BID REVIEW TASK GROUP – 27 NOVEMBER 2014

A meeting of the BID Review Task Group will be held at 5.30pm on Thursday 27 November 2014 in Committee Room 1 at the Town Hall, Rugby.

Adam Norburn
Executive Director

A G E N D A

PART 1 – PUBLIC BUSINESS

1. Minutes – to approve the minutes of the meetings held on 1 October 2014 and 10 November 2014.

2. Apologies – to receive apologies for absence from the meeting.

3. Declarations of Interest

   To receive declarations of:

   (a) non-pecuniary interests as defined by the Council’s Code of Conduct for Councillors;

   (b) pecuniary interests as defined by the Council’s Code of Conduct for Councillors; and

   (c) notice under Section 106 Local Government Finance Act 1992 – non-payment of Community Charge or Council Tax.

   **Note:** Members are reminded that they should declare the existence and nature of their interests at the commencement of the meeting (or as soon as the interest becomes apparent). If that interest is a pecuniary interest the Member must withdraw from the room unless one of the exceptions applies.

   Membership of Warwickshire County Council or any Parish Council is classed as a non-pecuniary interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a declaration.
4. Responses to call for evidence.

5. Implications for the council and the town of the BID mandate not being renewed.

6. Additional evidence.

7. Work programme and dates of future meetings – please bring your diaries to the meeting.

8. Motion to Exclude the Public under Section 100(A)(4) of the Local Government Act 1972.

To consider passing the following resolution:-

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the grounds that they involves the likely disclosure of information defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act and that in all of the circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART 2 – EXEMPT INFORMATION

1. Further response to Call for Evidence.

Membership of the Task Group:

Councillors Mrs Garcia (Chairman), Buckley, Coles, G Francis, Hazelton, Mahoney, Mrs New, Mrs O'Rourke and Roodhouse

If you have any general queries with regard to this agenda please contact Linn Ashmore, Democratic and Scrutiny Services Officer (01788 533522 or e-mail linn.ashmore@rugby.gov.uk). Any specific queries concerning reports should be directed to the listed contact officer.

If you wish to attend the meeting and have any special requirements for access please contact the Democratic and Scrutiny Services Officer named above.
1. Introduction

The one page strategy for the review was approved by Customer and Partnerships Committee on 11 September 2014. A copy is attached to the agenda papers.

The agreed focus of this review is:

- the impact of the council’s financial investment in the town centre through the partnership with Rugby First and the value to the local economy of the activities delivered through this partnership; and
- the implications for the council and the town should the BID mandate not be renewed in 2015.

The review will also seek to influence the shape of the next BID business plan to reflect the potential future role of the town centre as articulated in the Council’s emerging Local Plan, whilst recognising that this is ultimately a decision for the Rugby First Board and BID members.

The task group held its first formal meeting on 1 October 2014. At that meeting the group considered key background information about Rugby BID and the council's financial investment in the town centre and agreed a provisional programme of work for the task group, including a ‘call for evidence’.

A further meeting was held on 10 November 2014 to take evidence from representatives of Rugby First about their role and work, including.

- performance against the current Rugby BID mandate
- the future direction and strategy of Rugby BID
- the BID levy
- management, accounting and governance arrangements for Rugby First
- engagement with stakeholders (including town centre businesses and residents)

2. Purpose of the meeting

It was agreed at the last meeting that the focus of this meeting would be to consider the responses received to the call for evidence, and that representatives of the Federation of Small Businesses and Chamber of Commerce would be invited to attend the meeting to represent local businesses. Unfortunately the Federation of Small Businesses representative is unable to attend the meeting and no response has been received from the Chamber of Commerce.
In discussion with the task group chairman, it has been agreed that the meeting will also consider the implications for the council and the town should the BID mandate not be renewed in 2015.

3. Response to the call for evidence

A detailed report on the responses to the task group’s call for evidence is attached at appendix 1. In addition, further evidence is expected from the BID Programme Manager at the Association of Town and City Management and this will be circulated separately and considered at the meeting.

The Scrutiny Officer will facilitate discussion of the responses and the key themes emerging.

Please note, one response to the call for evidence is to be considered in private on the request of the respondent.

4. What if the BID doesn’t continue?

In the event of the BID not receiving a mandate from businesses in 2015, consideration will need to be given to the implications for both the council and the town. Officers will facilitate a discussion by the task group about this.

As a starting point for the discussion, members are referred to the BID company’s arguments on this matter, articulated on page 23 of the Rugby BID business plan 2010-15 (the ‘BID prospectus’). A copy is attached at appendix 2.

5. Additional information

At the last meeting, representatives of Rugby First undertook to provide some additional information to the task group on the following points:

- a fuller response about what proportion of the £461,198 reserves listed in the accounts relates to CCTV, and what would happen to the reserves in the event of the BID being dissolved
- an explanation of the fluctuation in the profit and loss account from £68,731 profit in 2012 to (£16,763) loss in 2013 and whether this reflects a negative trend.

The company have also been invited to provide additional evidence in relation to points that had previously been identified by the task group but were not covered in the discussion at the meeting.

This additional evidence will be circulated to the task group as soon as it is available.
6. **Next steps**

A further meeting may be held in December or early January (date to be confirmed) as required to deal with any outstanding matters and develop the review conclusions and recommendations. It is intended that the task group will report to Customer and Partnerships Committee on 29 January 2015 and to Cabinet on 5 February 2015.

Debbie Dawson, Scrutiny Officer, November 2014
Rugby Business Improvement District Review

Analysis of responses to call for evidence

1. Call for evidence consultation process

The ‘call for evidence’ was sent directly to the organisations listed in the one page strategy for the review and placed on the council’s website. It was also promoted in the BID newsletter (which is sent to all BID levy payers) and in the community information update for the Rugby Town Central priority neighbourhood. A letter from the task group chairman about the call for evidence was also published in the Rugby Observer.

13 responses were received. 9 of these responses were from businesses in the BID area and represented a range of independent retailers, a national retail chain and non-retail businesses. The other responses were from the Rugby Safer Neighbourhoods Team, Rugby Community Safety Partnership, Warwickshire County Council and Rugby Clocktowers Centre.

The full responses are included in this report for reference, but a summary analysis of the feedback in response to the questions in the call for evidence is presented below.

2. Analysis of responses

2.1 What benefits do you believe Rugby BID has brought to the town?

Almost all respondents commented on the improvements to safety, security and cleanliness in the town centre that have been brought by Rugby BID.

Evidence was provided of measurable and significant reductions in crime levels in the BID area, attributed to impact of CCTV and Rangers. The CCTV surveillance and Pubwatch system is seen as being valuable to the night-time economy, while the Rangers provide a reassuring presence in the daytime.

The town is much cleaner, with no graffiti or chewing gum, and business frontages are kept clean and welcoming. This makes the town centre an attractive place to visit.

One respondent highlighted the additional funds that have been raised through the BID for delivering initiatives that directly support businesses in the town. Others suggested how much worse a position the town could be in without the BID.
2.2 Do you think the current BID priorities (safety and security, creating a clean town centre and bringing visitors into town) are the right ones?

Only four of the respondents who responded to this question agreed wholeheartedly that the current priorities are the right ones. They argued that having a safe and clean town centre is key to increasing footfall and that the presence of Rangers and good CCTV surveillance is increasingly important.

A repeated view from those who did not agree with the current priorities was that insufficient priority is given to marketing the town. Some argued that the priorities have not changed to reflect the shift in retail habits and respond to expansion of out of town retail parks.

It was suggested that the BID should draw together the “confidence, energy and support of the Town, developing cost-effective improvement plans and delivering them in coordinated and measurable ways”. Town centre events and activities should be informed by market research and aimed specifically at attracting the target market of ‘ABC1s’ into the town centre.

Several respondents questioned the value of the Rangers, or suggested that there were too many Rangers for a town the size of Rugby. Equally the high number of cleaners employed by the BID was also questioned. Others felt that too much of the budget was weighted towards spend on the CCTV provision.

2.3 Rugby town centre will change in the next 5-10 years. How might the BID better place itself to respond to this and what will this mean for future BID priorities?

There was considerable consensus in the responses that the BID should shift its emphasis towards marketing, with a number suggesting the need for a marketing professional to be employed to enable a more proactive response to the expansion out of town retail parks and to the growth in the borough. The uniqueness of the retail offer and ‘experience’ of town centres needs to be capitalised on.

Suggestions for new priorities / activities included:

- work with partners to use business rate relief to encourage new businesses to set up in town (including quality independent shops) and retain existing businesses
- using empty shops to create pop-up spaces for start-up / creative businesses
- expanding the existing range of events to attract people to the town centre
- developing the market / Farmers’ Market – could bring increased income for BID and be used to attract ABC1s to the town
- promoting tourism, building on the heritage of the town
- addressing car parking charges and provision of an adequate coach park
- playing a strategic role in developing the evening economy to maximise the opportunities this can bring to the town
- liaising with developers and investors at a strategic level to shape the town centre for the future.
2.4 How do you think town centre activities and services should be funded? Potential sources of funding include local residents (through council tax), local businesses (through business rates) and businesses in the town centre (BID levy payers). Alternatively should the prosperity of the town centre be left to market forces?

A number of respondents commented that the Rugby BID levy rate (and income) is high compared with other areas, with several suggesting that other areas achieve more on a lower levy. Some argued that the overheads of Rugby BID are higher than other BIDs for salaries and premises.

Most businesses argued that the tax burden they faced was already high and any increase in business rates or the BID levy would be unaffordable.

There was a clear view from many respondents that “leaving it to market forces is not an option” and that, with the expansion of out of town shopping, this would result in further degeneration of the town centre. Most agreed that a combination of public and private investment needed to attract wider investment in the town centre.

One respondent suggested that a small increase in residential council tax could be justified, if marketed and explained well.

2.5 Should all non-domestic premises in the town centre contribute to the BID? If no, which businesses should be exempt?

Responses to this question included the following points:

- BID levy should only apply to retail businesses.
- Some larger outlets outside of the BID area should also contribute as they benefit from the reduced crime rate as a result of CCTV.
- Yes, all non-domestic premises should contribute.
- No. Charity shops should pay a reduced rate.
- All non-domestic premises in BID areas should contribute as all benefit in some way from the organisation.

2.6 Other comments relevant to the review

Several respondents commented on a lack of accountability and transparency within Rugby First. It was suggested that there is a lack of effective engagement and communication with the BID membership and also that the effectiveness of initiatives to promote the town is not properly measured to inform continuous improvement.

Related to this, the view was expressed that the banding system for setting the BID levy disguises the percentage rate and makes it difficult to make comparisons with other BID areas. Specific comments were also made about accountability for the contribution Rugby Borough Council makes for the operation of the CCTV system.
Another respondent suggested that Rugby Borough Council and Rugby First should better market the services and benefits they provide to the town.
Appendix 1

Rugby Business Improvement District Review
Responses to Call for Evidence

1. Keith Newell, Community Safety Partnership
2. David Winkle (Accountancy Firm, Albert Street)
3. Glenn Bourne, FRS-Staff Solutions
4. BID levy payer (wishes to remain anonymous)
5. Diane Griffith, Terracotta
6. Bev Thomas, Etcetera
7. Helen Blamires, Vanilla Lifestyle
8. Nick Turner, Store Manager, Shoe Zone
9. Simon Ainley, Garden Gate Flowers
10. Bev Parker, Asset Manager, Rugby Clocktowers
11. Rachel Baconnet, Project Manager, Regeneration & Special Projects, Warwickshire County Council
12. John O’Rourke, Tarratt Jewellers
13. Inspector Paul Judson, Rugby Safer Neighbourhoods Team (Private response, not included)
1. Keith Newell, Rugby CSP Manager

I offer the following observations and comments in relation to Rugby BIDs resources and effectiveness:

There is clear empirical evidence of the value of the Bids resources (CCTV and rangers) so far as crime levels are concerned.

- So far as crime and disorder incidents across the board are concerned the levels have fallen from about 100 per month in 2009/10 to 85 per month now.
- Vehicle crime in the Bid areas has halved in the period 2009/10 to now.
- Crimes of violence have reduced from an average of 22 per month to 12 over the same period.
- Criminal damage incidents have fallen from a monthly average of 10 to 5 now over the same time frames.
- Fraud and forgery levels have remained the same.
- Shop Theft is the only crime category that has risen from a monthly average of 10 to 17 now.
- Other thefts have reduced from a monthly average of 20 to 10 now over the same period.
- Incidents of ASB are slightly up from 33 to 38 per month.

I am aware from the weekly partner briefings that I attend with the police that the CCTV staff have been key in tracing persons wanted for crime or missing and vulnerable persons. They are also key in the night-time economy to alert all premises within pub watch when incidents have occurred.

I conclude that the statistics speak for themselves as to the effectiveness of the BIDs resources and added to that is the re-assurance that the rangers provide.

I hope that this is sufficient for your needs.
2. David Winkle

Thank you for your email calling for evidence.

My name is David Winkle
I have an Accountancy firm in Albert Street.

To answer your specific questions:

The BID is intended to bring more footfall into the town and therefore should benefit retail businesses but in my opinion it is falling short of its objectives.

The priority should solely be "bringing more visitors into the town centre". Safety and security, cleanliness etc. are not "targeted" enough objectives by which I mean no shopper will come to Rugby Town Centre as opposed to any other because it is "safer" or "cleaner" than any other. They will come if they wish to visit a specific shop that is not available elsewhere or if they wish to dine at a specific restaurant or if there is some entertainment or a market on in town that they wish to see.

Market forces will determine the town centre’s prosperity anyway and fortunately the whole town is forever growing in size so things will be okay. Whatever system BID uses to raise the money it would be better spent on reducing rates to encourage new businesses to set up in town and existing ones to remain. Also "advertising" the town and putting "entertainment events" and "markets" on will always bring more people into the town. As for funding, those that benefit most should contribute most - I don’t see how residents benefit at all from more footfall in town and neither do businesses like mine where people would make a specific appointment to visit rather than popping in whilst in town.

The BID levy should only apply to retail businesses as they are the only businesses to benefit from more footfall in town. In my opinion the red coat brigade does not warrant any sort of levy but I'm sure if you focused solely on "bringing more visitors into the town centre" and achieved this objective, then all retail businesses would be happy to contribute as their businesses will benefit enormously from the extra footfall.

I hope this is helpful.
3. Glenn Bourne, Director, FRS-Staff Solutions

I am happy to respond to your request on a personal and BID area business owner basis, I cannot speak for Rugby First, or the Chamber as a whole, as both the local Rugby First board and Chamber branch has a diverse mix of members, therefore my thoughts below are my own only.

I will start by directly answering the questions asked within your ‘call for evidence’ document:

1. **What benefits do you believe Rugby BID has brought to the town?**

As a relatively new board member to Rugby First (mid 2013), by way of my involvement with the Rugby Chamber of Commerce group, my eyes were opened considerably to the huge contribution that the Rugby First team bring to Rugby town centre. As a resident in Rugby since 1993, I like i suppose most residents in Rugby, either are not aware of the service, or even notice what it is with respect of the benefit to Rugby town centre. Simply put, it is my belief that without the considerable efforts made by the Rugby Rangers, the additional street cleaning and CCTV surveillance, Rugby town centre would be in a far worse position. Especially when taken into consideration with the seemingly continuous erosion of many council and or public services. I do however believe that both Rugby Council and Rugby First would benefit hugely from more public marketing with regard to the services and benefits to the town that both provide, as I believe most of the good work goes totally unnoticed.

2. **Do you believe the current BID priorities (safety and security, creating a clean town centre and bringing visitors into the town) are the right ones?**

Yes. Town centres rely on footfall for trade and if people think Rugby is unsafe or dirty, they won’t come. It is also obvious and evidential that the many town centre events do increase sales.

3. **How do you think town centre activities and services should be funded?**

Potential sources of funding include local residents (council tax), local businesses (business rates), and the BID levy. Alternatively should the prosperity of the town centre be left to market forces?

A very contentious point with potential plusses & minus regardless of system chosen!

It is my personal belief that residential council tax would probably be the most successful and fairest system, but also the most challenging to get. I do believe as a resident myself, that if marketed/explained correctly and positively, the great majority of Rugby residents would welcome a better town centre in return for a small £cost increase. Rugby town is rapidly becoming a
joke amongst residents as only good for pubs & charity shops, but what do
the council expect if they offer more & more out of town options? Get behind
the town centre, but more importantly…get the people of Rugby behind Rugby
town centre! Literal pennies from each and every one of us could make a
huge difference, but there would need to be a very clear agenda on what
would be funded and what benefit would the extra tax bring?

It simply is not an option to increase the already huge tax burden on
businesses by increases in Business rates or BID levy. This would simply
drive more businesses out the town, not attract them.

Your final option of leaving to market forces is simply absurd! As a retailer of
any size other than a single outlet, specialised or family business, the huge
current benefits that out of town retail and leisure options offer are simply too
good to pass up. Let’s also be honest though and except that shopping habits
have changed and will never return to the ‘goo old days’. There are many
reasons why people choose to shop out of town (internet, parking,
convenience etc…), but I have also sat and listened to many ‘established’
traders and shop owners on various committees within the town and cannot
believe the small minded / unwillingness to adapt mind-sets that seems
ingrained within……………….It’s not rocket science……….if retailers and
councils want people to buy from the town centre, give the people something
they want! If left to the current situation and market forces without a complete
100% effort from all concerned, Rugby town centre will further degenerate into
a ghost town. I hate to say it, as I understand that they pay a lot of levy, but
ASDA, with their ‘buy everything under one roof at a cheaper price than
anywhere else in the town ethos’, killed the town centre and anyone that
cannot see that, cannot see their nose on their own face. Seriously….what did
eyes?

4. Should all non-domestic premises in the town centre contribute to the
BID? If no, which businesses should be exempt?

I think the current system is adequate, but I would argue that some larger
outlets out of the BID area should also be made to contribute, i.e. Tesco,
Sainsbury, Junction One, the new Elliot’s Field developments etc…As they
rely on a successful and inviting town centre as much as anyone, to attract
people to the area in the first place. They will and currently do, continue to
benefit from the reduced crime rate encouraged by the CCTV and Rangers
working in conjunction with local authorities, monitoring individuals entering
and leaving the BID area, potentially to their areas!

To summarise, I appreciate this BID area and Rugby First effectiveness review is
one of potential budgetary concern with regard to saving, but without this service,
even if it’s not 100% perfect in everyone’s eyes (I appreciate some do vote against
the BID), is a better option than doing nothing and allowing our town centre to further demise.
4. **BID levy payer (Anonymous)**

Personally speaking:

I am happy to pay into the Bid but;

I think the CCTV and shop net radio are of great value/importance to all - whether it be daytime or evening surveillance

I am not sure if we need the number of rangers patrolling the town, and of their value

I would like to see the Farmers Market promoted and encouraged to grow - possibly the Bid could be involved

Obviously the town centre has benefitted from the cleaning point of view which has improved

For me the most important job the Rugby Bid could do is to market the town and make it a priority to let people know what is here, encourage independent quality shops we need to bring visitors into the town, we have Rugby School on our doorstep! and the Rugby world cup and we are opening Burger King on the high street !!

If we leave the town to market forces we will just see more Burger King, cafes opening and less quality independents/ cafes - the Council and Rugby Bid should be working in conjunction with Rugby School promoting the footfall we need, a small Market Harborough/Leamington is what I would be aiming for. Where are the coach loads of tourist coming to do the tour of Rugby school and field and why are they not here and looking round our town! the empty buckets in the town centre precinct on a rainy day look great are we really going to attract and be promoted by Rugby School? This is what is currently happening..

The food festival and events are great at bringing people in but sadly a couple of weekends. Presume these activities are funded part council - part BID?

I don’t think business can pay any more business rates or increased Bid levy than it already is, if you look at the High Street you will see lots of empty shops, the market is still struggling with high rents as it is and shops are closing!
5. Diane Griffith, Terracotta

Here are my thoughts on the above as a Bid Levy Payer (Terracotta 13 Bank St)

Whilst I think the Bid has improved the safety and the cleanliness of the town centre I feel there are priorities being overlooked. What good is the streets being so clean when nobody is in them? We all know recession has affected most towns but Rugby centre seems to be dying a death and the Bid or RBC seem to be letting it!

The original Bid mandate including marketing, what has happened to that? We need a marketing manager to promote Rugby, surely we pay enough levy to support this? We are now facing the threat from the out of town retail park next year, this is the time RBC and the Bid should be proactive but sadly they do not seem capable.

As a levy payer I would expect the Bid to have enough money to pay for activities in the town, if not shouldn't we be looking at Rugby Firsts expenses? Do we need so many rangers in the streets, most days the streets are empty!

Yes I think all non domestic premises need to take a share of the payments to Bid, none of us can really afford it!

Regards

Diane Griffith
6. **Bev Thomas, Etcetera**

I am responding to the evidence call for Rugby First.

I was a director of Rugby BID until 2 years ago when I was asked to “consider my position” on the board as I did not uphold their views. Basically if you objected to how money was spent or suggested channelling the money somewhere else you were then ostracised and considered a trouble maker.

**Benefits and BID priorities**

I support a BID in Rugby, however, their priorities have not changed to consider the massive shift in retail and the decline of the town centre. Their mantra of “a safe, clean, friendly town” is now wearing very thin. Consumers now demand more than this. I believe the large budget they have is not spent in the right areas,

1. We have 7 full time rangers, most cities have 4 at the most, in fact Bath BID rangers number 4 and they also operate the deep cleaning machines! I believe the BID also pay for 3 cleaners, this should be baseline service form RBC, we should only employ 1 additional cleaner as in the original mandate, I believe. Rugby is a small town and has far less retail businesses than a few years ago so what makes the BID still spend the same amount of money on these 2 services alone? The money saved could be used to employ a permanent Marketing professional which the town desperately needs as NO ONE in the BID has this skill set, we need someone that has vision and an innovative approach to shouting about what we do have in Rugby and projects that encourage continuing footfall not 1 day events that happen once a year.

2. We pay a higher % levy on rateable value than any other town in the UK. This is totally unacceptable and the levy has always been hidden in a banding chart on the bill, very misleading. If it was presented as in most BIDS the businesses would see the % they are paying in real terms. We should be paying a maximum of 1.5% whereas our average payment is double that. There is a much larger budget because of this payment but do we get more than most BID services, no we do not! The overheads of the BID are very high, much larger than other BIDS for salaries, premises and the amount of staff is far and above most BIDS.

3. The 2015 mandate should be changed so that Marketing is a priority with a qualified person, less rangers (maximum 4) less additional cleaners and lower costs. RBC must also make the BID accountable for the contribution they give to run the CCTV, I believe at present they just hand over the money and do not ask how it is spent as I have asked for a breakdown of this before and was told there is no accountability! Unbelievable!

I could say a lot more but am trying to keep it brief but would be very happy to talk about the BID going forward if requested.
7. Helen Blamires, Vanilla Lifestyle

I hope you forgive me for more than 500 words but I have put a lot of time and effort into analysis of Rugby First which I think is worthy of being recorded for the Scrutiny Review hearing.

I have already submitted to the review very detailed evidence regarding Rugby First. I have documents to support all my statements, which I am happy to show you.

The only way is to have a full independent forensic investigation of ALL the expenditure by Rugby First since 2005. I am especially concerned over the lack of accountability of at least £500,000 (depreciation) of the BID levy that has been claimed by Rugby First as part of the actual CCTV running costs since 2006/7 and I want to know what this money has actually been spent on?

In order to address the issues of lack of accountability and transparency within Rugby First and move forward with a BID that can serve us cost effectively and efficiently into a 3rd term, especially in light of the very challenging times ahead for the Town Centre, fundamental changes need to be made to the structure of the company.

I would like to offer constructive suggestions as to how to change our BID for the better as my evidence for the scrutiny review.

Below are listed some of the concerns and suggestions for change that I hope address some of your questions

MARKETING
Rugby First should revert back to the original mandate that had Marketing as one of the highest priorities with a budget and qualified, experienced staff to match. It is presently not even considered to be a core service - how has this been allowed to happen and were RBC ever made aware of this?

RANGERS
should be reduced from 7 to 5 – 3 full time and 2 part time. This is more than adequate for a town centre the size of Rugby and still more than the majority of BIDs.

CLEANING
The original mandate said the BID was to provide 2 full time cleaners and RBC to provide 2 full time town centre cleaners- Rugby First now have 3 full time cleaners and I believe RBC 1 full time town centre cleaner - is this correct and if so why?

CCTV -
This is a baseline Council service and therefore should be owned and be accountable by RBC - at present it is neither of these.
I have a Freedom of Information service request REF. 125393
"Rugby Borough Council does not hold information relating to the full costs, overheads etc. of the operations of the BID CCTV service. You will need to contact Aftab Gaffar"

Based on what information and from whom does RBC agree to pay Rugby First nearly a quarter of a million pounds each year towards the running of the CCTV system?
I have much documented evidence to support my claim that RBC could easily provide a good 24/7 CCTV service without the need for the BID and probably without having to increase the present RBC budget – to my knowledge no other Council in the UK have given away their entire CCTV system to a private company.

Rugby First paint a very threatening and black picture of what will happen to the CCTV if they are not voted in. Without doubt they give the impression that it actually costs in REAL money over £400,000 per year to run (see quote below). How can it be possible to include over £100,000 depreciation in the annual running cost figure unless £100,000 is actually set aside each year into a capital expenditure reserve? I want Rugby First to account for EVERY penny they have ever spent on CCTV since 2005 - the RBC contribution alone just on CCTV is over two million - £529,270 capital monies and £1,550,220 towards running costs.

This is the quote of CCTV annual running costs from current 2nd term mandate page 23

"WHAT IF THE BID DOESN'T CONTINUE"
"The Council contributes over £200,000 a year towards the £400,000 running costs. The Council is unable to bear a cost much above its current commitment. Therefore running costs will have to be significantly less than they are at present. Staffing levels will have to be reduced, all of the cameras out of the town centre will have to be either removed or run down, and the 24/7 viewing operation will have to cease"

How can Rugby First possibly claim actual running costs of over £400,000 each year?

BID HIGH LEVY % RATE AND HIGH LEVY INCOME RECEIVED
Rugby First Ltd is a bloated organisation with too many staff and high overheads operating with a BID levy income that is un-necessarily and falsely high for a town the size of Rugby. Rugby First might think they can demonstrate to the rest of the UK BIDs about how wonderful our BID is but I'm absolutely certain that those BIDs have no idea of just how high our levy is (equivalent of a flat rate 3.9%) in order to achieve this, certainly our members are not aware.

Businesses and Councils have to work within tight budgets and so should Rugby First!

The banding has to be abolished and changed back to the original proposal to RBC in 2004 of a flat % levy rate. I believe this rate should be no more than 2% (the national industry criteria maximum rate) or at the very least it should be a transparent rate for the members to vote on. I believe it is possible to provide a good BID with Rangers, Marketing, deep cleaning AND provide a top up to the baseline CCTV service for just half the present BID levy income plus the profit from running the markets (an under-utilised resource eg a weekly Saturday Street Food market could increase profit)

COMPARISONS TO OTHER BIDS
I strongly urge you to study other mandates. Two useful comparisons are Coventry and Swansea both offer Rangers, Marketing, Cleaning and in Coventry's case free shop net radios for all members! They are both cities and operate on a significantly lower BID levy income (and % levy rate) than the market town of Rugby, both have Council run 24/7 CCTV and I urge you to look at both of their BID overhead costs and governance and compare these to Rugby First.

SUMMARY
I think my evidence demonstrates that I am not against the principle of a BID. However I totally disagree with the way the Rugby BID is being run and unless there are fundamental changes for the better I (and other independent businesses I know of) will be voting NO to Rugby First Ltd on their 3rd Term Mandate.
8. **Nick Turner, Store Manager, Shoe Zone**

- **What benefits do you believe Rugby BID has brought to the town?**
  The RUGBY BID has bought many benefits to the town during the last 8 years. The town centre is now a clean and safe environment in which people can shop and go to work in. The cleaning team ensure that the town is presentable to visitors, they ensure that businesses frontages are kept clean and welcoming and also that there is no chewing gum or graffiti anywhere. The town rangers ensure that the town is kept a safe place to shop and work in. They do this by patrolling the streets and businesses, dealing with first aid incidences, anti-social behaviour and they also assist with shoplifting incidents. Finally the CCTV control room ensures the whole town centre is monitored 24 hours a day, 7 days a week. This is huge benefit to the town centre as it keeps everyone safe. Overall the RUGBY BID services are invaluable to the town centre.

- **Do you think the current BID priorities (safety and security, creating a clean town Centre and bringing visitors into town) are the right ones?**
  I completely agree with the BID current priorities a clean town centre ensures that it is welcoming to visitors. If people feel safe somewhere they are more likely to return again in the future. With the ever decreasing number of police officers patrolling the streets due to cut backs, the town ranger’s presence is even more vital in the town centre to provide additional security. The CCTV control room is also more vital now than ever as crime is increasing, they are able to capture incidents as and when they happen taking the appropriate action.

- **Rugby town Centre will change in the next five to ten years. How might the BID better place itself to respond to this and what will this mean for future BID priorities?**
  I feel over the next five to ten years as the town centre changes the BID should continue on what they have already built for the town centre. The town centre does need to improve its car parking charges as more people look to go to out of town retail parks. Also in terms of attracting tourists to the town centre there needs to be an adequate coach park for when coaches bring tourists to the town centre. I feel that the BID should continue with its events like family fun days, bike festival and food and drink festival. These have helped bring people to the town centre and increased trade.

- **How do you think town Centre activities and services should be funded?**
  Potential sources of funding include local residents (through council tax), local businesses (through business rates) and businesses in the town Centre (BID levy payers). Alternatively should the prosperity of the town Centre be left to market forces? I feel that Town centre activities and services should be funded through a combination of council tax, business rates and BID Levy payers. Council tax as nearly every household pays it and they will benefit from town activities and services. Business rates as businesses need to feel they are getting better value for money out of the rates. BID levy payers this ensures extra money is ploughed back into the town centre.
9. Simon Ainley, Garden Gate Flowers

The BID do a very good job of keeping the Town clean and keeping it safe. My concern is that they should be doing a lot more than that … drawing together the confidence, energy and support of the Town, developing cost-effective improvement plans and delivering them in co-ordinated and measurable ways. Other BIDs apparently achieve this while spending less money, therefore I wonder if the Rugby BID represents good value for money.

The BID levy is one of the highest in the country – approximately 4% of our rateable value whereas the National average is around, or below, 2%. The majority of other BID areas manage to achieve similar levels of safety and cleanliness but also manage to effectively develop their areas through imaginative marketing and targeted promotion … on a lower levy.

I believe a significant problem stems from a lack of willingness, or perhaps ability, to effectively engage with the membership. Going around Town, as I regularly do, I hear very few people refer to the BID in positive terms. There is a feeling of distance between those who spend our money and those whose money is being spent which leads to suspicion about their motives and competence.

There is little meaningful engagement with traders, and perhaps other businesses, across the Town. Communication is predominantly ‘one-way’ and there seems a reticence to / inability to gain the emotional and intellectual support of the membership. What few meetings there are seem awkward and exclusive.

The safety and cleaning work appears to be undertaken with military precision. Statistics are gathered and thorough records kept. However, initiatives, such as they are, to promote the Town and follow through any high level strategies seem dis-jointed, sporadic and ad hoc. There appears no measurement of effectiveness and no data-gathering to assist in continuous improvement.

The next 2 years are a crucial period in the life of the town centre of Rugby. It will either survive and thrive, or it will wither and fail. I fear that unless the BID seriously and effectively engage with the membership and whole-heartedly demonstrate real commitment to establishing and reflecting the actual needs of the town Centre in an open, positive and on-going way they will miss the chance to do the right things, and the town centre will fail.

Engagement

To engage means to involve the businesses of the Town meaningfully in the matters that affect them;
• to maintain a range of open, two-way communication channels with them,
• to establish the current and long-term issues that concern them,
• to encourage and enable the development of ideas and initiatives that respond to those issues,
• to debate the priorities and agree those that can be influenced and those that cannot (eg, rateable values that are out of local control),
• to evaluate options that are cost-effective, practicable and will have impact.
• To imaginatively seek the support of the businesses - not just the money but the skills, energies, experience, commitment and enthusiasm of the thousands of people who collectively make up the BID.

There is more to achieving change and improvement than spending money. Across Rugby within the business community there is enormous experience in every walk of life. This huge potential resource, if
effectively engaged, could help define the real issues, develop imaginative programmes of action and deliver cost-effective solutions.

Events
The opening vision statement of the Rugby Town Centre Action Plan 2013 states “the C2DE markets are, by and large, happy with what is currently on offer in the town centre. Clearly, therefore, our target market remains the ... ABC1’s of both sexes and all ages. ... We intend to ... focus our efforts on these socio-economic groups who present us with the greatest opportunity.”

I am not aware of any professional market research that has been undertaken to establish what these groups would like to see in the Town (types of events, types of shops, types of activities etc). Without such evidence the programme of events can only be based on guesswork and ‘gut reaction’;

- The ‘Food and Drink’ and the ‘Festival of Culture’ partially appeal to some of the ABC1 groups but nothing else. These appear to be stagnant or in decline. (Is there any research, beyond the anecdotal, that is undertaken to establish whether and how things could be improved?)
- The ‘Kids Fun Days’, ‘St Georges’ Day’, the ‘Christmas Lights Switch-on’ etc appeal to the C2D’s and are ramped up each year.
- The Rugby Street Markets are in decline. Here is another area where imagination could generate a Street Market offering that would appeal the ABC1’s.
- This year we introduced a Bikers Fest.

It is said that every year Rugby Borough residents spend £80million elsewhere. This must be reversed, and soon. Good ideas abound for offering what the ABC’s would like – but no open and easy channel exists to discuss and progress initiatives.

Communication
The Newsletter seems an unnecessarily expensive and clumsy document. It is meant only for the eyes of the BID levy payers so anything beyond a weekly email update would seem excessively lavish. Printed copies could be dropped into those businesses not on-line.

In the last 12 months there have been 2 meetings with membership.
- Feb 2014 (?) was to discuss the mandate. This felt awkward and far from an inclusive forum keen to gather the views of the delegates.
- October 7th was the result (partly) of my request to hold a meeting – to discuss the Town Centre response to the imminent development of the out-of-town retail parks and the Towns plans for the Rugby World Cup 2015. The format followed my suggestions – presentations followed by brainstorming in small groups with plenary feedback although there was no Q & A session (as I had suggested).
  - There was no plan revealed to regenerate the Town – only a series of dis-jointed actions.
  - The follow-up to the meeting seems bizarre, unscientific and strangely ad hoc.
  - Feed-back to the membership will be limited to written statements through the newsletter. There is no follow-up meeting which would allow delegates to hear back, reflect and refine and debate further the issues raised.

Only 2 meetings in 10 months?

Both meetings were strictly limited to the BID levy payers only; surely more ideas and commitment missed. This exclusivity – especially in the second meeting seems strikingly at odds with Article 3.6 of the Memorandum of Association; to “encourage all those associated with the Area of Benefit to take an
interest in the town centre and the facilities and opportunities which it offers and to maximise the use of the town centre as an area to provide opportunities and support for all its users.”

08 Nov 2014
10. **Bev Parker, Asset Manager, Rugby Clocktowers**

Further to your invitation to comment on the Rugby BID Scrutiny Review, please find below our comments and insights which have been compiled through extensive discussion with ourselves as Asset Managers plus the Centre Manager, Managing Agents and in conjunction with a review of the Rugby BID manifesto. We have also compared the Rugby BID with other town and City centre BID functions across the UK.

We believe that the levy which currently stands at 2.5% is too high when compared to the rest of the UK, and should be brought more into line with national figures of c 1%. The levy simply needs to be re-apportioned and made to work harder.

A clean and safe town centre has been created with the help of the street cleaners, rangers and extensive CCTV coverage of Rugby, however the weighting of funds towards CCTV has made this possible – possibly to the detriment of marketing the town. We question why such a large proportion of the budget is weighted towards CCTV, and ask how these costs integrate with the service which is/should be provided by the local police?

The primary purpose of any BID is to activate the town centre by bringing people into the town. Your report pointed out that Rugby town centre will change within the next 5-10 years. Any future BID needs to prioritise the marketing of Rugby and not leave this element to chance. Consideration needs to be given to the skill-base and experience of the existing BID management team. Can they deliver a town centre positioning campaign that reinvents the town centre as an alternative destination to the developing retail parks?

The BID must not align itself with any retail framework outside of the town centre, and have no involvement with either advising nor establishing a BID out of town. This kind of crossover is dangerous and would be detrimental to the town centre.

It is positive for Rugby to have a BID in place but the next 5 years are crucial to establishing a successful town centre for all who live, work and visit there. Funding needs to be apportioned according to the new priorities facing the town centre.

We trust our comments above are helpful, and set out our combined thoughts.
11. Rachel Baconnet, Project Manager, Regeneration & Special Projects, Warwickshire County Council

Rugby BID Task Group Review – Call for Evidence

Response from Rachel Baconnet, Regeneration & Special Projects Group, Warwickshire County Council

What benefits do you believe Rugby BID has brought to the town?

The BID has provided additional funds for delivering initiatives that directly support businesses in the town centre. Without the BID, Rugby could be in a worse position than that it finds itself in now. The BID has helped to bring an identity to the town centre business community, through its marketing initiatives and also through the provision of Rangers. Safety, security and cleanliness have also improved as a direct result.

Are the current BID priorities the right ones?

When the BID was voted in in 2005, the priorities that were identified were probably the right ones.

Since the start of the BID, things have moved on and the nature of town centres is still changing. The emergence of internet shopping and the growth in out of town retailing is both a threat and an opportunity for town centres. Whilst town centre retail has suffered as a result of both of the above, the BID needs to harness the opportunities they provide. These include embracing the digital high street agenda, recognising that mobile technology means consumers no longer have to sit at a computer at home to browse and access the things they need.

The businesses within town centres, in the main, do not have a presence at the out of town retail parks. Their uniqueness and the whole ‘experience’ of town centres are vital to attracting residents and visitors. This needs to be capitalised on and the BID is in a strong position to develop this.

Rugby TC will change in the next 5-10 years. How might the BID better place itself to respond to this and what will this mean for future BID priorities?

The BID represents all the businesses within the BID area which puts them in a strong position for helping to identify and develop the town’s USPs in order to contribute to creating a town centre experience. This is what will set it apart from other towns. The BID needs to continue to work closely with the Borough Council and other key stakeholders in keeping town centre voids to a minimum by using business rate relief to attract new tenants and using empty shops to create pop-up spaces for start-up/ creative businesses as well as creating vibrancy through additional activity in these units.
The BID could also play a significant role in developing the evening economy to maximise the opportunities this can bring to the town as well as responding to the needs of existing and new residents.

Events paid for by the BID need to have direct benefits to the town centre businesses. People coming in to town need to be encouraged to spend in the shops, not just come in for the event then leave.

The town centre needs to make sure it is serving a growing population. If residents in the new housing developments are not presented with an interesting, thriving town centre from the off, it will be very difficult to attract them back at a later stage. The marketing strategy needs to reflect this.

With the prospect of a third BID term, there is real opportunity to embrace the USPs and potentially re-brand to give a fresh face to the BID and what it offers. The traditional offers could be re-visited and the digital high street embraced to attract a wider audience and respond to changing shopping and leisure habits.

On a more strategic level, the BID can make a significant contribution to the shaping of the town centre for the future, including liaising with developers and investors.

**How do you think TC activities and services should be funded? Should it be left to market forces?**

Business rates and the BID. Businesses need to take responsibility for the environment they operate in. Businesses are less likely to survive if they don’t make a financial and social contribution to their trading environment. Council tax should not be used to pay for town centre services as householders are hit enough as it is.

These activities should also not be left to market forces as local authorities and BID levy payers have a responsibility to ensure their town is fit for purpose and to help create the right conditions for growth. Public/ private investment is needed to create confidence and attract wider investment in the town centre.

**Should all non-domestic premises in the TC contribute to the BID? If no, which should be exempt?**

No. Charity shops should pay a reduced rate.
12. John O’Rourke, Tarratt Jewellers

Two of the benefits that Rugby First has brought to the town are the CCTV which is state of the art and has helped to prosecute on many occasions. I believe that if this were returned to the council operating this service, it would not be on such a large scale. The other benefit is the street cleaning, we may not notice this but Rugby has a clean town Centre in this is down to the team of street cleaners that are in place.

I do think that the current BID priorities are correct (I am not saying that there may not be others), however a clean, safe town will bring new visitors to the town and therefore increase revenue.

Rugby town centre is continually changing and while we continue to allow big name stores to build outlets out of the town centre ie. Debenhams at Elliots Field the town centre will struggle. The BID may be able to respond to this by having a voice on the planning committee, I know that the BID have the best interests in the Town Centre at their core.

Town centre activities should be funded by Rugby First and the Borough Council to ensure that any event we put on is run professionally.

The prosperity of the town should not be left to market forces, we the shops, Rugby First and the council should be selling this town for the heritage that we have, Rugby Football, Rugby School, Rupert Brooke and the railway to name but a few. We should be PROUD of our town.

All non-domestic premises in the BID catchment area should contribute to the running of the organisation. All businesses benefit in some way from the organisation.
What if the BID doesn’t continue?

Sunset clause
It has always been made very clear that the services provided by the Rugby BID were over and above that which the Council provided prior to 1st November 2005. These additional services are provided because the majority of businesses wanted them and therefore now pay for them. So what will happen to these services should the BID not receive a second mandate in June of this year? We have had a number of discussions with the Council over many months on this subject. What has been agreed is set out below:

Town centre rangers
This is a service which is exclusively provided by the BID and was not in being prior to 1st November 2005. Due to this fact it is with regret that if a second mandate is not achieved this service would cease completely as of 31st October 2010.

Free Shopnet including WRCI & Pubnet
This is again a service provided exclusively by the BID. If a second mandate were not achieved then the system would no longer be free and is likely to cease completely as of 31st October 2010. It is possible that someone else might take this service on but it certainly will not be free. We charge all retailers outside the BID area £350 pa.

Free call-out service
Again a service provided exclusively by the BID. If a second mandate is not achieved then this free service would cease completely as of 31st October 2010.

CCTV
The Council initially invested £530,000 of its capital in the new CCTV system back in 2006. It also contributes over £200,000 a year towards the £400,000 running costs. The Council is unable to bear a cost much above its current commitment. Therefore running costs will have to be reduced, all of the cameras out of the core town centre will have to be either removed or run down, and the 24/7 viewing operation will have to cease.

Cleaning services
All of the services provided by the BID were not supplied prior to 1st November 2005. These services include regular steam cleaning of the streets, the removal of gum/graffiti and a very specific personalised cleaning service to individual business frontages and entrances on request (perhaps most importantly the removal of pigeon excrement first thing in the morning). All of these services will cease as of 31st October 2010.

Marketing
The BID currently invests around £70,000 in marketing the town centre over a 12-month period. As of 31st October 2010 this marketing spend would cease.

BID insurance scheme
Many of you have taken up the option of purchasing your insurance through the BID-supported Allianz scheme. The reason premiums are much lower is because of the high standard of security supplied by the BID. If the BID were not to receive a second mandate this arrangement would come to an end and your insurance premiums would return to previous levels.

Town centre gift vouchers
This is a service we fully intend to grow over the next 2-3 years so as to offer a direct benefit to our town centre retailers. If we don’t receive a second mandate this service will cease on 31st October 2010.

Effect of these services disappearing
Put simply the effect of removing or diluting the services provided by the BID company would have the following effect:

- The public very much appreciate the physical presence of the rangers on our streets. Lose the rangers and there is bound to be a loss of confidence from shoppers, visitors and staff.
- Shoplifting may return to pre-BID levels which of course will be felt by most retailers on their bottom line.
- Anti-social behaviour would also return to pre-BID levels making the town a far less safe place for staff, customers and visitors alike.
- The loss of communication between town centre businesses and the control room will not only mean a reduction in personal safety but make it far more likely that the criminal fraternity will return to our town centre.
- We have all got used to a much cleaner town centre. The standard of cleanliness is far better than the local towns competing for our customers. If that standard drops then our footfall will follow. Dirty towns do not inspire confidence. They appear unkempt and unloved.
- We continue to have an amount of money to spend on marketing which was simply not available prior to the BID.

Representing you
The Rugby BID, as elected by you, also represents your interests to both Warwickshire County Council and Rugby Borough Council. Recent examples where we successfully represented you include:

- Getting the night car parking charge dropped
- Free Christmas parking in John Barford
- Rugby Borough Council providing a grant towards the start up of the SMILE campaign
- Making significant changes to the on-street parking traffic order; i.e. 20p for first half hour; maximum two hours on street no; one etc.
- Shop-front improvement grants
- Historic building grants
- Overshop conversion grants
- Moving in grants

If the BID doesn’t get re-elected this representation will cease!
RUGBY BUSINESS IMPROVEMENT DISTRICT TASK GROUP REVIEW

ONE PAGE STRATEGY

What is the broad topic area?
Maximising the outcomes from the Council’s investment in the town centre.

What is the specific topic area?
The review will consider:
- the impact of the council’s financial investment in the town centre through the partnership with Rugby First and the value to the local economy of the activities delivered through this partnership
- the implications for the council and the town should the BID mandate not be renewed in 2015

The review will also seek to influence the shape of the next BID business plan to reflect the potential future role of the town centre as articulated in the Council’s emerging Local Plan, whilst recognising that this is ultimately a decision for the Rugby First Board and BID members.

What is the ambition of the review?
The review will achieve greater clarity and transparency about the council’s partnership with Rugby First and inform that relationship going forward. It will also articulate the view of the council regarding the shape of the next BID in relation to the changing role of the town centre.

How well do we perform at the moment?
The current mandate for the Rugby BID expires at the end of October 2015. RBC currently pays almost £30,000 per annum in levy payments to the BID. The Council also is involved in other ‘non-BID’ activities with Rugby First.

The review will consider available performance data regarding the current BID activities, as well as comparative data from other BIDs where possible. This will include information about the current status of the other original BID pilot areas.

Who shall we consult about the current service and about how we can improve it?
The task group will seek to involve Rugby First, constructively, at an early stage in the review. A call for evidence will be issued to seek evidence from other stakeholders which is likely to be followed by a select committee-style meeting with selected consultation respondents, representing different sectors. The call for evidence will be sent directly to the following:

- Chamber of Commerce
- Federation of Small Businesses
- Individual town centre businesses (via BID newsletter)
- Warwickshire Police
- Warwickshire County Council
- Rugby Community Safety Partnership
- Clocktowers Management Company
- Town centre residents (via Community Information Update for Rugby Town Central priority neighbourhood)

The call for evidence will also be include on the council’s website and promoted through social media and the chairman will write to the local newspapers. Responses to the call for evidence will be sought by early November 2014.
What other help do we need?
Support from lead officers (Head of Planning and Culture, Head of Environmental Services, Economic Investment Officer)
Input from Council’s representatives on Rugby First Board (Economic Development and Culture and Sustainable Environment Portfolio Holders)
Link to the work of the Planning Services Working Party on the Local Plan, in relation to the town centre.
Good practice and advice from UK BIDs National Advisory Service and British BIDs

How long should it take?
The review should report to Cabinet on 5 February 2015 at the latest. This will allow sufficient distance from the BID ballot to ensure the vote is not prejudiced or confused by the review and will enable any recommendations regarding council funding for non-BID activities to be incorporated within the 2015/16 council budget.

What will be the outcome?
The review will report to Cabinet, with the aim that the report will help to articulate the council’s view regarding the shape of the next BID. The review report will be a public document and as such it is hoped it will enhance the public accountability of Rugby BID.