a meeting with the relevant minister to discuss the moving forward with the setting up of Bids-Wales to establish BIDS in other towns, cities across Wales. We have the knowledge to be able to deliver further BID areas which ensures increased funding by the way of the BID levy. In these times of restrictive spending, this can only be a good thing.

More investment by The Welsh Central Government in BID's is needed.

APPENDICES 1

Swansea Business Improvement District (BID) Area

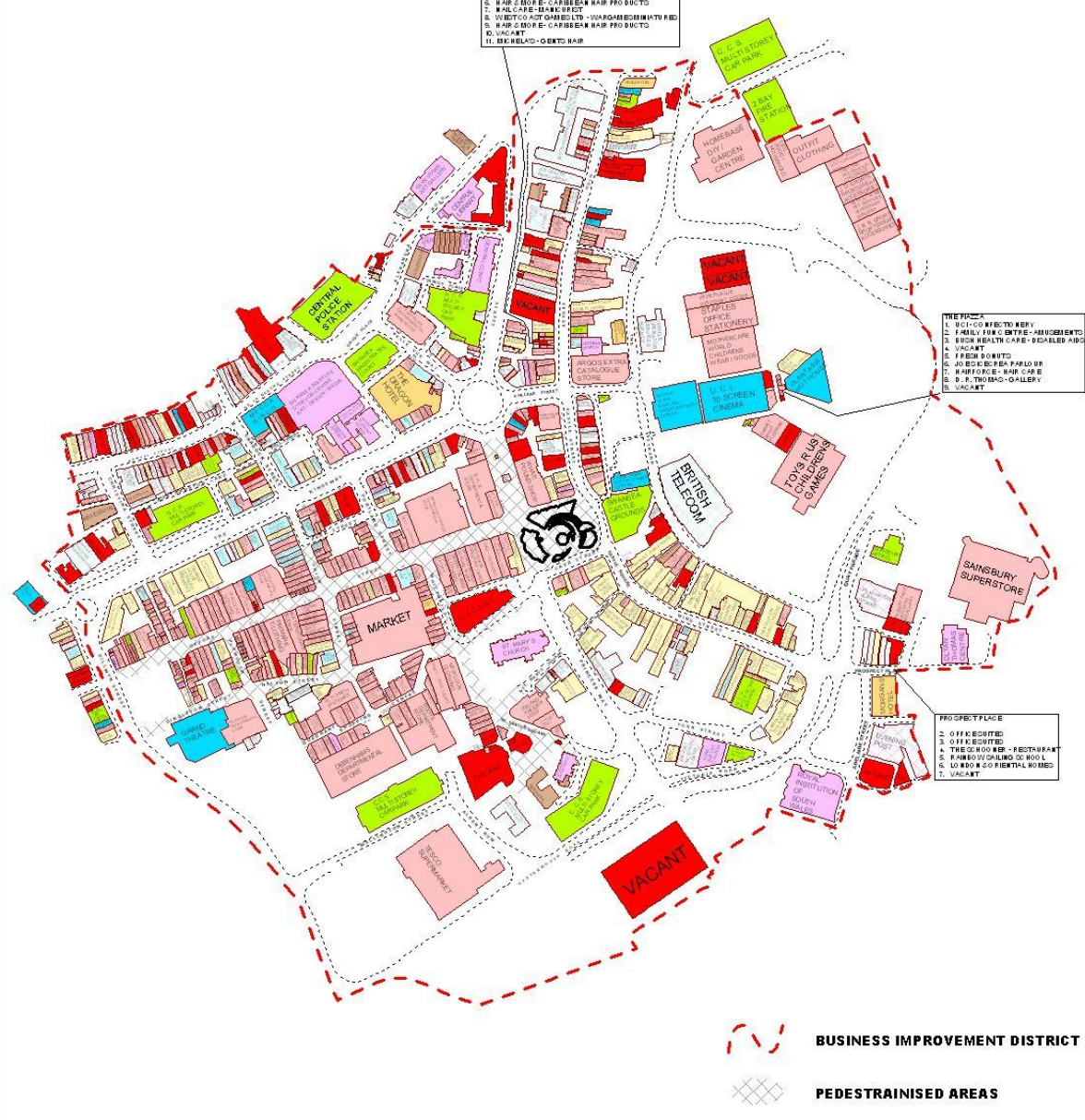




- HIGH STREET FACADE**
1. HOUSEWORKS - BOOKS/RANGES/MINI MATRIS
 2. JILLYTS POLYMER THERAPY/READING COFFEE
 3. H. RES. TICHO - TALKING REP. RES. ALTER-KO NO
 4. VACANT
 5. C. H. MOTO NO - COFFEE SHOP
 6. BAR 2 BOP E - CARRISMAN BAR PRODUCTS
 7. B. BALCAFE - BAR/REST
 8. WEDD CO. ART GALLERY LTD - WAREHOUSE/REMINATO FIED
 9. BAR 2 BOP E - CARRISMAN BAR PRODUCTS
 10. VACANT
 11. MICHELLE - GENTS BAR

- THE PIZZA**
1. G. CO. COFFEE/TO BEV
 2. F. POLI PER C. BITE - AMUSEMENTS
 3. BUSH HEALTH CARE - DISABLED AIDS
 4. VACANT
 5. F. BUSH DO WITS
 6. J. BARBERS/BEAR PARLOUR
 7. H. BARFORD - BAR CARE
 8. P. T. T. BAR - GALLERY
 9. VACANT

- PROSPECT PLACE**
1. OFFICE/RENTED
 2. OFFICE/RENTED
 3. OFFICE/RENTED
 4. THE BROWN BAR - RESTAURANT
 5. PARKING GARAGE/DEMO L
 6. 10 ROOMS/RESIDENTIAL HOMES
 7. VACANT



 **BUSINESS IMPROVEMENT DISTRICT**

 **PEDESTRIANISED AREAS**

CITY CENTRE OCCUPIERS SURVEY MARCH 2006

- KEY**
- 310 - A1 - SHOPS
 - 31 - A2 - FINANCIAL / PROFESSIONAL SERVICES
 - 121 - A3 - FOOD AND DRINK
 - 95 - B1 - BUSINESS
 - 0 - B2 - GENERAL INDUSTRY
 - 5 - B8 - STORAGE/DISTRIBUTION
 - 0 - C1 - HOTELS / HOSTELS / ETC
 - 10 - C3 - RESIDENTIAL / DWELLING HOUSES
 - 20 - D1 - NON RESIDENTIAL INSTITUTIONS
 - 14 - D2 - ASSEMBLY AND LEISURE
 - 29 - S0 - SUIT GENERS - EXCLUDED USES
 - 00 - V - VACANT PREMISES

Prepared by:- Keith Miller Date:- 24.03.2006
Checked by:- Nick Mills Date:- 24.03.2006

CHIEF EXECUTIVES DIRECTORATE
PERFORMANCE AND STRATEGIC PLANNING
RESEARCH AND INFORMATION TEAM
TELEPHONE:- (01792) 635713

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