

HWB CAERNARFON - PROPOSALS FOR NEW BID ARRANGEMENTS

- 1) A statement of the proposed period of the BID arrangements
- 2) A summary of the proposed BID arrangements
- 3) A baseline schedule of services provided by the Council

1. STATEMENT OF THE PROPOSED PERIOD OF THE NEW BID ARRANGEMENTS

These proposals are for new BID arrangements for HWB Caernarfon Business Improvement District (BID).

It is proposed that, if successful at ballot, the new arrangements will apply for the period of 5 years from 1st April 2021 to 31st March 2026.

2. SUMMARY OF THE BID ARRANGEMENTS / LEVY RULES

This section sets out in further detail the technical information relating to how HWB Caernarfon will operate.

1. Definitions

Definitions in these arrangements are as per the Business Improvement Districts (Welsh) Regulations 2005.

2. Who is the BID body that is proposing the BID ballot?

The BID body is HWB Caernarfon, incorporated with company number 09959600 (“the BID Company”).

3. BID duration and the BID body

In the event of a successful ballot, HWB Caernarfon will be five years in duration, beginning on 1st April 2021 and running until 31st March 2026. The BID Company will be the body responsible for implementing the BID arrangements.

Before the end of this period this body may choose to seek renewal of the BID for a further term of up to five years.

The directors of the BID Company will, insofar as people are willing and able to act, aim to continue representation on the Board at the following minimum levels:

- 2 Large Businesses (defined as BID Members having 20 employees or more)
- 4 Small Businesses (defined as BID Members having fewer than 20 employees)
- 1 Landowner
- Up to 2 Occupiers drawn from Voluntary Sector

The directors of the BID Company will continue to seek, insofar as people are willing and able to act, to ensure board membership is representative of the variety of businesses who are eligible to pay the BID Levy.

The following representatives may also be invited to sit on the Board as observers but shall not be entitled to vote:

- Representative of Gwynedd Council
- Strategic Agency representatives
- Representative of Caernarfon Town Council

If places on the Board cannot be filled according to the recommended representation above, the Board will still continue to operate.

The Board will continue to manage any current staff or new staff recruited to the BID Company team, which will deliver the projects and services as set out in the New Proposals.

It is expected that working groups will be formed when appropriate to allow BID members who are not involved at Board level to get involved with steering particular projects.

If they are not already, BID levy payers will be invited to become Members of the BID Company Limited by Guarantee and may stand for election to the board at the Annual General Meeting. Any BID levy payers that are already Members of the BID Company will remain so.

4. What is the proposed BID Area covered by the new proposals?

The extended HWB Caernarfon BID area comprises the following streets. This should be read in conjunction with the map shown below:

| | |
|---|---|
| Allt Pafiliwn | Mill Lane / Lôn y Felin |
| Bank Quay / Cei Banc | New Street / Strydd Newydd |
| Balaclava Road / Balaclafa | Newborough Street (Eagles Hotel) |
| Bangor Road / Stryd Bangor | North Road / Fford Y Gogledd (Number 14 Alexandra, Morrisons filling station, Moduron Menai Garage) |
| Bridge Street / Bont Bridd | Northgate Street / Styd Pedwar a Chwech |
| Castle Ditch / Pendeitsh | North Penrallt / Penrallt Uchaf |
| Castle Hill / Allt y Castell | Palace Street / Stryd y Plas |
| Castle Square / Y Maes | Pepper Lane |
| Castle Street / Stryd y Castell | Pool Hill / Penllyn |
| Chapel Street / Tre'r Gôf | Pool Lane / Pen y Graig |
| Church Lane / Lôn yr Eglwys | Pool Side / Penllyn |
| Church Street / Stryd yr Eglwys | Pool Street / Stryd Y Llyn |
| Doc Fictoria | Pretoria Terrace / Rhes Pretoria |
| Garnon Street / Stryd Garnon | Segontium Terrace / Rhes Segontium |
| Glan Môr / Crown Street | Shirehall Street / Stryd y Jêl |
| Greengate Street / Tan y Bont | Skinner Street |
| High Street / Stryd Fawr | Slate Quay / Cei Llechi |
| Hole in the Wall Street / Stryd Twll yn y Wal | Snowdon Street / Stryd Capel Joppa |
| Lôn Crwyn | South Penrallt / Penrallt Isaf |
| Lôn Twthill | South Road / Lon Parc |
| Market Street / Stryd y Farchnad | St Helens Road / Ffordd Santes Helen |
| | Stryd y Porth Mawr |

The area covered by the BID proposal comprises parts of Caernarfon as shown in the map below.



5. Governance of the company

The Articles of Association of HWB Caernarfon are to be found in a separate document.

6. Eligible business types for voting and paying the levy

Section 64 (1) of the Local Government Finance Act 1998 defines a 'hereditament' as 'property which is or may become liable to rate, being a unit of such property which is, or would fall to be, shown as a separate item in the valuation list'.

The following hereditaments will not be eligible for the BID levy or to vote in the ballot:

- Business premises (hereditaments) with a rateable value (RV) below £2,000
- 'Central List' properties that are not contained in the local rating list
- Advertising rights, telephone/communication masts
- Residential estate offices

All other hereditaments within the BID Area are eligible to vote in the BID ballot and to be charged the BID levy.

The occupier, or owner-occupier, of an eligible hereditament within the BID area will be the BID levy payer or liable party (as defined by rating regulations – Local Government Finance Act 1988 and General Rate Act 1967) and therefore is subject to pay the BID levy in respect of each chargeable financial year (as defined in section 45 of the Local Government Act 2003) of the BID term.

Where eligible hereditaments are unoccupied at the time of the notice of ballot, the owner will be entitled to vote in the BID ballot. The BID levy payer in cases of unoccupied hereditaments will be the owner of the whole of the hereditament. The term 'owner' is defined in section 65 (1) of the Local Government Finance Act 1988. No void period will be given in relation to the BID levy; those hereditaments that are exempt from empty property rates will not be exempt from the BID levy

Businesses that begin to occupy existing eligible BID hereditaments during the five-year BID period will be liable to pay the levy for their period of occupation, providing the hereditament remains eligible for BID membership. The BID levy will also be extended to hereditaments built or first occupied in the BID area during the life of the BID, assuming that they are otherwise eligible

If, as a result of a re-valuation, a business' rateable value shall be £2,000 or more at any time during the BID term, they will become eligible for the levy.

Businesses with a rateable value of less than £2,000 may have the opportunity to opt in to be a member of HWB Caernarfon by contributing on a voluntary basis at a rate to be agreed by the board.

7. The BID Levy

The BID levy is a daily charge. The BID levy will be charged at 1.5% of the rateable value of each hereditament for each chargeable financial year or part thereof as per the current version of the Non-Domestic Rating list.

In the first instance this is likely to generate approximately £114,000 for the BID per year.

The levy may rise annually during the life of the BID in line with inflation, and at the discretion of the BID board. The increase for any year may not exceed the published annual Consumer Prices Index or the annual Retail Prices Index (whichever is the higher) at the end of the month of September in the preceding financial year.

Where the occupants of hereditaments pay an inclusive rent or other charge for occupying space that includes the business rates charge, the organisation or person who is liable for paying business rates is liable to pay the BID levy and, consequently, is eligible to vote in the ballot.

The table below sets out the indicative levy payable for businesses depending on their rateable value (based on the 1.5% levy rate).

| Example rateable value | Example BID levy for one full financial year (at 1.5%) |
|------------------------|--|
| £2,000 | £30.00 |
| £5,000 | £75.00 |
| £7,500 | £112.50 |
| £10,000 | £150.00 |
| £15,000 | £225.00 |
| £30,000 | £450.00 |
| £50,000 | £750.00 |
| £100,000 | £1,500.00 |
| £200,000 | £3,000.00 |
| £500,000 | £7,500.00 |

The BID levy will generate revenue that is ring-fenced for HWB Caernarfon and must be spent on projects that benefit businesses in the BID area that pay the BID levy. All services provided by the BID are to be 'additional' to those provided by the Council. This is measured through the 'Baseline Agreement' between the BID Company and Gwynedd Council, which sets out the standard level of statutory service that is already provided in the BID area by the Council.

8. Collecting the BID levy

Arrangements for the collection of the BID levy are set out in a formal Operating Agreement between the BID Company and Gwynedd Council (the billing authority). The Council will be responsible for collecting the BID levy on behalf of the BID Company.

Following a successful ballot, the first BID levy bill will become payable in April 2021, for the period of April 2021 to March 2022. Thereafter:

- The BID levy will be payable in one instalment per year
- Bills will be raised in March and payment will become due on 1st April
- BID levy bills will be issued to each new arising BID levy payer as required
- Refunds will be issued to BID levy payers who have paid the annual BID levy in full but vacate their property in the operating financial year. The amount refunded will be calculated from the later of the certified date of vacation or the date of notification.

Enforcement measures for the collection of the BID levy will be detailed in the Operating Agreement between the BID Company and Gwynedd Council. The BID levy is a mandatory charge and collection is enforceable in the same way as the business rate. After 14 days non-payment of the BID levy, a reminder will be sent giving a further 14 days to pay. If after a further seven days from the payment date stated in the reminder notice the outstanding sum of the BID levy has not been paid, the billing authority shall make an application to the Magistrates Court for a Liability Order to recover the outstanding sum of the BID levy. Non-payment of the BID levy will incur additional costs to the business in question.

9. The Ballot

The ballot will be conducted by Gwynedd Council's Electoral Services (the ballot holder) or their contractors in accordance with the process laid down in The Business Improvement Districts (Wales) Regulations 2005.

The ballot holder shall be the body the billing authority has appointed under section 35 of the Representation of the People Act 1983 (7) as the returning officer for elections to that authority.

A ratepayer shall be entitled to vote in the ballot if, on the date the ballot holder publishes the Notice of Ballot, he falls within the class of non-domestic ratepayers to be liable for the BID levy as described in section 5.

Each person entitled to vote in the ballot shall have one vote in respect of each eligible hereditament occupied or (if unoccupied) owned by them in the proposed geographical area of the BID.

A successful ballot will have to meet two tests:

- First, a simple majority of those voting must vote in favour
- Second, those voting in favour must represent a majority of the aggregate rateable value of the hereditaments voting

The ballot will be a secret postal ballot and will run from early February, closing at 5pm on Thursday 25th February 2021. Where the occupiers of individual eligible hereditaments have nominated in writing the name of the person who should vote on their behalf, the notice of ballot and ballot papers will be sent to them.

A successful BID ballot will have to meet two tests:

- First, a simple majority of those voting must vote in favour
- Second, those voting in favour must represent a majority of the aggregate rateable value of the hereditaments voting

10. The cost of the ballot

The cost of the ballot will be paid for by the Ballot Holder. HWB Caernarfon has put aside a contingency fund of £3,000 to pay for the cost of the ballot should it be requested to do so by the

Council if the circumstances in regulation 10 of the Business Improvement Districts (Wales) Regulations 2005 arise, namely:

- The result of the ballot is a 'no' vote, and
- The turnout of eligible voters in the ballot is less than 20%

11. Alteration of the BID Arrangements

BID arrangements may be altered without an alteration ballot, as long as there is no proposal to alter:

- (i) The geographical area of the BID
- (ii) The BID levy in such a way that would:
 - cause any person to be liable to pay the BID levy who was not previously liable to pay; or
 - increase the BID levy for any person other than for inflation purposes as set out above

Where BID arrangements may be altered without an alteration ballot, the alteration will be made by a decision of the HWB Caernarfon board, following consultation with Gwynedd Council.

The billing authority shall ensure the BID Arrangements (as altered) are in place by the time those BID Arrangements (as altered) are due to come into force and shall send a notice explaining the reason for and the effect of the alteration to each person liable for the BID levy.

12. The works and services to be provided

Introduction

HWB Caernarfon is nearing the end of its five-year term and will be proposing a new BID term with an extended geographical area at ballot in February 2021. Since beginning operations in 2016, HWB Caernarfon has focused on a range of initiatives outlined in its business plan and has developed into a strong business network and a key stakeholder organisation, playing a positive role in helping to create an overarching vision to improve the environment in which it operates.

In the BID's first term proposal, we laid out key aim and objectives for improving the town, namely:

- Town centre liaison
- Support to help businesses grow
- Marketing and PR
- Events and Activities
- Additional cleaning and greening
- Establishing attractive and welcoming entry and gateway points
- A safe environment

The BID has delivered significantly in these areas. However, looking to the future HWB Caernarfon is aware that it can have a greater impact by refocusing its efforts and limited resources. Prior to creating these new proposals, HWB Caernarfon carried out a consultation exercise with businesses in which we sought to gather feedback on priorities for a second term.

HWB Caernarfon future aspirations

We will seek to build upon the foundations laid during our first term and act positively on issues identified by local business to ensure that our priorities and services continue to be in line with

businesses requirements. Additionally, we will strengthen our relationships with key local stakeholders, enabling us to be robust to new challenges and open to new opportunities. We will further develop this narrative by embracing and promoting the unique character of Caernarfon as a place where businesses are represented and can thrive, residents and employees are provided for, and visitors are excited to discover.

In order to do this, there are some foundational activities that need to be continued, such as developing the Tourist Information Centre, provision of a broader range of business support and a consolidated representative voice. There are also exciting projects that can bring transformational change to the area.

HWB Caernarfon has clearly demonstrated itself in its first term to be a valid organisation who have a cohesive vision for the area and are wholly capable of realising that vision.

In its second term the BID proposes carrying out activities in five main areas:

PROUDLY PROMOTED

Marketing & branding Caernarfon to locals, regionally, nationally and further afield - digital / print / media targeted campaigns that can be monitored and evaluated

Better signage when coming into the town (considering bypass will be open etc)

Improve/update town centre signage/cabinets - in partnership with town and county council

Events - funding of annual events and a smaller contribution to regular town centre events. Monitored and evaluated to demonstrate impact in terms of footfall/profile of the events

Explore a strategy to extend the "tourist season" e.g. working with coach/tourist operators

Continue manning the Tourist Information Centre

Creative installations on streets such as Pool Street, Palace Street, High Street, Bangor Street, Turf Square, Victoria Dock, St Helen's Road

Caernarfon ambassadors - championing business owners to become ambassadors of Caernarfon, promoting the town and its businesses

Introduce "Shop local" loyalty scheme

Promote the Welsh language and unique culture of Caernarfon

Investigate improvements to the Wifi Scheme

Introducing digital displays for signage, interactive maps, event guides, advertising

Produce information for visitors such as digital walking maps and guides

CLEAN, GREEN & ECO FRIENDLY

Regular cleaning (weekly/monthly/seasonally)

Annual deep clean (working in partnership with local authority)

More greenery and flowers (seasonal) - identify areas within the town to bring more colour such as empty shop windows

Identifying and tackling eyesores around the town

Promoting recycling (bins / re-usable branded bags for residents / becoming a single use plastic free zone)

Promoting more sustainable travel through initiatives such as electric car charging points, improved cycle infrastructure, park and ride

A "SAFE" PLACE

Improved CCTV (working in partnership)

Tackling anti-social behaviour - working in partnership with schools/groups/youth service/sports clubs

Partnership working with the police and community officers

Making Caernarfon a "dementia friendly" town (encouraging businesses to become dementia friendly)

Makaton friendly town - training for shops in the basics of Makaton

TOGETHER STRONGER

Employing a project manager to deliver projects and engage with businesses

Provide opportunities for levy payers to contribute, suggest ideas and feedback so we can react constructively

Regular meetings with levy payers - manager to be visible in all parts of the town

Networking events in different venues to encourage closer working relationships and initiatives between businesses – e.g. business breakfasts

Linking businesses together for B2B procurement opportunities

Employee training (working with Business Wales etc)

Working with local schools and colleges to facilitate work experience and apprentice opportunities with businesses

Establishing a stronger collective voice for businesses, advocating on their behalf

ATTRACTING INVESTMENT TO THE TOWN

HWB Caernarfon will actively explore and apply for additional funding opportunities from local and national government and targeted grants to town centres. Also seeking private sponsorship where appropriate for specific projects or events.

3. THE SCHEDULE OF BASELINE SERVICES – HWB Caernarfon BID area

This sets out the baseline standard services currently provided by the council

TO BE APPENDED

