

# Public Document Pack

14 September 2018

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Your Ref.  
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To: Members of the Cabinet:

Councillor Lynda Needham, Leader of the Council (Chairman)  
Councillor Julian Cunningham, Executive Member for Finance and IT & Deputy Leader of the Council (Vice-Chair)  
Councillor David Barnard, Executive Member for Leisure and Green Issues  
Councillor Tony Hunter, Executive Member for Community Engagement and Rural Affairs & Chairman of Royston and District Committee  
Councillor David Levett, Executive Member for Planning, Enterprise and Transport  
Councillor Bernard Lovewell, Executive Member for Housing and Environmental Health  
Councillor Michael Weeks, Executive Member for Waste Management, Recycling and Environment

You are invited to attend a

## **MEETING OF THE CABINET**

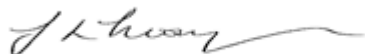
to be held in the

**COUNCIL CHAMBER, COUNCIL OFFICES, GERNON ROAD,  
LETCHWORTH GARDEN CITY**

on

**TUESDAY, 25TH SEPTEMBER, 2018 AT 7.30 PM**

Yours sincerely,



Jeanette Thompson  
Service Director – Legal and Community

## **Agenda** **Part I**

<b>Item</b>	<b>Page</b>
<b>1. APOLOGIES FOR ABSENCE</b>	
<b>2. MINUTES - 31 JULY 2018</b> To take as read and approve as a true record the minutes of the meeting of this Committee held on the 31 July 2018.	(Pages 1 - 12)
<b>3. NOTIFICATION OF OTHER BUSINESS</b> Members should notify the Chairman of other business which they wish to be discussed by the Cabinet at the end of either Part I or Part II business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency.  The Chairman will decide whether any item(s) raised will be considered.	
<b>4. CHAIRMAN'S ANNOUNCEMENTS</b> Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chairman of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest, wished to exercise a 'Councillor Speaking Right', must declare this at the same time as the interest, move to the public area before speaking to the item and then must leave the room before the debate and vote	
<b>5. PUBLIC PARTICIPATION</b> To receive petitions, comments and questions from the public including: <ol style="list-style-type: none"> <li>1. Hitchin BID;</li> <li>2. Letchworth Garden City BID.</li> </ol>	
<b>6. ITEMS REFERRED FROM OTHER COMMITTEES</b> Any Items referred from other committees will be circulated as soon as they are available.	
<b>7. HITCHIN AND LETCHWORTH BUSINESS IMPROVEMENT DISTRICTS (BIDS) RENEWAL</b> <b>REPORT OF THE COMMUNITIES MANAGER</b>  To obtain Cabinet's endorsement of proposals to progress to renewal ballots for the Business Improvement Districts (BIDs) for Hitchin and Letchworth.	(Pages 13 - 114)

8. **STRATEGIC PLANNING MATTERS** (Pages  
REPORT OF THE SERVICE DIRECTOR – REGULATORY 115 -  
136)
- The purpose of this report is to inform Members of the current positions regarding:
- Other Local Plans and Examinations;
  - North Hertfordshire Local Plan;
  - Neighbourhood Plans;
  - Government announcements;
  - Strategic Planning.
9. **COUNCIL TAX REDUCTION SCHEME 2018/2019** (Pages  
REPORT OF THE SERVICE DIRECTOR – CUSTOMERS 137 -  
146)
- To provide Cabinet with an update on how the scheme is operating and consider whether any changes should be made to the Council Tax Reduction Scheme (CTRS) for year seven (2019/2020).
10. **TRANSFER OF LETCHWORTH GARDEN CITY MUSEUM COLLECTIONS FROM NORTH HERTFORDSHIRE DISTRICT COUNCIL (NHDC) MUSEUM SERVICE TO THE LETCHWORTH GARDEN CITY HERITAGE FOUNDATION (LGCHF) GARDEN CITY COLLECTION** (Pages  
REPORT OF THE CULTURAL SERVICES MANAGER 147 -  
156)
- To consider the transfer of ownership of those museum collections relating to Letchworth Garden City to the Letchworth Garden City Heritage Foundation (LGCHF).
11. **FUTURE OF TOWN LODGE SITE** (Pages  
REPORT OF THE DEPUTY CHIEF EXECUTIVE 157 -  
164)
- To consider options for the future of Town Lodge, Letchworth now that the District Council has vacated the building after its temporary use for decanting office space during the refurbishment of the District Council offices in Gernon Road, Letchworth.
12. **NORTH HERTFORDSHIRE MUSEUM AND HITCHIN TOWN HALL: ACQUISITION OF 14/15 BRAND STREET** (Pages  
REPORT OF THE DEPUTY CHIEF EXECUTIVE 165 -  
174)
- The purpose of this report is to further advise Cabinet of the progress of discussions for the acquisition of 14 and 15 Brand Street from Hitchin Town Hall Ltd (HTHL).

- 13. EXCLUSION OF PRESS AND PUBLIC** (Pages  
To consider passing the following resolution: 175 -  
176)
- That under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting on the grounds that the following reports will involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the said Act.
- 14. FUTURE OF TOWN LODGE SITE** 177 -  
REPORT OF THE DEPUTY CHIEF EXECUTIVE 196
- To consider options for the future of Town Lodge, Letchworth now that the District Council has vacated the building after its temporary use for decanting office space during the refurbishment of the District Council offices in Gernon Road, Letchworth.
- 15. NORTH HERTFORDSHIRE MUSEUM AND HITCHIN TOWN HALL:** 197 -  
**ACQUISITION OF 14/15 BRAND STREET** 202  
REPORT OF THE DEPUTY CHIEF EXECUTIVE
- To advise Cabinet on the confidential aspects of the progress of discussions for the acquisition of 14 and 15 Brand Street from Hitchin Town Hall Ltd (HTHL).



## NORTH HERTFORDSHIRE DISTRICT COUNCIL

### CABINET

MEETING HELD IN THE COUNCIL CHAMBER, COUNCIL OFFICES, GERNON ROAD,  
LETCWORTH GARDEN CITY  
ON TUESDAY, 31ST JULY, 2018 AT 7.30 PM

### MINUTES

**Present:** *Councillors Lynda Needham (Chairman), Julian Cunningham (Vice-Chairman), David Barnard, Tony Hunter, David Levett, Bernard Lovewell and Michael Weeks*

**In Attendance:** *Councillor Cathryn Henry (Chairman of the Overview and Scrutiny Committee), Jeanette Thompson (Service Director - Legal and Community), Ian Couper (Service Director - Resources), Louise Symes (Strategic Planning and Projects Manager), Nigel Smith (Principal Strategic Planning Officer), James Ellis (Legal Advisor), Reuben Ayavoo and Hilary Dineen (Acting Committee and Member Services Manager)*

**Also Present:** *At the commencement of the meeting Councillors Judi Billing and Elizabeth Dennis-Harburg and one member of the public.*

#### 15 APOLOGIES FOR ABSENCE

There were no apologies for absence.

#### 16 MINUTES - 19 JUNE 2018

**RESOLVED:** That the Minutes of the Meeting of the Committee held on 19 June 2018 be approved as a true record of the proceedings and be signed by the Chairman.

#### 17 NOTIFICATION OF OTHER BUSINESS

There was no other business notified.

#### 18 CHAIRMAN'S ANNOUNCEMENTS

- (1) The Chairman announced that Members of the public and the press may use their devices to film/photograph, or do a sound recording of the meeting, but she asked them to not use flash and to disable any beeps or other sound notifications that emitted from their devices. In addition, the Chairman had arranged for the sound at this particular meeting to be recorded;
- (2) The Chairman reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question;

- (3) The Chairman asked that, for the benefit of any members of the public present at the meeting, Officers announce their name and their designation to the meeting when invited to speak.

## 19 PUBLIC PARTICIPATION

There were no presentations from members of the public.

## 20 ITEMS REFERRED FROM OTHER COMMITTEES

### 6A ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 24 JULY 2018 - CORPORATE PLAN 2019-24 AND CORPORATE OBJECTIVES 2019-2024

**RESOLVED:** That consideration of this referral takes place in conjunction with agenda item number 8 (see Minute 22 below).

## 21 STRATEGIC PLANNING MATTERS

The Executive Member for Planning, Enterprise and Transport presented a report of the Service Director – Regulatory informing Members of the current position regarding other Local Plans and Examinations, North Hertfordshire Local Plan, Neighbourhood Plans, St Ippolyts Neighbourhood Planning Area (included in this report under urgency procedures), Government announcements and Strategic Planning. The following appendices were submitted with the report:

Appendix A - Copy of comments made by North Hertfordshire District Council regarding Preston neighbourhood Plan Submission Version.

The Executive Member for Planning and Enterprise updated the Cabinet on the following matters:

### Other Local Plans and Examinations

- Central Beds  
submitted, but no timetable issued as yet.
- Uttlesford  
In consultation period.
- East Herts  
Inspector's report issued 3 July 2018;  
Main modifications increase housing numbers from 16,390 to 18,458;  
Concluded that the exceptional circumstances to release land from the Green Belt for development were met;  
Due to be presented to Council on 11 September 2018.
- Welwyn Hatfield  
Stage 4 hearing took place in June 2018;  
They are likely to be affected by the outcome of additional Green Belt work requested by the Inspector..
- Stevenage  
Currently still on hold.
- St Albans  
Consultation taking place in September to which NHDC would provide a response;;  
A Duty to Co-operate meeting had been held.

#### North Hertfordshire Local Plan

- Letter dated 23 July 2018 received which stated that the Inspector was reviewing documentation;
- Documents will be published and people will be asked to comment;
- Unlikely to be available until mid September at the earliest;
- Consultation will likely be in December 2018, but this was not a certainty as it was in the Inspector's hands.

#### Neighbourhood Plans

- Wymondley Parish Council were looking for an Examiner and we were now in the process of appointing one.

#### St Ippolyts Neighbourhood Planning Area

- St Ippolyts asked for a variation to the designated area to cover the whole Parish;
- This was covered by the regulations;
- Recommendation 2.3 asks for the application to be approved;
- Recommendation 2.4 seeks delegation for the Service Director – Regulatory to approve applications in future;
- This application was being considered under urgency procedures as it was time-constrained and did not fit in with the Committee cycle.

#### Government announcements

- Revised National Planning Policy Framework  
The revised National Planning Policy Framework was published on 23 July 2018 and took immediate effect;  
There had not yet been an opportunity to fully review the new NPPF, but this would be done and key points would be circulated to Planning Control Committee Members;  
The NHDC Local Plan was being judged on the NPPF in force at the time of submission rather than the new version.

#### Strategic Planning.

- Luton Airport  
The proposal was for a substantial increase in the number of passengers from 18.1 million to 36 million;  
A non statutory consultation regarding the proposals had been launched;  
There had been a meeting with Luton Airport Authority where disappointment was expressed that some car parking was planned to be in North Herts boundaries, which we were previously unaware of;  
There was no detail yet regarding traffic flow but it was estimated that 9 percent of traffic for the airport travels through North Herts;  
The estimated 9 percent of 20 million airport users would have a very large impact on traffic in North Herts;  
The size of the proposed development was such that the National Infrastructure Committee would determine the application;  
Luton anticipate submitting the application in 2019;  
There were no plans to extend the existing runways or put in additional runways;  
Additional capacity would be achieved by extending the current taxiway;  
A response to the non-statutory consultation was being developed and would be reported to a future meeting of Cabinet:

The Executive Member for Planning, Enterprise and Transport moved a further recommendation as follows:

That the Executive Member for Planning, Enterprise and Transport be authorised to provide a co-ordinated response, in consultation with the Service Directors for Place and Regulatory and the Executive Member for Leisure and Green Issues and the Executive Member for Housing and Environmental Health, to the non-statutory Luton Airport consultation by 30 August 2018.

The Executive Member for Planning, Enterprise and Transport answered a number of questions on the report.

***RESOLVED:***

- (1) That the report on Strategic Planning Matters be noted;
- (2) That Cabinet note and endorse the submissions in Appendix A;
- (3) That the revised Neighbourhood Area application for St Ippolyts be approved;
- (4) That delegated powers for non-key decisions be granted to the Director of Regulatory Services, in consultation with the Executive Member for Planning, Enterprise and Transport, to:
  - i. Approve future applications for whole parish neighbourhood planning areas where no consultation is required under the relevant regulations;
  - ii. Approve for consultation a proposed submission neighbourhood plan (Regulation 16) where all necessary documentation is received; and
  - iii. 'Make' neighbourhood plans following a successful referendum.
- (5) That the Executive Member for Planning, Enterprise and Transport be authorised to provide a co-ordinated response, in consultation with the Service Directors for Place and Regulatory and the Executive Member for Leisure and Green Issues and the Executive Member for Housing and Environmental Health, to the non-statutory Luton Airport consultation by 30 August 2018.

***REASON FOR DECISION:***

- (1) To keep the Cabinet informed of recent developments on strategic planning matters and progress on the North Hertfordshire Local Plan.
- (2) To improve the efficiency with which the Council can make non-key decisions on neighbourhood planning matters for which there are no alternative options following changes to the relevant regulations and 'lessons learnt' from the Pirton Neighbourhood Plan and other neighbourhood plans.

**22 CORPORATE PLAN 2019 TO 2024 AND CORPORATE OBJECTIVES FOR 2019 TO 2024**

The Leader of the Council presented the report of the Senior Policy Officer and Leader of the Council in respect of the Corporate Plan 2019 to 2024. The following appendix was submitted with the report:

Appendix A – Corporate Plan 2019-2024.

The Chairman of the Overview and Scrutiny Committee presented the following referral from that Committee, made at its meeting held on 24 July 2018, in respect of the Corporate Plan 2019 to 2024 and Corporate Objectives 2019 to 2024 (Minute 20 refers):

**“RECOMMENDED TO CABINET:** The Overview and Scrutiny Committee considers that the current Corporate Plan Document is a record of past achievements rather than a plan for the future, and that it should be revised to clearly set out plans to achieve Council's objectives.

The Overview and Scrutiny Committee urges Cabinet to revise this Plan at the earliest opportunity.”

The Leader of the Council advised that the Corporate Plan acknowledged the Council's financial constraints and the need to provide services at their current level and ensure that they remained relevant to the community and drew attention to the following:

- Paragraph 5.2 of the report detailed those who had been consulted regarding the Plan;
- Paragraph 8.2 of the report highlighted that ongoing financial constraints made it increasingly likely that the emphasis for Council spend would be on the day to day service delivery; and
- Paragraph 8.3 of the report detailed that the Plan needed to reflect changes in matters such as legislation, capacity and financial constraints.

The Leader of the Council advised that, whilst statutory requirements had increased, funding would continue to be under pressure.

There was a need to plan for the aging population and to consider the patterns and location of areas of deprivation, which had changed over the last 5 years and it was necessary to ensure that services and how they are delivered, responded accordingly.

The limited resources of the Council and its partner agencies needed to be directed to the areas of greater need.

The objectives remained broadly the same, although objectives 1 and 2 had been slightly amended to now read:

#### Objective 1 – Attractive and Thriving

To work with our partners to provide an attractive and safe environment for our residents where diversity is welcomed and disadvantaged people are supported.

#### Objective 2 – Prosper and Protect

To promote sustainable growth both within and where it affects our district to ensure economic and social opportunities exist for our communities whilst remaining mindful of our cultural and physical heritage.

#### Objective 3 – Responsive and Efficient

To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.

In respect of the Corporate Plan itself, the Leader of the Council drew attention to some of the additions to the Plan including:

- In light of the impact of neighbouring authorities on this district the existing and future green space provision would be reviewed;
- Representations would be made by the Council regarding neighbouring authorities plans, policies and aspirations;
- Review of the Council's Car Parking Strategy to ensure that it supports the Council's objectives. A workshop regarding this would take place soon;
- Working with relevant stakeholders to find sustainable solutions for the changing town centres.

With regard to the recommendations of the Overview and Scrutiny Committee, the Leader of the Council advised that plans were already in place to start the review of the Corporate plan for the next financial year.

In considering other issues raised by the Overview and Scrutiny Committee, she advised that:

- Air quality issues were extremely concerning, however there was an Air Quality Policy in place;
- Target workshops had been organised in the past, but these had now been stopped as Members did not attend them;
- An equalities Policy was in place which should address concerns regarding equality and diversity throughout North Herts;
- The Corporate Service Plan, with Service Action Plans attached, that detailed how objectives and targets would be achieved, was in place and this had been considered by the Overview and Scrutiny Committee;
- The report included that the Council needed to take account of the impact of neighbouring Authorities, this addressed concerns regarding the comment regarding acknowledgment of changing risks to employment opportunities in surrounding areas such as Stevenage;
- In respect of the budget, there were many unknowns therefore it was difficult to assess how the budget would be affected.

Following debate on the Corporate Plan it was proposed by Councillor Needham and seconded by Councillor Cunningham that Objective 2 be amended to read:

To promote sustainable growth both within and wherever it affects our district to ensure economic and social opportunities exist for our communities whilst remaining mindful of our cultural and physical heritage.

Following a vote it was:

***RECOMMENDED TO COUNCIL:***

(1) That the Corporate Objectives for 2019 to 2024 as detailed below be agreed;

1. To work with our partners to provide an attractive and safe environment for our residents, where diversity is welcomed and disadvantaged people are supported;

2. To promote sustainable growth both within and where it affects our district to ensure economic and social opportunities exist for our communities, whilst remaining mindful of our cultural and physical heritage;
3. To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.

(2) That the Corporate Plan 2019 to 2024, as attached at Appendix A, be adopted.

**REASON FOR DECISION:** To have in place a suitable, high level strategic policy document for the Council, to inform its corporate business planning process.

## 23 TREASURY MANAGEMENT FIRST QUARTER 2018/19

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of the Treasury Management First Quarter 2018/19.

The Executive Member for Finance and IT advised that Council had previously approved the Treasury Management Strategy and the Council continued to invest in deposits with Banks, Building Societies and other Local Authorities.

Investments had generated a little more income than had been assumed due to spending being less than expected.

**RESOLVED:** That the position of the Treasury Management activity as at the end of June 2018 be noted.

**REASON FOR DECISION:** To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

## 24 FIRST QUARTER CAPITAL MONITORING 2018/19

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of First Quarter Capital Monitoring 2018/19. The following appendices were submitted with the report:

Appendix A – Capital Programme Summary 2018/19 Onwards;

Appendix B – Capital Programme Detail Including Funding 2018/19 onwards.

The Executive Member for Finance and IT drew attention to:

### Paragraph 8.3 – Table 2 – Scheme Timetable Revision

- The forecast spend on property improvements reflected the work that was planned for the current year. Condition surveys would be reviewed and, if possible, the allocated budget in 2019/20 would be reduced.
- The Lairage Car Park was being monitored to ascertain the level of work required with any work required not due to commence until 2019/20 or later.
- All new casework for the Disabled Facilities Grant was being handled by Hertfordshire County Council

Paragraph 8.4 – Table 3 - Capital Schemes commencing in 2018/19

- Initial work had been undertaken on the business case for the extension of the Royston Leisure Centre. This was determined not to be financially viable within the current contract period and therefore would not be progressed.

Paragraph 8.5 – Table 4 – Funding the Capital Programme

- Current spending plans record that a very significant amount of the Capital would be spent on the Capital programme as it stood.  
Some useable Capital receipts from the sale of assets were expected.
- The availability of third party contributions and grants to fund capital investment was continuously being sought.

Appendix A – John Barker Place, Hitchin

- It was not suggested that the funding set aside for this project should be removed from the capital programme at this point, however it was unclear when Settle would progress this project.
- It will be necessary, at some point, to consider whether this will be used and whether there was a better use for this funding
- It may be that we want to use the monies for our own property company.

Appendix A – Parking Infrastructure

- There were various entries regarding parking infrastructure
- It was important to be cognisant of the pressures on capital spend and be certain that spending on the right project

In response to questions and comments the Executive Member for Finance and IT advised that, in respect of Royston Leisure Centre, it was not appropriate to retain items in the Capital Budget for which there was no viable business case, however, he was happy to consider reinstating the project in a later year if a business case was made.

In respect of the Parking Strategy the Executive Member for Planning, Enterprise and Transport advised that they were working through phase 2 of the Strategy which recommended a number of changes regarding the Council's parking. The current expenditure was based on the existing strategy, however, if the strategy were to change then the capital programme would need to be realigned. He suggested that only safety associated works be undertaken using the existing capital expenditure.

In respect of the proposed extension of Hitchin Swimming Pool car park, the Executive Member for Finance and IT acknowledged the decision made by the Planning Inspectorate that the proposal made was not appropriate. Officers were investigating alternatives for which these funds may be required, however if it was determined that there was no use for that money, then it would be removed from the capital programme.

**RESOLVED:**

- (1) That the forecast expenditure of £15.857million in 2018/19 on the capital programme be noted and the adjustments detailed in table 3 which resulted in a net decrease on the working estimate of £0.958million be approved;



- (2) That the adjustments to the capital programme for 2018/19 onwards as a result of the revised timetable of schemes detailed in table 2, decreasing the estimated spend in future years 2019/20 by £1.340million be approved;
- (3) That the position of the availability of capital resources, as detailed in table 4, and the requirement to keep the capital programme under review for affordability be noted.

**REASONS FOR DECISIONS:**

- (1) Cabinet is required to approve revisions to the capital programme;
- (2) Cabinet is required to ensure that the capital programme is fully funded.

**25 FIRST QUARTER REVENUE MONITORING 2018/19**

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of First Quarter Revenue Monitoring 2018/19.

The Executive Member for Finance and IT drew attention to the following:

Paragraph 7.2 – Table 2

- Commercialism  
It should be noted that the reason that the figure for Commercialism was negative was that it included approximately £1 million of income from assets.

Paragraph 8.1

- Hitchin Town Hall Community Facility Income  
The original intention was that the whole facility would have been to allow facility to be upgraded and opened to provide an increased revenue flow. The facility was providing some a revenue low, but it was not as high as hoped and expected. It was important to get whole facility in use as intended, but if this could not be achieved adjustments may need to be made to the budget.
- District Elections  
The Service Director - Resources advised that elections covered a wider area in some years, whereas the budget reflected an average figure.
- Processing of Comingled Recyclables  
It was becoming increasingly difficult to dispose of recyclables and prices were much reduced. This was a risk that had been identified at the beginning of the year.
- Net Income from the Garden Waste Collection Service  
The decision to charge for garden waste was taken last year. The prediction had been for a 26 percent take up of the service, but it had been more popular and the actual take up figure was over 50 percent, hence the significant variation.  
This figure was the difference between what we paid Urbaser to collect the brown bins and the amount collected for the service. The figure did not include the overheads of Council and work would have to be undertaken to identify these costs.  
Three Rivers Council intended to increase the cost for this service to £40, on a 75 percent take up, and they did not believe they were making a surplus.

Paragraph 8.3

It was proposed that, following the senior management restructure, two offices be recruited to the Commercial Support Team. It was intended to use special reserves for two years and aim for the posts to become self-funding after that.

Paragraph 8.7

The budget for car parking fees was based on the income anticipated to be derived from the outcome of the Strategic Parking Review. Due to the delay of the Parking Review no income raising measures had been implemented and therefore there was a risk that the anticipated level of income may not be met.

In respect of Careline, the Executive Member for Housing and Environmental Health advised that maintenance costs have risen, although this was being looked at. There had been some reliance on agency staff, with associated costs, there was however a successful programme to turn some of those agency staff into permanent staff, which not only provided financial benefit, but also provided stability to the service. The partnership with Hertfordshire County Council remained strong and business was increasing.

In respect of Planning Control Fees, the Executive Member for Planning, Enterprise and Transport advised that £79,000 was awarded as costs relating to an appeal. Since then there had been two more successful appeals with costs awarded against the Council. These figures did not include the costs for the Council and as an indication the fees payable for legal fees associated with a recent public enquiry amounted to approximately £50,000. As the Local Plan progressed the Council has seen a number of aggressive applications, which the Council has had to defend rigorously and it was likely that more applications such as this would be made.

It was proposed and seconded that a figure of £62,500 be added to recommendation 2.4

**RESOLVED:**

- (1) That the report entitled First Quarter Revenue Monitoring 2018/19 be noted;
- (2) That the changes to the 2018/19 General Fund budget, as identified in table 3 and paragraph 8.2, a £30k increase in net expenditure be approved;
- (3) That the changes to the 2019/20 General Fund budget, as identified in table 3 and paragraph 8.2, a £55k decrease in net expenditure and that these will be incorporated in the draft revenue budget for 2019/20 be noted;
- (4) That the proposal, as outlined in paragraph 8.3, to recruit two additional officers to embed the principles of commercialisation and develop commercial activity across the authority be noted and the required adjustments within the overall budgetary framework to the 2018/19 budget of £62,500 be approved.

**REASON FOR DECISION:** Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.

**26 MEDIUM TERM FINANCIAL STRATEGY 2019 TO 2024**

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of the Medium Term Financial Strategy 2019 to 2024.

The Executive Member for Finance and IT advised that the Medium Term Financial Strategy was an integral part of the budget cycle.

The future was more uncertain that it had been in the past and there were significant concerns regarding the nature of funding in the future and it was extremely unlikely that this Council would be a net beneficiary of funding decisions.

The Fair Funding Review and Business Rate retention would likely not benefit NHDC and the potential changes to the New Homes Bonus would add to the financial difficulties.

This meant that the Council would be reliant on commercialisation projects, Council Tax and any Business Rates that could be retained.

Large parts of the budget were allocated to business as usual.

Paragraph 2.12 set out the working assumptions for the next four years.

Primarily due to the savings from the waste contract, the position was significantly different from that presented last year, but it was still the case that revenue reserves needed to be retained at reasonably high levels in order to protect the Council.

It was assumed that the Council would make savings of £700,000 over the next four years and it was hoped that a substantial amount of this would come from commercialisation projects. It would be difficult for the Council to identify savings, unless the way in which services were delivered was changed therefore officers should be challenged to identify efficiencies.

Annex 1 of the report set out the budget assumptions and policies and it was the general view that this was the right way forward.

Following the vote it was:

**RECOMMENDED TO COUNCIL:** That the Medium Term Financial Strategy 2019-24 as attached at Appendix A be adopted.

**REASON FOR DECISION:** Adoption of a MTFs and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2019/2020 to 2023/2024, culminating in the setting of the Council Tax precept for 2019/20 in February 2019.

## **27 AMENDMENT TO PERFORMANCE MANAGEMENT MEASURES FOR 2018/19**

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of an Amendment to Performance Management Measures for 2018/19.

The Executive Member for Finance and IT advised that the Council maintained a range of statutory and local performance indicators.

Indicator LI037 related to the previous Housing and Public Protection Service and concerned a general customer satisfaction survey measure for some of the Environmental Health, Housing, Community Safety and Licensing functions.

The recent restructure meant that responsibility for this indicator now fell under two separate Directorates and the method of conducting the survey was time consuming to administer and achieved a low number of responses.

The proposal was to delete this indicator in its current form and enable the Service Directors to refresh and improve the approach to measuring customer satisfaction.

**RESOLVED:** That the deletion of performance indicator LI037, and its associated targets be approved.

**REASON FOR DECISION:** The recent restructure has meant that the Performance Indicator in its current format covers functions relating to more than one directorate. An historic lack of responses to the survey as a paper based exercise allows the opportunity to refresh and improve the way that this data is collected and reported.

The meeting closed at 9.20 pm

Chairman

**CABINET  
25 SEPTEMBER 2018**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: HITCHIN AND LETCHWORTH BUSINESS IMPROVEMENT DISTRICTS (BIDs) RENEWAL**

REPORT OF COMMUNITIES MANAGER

LEADER OF COUNCIL: COUNCILLOR LYNDA NEEDHAM

**1. EXECUTIVE SUMMARY**

- 1.1 To obtain Cabinet's endorsement of proposals to progress to renewal ballots for the Business Improvement Districts (BIDs) for Hitchin and Letchworth. Renewal of the Royston First BID will form a separate report to Cabinet on 18<sup>th</sup> December 2018.

**2. RECOMMENDATIONS**

That Cabinet:

- 2.1. Consider the BID renewal proposals appended at A and B.
- 2.2 Delegates any further decisions to the Leader in consultation with officers from relevant NHDC services on instruction to hold the BID ballots (including confirmation of any conflict of the BID Proposals with the Council's adopted policies, and upon receipt of the finalised BID Proposals, instructing the Returning Officer to hold the BID ballots).
- 2.3 That the Service Director – Customers be authorised to cast the Council's votes in the BID ballots in favour of acceptance.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 The Council is under a legal duty to comply with the BID arrangements under section 44 of the Local Government Act 2003 ('the Act'). This includes compliance with the Act and The Business Improvement Districts (England) Regulations 2004 (as amended) ('the Regulations') in respect of receipt of any BID renewal.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 Given the legal requirements to consider BID proposals under the Regulations, none is considered appropriate.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 Consultation has been undertaken by the respective BID Managers, steering groups and their member bodies, business representatives and town centre retailers.

## **6. FORWARD PLAN**

- 6.1 This report contains recommendations on a key decision which was added to the Forward Plan on 10<sup>th</sup> July 2108.

## **7. BACKGROUND**

- 7.1 The concept of BIDS was introduced through Part IV of the Act and is further governed by The Regulations 2004/2443. The legislation provides for BID proposals to be made to a relevant Billing authority and, subject to meeting certain Regulation requirements (see below<sup>1</sup>), for this to be put to a ballot of relevant non-domestic ratepayers to be liable for the BID levy described in the BID proposals on the establishment or renewal of a BID, within a defined business area.
- 7.2 The BID, once established or renewed, has the power to levy an additional charge on Business Rate Payers within that BID area for the purpose of funding projects within the BID area. The purpose of the funding has to be set out in the BID Proposal, which is to include a 'business plan', consultation (with those who are liable to the proposed BID levy), and the financial management arrangements for the BID body, and arrangement for periodically providing the relevant billing authority with information on the finances of the BID.
- 7.3 In NHDC the process of consideration of the BID proposals and instruction to hold a renewal ballot has been through Cabinet.
- 7.4 For the purposes of BID proposals (including renewals) Members are asked to note that there are 3 relevant organisations/people that are required to fulfil certain roles and responsibilities in relation to the BID application. These organisations/people are:
1. The BID Proposer;
  2. The Billing Authority;
  3. The Ballot Holder.
- 7.5 The BID Proposer is obliged to draw up the BID proposal, the Billing Authority is obliged to consider the proposal and determine whether the BID proposal is in conflict with any of its policies and the Ballot Holder is obliged to run a ballot process in which all of the business ratepayers within the BID proposal area are entitled vote.
- 7.6 In these proposals for Hitchin and Letchworth BID renewals, the current BID companies are the BID Proposer, the Council is the Billing Authority and the Council's Returning Officer in respect of elections is the Ballot Holder.

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1. Regulations 4, 5 & Schedule 1 Proposal sent to the relevant Billing Authority (consultation, business plan and financial management arrangements, and notice in writing requesting the Billing Authority to instruct the Ballot Holder to hold the BID ballot, evidence of sufficiency of funds

- 7.7 The Authority's support in helping to sustain and continue BIDs within its towns is seen as very positive and whilst it increases costs to businesses marginally, the benefits to the local business community of being able to direct money it has contributed to increase footfall, provide events or increase security/trading opportunities are widely appreciated. North Hertfordshire is the only district within the country to have 3 BIDs in place.
- 7.8 The Council, as the Billing Authority, needs to be satisfied that the projects detailed in each of the BID proposals are not in conflict with its own adopted objectives or existing strategies, rather than to carry out a detailed analysis of the whole 'business plan' document. Earlier sample & draft versions of the proposal documents appended at A & B were received by the Council on 17<sup>th</sup> August 2018 and forwarded onto the relevant Service Directors & managers. Therefore there has been limited time to consider the proposals. Comments received have been incorporated in to the body of this report and Cabinet will be updated with any further comments at the meeting, where applicable. The responses re any potential conflict are as follows:
- Any proposals re future commercial waste arrangements / alternatives
  - Any proposals re the Authority's Parking Strategy and Local Plan which are currently under review
  - Proposals relating to improvements and changes to traffic flows & those seeking a reduction in through traffic within the towns
  - Any undertakings / obligations relating to the provision & delivery of NHDC baseline services
- 7.9 Officers from all relevant services have reviewed and provided comment with regard to the alignment of aspirations to existing strategies and for future proposals.
- 7.10 Where a Billing Authority is of the view that the BID renewal proposals conflict with a policy formally adopted by and contained in a document published by the Authority, it shall, as soon as reasonably practicable after receiving the proposals, notify the BID proposer or BID body, as the case may be, in writing explaining the nature of that conflict.<sup>2</sup> There is also a potential ability for the Billing Authority to veto any proposal but only under specific statutory circumstances set out in the Act and Regulations.

There is general agreement that the proposals & business plans attached as Appendices A & B are in accord with both existing and known planned works for both towns.

## **8. RELEVANT CONSIDERATIONS**

- 8.1 The Council is required to demonstrate a significant degree of involvement in this particular process, and across a range of its services, with the following responsibilities:
- Each BID Proposal that complies with the Regulations has to be considered by the Billing Authority to ensure that it is not in direct conflict with any of the Council's own adopted policies.

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<sup>2</sup> Regulation 4(4) of the Regulations

The BID Proposals are to be self funding, i.e. paid for from the levy as collected, and may include paying for enhancements (the 'additionality' element) to services already provided by the Council. Government Guidance<sup>3</sup> suggests that the most successful BIDs were those who have established close and positive engagement with the local authority and the Government appears to encourage this through the use of Service Level Agreements between the Council and the BID Organisations (although at this stage it is not mandatory). Such Agreements, if formalised would also recognise and monitor the 'additionality' the BID funding brings over the BID 5 year term.

- The Billing Authority is required to instruct the Returning Officer to conduct the ballot, with one vote assigned per business rate payer unit, subject to any exemptions that the BID companies agree, within the defined area of their BIDs. Maps denoting the BID areas are included within the proposals documents as Appendices A & B to this report.
- The Billing Authority has the right of Veto under s51 of the Act and Regulation 12 after the ballot if it conflicts with Policy adopted by the Authority; or would bring significant disproportionate financial burden.
- If the BID proposals are approved by the relevant business rates payers (see below and legal implications), the Billing Authority has to bill, collect, enforce and account for the BID Levy. Under the Regulations, the Council can charge for elements of this service but has opted not to do so for the existing BIDs; the same principles will apply to this renewal. (see financial implications below).
- The only entities exempt from the BID Levy are public libraries, religious organisations, public toilets, magistrates' courts, individual single parking spaces, communication masts, advertising hoardings and Police/fire/ambulance stations. For both the Hitchin and Letchworth BID renewals, NHDC is of course entitled to vote and would continue to pay additional charges for its own car parks; for property which the Council leases out within each of the BID boundaries, it is for lessees to pay the additional charge.
- Charitable organisations will not be exempt from the BID Levy, unless they can demonstrate that their presence in each town is by way of 'head office' or direct delivery, i.e. the giving of information or physical support, rather than as a 'trading' or commercial entity – such as a charity shop.

8.2 The BID ballot can only succeed if it can meet two tests which are;

- A simple majority of those who vote must register a 'Yes' **AND**
- The aggregate rateable value of those that vote 'Yes' must be greater than that of those that vote 'No'

These are not exclusive, since **both** tests must be achieved. The system is intended to ensure that there is a degree of parity in a town centre populated by larger multi nationals and smaller, specialist shops.

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<sup>3</sup> DCLG Business Improvement Districts Guidance And Best Practice March 2015



The BID ballot is statutory and binding and will apply to all businesses inside the BID areas regardless of whether or not they intend to vote and how they might vote. The ballot is a postal ballot and this time the whole process has been outsourced to an external company, UK Engage.

8.3 The Council's Revenues Team has reviewed the proposed BID areas contained within the business plans and has been able to identify the commercial properties which lie within each of the respective the BID area, and their rateable value. A review of the contact for each business has also been undertaken to ascertain the appropriate person to whom the ballot paper will be addressed, and the vote cast on behalf of their company, as many businesses have changed hands during the past five years.

8.4 The BIDs renewal proposal & business plans are attached at Appendices A & B

#### 8.4.1 Hitchin BID Renewal – Summary of Vision & Objectives

##### ***Vibrant***

1. *Seasonal floral planters and basket displays as well as coloured bunting.*

- *Fund a large floral display for the town centre with regular enhancements*
- *Work with local group and the council to encourage additional seasonal planting in existing areas*
- *Erect coloured bunting in designated areas in the town centre for the summer season*
- *Liaise with businesses on public realm decoration and how we can make improvements.*

2. *Large Christmas lights display in designated areas of the town centre.*

- *Fund an extensive Christmas lights display for the town centre.*
- *Tender for Christmas lights contract to include erecting, take down, storage and insurance*
- *Arrange and decorate the large town centre Christmas tree*
- *Review display on an annual basis to ensure regular repair, alterations and enhancements*

3. *Major town centre events, independent shopping days and promotions.*

- *Run a series of major town centre events such as Food Fest and Christmas light switch on.*
- *Support and organise a number of independent shopping events and promotions*
- *Encourage footfall circulation around the town including secondary trading areas.*
- *Design and print event guides, programme, maps and posters for various events and promotions.*

##### ***Promoted***

1. *Promoting the town as a tourist destination.*

- *Using expert advice from external companies, develop a robust tourism strategy for the town*

- *Produce a quality tourism guide for the town and distribute to a wide geographical area*
  - *Investigate new ways of promoting the town using national and international media*
  - *Gain great exposure for Hitchin through national and regional publications*
2. *Improving the town centre website and social media platform.*
- *Undertake extensive improvements to the town centre website*
  - *Using external companies, make improvements to the town centre social media*
  - *Make updates and improvements to the business directory section on the town centre website.*
3. *Marketing, promotions and collective branding for the town*
- *Co-ordinated and targeted marketing of the town centre as a place to work play an stay.*
  - *Create collective branding and style guide for town centre publications and marketing material*
  - *Develop campaigns to promote and encourage town centre shopping.*
  - *Encourage people attending town centre events to stay in Hitchin and explore.*

### **Clean and Safe**

1. *Continue funding town centre rangers, extended CCTV and town radio links*
- *Continue funding the town centre rangers, on hand to assist businesses and observe and report crime.*
  - *Provide extended CCTV cameras in key crime 'hot spots' in the town centre.*
  - *Continue to supply and manage the pub and shop radio links offering a discounted radio hire.*
  - *Continue to provide Night Rangers in the town centre.*
2. *Offer free cardboard and paper recycling and discount commercial waste.*
- *Offer BID businesses a discounted rate contract on commercial waste and food waste.*
  - *Continue to offer town centre businesses free cardboard and paper recycling*
  - *Fund cardboard rangers and electric van to undertake free cardboard and paper recycling*
  - *Investigate new way of recycling and look at additional recyclable waste.*
3. *Chewing gum removal, deep cleaning, graffiti and flyposting removal.*
- *Instruct an external company to undertake chewing gum removal around 'hot spots' in the town.*
  - *Remove obscene and unsightly graffiti using specialist equipment and use anti graffiti techniques.*

- *Report and remove flyposting in the BID area and advise businesses on the regulations around events promotions.*
- *Use an external company to deep clean the high footfall area of the town centre.*

### **Save & Support**

1. *Employee discount cards, job vacancy site and discounted free / training*
  - *Investigate the implementation of new employee discount card for the town centre.*
  - *Using the Hitchinherts.com website to promote town centre job vacancies.*
  - *Offer series of free/discounted health and safety training courses.*
  - *Organise a programme of free/discounted marketing media and business development courses.*
2. *A collective business voice on economic regeneration projects in the town centre.*
  - *Forcing the pace on the Churchgate refurbishment and development to include improvements to Hitchin Market*
  - *Make more of the riverside waterfront and riverside walkway.*
  - *Work with the Council's economic development officer to access project grant funding.*
  - *Lobby for public realm improvements in the town centre.*
3. *Improvements and changes to traffic flow, car parks and encourage new start-ups.*
  - *Investigate how car park usage can be improved through new technology*
  - *Real time electronic car parking signage feasibility study and possible implementation*
  - *Seeking a reduction in through traffic in and around Market Place*
  - *Encouraging new business start-ups in available empty units.*

## **8.4.2 Letchworth BID Renewal – Summary of Vision & Objectives**

*Assuming a positive BID vote by a majority of businesses by both rateable value and number, BID operations will start on 1<sup>st</sup> April 2019 and will continue for a total of 5 years.*

### **The Vision**

*Through this business-led programme of investment the vision is for Letchworth town centre to be:*

- *A 21st century Garden City which is connected and engaged with its residential and business community*
- *A vibrant 'Go to' place with a sense of common purpose which is attractive and appealing for everyone who lives, works, visits and does business in Letchworth*
- *A place which is lively, has a strong sense of identity and awareness and is recognised internationally.*

**Objective 1: Lively and well promoted**

*To create a place which is lively, has a strong sense of identity and awareness.*

**Activities**

- a. *Work with others to define, develop and promote the brand identity of Letchworth town centre which reflects its strengths, characteristics and heritage and is reflected in everything the BID and other partners deliver.*
- b. *Increase awareness of Letchworth as a destination, its business sectors, its events and all it has to offer by using digital and social media channels, traditional marketing and PR in a way which is consistent with its brand.*
- c. *Develop promotional campaigns to attract more people and loyalty schemes, to encourage more frequent use of the town centre.*
- d. *Develop Sundays into a day for a great family experience.*
- e. *Develop and organise a programme of annual and regular events and activities to create an animated feel to the town centre throughout the year, including the quieter months.*
- f. *Promote, develop and recognise customer service excellence through award schemes.*

**Objective 2: Welcoming, attractive and accessible**

*To provide a welcoming, attractive and easily accessible environment for visitors, workers and residents to explore and enjoy.*

**Activities**

- a. *Work with others to maintain and enhance the usability, appearance and vibrancy of the streets and open spaces.*
- b. *Work closely with the Council and other car park operators to improve parking availability, signage, access, payment structures and the overall experience across Letchworth for both visitors and those who work in the town.*
- c. *Work with others to address signage to encourage people to explore and make more use of the town and all it has to offer.*
- d. *Work with others to develop a diverse evening and night time leisure offer which appeals to people from all ages and backgrounds, in a safe, clean and attractive environment.*
- e. *Working with others to address anti-social behaviour and crime issues which impact upon the visitor experience and affect businesses in certain areas*

**Objective 3. Businesses working together**

*To represent the collective voice of businesses in the town centre to ensure that it continues to develop into a great place to do business and meets the needs of those who live, work, visit and do business in Letchworth.*

### **Activities**

- a. *Work with others to develop a town centre offer which reflects the current and future needs of the Letchworth residential and business community.*
- b. *Implement effective communications between businesses and the BID to promote awareness of different issues which may affect trading conditions or opportunities for their benefit.*
- c. *Work with landlords, agents and others to ensure that vacant or derelict properties are maintained and presented in a smart and tidy appearance.*
- d. *Influence, support and encourage plans and proposals for new buildings, signage, building refurbishments and public realm developments which build upon the town centre's strengths.*
- e. *Encourage an increase in trading between businesses in Letchworth and between businesses and those who work in Letchworth.*
- f. *Work with businesses to identify opportunities and implement initiatives which will contribute towards the reduction of business overheads.*
- g. *Work with other organisations to monitor footfall, commercial performance, parking statistics, customer perceptions and other key measures across the Letchworth BID area and provide updates for businesses.*

8.5 The BID proposals in their current format have been agreed by the respective BID Steering groups, and therefore the intention is that they will ultimately form the document on which votes will be sought.

8.6 Each BID Proposal must define the percentage of rateable value to be used to calculate the BID Levy.

- Hitchin's existing BID levy is currently set at 1.85% plus inflation, which equates to an annual amount of £260k. It is envisaged to keep this the same for the next 5 year period.
- Letchworth's existing BID levy is currently set at 1.5% plus inflation, which equates to an annual amount of £147k. Likewise it is envisaged to keep this the same for the next 5 year period.

### ***Timetable for BID renewal:***

8.7 The Regulations underpinning the development of Business Improvements (statutory instrument – Business Improvement Districts 2004 – No 244) lay down a very specific timetable for progressing to ballot.

### **At least 84 days before the Day of Ballot**

Notice given in writing, by the BID proposer to the billing authority (NHDC) and the Secretary of State of the intention to request a ballot.

**NHDC Cabinet to consider progress to Ballot**

**25<sup>th</sup> September 2018**

**Publication of Notice of Ballot**

(At least 42 days before day of ballot)

**by 24<sup>th</sup> October 2018**

This will be posted on NHDC's website and mailed to all eligible voters by UK Engage. Eligible voters will also be sent a request to confirm their voter details and an application form to appoint a proxy if they wish.

**Ballot packs issued to hereditaments entitled to vote** **by 7<sup>th</sup> November 2018**

**Last date for proxy appointment** **25<sup>th</sup> November 2018**

**Issue of replacements after 5pm** **29<sup>th</sup> November 2018**

**Day of ballot** **5<sup>th</sup> December 2018**

Any last minute sealed votes not posted to UK Engage by Friday 31<sup>st</sup> October 2018 can be handed in at the Council Offices, North Hertfordshire District Council, Gernon Road, Letchworth Garden City, Herts SG6 3JF up until 5.00pm on Wednesday 5<sup>th</sup> December 2018. These will be verified and sent onto UK Engage for inclusion.

**Declaration & Results Announced** **7<sup>th</sup> December 2018**

## **9. LEGAL IMPLICATIONS**

- 9.1. BID arrangements are not to come into force unless proposals for the arrangements are approved by a ballot of the non-domestic ratepayers in the proposed BID area subject to the levy, having followed the provisions in the Regulations, as per section 49, and section 54 of the Act. The BID approvals are then not regarded as approved by a ballot unless (1) the majority of persons voting in the ballot have voted in favour of the BID proposals; and (2) the aggregate of the rateable values of each hereditament in respect of which a person voting in the ballot has voted in favour of the BID proposals exceed those in the same positing voting against the proposal; as per section 50 of the Act.
- 9.2. The Billing Authority is required by law to conduct the renewal Ballot and to administer the BID billing, collection, enforcement and accounting if the ballot is successful, in accordance with Part IV of the Local Government Act 2003 (The Act). This is further governed by the Business Improvement Districts (England) Regulations 2004 (The Regulations).
- 9.3. Regulations 4, 5 and Schedule 1 set out what a BID proposal must include. The Regulations state that a valid BID proposal, including renewal, must contain the following information:-
- a statement of the works or services to be provided, the name of who will provide them (the name of the BID body) and the type of body the provider is (whether a local authority, a company under the control of the authority, a limited company or a partnership);
  - a statement of the existing baseline services (if any) provided by the relevant billing authority or other public authority;
  - a description of the geographical area (including a map showing that area) in which the proposed BID arrangements are to have effect;

- a statement of whether all non-domestic ratepayers in the geographical area or a specified class of them are to be liable to the BID levy, an explanation of how the amount of the BID levy to be levied is to be calculated, and an explanation of whether any of the costs incurred in developing the BID proposals, holding of the ballot or implementing the BID are to be recovered through the BID levy;
- a statement of the specified class of non-domestic ratepayer (if any) for which and the level at which any relief from the BID levy is to apply;
- a statement of whether the BID arrangements may be altered without an alteration ballot and, if so, which aspects of the BID arrangements may be altered in this way;
- a statement of the duration of the BID arrangements; and
- a statement of the commencement date of the BID arrangements.

9.4 The Act and Regulations also require a Billing Authority, in this case the Council, determine whether BID proposals

*conflict with a policy formally adopted by and contained in a document published by the authority (whether or not the authority is under a statutory duty to prepare such document)*

9.5 The Council, as Billing Authority, *may* in prescribed circumstances, veto the proposals within such period from the date of the ballot, and must give notice to those entitled to vote in the ballot, detailing reasons and right of the appeal (and sent a copy of the notice to the Secretary of State), as per the requirements of section 51 of the Act. The Billing Authority can only do so, having considered a number of factors (including although not limited to level of support in the ballot), if the BID arrangements are likely to:

*(a) to conflict to a material extent with any policy formally adopted by and contained in a document published by the authority (whether or not the authority is under a statutory duty to prepare such document); or*

*(b) to be a significantly disproportionate financial burden on any person or class of persons (as compared to the other non-domestic ratepayers in the geographical area of the BID) and–*

*(i) that burden is caused by the manipulation of the geographical area of the BID or by the structure of the BID levy; and*

*(ii) that burden is inequitable.*

9.6 The Council is entitled to vote in the ballot relating to the attached BIDs renewals proposal. Cabinet at its July 2013 meeting nominated the former Head of Revenues Benefits and IT, now the Service Director for Customers, Howard Crompton, to vote on behalf of the Council in the proposed Letchworth, Hitchin and Royston BID renewal ballots. It is however, recommended that this delegation is renewed following the Council's recent restructure, for clarification purposes as per 2.3.

9.7 Otherwise, the legal requirements are contained within the body of the report.

## 10. FINANCIAL IMPLICATIONS

- 10.1 The Council's additional financial responsibilities fall into five categories;
- The cost of running / outsourcing the ballot
  - The annual cost of maintaining administrative software
  - Administration costs
  - The cost of the council's own BID levy on its town centre premises and land holdings
  - Any additional costs incurred by agreed additional works of the Authority in regard to events & car parking etc

- 10.2 In the past the Authority agreed to cover the cost of resources required to undertake each of the renewal processes. The cost of running the Letchworth and Hitchin BID in-house is £5,600 while the price quoted by UK Engage to run the ballot on behalf of NHDC is £3,600, so a saving of £2,000. However, regulations do permit the Council to make a charge for undertaking the process. In addition, were either of the Ballots to vote for rejection, *where the turn out is less than 20%*. In this instance, the Council can seek to recover its costs from the BID organisation. The BID Board have been made aware of this small risk, and understand that sufficient budget will be set aside as a contingency were this to be the case.

- 10.3 The annual administrative costs per property are de-minimus as this is largely an automated process, which is already being carried out for the three existing BID areas.

Evidence from these existing BIDs also indicate very high collection rates with only a few accounts requiring any enforcement proceedings. Under the BID arrangements, only one bill will be issued per property each year and the BID Levy is payable in one instalment. BID Levies are apportioned in cases where occupation changes part way through the financial year. If this didn't happen then the NNDR system and the BID system would show different information, which would cause problems when it comes time to ballot as the data bases would not match. The Council bears no liability for bad debts. Only BID Levies collected are passed over to the BID Organisation. The Council does retain any Court Costs awarded by the Magistrates in applying for any Liability Orders; the cost is £30 if NHDC were to progress to Court and obtain a liability order for non-payment. The debt is then passed to the enforcement agency and further costs are incurred in line with the Taking Control of Goods (Fees) Regs 2014. However the fees incurred are added onto the debt, so NHDC does not incur any costs. If cases are unsuccessful, the case is returned to the Council for consideration of further recovery.

- 10.4 As the Council itself pays business rates, it will also have a liability to pay the BID Levy for those properties in which it is in rateable occupation, as it does now. This currently equates to:

- £6,961 pa re Hitchin BID
- £6,545 pa re Letchworth BID

- 10.5 The BID Business Plans make reference to the respective BID activities / proposals which if progressed during the new BID term will be in addition to the existing services provided by NHDC, not a replacement. The Council also needs to satisfy itself that the BID activities as proposed do not *rely* in any part on additional services or contributions from NHDC (other than the BID levy) over and above resources already committed.



## **11. RISK IMPLICATIONS**

- 11.1 Should the recommendations be approved, as the Council bears no additional financial responsibility for any debts, and the final decision to progress to ballot is that of the BID organisation, the main risk remaining for the authority is that it may be perceived this is an additional sum levied by and *retained* by the Council, especially so in times of austerity. It must therefore be explicit in promotional material that whilst the Council is responsible for collection, it is not responsible for spend and that all of the money collected passes to the BID company.
- 11.2 Each year, Officers review the risks relating to the Council's involvement in all three BIDs, via the Risk Register. Currently, Officers have assessed the BIDs as being low risk in respect of both impact and likelihood.

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 The areas over which the BID companies seek to levy this additional rate is determined by them in consultation with local businesses, and does include all sizes and types of businesses, from multi-nationals to sole traders. The exclusion of certain premises, including those used for faith purposes, removes any additional burden which could be incurred by them, especially as it is questionable what additional benefits they could secure by additional footfall or use of the town in the evening. The BID initiatives seek to indirectly support the aim to foster good relations between those who share a protected characteristic and those that do not

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 As the recommendations made in this report do not constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in the relevant section at paragraphs 12.

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 Relevant service areas have been made aware of the intention for all three BIDs of to seek renewal of their existing BID arrangements and have made relevant arrangements to resource review of the business plans, and for outsource the running of the postal ballot itself, as not to conflict with other work commitments.

## **15. APPENDICES**

- 15.1 Appendix A – Hitchin BID Renewal Business Plan 2019 - 2024
- 15.2 Appendix B – Letchworth BID Renewal Proposal & Business Plan 2019 - 2024

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**17. BACKGROUND PAPERS**

- 17.1 The Business Improvement Districts (England) Regulations 2004 & DCLG Business Improvement Districts Guidance And Best Practice March 2015

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# *HITCHIN BID BUSINESS PLAN*

*2019-2024*

www.hitchinherts.com  
Twitter: @ourhitchin & @ourtomhardy  
Facebook: /ourhitchin  
Instagram: @ourhitchin



Hitchin**BID**





*HITCHIN  
BUSINESS IMPROVEMENT DISTRICT  
BUSINESS PLAN*

*2019-2024*

## **Your chance to benefit from a £1.6 million investment in key projects for Hitchin Town Centre.**

For the last ten years Hitchin has enjoyed the benefits of a Business Improvement District (BID) through which almost two and a half million pounds of additional investment has been spent in our town. This has paid for substantial improvements that have made a tangible positive difference to the cleanliness, vibrancy and safety of the town.

However, nothing is forever, and the BID is a fixed-term arrangement, working its way through its fifth and final year of its second term right now. If we do nothing, the BID will stop on the 31<sup>st</sup> March 2019 and everything, and I mean everything, will grind to a halt and then disappear. No Rangers, no cardboard and waste recycling collections, a reduced security presence, no night rangers, no Independents' Day or similar events, no Christmas lights, no floral displays, the list is substantial.

Of course it doesn't have to be like this. You can, if you want to, renew the BID's term for a further five years, continue the great activities we have all come so used to, and do more on top too!

We already know two-thirds of you want to see the Hitchin BID renewed for a further five years. The following pages detail why and how. Hopefully the few businesses that are undecided or unsure will be reassured by the facts and figures in this document to be sufficiently convinced to add their company names to the substantial list of BID supporters we have already.

In November this year the Council will be issuing ballot papers seeking your formal approval for the renewal of the Hitchin BID through a 28 day postal vote. I know the BID's past record and potential future plans make an immediate "Yes" the only sensible option and I'm sure you agree with me.

I hope we can rely on your support.



Tom Hardy,  
Manager of the Hitchin BID Company





## WHAT IS A BID?

Business Improvement Districts are business-led partnerships which are created through a ballot process to deliver additional services to local businesses. They are a powerful tool for directly involving local businesses in local activities and allow the business community to work together to improve the local trading environment.



*THIS IS A UNIQUE OPPORTUNITY FOR HITCHIN TOWN CENTRE  
BE SURE TO VOTE YES AND RENEW IT*

We already know two-thirds of you want to see the Hitchin BID renewed for a further five years. The following pages detail why and how. Hopefully the few businesses that are undecided or unsure will be reassured by the facts and figures in this document to be sufficiently convinced to add their company names to the substantial list of BID supporters we have already.

*£1.6 million*

Businesses will be responsible for deciding how £1,600,000 raised through a levy and other funding mechanisms, would be invested over five years to improve the town.

*600 businesses*

Together more than 600 businesses in the BID area will decide whether the BID is renewed by voting in a ballot.

# *WHY SHOULD HITCHIN BID CONTINUE?*

The Hitchin BID has delivered services which are seen as priorities by local businesses, customers and staff that use Hitchin town centre.

Below is a brief list of the key elements that businesses have enjoyed the benefits of since the first Hitchin BID term began in 2009.



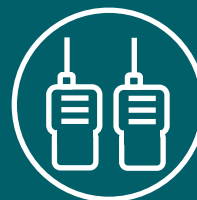
Ranger team



Cardboard & paper recycling service



Enhanced CCTV provision



Shop & pub watch radio links



Deep cleaning & gum removal



Seasonal floral baskets and displays



Town-wide Christmas lights display



Regular, speciality & major events



Town-wide marketing campaigns



Seasonal bunting



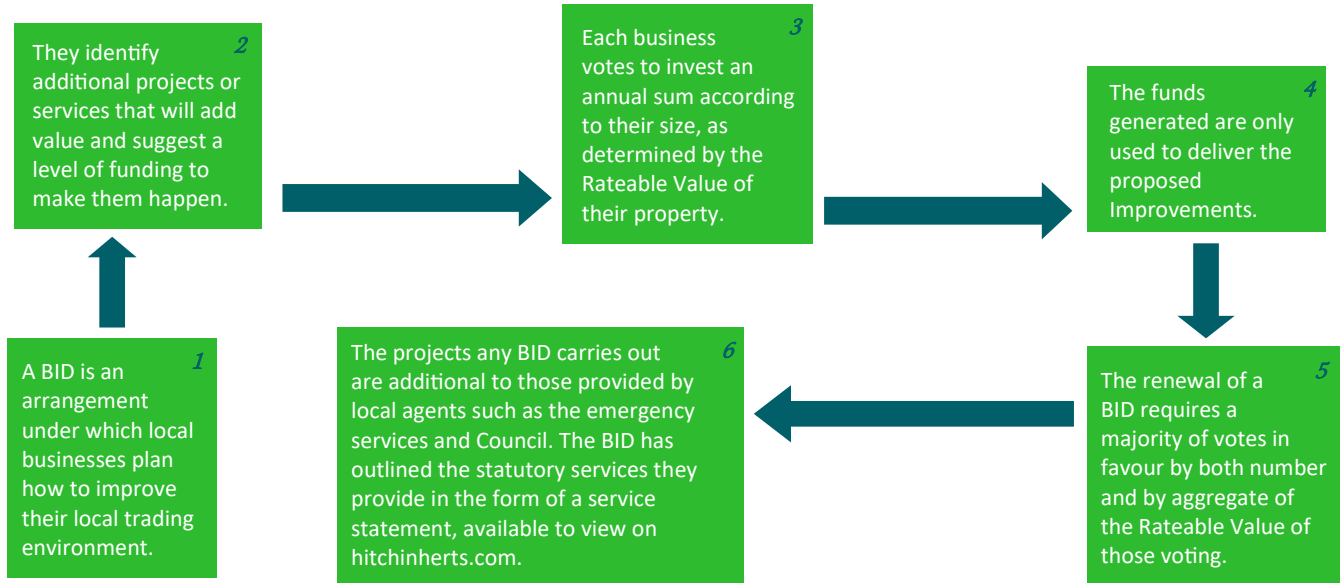
Regular graffiti removal



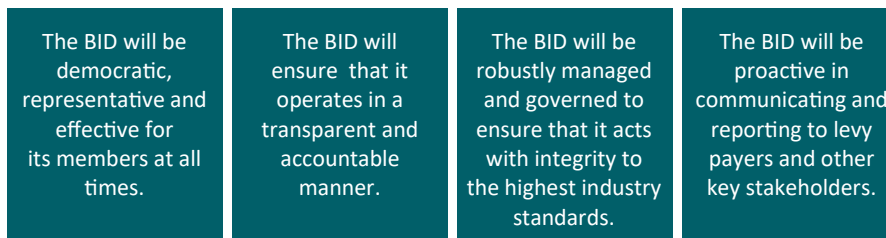
Town centre website & social media

## HOW THE BID COMPANY WORKS

Over 300 BIDs have been voted in by businesses across the UK and this number continues to grow, with all BIDs delivering quality projects and services to the areas they support.



## HOW WOULD THE BID CONTINUE?



The BID has worked with businesses within the area over the past ten years to help manage the town centre in a more creative and efficient way, applying their internal skills and resources to the external environment around them. Those extra services deemed necessary over the past ten years through scrutinising previous provision then setting new, higher standards for them, need to be sustained.

## HOW MUCH WILL IT COST YOUR BUSINESS?

BIDs are designed to be fair. Larger businesses invest more than smaller ones and all business sectors benefit from the improvements rather than just retailers.

### *COST TO YOUR BUSINESS*

*SMALL BUSINESS*  
Rateable Value of £12,000

2 cups of coffee



Weekly Cost: £4.27

*MEDIUM BUSINESS*  
Rateable Value of £60,000

10 cups of coffee



Weekly Cost: £21.35

*LARGE BUSINESS*  
Rateable Value of £120,000

20 cups of coffee



Weekly Cost: £42.69

*% of RV*



*1.85%*

*Levy*

All businesses within the defined BID area would pay a contribution to the costs of the BID at the rate of 1.85% of their stated Rateable Value as declared on North Hertfordshire District Council's non-domestic ratings list as of the 1<sup>st</sup> January 2019 and this figure would be used to calculate the levy value for the first year of the BID's renewed term of five years.

Each business is to pay  
an additional **Percentage**  
of the **Rateable Value**  
The cost of the levy.

All businesses should consider the proposed cost of the levy as an investment - an investment of a relatively small sum which is pooled with the contributions of all the others in the BID to provide a considerable sum that is spent entirely in the town centre.



## ***SOME OF THE BENEFITS FOR YOUR BUSINESS***

The Hitchin BID is specifically created to bring a range of benefits to all businesses, regardless of their location within the Town Centre or the sector they trade in.



### **INDEPENDENT RETAILERS**

Distinctive, promotional campaigns to highlight the range and quality of speciality independent businesses.

The opportunity to raise business profile via a number of new events.

Discounted costs on commercial waste and food waste removal through a negotiated procurement deal with a local waste provider.

Free cardboard and shredded paper recycling services.

Discounted advertising in various publications and programmes as well as promotional space in designated areas in the town centre.



### **NATIONAL RETAILERS**

Being part of a local network of major retailers who would share and gain in-depth insight into trading factors and conditions.

Directly and indirectly benefiting from footfall increases caused by events and promotional activities in the town.

The availability to collaborate operationally over seasonal trading campaigns including the Christmas festive period.

Promotion and marketing of Hitchin town centre to a wider geographical area, targeting regional audiences, building footfall and subsequently improving the profitability of businesses.



### **PROFESSIONAL AND OFFICE SECTOR**

Additional activities aimed specifically at the professional and office businesses within the town centre, free or discounted training courses, free cardboard recycling, discounted commercial waste collections and improved connections with business networking organisations.

The ability to promote products and services to over 600 town centre businesses through monthly newsletters, events publications and networking opportunities.

A cleaner, safer and more vibrant town centre for clients and employees.



### **LEISURE AND HOSPITALITY**

Promotional campaigns through the town tourism strategy to highlight the range and quality hotels, food and drink businesses - both collectively and individually.

The continued expansion of events and projects to directly involve and promote the range of leisure and cultural opportunities in the town centre.

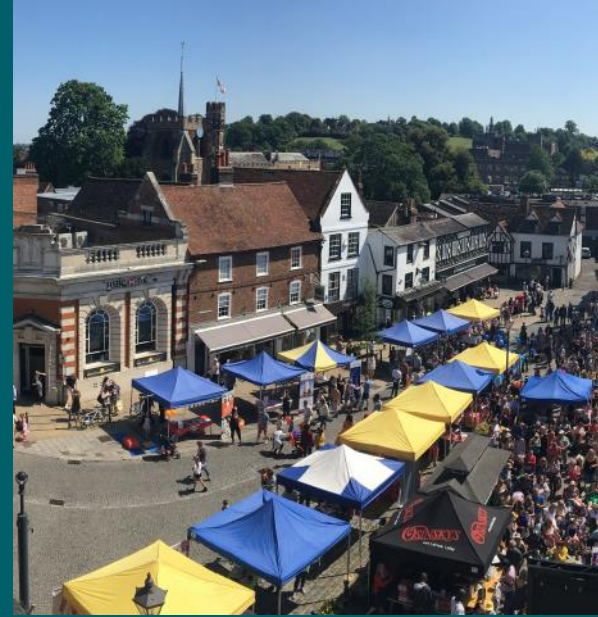
Work on projects to sustain and improve the town's night-time economy experience and energise the crucial linking period between 5pm and 7pm through schemes such as 'Alive After 5'.

# *OUR VISION*

**We want everybody to share an ambitious vision for Hitchin Town Centre.**

This new business plan has been designed to tackle changes in consumer behaviour and create an immersive experience for new and existing visitors to the town.

Whether people live or work in Hitchin or are simply visiting, our goal is that they are motivated to stay for longer, spend more money and return more frequently.







## HOW WE GOT TO THIS POINT

Preparation and plans for the Hitchin BID renewal have been in the making for over a year and a significant number of town centre businesses have been involved every step of the way.



### Consultation



A comprehensive survey distributed to over 600 businesses, which elicited 116 responses.



A series of business workshops.



The creation of a renewal group which has met frequently to discuss the ballot process.



Extensive consultation with North Herts Council and other public bodies.

### Planning



The production and distribution of regular renewal newsletters.



Formal notification to Council and the Secretary of State.



Consultation on several elements of the business plan.



A comprehensive programme of one to one business visits.





## Awareness



Extensive activity on the BID social media.



Local press and local radio coverage.



Regular updates on the Hitchin BID website.



Business drop-in events.



The creation of a network of businesses who are actively championing the renewal process.



Frequent communications to businesses about the BID and the renewal.



Contact with Head Offices and Regional Managers of national businesses.



An open business plan launch event.

## *THE BID RENEWAL STEERING GROUP*

A group of like-minded business owners and managers were invited to join a steering group for the renewal of the BID. They were chosen from various business sectors across the town centre.

Name	Organisation	Sector
Tracie Morgan	Talents Hairdressers	Service
Emma Tarbox	Tate Recruitment	Professional/Office
Mark Shields	Life Practice UK	Professional/Office
Andrew Pearce	Bradshaw Johnson	Professional/Office
Ian Dawes	Bowen Solicitors	Professional/Office
Simon Kirbyshire	Waitrose	National Retail
Michael Norgan	Osinsky's	Leisure/Evening
Tom Smith	Hermitage Road	Leisure/Evening
Sophie Rose	Kite at the Red Hart	Leisure/Evening
Sam Mason	British Schools Museum	Leisure/Evening
Damian Caldwell	Los Reyes	Leisure/Evening
Fabio Vincenti	Fabios Gelato	Independent Retail
Mark Henry	Halsey's	Independent Retail
Hannah Brown	Jolly Brown	Independent Retail
Sarah Clare	What Sarah did...	Independent Retail
Richard Barry	Arkley Fine Art	Independent Retail
Jak Utlej	Gatefold Music Lounge	Independent Retail
Louise Whipp	The Little Deli	Independent Retail

Businesses have been at the heart of developing this BID renewal at all stages of the process.

This began when businesses in Hitchin were asked for their views in 2018, via a survey which was available as an online form or through a face to face business visit. The survey was structured to seek the views of businesses as to which improvements projects they considered would boost their performance and to confirm their support for the renewal of the Business Improvement District.

A strong and representative sample of 116 responses (representing a response rate of 20% based on the total number of hereditaments) was received and provided strong support (86% in favour) of the BIDs renewal. A development board met on a monthly basis to oversee both the production of the business plan and also to ensure the proposals have been drawn up in close consultation with as many Hitchin businesses and organisations as possible.

# *THE PROPOSED BID COMPOSITION*

Led by businesses for business, it is owned and operated by you, for you.

One of the reasons for Hitchin BID's success is its continuing productive and positive relationships with local businesses and public bodies. Over the next 5 years we will continue to work in close liaison with the following sectors:

**Multi-national retailers**

**Independent retail businesses**

**Pub and club operators**

**Hoteliers and restaurants**

**Cafés, bistros and takeaways**

**Financial and legal services**

**Community representatives**

**Local Landlords**

**North Herts Council**

**Herts Highways**

The BID directors would continue to be responsible for the strategic management of the BID and for all decisions relating to the BID. Working closely with public, commercial and community businesses and organisations, we will ensure the business plan is properly represented and governed.

The BID Company would continue to formally report results of the annual audit at its AGM with elections held then too for the directors and Chairman.

This process is to ensure the BID upholds transparency and openness at the highest level.



## BUSINESS INVOLVEMENT EVERY STEP OF THE WAY

You the businesses have been at the heart of developing the Hitchin BID business plan at all stages of the process.

In 2018, businesses in Hitchin were asked for their views via an open survey which was available as an online form or through a face to face visit. The survey was structured to seek the views of businesses regarding which improvements projects they considered would boost their performance and to test their willingness for the Business Improvement District to be renewed.

116 surveys were received back representing a varied business sector and geographical sample. 86% of the responses were in favour of the BID renewal with the remaining 14% having face to face visits to ensure all for and against businesses were fully aware of the opportunities available to them.



*"We all know that the British High Street is facing a tough time. We need to work even harder to keep Hitchin businesses working together to sustain the energy, cleanliness and safety we see today. I strongly endorse the work of the BID and would urge all businesses to vote yes and continue its great work."*

**Bim Afolami MP**  
Member of Parliament  
Hitchin and Harpenden



*"I consider the work of Hitchin BID to be a vital component of making our town the welcoming and diverse place for which it is renowned. I urge local businesses to support the BID renewal ballot in the autumn. A successful Hitchin BID is good for business and good for local residents. Please give it your full support."*

**Cllr Ian Albert**  
Hitchin Area Committee Chairman  
North Herts District Council



*"The BID renewal has the potential to be a game-changer in taking Hitchin's regeneration to the next level. It can be a genuine catalyst for bringing businesses and organisations together with a single voice and common goal making our town a place to be proud of."*

**Ben Hedley & Tom Weller**  
Owners. Kite at The Red Hart  
The Groundworks  
Bucklersbury & Churchyard



*"The BID is an effective way of bringing businesses together to raise the profile of the towns working toward improving its image and subsequently encouraging new visitors in to shop, eat and drink, creating an experience that everyone can enjoy."*

**Sophie Boyd**  
Manager. O2 Store  
Market Place



*"The BID is the perfect opportunity for Hitchin businesses to speak using one voice to help make our town an even more vibrant place. We're very pleased to be supporting it and working with others in the town to strengthen Hitchin as a whole."*

**Hannah Brown**  
Owner. Jolly Brown  
Bucklersbury



*"The Town Centre plays a huge role economically and socially to the success of a town, renewing the BID in Hitchin will ensure the town is a more welcoming place to do business through the additional value it will bring to existing services."*

**Matt Cuhls (CEO)**  
CEO. ReAssure  
Tilehouse Street



*"A successful Business Improvement District renewal will pave the way for the future that Hitchin residents and local independently owned businesses deserve."*

*Promoting the town to a wider geographical area and sustaining the number of projects and initiatives the Business Improvement District currently deliver is so important for our towns future."*

**Kim MacLarty**

Owner, Halsey's Deli & Eatery  
Market Place



# THE PROPOSED PROJECTS

## THE PROJECTS

The key aim of our business plan is to outline what businesses have suggested needs doing and the investment they are willing to make in each element of it to ensure its success.

A principal feature of the renewal survey and subsequent consultations have been to ask businesses to prioritise the projects that they felt BID money should be spent on and this information has been used to develop the following project proposals and to put a working budget to.

## THE PRIORITIES ARE:

### VIBRANT

We intend to ensure that the town centre is a vibrant area and a place people can enjoy all year round. We intend to help build on the success of existing events and to introduce a programme of additional activities to further energise Hitchin and to draw many more people to visit from the local area and further afield.

### CLEAN & SAFE

The BID plan is to ensure that the town centre is an attractive, safe and welcoming place for those who live, work and visit. Importantly, we want to present the best possible appearance to potential investors. The Hitchin BID therefore pledges to carry out activities that are completely above and beyond those already being provided by existing organisations.

### PROMOTED

The BID plan is to invest in much more promotion and marketing of the town centre and to ensure that this is targeted at key catchments. We also propose to work with others to ensure that we jointly and consistently promote Hitchin much more effectively to a local, regional and national audience.

### SAVE & SUPPORT

The BID plan is to ensure that it remains the voice of its businesses on key issues and representing views and opinions to ensure the town is properly represented and supported. We will look to offer businesses a greater choice of cost saving initiatives to ease the pressure of ever growing use of internet shopping.









*VIBRANT*

Hitchin **BID**





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## VIBRANT



### SEASONAL FLORAL PLANTERS AND BASKET DISPLAYS AS WELL AS COLOURED BUNTING

- 1 Fund a large floral display for the town centre with regular enhancements.
- 2 Work with local group and the council to encourage additional seasonal planting in existing areas.
- 3 Erect coloured bunting in designated areas in the town centre for the summer season.
- 4 Liaise with businesses on public realm decoration and how we can make improvements.



### LARGE CHRISTMAS LIGHTS DISPLAY IN DESIGNATED AREAS OF THE TOWN CENTRE

- 1 Fund an extensive Christmas lights display for the town centre.
- 2 Tender for Christmas lights contract to include erecting, take down, storage and insurance.
- 3 Arrange and decorate the large town centre Christmas tree.
- 4 Review display on an annual basis to ensure regular repair, alterations and enhancements.

BUDGET AVAILABLE *£535,000*



### MAJOR TOWN CENTRE EVENTS, INDEPENDENT SHOPPING DAYS AND PROMOTIONS

- 1 Run a series of major town centre events such as Food Fest and Christmas lights switch-on.
- 2 Support and organise a number of independent shopping events and promotions.
- 3 Encourage footfall circulation around the town including secondary trading areas.
- 4 Design and print event guides, programme, maps and posters for various events and promotions.



*"There's a tremendous amount of optimism and confidence in Hitchin at the moment, but we need a hands-on, collective effort from all sectors to realise the full potential of our beautiful town centre. A renewed Business Improvement District will unquestionably be a force for good in the town."*

*Keeping it clean and safe while showcasing and promoting our countless great attractions. I urge all Hitchin businesses to back the BID and guarantee a bright future for our town centre."*

**Fairy Shahiri**  
Owner. Hitchin Dry Cleaners  
Bancroft



*PROMOTED*





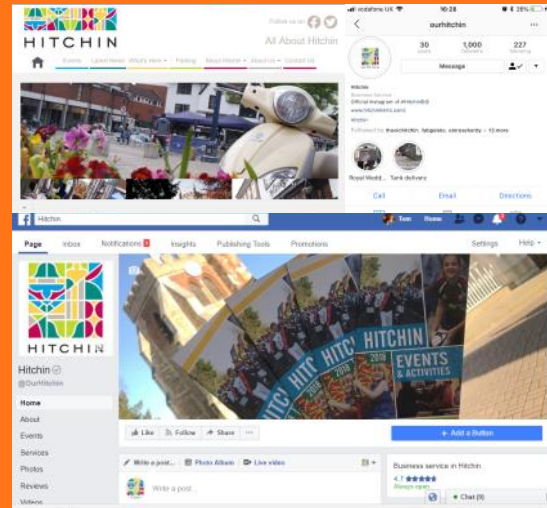


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## PROMOTED



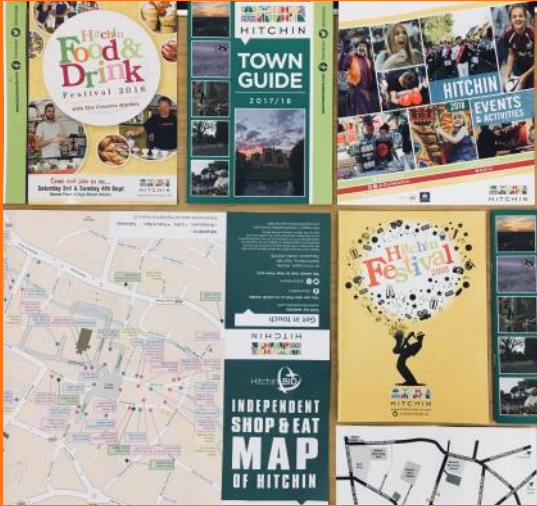
### PROMOTING THE TOWN AS A TOURIST DESTINATION

- 1 Using expert advice from external companies, develop a robust tourism strategy for the town.
- 2 Produce a quality tourism guide for the town and distribute to a wide geographical area.
- 3 Investigate new ways of promoting the town using national and international media.
- 4 Gain great exposure for Hitchin through national and regional publications.

### IMPROVING THE TOWN CENTRE WEBSITE AND SOCIAL MEDIA PLATFORMS

- 1 Undertake extensive improvements to the town centre website.
- 2 Using external companies, make improvements to the town centre social media.
- 3 Make updates and improvements to the business directory section on the town centre website.
- 4 Promote the town's businesses and their USPs using both the website and social media.

BUDGET AVAILABLE *£192,500*



## MARKETING, PROMOTIONS AND COLLECTIVE BRANDING FOR THE TOWN

- 1 Co-ordinated and targeted marketing of the town centre as a place to work, play and stay.
- 2 Create collective branding and style guide for town centre publications and marketing material.
- 3 Develop campaigns to promote and encourage town centre shopping.
- 4 Encourage people attending town centre events to stay in Hitchin and explore.



*"We believe that a strong, vibrant and enticing town centre is good for the town as a whole. Over the past ten years the Business Improvement District has tangibly sustained and improved the town centre as a great place to live, work and do business."*

*"Without the BID, so much of what we have come so used to having in the town would disappear. I am voting yes in November to ensure we keep all the hugely important projects and initiatives that make the town the vibrant place it is today."*

**Fabio Vincenti**  
Owner, Fabios Gelato  
Hermitage Road

*CLEAN & SAFE*



Hitchin**BID**





## CLEAN & SAFE

The BID plan is to ensure that the town centre is an attractive, safe and welcoming place for those who live, work and visit. Importantly, we want to present the best possible appearance to potential investors. The Hitchin BID therefore pledges to carry out activities that are completely above and beyond those already being provided by existing organisations.

## *CLEAN & SAFE*



### CONTINUE FUNDING TOWN CENTRE RANGERS, EXTENDED CCTV AND TOWN RADIO LINKS

- 1 Continue funding the town centre Rangers, on hand to assist businesses and observe and report crime.
- 2 Provide extended CCTV cameras in key crime 'hot spots' in the town centre.
- 3 Continue to supply and manage the pub and shop radio links offering discounted radio hire.
- 4 Continue to fund night time rangers in the town centre.



### OFFER FREE CARDBOARD AND PAPER RECYCLING, AND DISCOUNT COMMERCIAL WASTE

- 1 Offer BID businesses a discounted rate contract on commercial waste and food waste removal.
- 2 Continue to offer town centre businesses free cardboard and paper recycling.
- 3 Fund cardboard rangers and electric van to undertake free cardboard and paper recycling.
- 4 Investigate new ways of recycling and look at additional recyclable waste collection.

BUDGET AVAILABLE £382,000



#### CHEWING GUM REMOVAL, DEEP CLEANING, GRAFFITI AND FLYPOSTING REMOVAL

- 1 Instruct an external company to undertake chewing gum removal around 'hot spots' in the town.
- 2 Remove obscene and unsightly graffiti using specialist equipment and use anti graffiti techniques.
- 3 Report and remove flyposting in the BID area and advise businesses on the regulations around events promotions.
- 4 Use an external company to deep clean the high footfall area of the town centre.



*"Hitchin has seen some really exciting and positive changes in the past ten years. The BID's hard work, can do attitude and forward thinking is what the town needs for the future. Waitrose is a proud supporter of the Hitchin BID and all the great projects and initiatives it continues to undertake for the good of our town."*

*"As a national retailer, we directly and indirectly benefit from so much that the BID organises and enables. I would encourage all local businesses to support the BID renewal and vote yes for another five years."*

**Simon Kirbyshire**  
Manager. Waitrose  
Bedford Road



*SAVE & SUPPORT*

Hitchin**BID**





### **SAVE & SUPPORT**

The BID plan is to ensure that it remains the voice of its businesses on key issues and representative of their views and opinions to ensure the town is properly supported. We will look to offer businesses a greater choice of cost-saving initiatives to ease the pressure of ever-growing use of internet shopping.

## SAVE & SUPPORT



### EMPLOYEE DISCOUNT CARDS, JOB VACANCY SITE AND DISCOUNTED/FREE TRAINING

- 1 Investigate the implementation of a new employee discount card for the town centre.
- 2 Using the Hitchinherts.com website to promote town centre job vacancies.
- 3 Offer a series of free/discounted health and safety training courses.
- 4 Organise a programme of free/discounted marketing, media and business development courses.



### A COLLECTIVE BUSINESS VOICE ON ECONOMIC REGENERATION PROJECTS IN THE TOWN CENTRE

- 1 Forcing the pace on the Churchgate refurbishment and development to include improvements to Hitchin Market.
- 2 Make more of the riverside waterfront and riverside walkway.
- 3 Work with the Council's economic development officer to access project grant funding.
- 4 Lobby for public realm improvements in the town Centre.

BUDGET AVAILABLE **£109,000**



## IMPROVEMENTS AND CHANGES TO TRAFFIC FLOW, CAR PARKS AND ENCOURAGE NEW START-UPS

- 1 Investigate how car park usage can be improved through new technology.
- 2 Real time electronic car parking signage feasibility study and possible implementation.
- 3 Seeking a reduction in through traffic in and around Market Place.
- 4 Encouraging new business start-ups in available empty units.



*"As an office based business in the town centre, it is important that the town is a clean, safe and a welcoming place for our employees and clients. There are some significant regeneration type projects which will benefit the town and having a collective business voice through the Business Improvement District scheme on how and when these projects are delivered is key to ensuring we have a say and our thoughts and opinions are heard. I consider that the town as a whole has benefited a lot from the BID scheme over the past few years and it is important that the BID work should continue. Our firm will be voting yes to the renewal of the Hitchin BID!"*

**Ian Dawes**  
Partner. Bowen Solicitors  
Bucklersbury



*THE PROPOSED  
BID AREA*

All BIDs operate within a carefully constructed boundary, although this does not mean that they act in an exclusive way. In actual fact it’s quite the opposite.

Business feedback gained from detailed discussions with lots of companies positioned close to the perimeter of our proposed BID has indicated that the BID should cover the area inside the blue dotted line from 2019-2024.

**ROADS INCLUDED IN THE BID AREA**

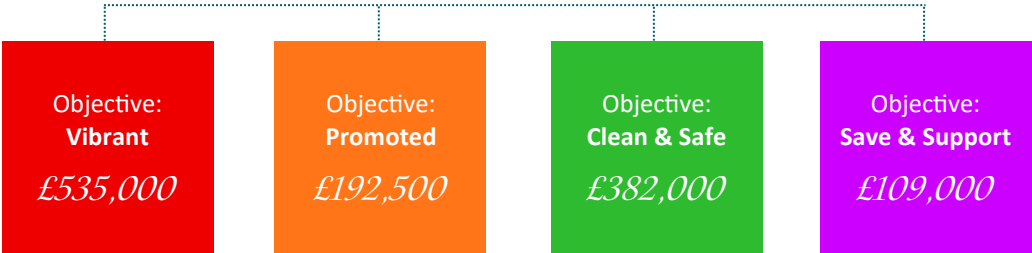
Arcade	Churchyard
Arcade Walk	Churchyard Walk
Bancroft	Hermitage Road
Bedford Road (part)	High Street
Brand Street	Ickleford Road (part)
Bridge Street	Market Place
Bucklersbury	Old Park Road (part)
Churchgate	Park Street (part)
Paynes Park	Sun Street
The Lairage	Tilehouse Street
Portmill Lane	West Alley
Queen Street (part)	Whinbush Road (part)





BUDGET

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Income (£)						
BID Levy	280,000	290,000	295,000	305,000	310,000	1,480,000
Sales & sponsorship	20,000	22,000	24,000	26,000	28,000	120,000
Total income	300,000	312,000	319,000	331,000	338,000	1,600,000
Expenditure (£)						
Promoted	35,000	36,500	38,000	40,000	43,000	192,500
Vibrant	98,000	100,000	106,000	112,000	119,000	535,000
Save & Support	18,000	20,000	22,000	23,000	26,000	109,000
Clean & Safe	73,000	75,000	76,000	78,000	80,000	382,000
Total activity costs	216,000	223,500	234,000	245,000	260,000	1,178,500
BID team	45,000	45,000	46,500	47,000	48,000	231,500
Premises/ admin/ over-heads	24,700	26,200	26,700	27,700	28,700	134,000
Total overhead cost	60,000	61,500	63,500	65,000	67,000	317,000
Contingency	2,000	4,000	7,000	10,000	13,000	36,000
Grand total expenditure	276,000	285,000	297,500	310,000	327,000	1,600,000



**Additionally:** We consider that, following the experience from the last ten years, the Hitchin BID should generate a substantial amount of additional revenue through grants, sponsorship, voluntary business contributions and stallholder bookings.

Note 1: Assumes collection rate of 98%.  
Note 2: Including voluntary contributions from Landlords, associate members of the BID, in kind funding & additional income generated.  
Note 3: Some projects are inclusive of staff overheads.

Note 4: BID levy will increase by only the rate of inflation at the discretion of the Directors.  
Note 5: Contingency retained for capital spend and 2024 renewal campaign.

## MEASURING OUR SUCCESS

This is how you would be able to tell the BID is working for you.

Businesses here already benefit substantially from the additional services that the BID delivers. Here's a list of what you could expect over the next five years too:

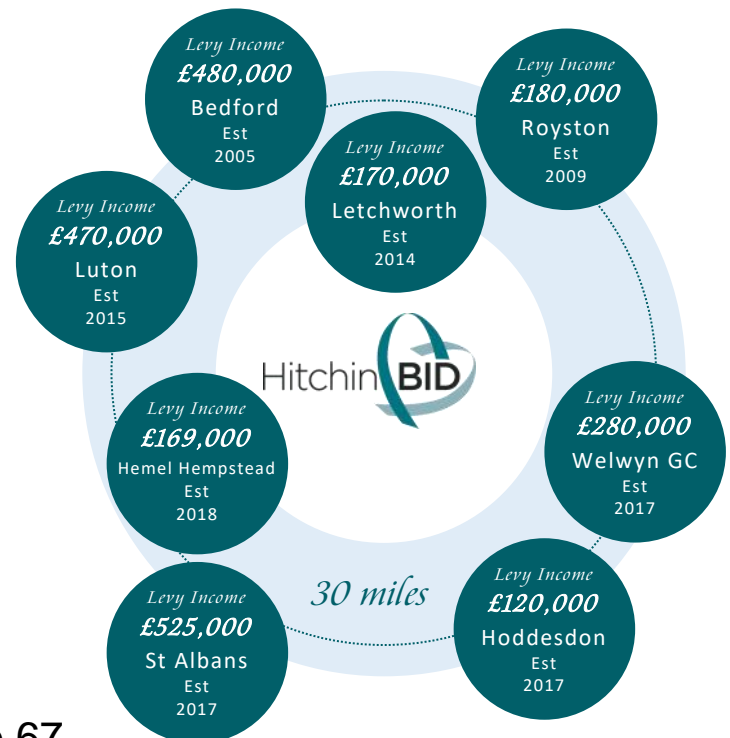
- A cleaner and safer town centre for those who use it.
- Targeting of a larger and more affluent catchment area meaning more visitors and a higher average spend.
- Those currently visiting wanting to do so more often, staying longer and spending more.
- Staff recruitment made easier and existing staff encouraged to remain in employment here.
- A constantly improving 'look and feel' to the town centre environment.
- A more accessible town centre for all forms of transportation, even the car borne visitor who are presently strongly attracted to peripheral supermarkets and out of town 'sheds'.
- A more effective voice for businesses over the management and future development of their trading environment.
- An opportunity to use the BID income to 'pump prime' additional income from external agencies, growing the overall 'pot' and improving return on investment for businesses.

## COMPARABLE BIDS

A BID levy is not a tax, it is an investment and all levy income would remain locally to fund our exciting plans for Hitchin.

When calculating the levy for Hitchin, we took both the results of the business survey and subsequent consultations with businesses into account.

We also examined the levy rates set by a number of established competitor BIDs for comparison. Unless we generate a level of similar proportion, we will fall behind the invests being made by neighbouring towns





# *PROPOSAL INFORMATION*

Forming a BID is an important legal process.

The BID will be governed under legislation via its Memoranda and Articles of Association, with the following principal elements being proposed. A more detailed proposal information document is available for any potential BID levy payer to view on the BID website.

- 1 This is a BID renewal to cover the period 1st April 2019 to 31st March 2024 inclusive.
- 2 The BID will deliver services additional to any public or private sector organisation.
- 3 All National Non-Domestic Ratepayers within the proposed boundary will be liable to pay the BID Levy.
- 4 The BID levy is proposed at 1.85% of applicable Rateable Value.
- 5 The BID levy will apply from 1st January each year.
- 6 VAT will not be charged on the BID levy.

More detailed information on the BID proposals is available at [hitchinherts.com](https://hitchinherts.com).



# DETAILED PROPOSAL INFORMATION

**Additional income** – this proposal commits to seek a substantial amount of extra income in addition to the BID levy over the life of the BID from other sources.

**Aims and objectives** – this plan explains how the BID would deliver improved trading for Hitchin.

**Ballot** – the timescale for the entire ballot process is clearly defined and both the BID and the Council will quickly and clearly communicate the ballot result.

**BID boundary** – the proposed BID area has been drawn to represent universal business interests and is formed around the natural town centre limits.

**Budget** – a detailed budget has been produced, which includes all income and expenditure, as well as the provision of a prudent contingency fund.

**Caps** – no levy caps are proposed to the BID levy payable.

**Communications** – a number of detailed communications with potential BID members have been carried out and are highlighted within this proposal.

**Company** – it is proposed that the Hitchin BID would operate on a non-profit basis as a Company Limited by Guarantee.

**Database** – the voter database has been refined to include the correct voter contact details, including those that are Head Office voting addresses, where appropriate.

**Empty properties** – the liability for the BID levy on any eligible vacant premises will revert to the Landlord.

**Exemptions** – There are no exemptions for businesses in the BID area.

**Governance** – the structure and operation of the BID Company has been designed so as to follow the highest possible standards of representation, governance and transparency.

**Inflation** – the proposed BID levy will be subject to annual increases by the rate of inflation at the discretion of the Directors.

**Levy** – the proposed levy has been selected as the minimum possible to deliver the required.

improvements and is considered to represent excellent value for money to levy payers.

**Levy collection costs** – the Council have kindly agreed to collect the levy free of charge.

**Mid-term review** – the Hitchin BID would undertake to commission and publish an independent review during the third year of the proposed five-year term.

**Monitoring** – the BID will employ regular and robust monitoring and reporting mechanisms, which will include an annual survey of a representative sample of levy payers, an Annual General Meeting and an Annual Report.

**Notices** – all notices, including those issued to the Secretary of State, the Local Authority and all proposed levy payers have been issued in line with the prescribed regulations from all applicable Legislation.

**Operating Agreement** – the BID has liaised extensively with NHDC as the Local Billing Authority and a detailed draft Operating Agreement which can be seen at [hitchinherts.com](http://hitchinherts.com).

**Operating costs** – the proposed budget includes a detailed breakdown of all anticipated BID operating costs, as far as can be determined at this time.

**Premises** – all relevant and eligible public and private sector premises within the BID area have been included in our database and this will be maintained to ensure accuracy during the lifetime of the BID.

**Proposals** – this document summarises the proposition to deliver additional services in Hitchin.

**Research and Consultation** – the BID development process has been carried out in a very open, inclusive and transparent manner and a number of consultative techniques have been employed over a twelve-month period.

**Revaluation** – the prevailing Rateable Value list, as updated on the 1st January each year of the BID term, will be used for the calculation of the annual BID levy for the duration of this proposal.

**Services** – the proposed BID projects have been generated through local research, are able to be measured and have been fully costed.

**Term** – the duration of the proposed BID, to include start and end dates, has been included in this document.

**Transparency** – every effort will be made to ensure the transparency of the operation of the BID, including the production and distribution of detailed progress, monitoring and financial reports.

**Variation** – there is no intention to significantly vary the projects within this plan and consequently we do not expect to seek a Variation Ballot for any reason, although, this could possibly occur during the term of the BID if it becomes necessary due to required material changes to the plan following the midterm review.

**Voting** – the ballot timetable is outlined on page 42.



Hitchin**BID**

*TO SECURE FIVE YEARS OF  
ADDITIONAL INCOME INTO  
HITCHIN TOWN CENTRE.*

|  
7<sup>TH</sup> NOV 2018  
BALLOT PAPERS ISSUED

|  
5<sup>TH</sup> DEC 2018  
DAY OF BALLOT

|  
6<sup>TH</sup> DEC 2018  
BALLOT RESULT DECLARED

THE BID WILL PROCEED IF  
TWO TESTS ARE MET

- 1 A majority vote in favour
- 2 Voters in favour must represent a majority of the Rateable Value





## CONTACT US

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Tom Hardy, Hitchin BID Manager

**Letchworth  
Business Improvement District (BID)  
Proposal and Business Plan  
From 2019 – 2024**

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# **Letchworth Business Improvement District (BID) Proposal and Business Plan 2019 – 2024**

## **1. Foreword**

### **Message from the Chair of the Letchworth BID Board**

It has been almost five years since the Letchworth BID first came into existence. Since then there have been a huge number of changes and some challenging times for businesses. At the start of the BID we were emerging from a period of economic recession and then, more recently, the aftermath of the 'Brexit' vote and the uncertainty which has followed.

Through it all Letchworth has started to realise that it has something which other places do not. We have a strong sense of community and some of the founding principles of the 'Garden City' are starting to become more relevant today than they have been since Ebenezer Howard first realised his vision.

After an uncertain start, businesses have come together through the BID to play an important part in shaping the experience for visitors, and for those who work and live in the town.

We are not alone in facing challenges of declining footfall and economic uncertainty, the pressures from changing lifestyles, increased mobility, aggressive competitors, greater customer choice and internet shopping. However, it will only be those town centres which are able to offer a great experience and good quality customer service which are going to thrive in the future.

Letchworth has great attributes and a fantastic cultural heritage, but it is vitally important that collectively we shout about this whilst at the same time building for the future and addressing any challenges head on.

The projects and initiatives in this BID Proposal and Business Plan aim to address factors affecting both the day to day operations of businesses in Letchworth as well as those impacting on the future success of the area, such as investment in retail, leisure and office space to cater for new businesses and to allow existing businesses to grow.

The activities contained in this proposal have been designed to be even more inclusive of businesses across the full extent of the BID area and with a greater emphasis on developing those quiet times and quiet parts of the town centre. Provision has also been made to account for the continued changes in the way people use their towns centres as well as the growing use of digital media, ensuring that the plan will remain relevant throughout the BID term.

This BID Proposal and Business Plan has been created by the Letchworth BID volunteer Board and Management Group consisting of business people like you and with a wide range of business experience. They have listened to your feedback via the many surveys, workshops and one-to-one meetings undertaken as part of the research process and have incorporated your thoughts.

The Board and Management Group have given their time freely because they believe in the future of Letchworth and are willing to play their part in helping to shape it. This plan sets out projects and initiatives which will support businesses and complement the programme of investment in the town centre and which, we believe, will make a positive difference to your business.

Our cumulative investment will provide a business-driven focus to ensure essential improvements to Letchworth town centre, a means of promoting the offer and a distinctive feel to the town centre. This investment will also set standards in the town centre which reflect our own aspirations as businesses, with a budget, over the five-year BID lifetime of over £1.2 million.

This is a realistic plan with realistic targets at a realistic cost. It is a chance for us to come together and lead the way in which the town presents itself and is perceived. Let's not allow this unique opportunity to slip away. We urge you to look carefully at the proposal and to give it your full support at the formal BID vote in November.

Chris Gerard  
Chair and Director of the Letchworth BID Company  
Director of Innventure Ltd

### **Current BID Development Board Members**

The BID Company, the Letchworth Garden City Business Improvement District Limited is limited by guarantee, is the body which has proposed the BID for the purposes of the BID Statutory Provisions and is responsible for the implementation of the BID plan. The membership of the board of the company is open to all businesses in the BID area.

The current members of the BID Board and Management Group are as follows:

<b>Name</b>	<b>Business Name</b>
Adam Fernandez	UHY - Hacker Young Accountants
Phil Paige	Morrisons
Chris Gerard	Broadway Hotel
Cllr David Levett	North Hertfordshire District Council
Graham Fisher	LGC Heritage Foundation (CEO)
Denise Poynter	Resident - Observer Role
Emma Al-Hudairi	The Cupcake Company
Graham Taylor	Talents
Heather Almond	North Hertfordshire College
Jack Philbin	Garden Square Shopping Centre
Jason Valentine	Broadway Cinema
Maureen Davison	Just for Me
Melvin Willis	Burrs
Patricia Saunders	Love Letchworth BID
Glenn Thompson	Alexander Lewis Estates
Hillary Kemp	Observer Role

## 2. Executive Summary

### **BID background**

Business Improvement Districts are created by businesses and organisations which come together to collaborate on initiatives that improve location where they trade or do business. Business Improvement Districts are driven by participating businesses - who work together to draw up a business plan which is voted on and, if agreed, is then funded through a levy based on business rateable values, as well as trying to lever in additional funding where possible for investment into the delivery of projects for the benefit of businesses.

This levy is collected by the council and paid directly to the Business Improvement District company. This is a not for profit company which will be set up by the businesses and will be accountable to the businesses in Letchworth to manage the business improvement district business plan.

### **The benefits of the Letchworth Business Improvement District**

After a deep recession and now the economic turbulence of post 'Brexit', the need for businesses to work together for a better future has never been greater.

The benefits of a BID do not just come from the ability to deliver projects and services from a guaranteed budget but come from the collective influence of the businesses in the BID area. Influence to change perceptions about a place, of potential visitors to Letchworth that it has something different, of new businesses that they will get a return on their investment if they come to the town and of residents that they have pride in the place once again.

The influence of the collective voice of businesses working together also translates into productive relationships and outcomes, when working with other organisations such as the local authorities, the Letchworth Garden City Heritage Foundation (LGCHF) and the police, to meet the businesses' needs.

The research and consultation with businesses undertaken in preparing this plan reflects the clearly held view that Letchworth has a lot to offer as a town and the potential to re-invent itself to meet the needs of its residents, visitors and its businesses as they are today. Businesses have recognised that this is an important opportunity to develop Letchworth's identity and raise its profile for the benefit of all businesses.

This new business plan has been developed to ensure that it:

- is balanced to cover all business sectors
- clearly defines the role of the BID
- seeks to create and take advantage of new opportunities
- has focussed activity but remains relevant for next five years
- has deliverable and achievable objectives

It lays out a business-led programme of investment to tackle issues identified by businesses with the aim of creating a positive and more profitable trading environment to potentially benefit all business sectors. To achieve this, the BID levy will be 1.5% of rateable value as now with all charges rising in line with inflation each year for five years.

In addition to receiving the broad benefits that BID offers your business in terms of driving local

business investment and growth, you will gain direct access to collective promotional campaigns and have the opportunity to link into social and digital media activities. You will have access to collective cost reduction schemes, the opportunity to participate in seminars and workshops offering business support and advice, invitations to regular BID networking events to develop greater local business community collaboration and much more.

As a business who pays into the BID this is an investment. The aim of the BID is to deliver as much value back in benefits, if not more, than the money you pay in.

### **The Area**

The Letchworth Business Improvement District covers the area from the north west of Neville Bridge at the junction of Icknield Way and both sides of Bridge Rd. The boundary then follows the railway line to the north east to Norton Way North before running south following property boundaries to the east of Norton Way North to Norton Way South. It includes Howard Park and runs down to the south east to the junction of Rushby Mead and Pixmore Way. The boundary then runs west from the junction of Gernon Rd and Norton Way South to include offices on Gernon Walk and those to the east of Broadway Gardens. It takes in properties to the west of Broadway Gardens and Broadway before crossing over Station Rd to return to the north west corner.

The Letchworth BID Area has been selected to cover the commercial core of the town centre. The aim of the BID Area is to bring the Letchworth business community together to act with one voice with an open policy to encourage dialogue and involvement from other businesses and organisations which may not be in the area but have a direct stake in the town centre.

### **The Vision**

Through this business-led programme of investment the vision is for Letchworth town centre to be:

- A 21st century Garden City which is connected and engaged with its residential and business community
- A vibrant 'Go to' place with a sense of common purpose which is attractive and appealing for everyone who lives, works, visits and does business in Letchworth
- A place which is lively, has a strong sense of identity and awareness and is recognised internationally.

### **Strategic Objectives and Projects**

The programme of investment will be delivered through the three strategic objectives and their related projects.

#### **Objective 1: Lively and well promoted**

To create a place which is lively, has a strong sense of identity and awareness.

#### **Objective 2: Welcoming, attractive and accessible**

To provide a welcoming, attractive and easily accessible environment for visitors, workers and residents to explore and enjoy.

#### **Objective 3. Businesses working together**

To represent the collective voice of businesses in the town centre to ensure that it continues to develop into a great place to do business and meets the needs of those who live, work, visit and do business in Letchworth.



**Costs and funding**

The budgeted income over the five-year period of the BID is approximately £1.2 million. The yearly income will be made up of some £163,000 from the levy revenues and a sum averaging around £82,000 from voluntary, private and public sector contributions and commercial revenue

Draft

### **3. What is a Business Improvement District?**

A Business Improvement District (BID) is a precisely defined geographical area within which the businesses have voted to invest collectively in local improvements to enhance their trading environment.

BIDs were enabled by parliament through the Business Improvement Districts (England) Regulations 2004. This legislation was based on the experience of some twenty years of successful BID activity in America and Canada. Since 2004, over 300 BIDs have been proposed and approved by business communities in England and Wales. These include Welwyn Garden City, Royston, Hitchin, Luton, St Albans and Watford and many London boroughs.

There are a more than 120 BID areas which have been operating for more than five years and have gone through a renewal ballot and enough time has elapsed that many have now entered their third term having gone through a third ballot. In most cases BIDs going on to a second term have received an even greater endorsement in the vote than they did the first time. BIDs have brought significant improvements to the trading environment of the businesses based in these locations. Further details are available on the Association of Town and City Management web site: [www.atcm.org](http://www.atcm.org).

The lifetime of the BID is prescribed by the Regulations and is set at no more than 5 years. It is possible for a BID to be extended by proposing a new Business Plan at the end of the BID lifetime for a fresh formal vote by the businesses.

The purposes of a BID are to provide new or expanded works and services or environmental enhancements within the prescribed BID area, funded via a BID Levy charge. All services/improvements will be additional to those already provided by the North Hertfordshire District Council and the Hertfordshire County Council. This charge is payable by non-domestic rate payers and is collected by the council in much the same way as business rates. The manner in which the BID Levy charge is calculated is defined in Section 12.

All works and services will be contracted by Letchworth Garden City Business Improvement District Ltd, the BID Company and the BID body for the BID area. The objectives and aspirations of the Letchworth Garden City Business Improvement District Ltd are set out in this BID Proposal and Business Plan.

This BID Proposal and Business Plan has been prepared in line with best practice and guidelines from HCLG.

A set of definitions for terms used throughout this document is contained in Appendix 1.

#### **The vote**

To succeed the ballot has to pass two tests: A simple majority vote of those who vote must register a 'YES' and the aggregate rateable value of those who vote 'YES' must be greater than that of those that vote 'NO'. If these two criteria are met, the Business Plan is activated and all businesses in the area concerned will be required to pay the levy.

The persons entitled to vote, and be liable for the levy, are the ratepayers of non-domestic premises in the Business Improvement District which meet the levy criteria outlined in Section 13.

The Ballot Holder for the Business Improvement District vote is the North Hertfordshire District Council's 'CEO', David Scholes. Scrutinising and administration of the ballot will be undertaken by

UK Engage. Details of voting procedures and how you can confirm persons entitled to vote can be found by contacting North Hertfordshire District Council's Electoral Services on Tel 01462 474305 or by e-mail [elections@north-herts.gov.uk](mailto:elections@north-herts.gov.uk).

### Alteration of arrangements

The Business Improvement District, its boundaries, business plan and the levy percentage cannot be altered without an alteration ballot, although its board can adjust projects and spend as they feel appropriate, provided the basic tenets and budgets are not compromised. This is explained in more detail in Section 12.

### The levy

A levy of 1.5% of rateable value (RV) is proposed for all businesses irrespective of their rateable value and which fall within the levy criteria laid down in Section 13.

This levy arrangement will generate around £775,000 of ring fenced funding over the five-year life of the BID and will also be used to lever in additional funds where possible adding a further £350,000 over the life of the BID. This will be used to fund the projects identified in this Business Plan

### Duration and commencement date of BID Arrangements

Subject to the successful ballot in November 2018 our proposal is for the Arrangements for the Letchworth Business Improvement District Proposal and Business Plan to operate for five years and to commence, on the 1<sup>st</sup> April 2019. After five years, in 2024, it can be extended or renewed – but only after being subject to a renewal ballot.

### Timescales

Action	Day and Date	
Notice by BID Proposer to Billing Authority & Secretary of State of intention to hold ballot (at least 84 days before Ballot Holder requested to hold ballot Action Point 4)	Thu	28 June 2018
BID Proposer requests Billing Authority to instruct Ballot Holder to hold a Ballot (BID proposals need to be completed)	Target Date:	
	Wed	03 October 2018
	Latest Date:	
Billing Authority formally requests Ballot Holder to hold ballot	Wed	24 October 2018
	Target Date:	
	Sun	14 October 2018
Ballot Holder issues Letter to Business Ratepayers to give information about the ballot and identify named person to receive ballot paper (latest date is 42 days before Ballot Day)	Latest Date:	
	Wed	24 October 2018
	Target Date:	
	Wed	17 October 2018
	Latest Date:	
	Wed	24 October 2018

	Target Date:
--	--------------

Ballot Holder publishes Notice of Ballot (latest date = 42 days before ballot day) also to send copy to Secretary of State, a copy of the published notice of ballot, as per Schedule 2 3(d) of the 2004 Business Improvement Districts (England) Regulations	Wed	17 October 2018
	Latest Date:	
	Wed	24 October 2018
Ballot Holder Issues ballot papers (at least 28 days before Ballot Day)	Wed	07 November 2018
Last day to appoint a proxy (tenth day before Ballot Day)	Sun	25 November 2018
Replacement of lost and spoilt ballot papers (from the fourth working day before the Ballot Day)	Thu	29 November 2018
Ballot Day (up to 5pm)	Wed	05 December 2018
Count and announcement of result	Fri	07 December 2018

#### **4. The Letchworth BID – The first five years**

Five years ago the Letchworth Business Improvement District was established by businesses in the town to address the increasing challenges faced by many small towns and high streets across the country.

Having battled with the recession, many businesses were still fearing for their future with increasing competition from neighbouring towns and the internet and businesses feeling that they had no role to play in the development of the town.

Five years on and Letchworth has started to find a sense of confidence about itself and its future starting to establish itself as a destination for some great events, entertainment and a great evening out. Sundays have developed into an important trading day for many and the office-based businesses are starting benefit from the great environment they work in. It is a family friendly safe town.

There have been some challenging times along the way. A recession which rocked the economy and whose impact was still being felt at the start of this BID. The way in which people use their towns and city centres has seen considerable change. Technology (and peoples use of technology) has moved apace and continues to evolve changing the way we live and work and is impacting upon the way in which businesses operate.

Through it all Letchworth is not only surviving but is developing. Over the last five years Letchworth BID has continually invested in projects and activities which you, the businesses, have identified as your priorities. Below are just some of the initiatives undertaken during the first BID term; without businesses working together and providing funding via the BID levy none of these activities would have been possible.

##### **Letchworth BID 2014 – 2019**

- Established a respected events programme generating additional footfall and repeat visits.
- Generated commercial revenue from events which has enabled them to grow and develop and attract sponsorship.
- Improved access and signage into and around Letchworth by working with North Hertfordshire District Council and the Letchworth Garden City Heritage Foundation.
- Provided training for business free of charge
- Introduced networking events to bring businesses together
- Celebrated and profiled businesses for their customer service excellence through award schemes
- Started to develop the recognition of the Love Letchworth brand and Letchworth's reputation which has started to develop some pride in the town.
- Promoted businesses and organisations to a wider audience with trails and campaigns, as well as adverts and editorials in targeted publications and an extended reach through social media attracting new people from beyond the immediate catchment of Letchworth.

We have also learned a lot of things along the way:

- When large events are on, retailers' turnover can go down – so frequency and scale has to be balanced and the diversity of events is important.
- The human energy of 'connection' is really important and when we work together Letchworth can



bring out a real sense of community across businesses.

- The BID is not about one business, one person or a small group – it is about everyone coming together to listen, share ideas and work towards a common goal.
- The BID can enable us as businesses to make a difference to the town in which we work and operate – we do not have to simply rely on others to do this, but working with others we have a part to play in the future of Letchworth.

Draft

## **5. The Letchworth BID - Working together must make a difference!**

Having started to recover from a deep recession from 2008 to 2013, the national economy, pre 'Brexit' is facing uncertain times and many challenges lie ahead. Besides the challenges of the economy, lifestyles are changing and influencing the way in which we use our time and spend our money. Technology continues to develop and change the way we live, work and use our town and city centres both as individuals and as businesses.

By 2015, roughly 80 percent of UK internet users were shopping online, the highest online shopping penetration rate in Europe. In 2018 nationally, e-commerce accounts for 22% of all retail sales and will continue to increase. In the UK sales via mobile phone are rising dramatically, last year sales via mobile devices represented 40% of all e commerce transactions.

We need to think about ways in which we can work together to create multi- media opportunities for smaller businesses working together and create an experience in Letchworth which makes people want to come to the town to shop as well as simply clicking and buying online.

Over the last ten years volume of alcohol purchased per person in the UK from the off-trade increased by 38% while the volume of alcohol purchased on-site fell by nearly half. The future of a town's night life will not rely on an offer of drink-only establishments and provides new opportunities for businesses and organisations to develop their offer and encourage a wide range of people to enjoy the town in the evening and at night.

The UK professional services sector is by far the largest part of the economy, accounting for about three quarters of economic activity. It is also the sector which showed the first signs of recovery after the recession. This sector is completely hidden from view and although limited within the commercial core of the town centre, it is an essential part of the local economy of Letchworth. This sector provides Letchworth as a whole, with an opportunity to shape its identity and to promote itself as a centre of quality and internationally acclaimed professional service businesses.

The role of heritage and culture in town and city centres are also growing as important sources of economic prosperity and growth with heritage alone contributing around 2% of GVA to the UK economy. Letchworth is only just over one hundred years old but has a unique heritage upon which it can build. The principles upon which it was designed and built are probably more relevant today than they have ever been and provide an ideal platform to create and develop something special.

The town is within easy reach of large audiences and business markets, it is as easy to get to Letchworth as it is to go from it. In order to take advantage of the opportunities which exist, it is essential that the BID works closely with others such as the North Hertfordshire District Council, the Letchworth Garden City Heritage Foundation and the Transition Town Letchworth to raise the town's profile, improve the appeal to visitors and make it a great location for people to live and work and businesses to operate and invest.

The North Hertfordshire District Council in their Economic Development Strategy 2015 recognised that the town centres need to have investment to attract investment. In their Objective 4 'Supporting Business' they made the identified that:

*'Strengthening the economic offer and function of our town centres is also important, ensuring that they are competitive and attractive for modern-day use. This will in turn make them desirable places to be and increase their vitality and viability.'*

This objective and statement directly reflect the views of businesses in the town centre who feel that the town is not as competitive as it should be from a retail or leisure perspective with its limited offer.

Businesses recognise that there is a need to invest in making the town more vibrant and promoting its strengths. In this way it will start to become more commercially attractive and start to appeal to new businesses who see the opportunities in the town. This BID Proposal and Business Plan seeks to create a town which is competitive and attractive for modern-day use through the Objectives 1 and 2 detailed below in Section 10.

This links back to the Economic Development Strategy's Objective 1 – 'Increase investment and business engagement', where the District Council state that this commitment should be achieved by:

*'Developing better links between ourselves and businesses, but also between business to business which will have the added benefit of encouraging collaborative working. Developing networks and encouraging relationships will have potential benefits for staffing, skills and knowledge and will provide the opportunity for businesses to promote their products and services as well as increasing knowledge of issues such as business regulations, exporting and finance initiatives'.*

This links directly into this BID Proposal and Business Plan's Objective 3 'Businesses working together' where activities include increasing opportunities for doing more local trading and benefiting from initiatives which will contribute towards the reduction of business overheads.

In the Local Plan 2016 – 2031 – North Hertfordshire District Council identify in their policy SP4 Town and Local Centres that:

*'The Council will make provision for an appropriate range of retail facilities across the District and are committed to protecting the vitality and viability of all centres.*

*We will:*

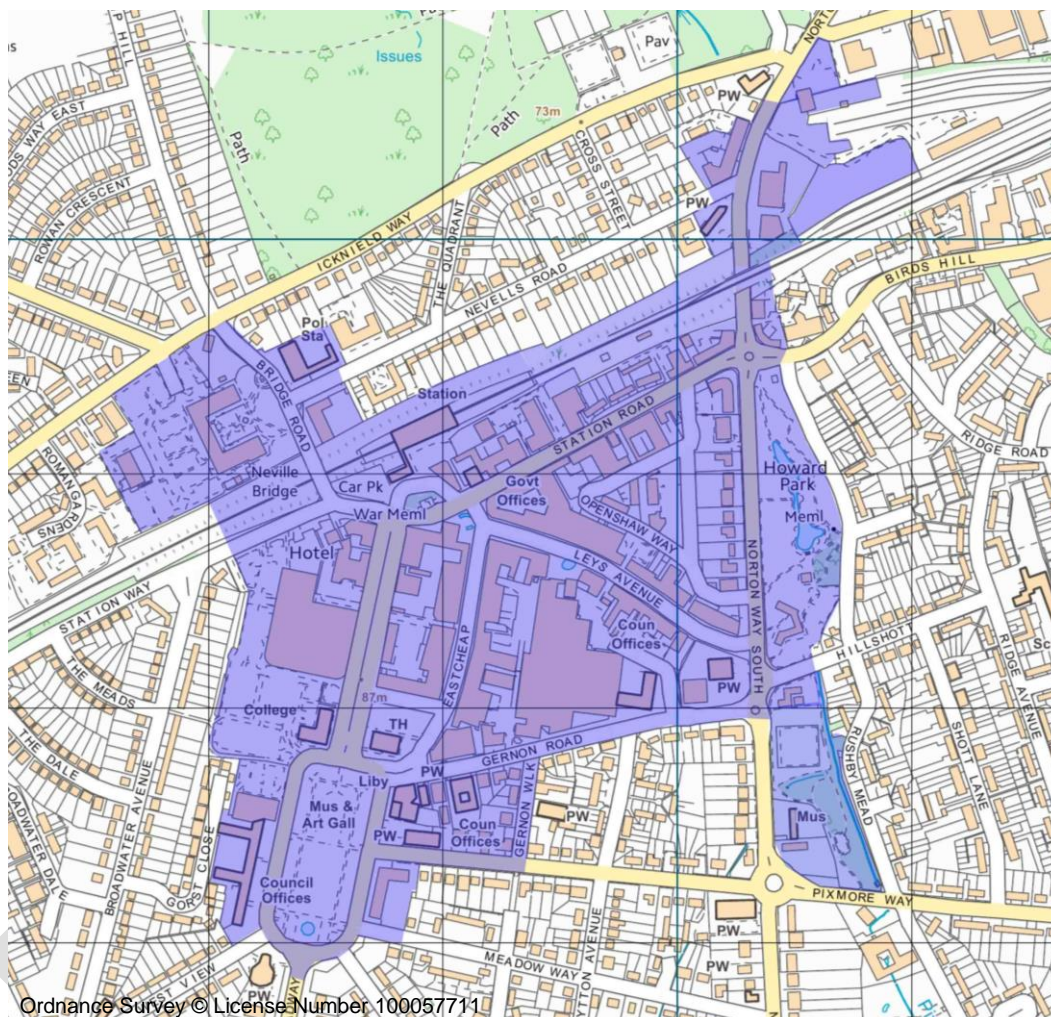
- a. Promote, protect and enhance the retail and service functions of the following centres in our retail hierarchy:
  - i. the town centres of Hitchin, Letchworth Garden City, Baldock and Royston;**
- b. Support proposals for main town centre uses in these locations where they are appropriate to the size, scale, function, catchment area, historic and architectural character of the centre;*
- e. Maintain up-to-date town centre strategies to support this approach and / or adapt to change;*

All three objectives of this BID Proposal and Business Plan serve to support the policy SP4 and potentially the BID provides a valuable vehicle through which these stated aims of the Local Plan can be achieved. The BID believes that this plan compliments the aims of the local authority

The feedback from the surveys, interviews and workshops undertaken to develop this BID Proposal and Business Plan has identified the needs and challenges faced by all business sectors and has taken account of the opportunities.

By working together as a cohesive business community with other key organisations and public sector bodies, using our collective strength there is huge potential to make Letchworth a great place to visit, live, work, invest and grow a business.

## 6. Where will the Letchworth BID operate?



The shaded area represents the full extent of the Letchworth Business Improvement District.

A full list of streets within the BID area is shown in Appendix 2. All non-domestic hereditaments within the BID area will, if the BID is approved, be liable for the BID levy (as defined in section 12). The BID covers all non-domestic rated properties. Thus banks, building societies, car parks, council facilities, the college, restaurants, clubs and pubs, estate agents, leisure operators, charities, recruitment agents, retail and health and beauty outlets, office based businesses and organisations, and transport and travel agents and all other non-domestic hereditaments are included within the BID and will, subject to the detailed levy criteria in Section 12, contribute to the BID's collective funding and activities flowing from the combined budget.

The BID Area includes any smaller business areas located off these roads or streets that are located within the boundary of the BID Area defined by the shaded area illustrated on the map and any other road or street, even if they are not listed in Appendix 2 and will include any new road or street which is developed or created during the life of the BID which is within the BID Area.

## **7. Services provided by the North Hertfordshire District Council**

### **North Hertfordshire District Council's Support for the Letchworth BID**

The North Hertfordshire District Council fully supports the Letchworth BID. In particular, it endorses the fundamental principle of additionality within the BID by agreeing to maintain the provision of existing services from the council to businesses at their current level (subject to budgetary constraints) across the North Hertfordshire District administrative area. Thus, in line with BID legislation, BID services within Letchworth will be additional to (not in substitution for) those provided by the council. If there is a need for any change in service levels provided by the council these will not be disproportionate to other parts of North Hertfordshire District outside the BID area.

The council's commitment to the Letchworth BID and the working relationships between the council and Letchworth BID Company are set out in complementary documents agreed between the council:

- A Memorandum of Understanding and Operating Agreement which defines the working relationship between the council and Letchworth BID Company and sets out the council's operational support to the BID on a number of specific issues
- A set of Baseline Agreements, each defining the benchmark for a specific service provided by the council and other agencies to the businesses in the area

### **North Hertfordshire District Council's Vision for the BID**

Beyond its clear commitments set out in the Memorandum of Understanding, the council welcomes the opportunity offered by the BID disciplines to develop a strong and more dynamic partnership between the council itself and Letchworth's businesses. The council intends that this forward looking evolution of its relationship with businesses should take shape along the following lines during the five year BID period:

- Establishing a serious dialogue with Letchworth businesses on issues that can promote a stronger trading environment for them.
- Exploring more effective means of delivering council services to businesses. This will include more cohesive ways of tailoring and delivering specific services to Letchworth.

### **Council Services for Business**

Businesses will continue to benefit from all the standard council services provided for the benefit of all stakeholders in the town (cleaning, access, safety, maintenance and public amenities). In addition, the council delivers a wide range of services either directly or indirectly specifically for businesses, these include:

- Business continuity planning
- Economic Development
- Health and Safety at Work
- Business start-ups
- Tendering for council business
- Business rates

Details of these services can be found on the council's web site under the Business Tab <https://www.north-herts.gov.uk/home/business>

### **Individual Baseline Statements**



In full support of the above commitments, Service Directors within the council will draw up Baseline Statements on the specific services they are responsible for. These documents define the benchmarks for the provision of these services and the fact that any change will not disproportionately impact upon the BID area more than any other area outside the BID within the Borough's administrative boundary. They also cover how the services will be measured. The council attaches particular importance to the incorporation of value for money principles and measures within all the Baseline Statements.

The Baseline Services are defined below:

- Town Centre Compliance (Environmental Health & Licensing)
- Environmental Services
- Parking Services
- Fountain and Statue Operations/Maintenance

The process of creating the baseline agreements proves valuable to both the service providers and the BID company. The development of these partnerships and the additional focus on the services provided in the area, will give tangible benefits over and above those derived from the projects outlined below.

#### **North Hertfordshire District Council's Operational Support for the Letchworth BID**

The council's support for the BID will take practical shape in the following specific ways:

- Conducting, through the council's Democratic Services, the formal BID vote in accordance with current BID legislation and procedures
- Assuming a positive outcome to the BID vote, collecting the BID levy defined in the BID Business Plan from Letchworth businesses and transferring the levy sums direct to the Letchworth BID Company. The council will pay the gross levy sums to the Letchworth BID Company at times agreed with the BID after collecting it.
- Nominate a Councillor to sit as a Director on the BID Company Board
- Paying the appropriate BID levy set out in the Business Plan in respect of all its own hereditaments within the Letchworth BID area.

#### **Monitoring and Review**

The council is committed to the regular monitoring of the operation of the BID Operating Agreement and reviewing its effectiveness in conjunction with Letchworth BID Company. This will be carried out as follows:

- The council monitors performance of key services through the council's Business Plan with monitoring reported to the Cabinet. Where there is a specific issue with service delivery within the BID area the respective Service Director will discuss this with the Letchworth BID Company.
- There will be annual reviews of each of the specific services for which a Baseline Statement is shown above. This will be led by the North Hertfordshire District Council Service Directors that will discuss with the Letchworth BID how the service commitments have been actually delivered during the period, and if necessary update the service levels to reflect the services each will be provided in the following year. These reviews will be scheduled to best effect for the North Hertfordshire District Council and Letchworth BID Company's yearly budgeting cycles.

## 8. The Research and Consultation Process

### Background

The last year has seen extensive research undertaken across a wide range of stakeholders to ensure that the plan which has emerged has an in depth understanding of the views and aspirations of the businesses in the area as well as an appreciation of the perceptions of those who visit and also work in the area.

The research encouraged participation from all businesses across the town centre:

- All businesses in the proposed BID area were mailed survey forms and asked to complete them seeking their opinions on a variety of issues.
- All businesses were included in mail shots and publicity including BID newsletters and frequently asked questions and e-bulletins where e-mail addresses were available.
- BID Manager available for drop-ins for any business to come along and discuss the BID and contribute their thoughts and ideas to the development.
- 45% of all businesses had at least one personal visit to discuss the BID.
- 33% of all businesses of £6,000 rateable value and above participated in detailed one-to-one interviews and completed detailed four-page surveys.
- 38% of all businesses of £12,000 rateable value and above participated in detailed one-to-one interviews and completed detailed four-page surveys.
- A launch and information event at the start of the project.
- A series of six Vision and Objective Setting workshops at the start of the development where all businesses were invited and discussed their challenges, opportunities and vision for the future of the town centre.
- A series of four Budget Setting workshops, where businesses were invited to allocate funds to projects emerging from the research process.
- Businesses were invited to submit their views via letters, email and to the Love Letchworth team.
- Press releases in the local newspaper promoting all the events and workshops and providing feedback and opportunities for businesses to contact the BID development team.
- Active participation and decision making by the business representatives from the Letchworth BID Board in all aspects of the development of this plan.

There was also a Public Survey undertaken during the day across weekdays and Saturdays from 156 people in the street.

## What were the aims of the research?

The objective of the research was to:

- Identify the key issues which impact upon all businesses in the area across all business sectors and to develop solutions to address the and which will help businesses achieve their own internal objectives
- Identify and assess the impact and the relative importance of different potential initiatives on businesses.
- Assess the public view of Letchworth and the different ways in which the public use the town.

## Research results

Surveys and interviews were carried out across a range of businesses from all sectors and sizes of Letchworth town centre.

Fig 1: Profile of surveys from across the range of rateable values of business

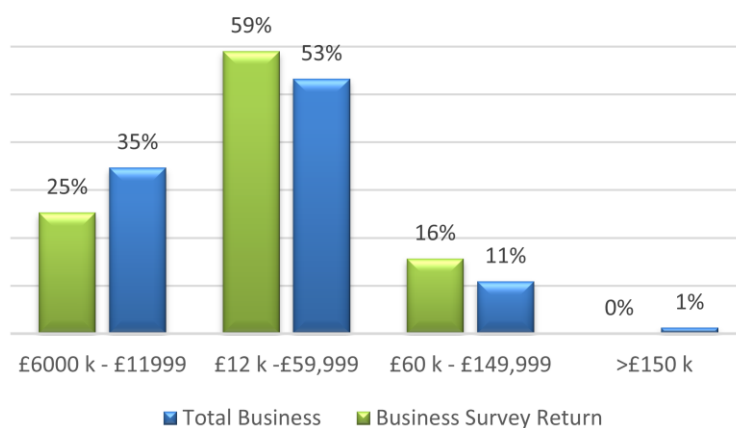
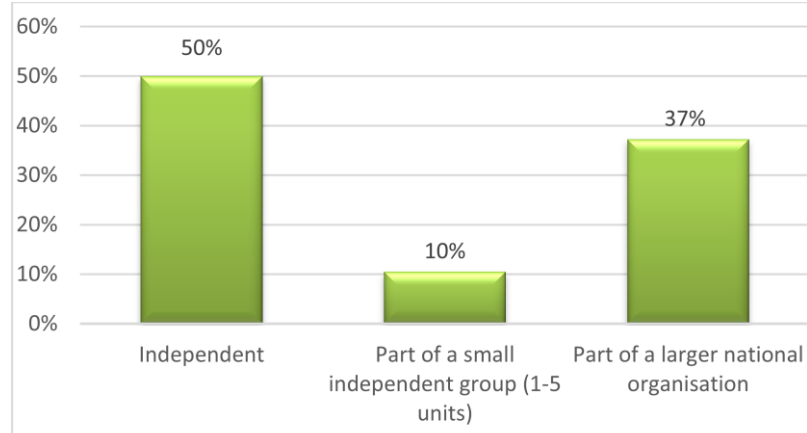


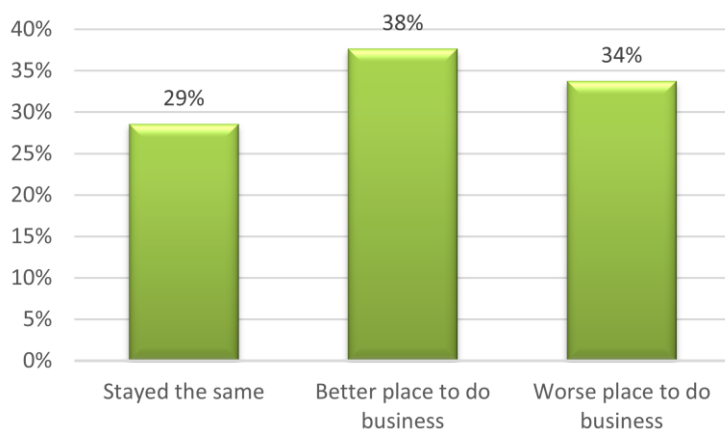
Fig 2: Profile of Surveys from across different business structures



## Is business good in Letchworth?

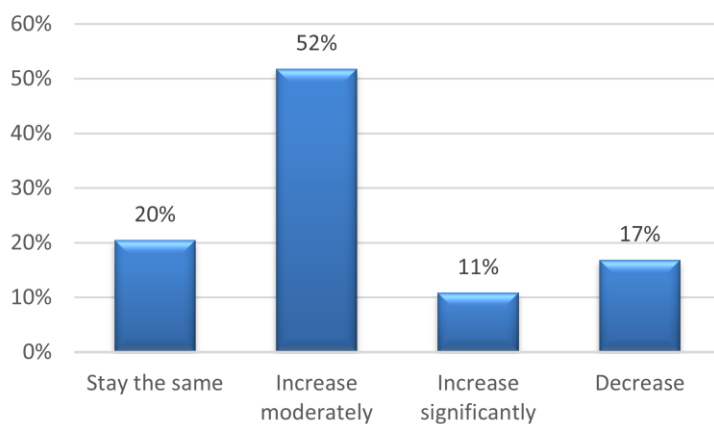
Around a third of the businesses who were interviewed had only arrived in Letchworth in the last five years. However, despite the economic uncertainty and the fragile nature of retail, 67% of businesses said that Letchworth town centre had either stayed the same or become a better place to do business over the last five years with 35% saying that it had become worse. This was reflected in the public surveys for Saturdays where 73% of those interviewed said that the place had improved over the last five years. It is interesting to note however that the weekday visitor to the town, who tends to be more local and visit more frequently was less inclined to think it had improved with only 52% saying it had improved over the last five years.

Fig 3: How has Letchworth been as a place to do business over the last 5 years?



Businesses appear to be relatively confident for the future with 63% anticipating either moderate or significant growth.

Fig 4: Anticipated business performance over the next 5 years.

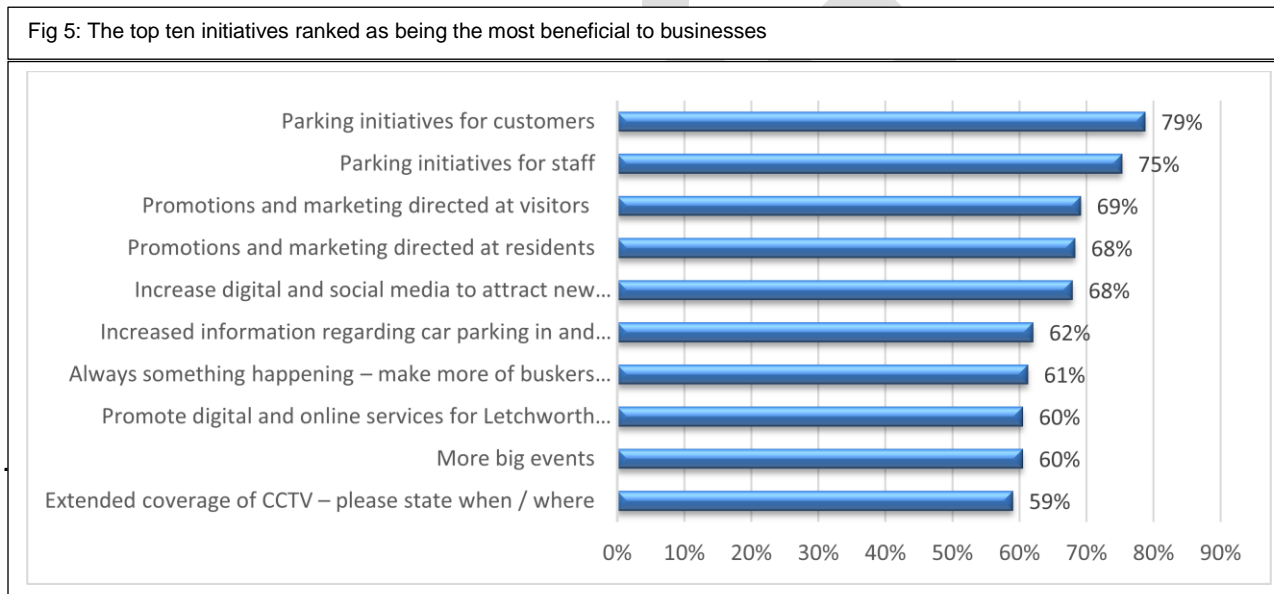


## Promoting the place and making it lively

The key message to come through from businesses was that it is important to develop great events and lots of things to do for visitor to the town and those who live in the area but Letchworth should also promote the positive aspects of the town. If these factors were addressed, this would improve its commercial attractiveness and encourage a greater range of retail and leisure businesses to establish themselves here.

Business said that the events are good but there should be even more things to do when you come to Letchworth on a day to day and week to week basis, even in the early evening which is developing as a busy period for the town and on a Sunday when some retailers see this as their second most important trading day. Five out of the top ten initiatives which businesses believe would benefit them most were all related to marketing and promoting the town and its businesses.

Fig 5: The top ten initiatives ranked as being the most beneficial to businesses



Although only a quarter of businesses thought 'Things to do for the family' was poor or very poor it still managed to get into the top ten worst issues ranked by businesses. 'More big events' featured in the top ten of most beneficial initiatives by businesses. This was also discussed at workshops where there were a number of views expressed about the way in which they could be made to work better for businesses based in Letchworth. Business highlighted the importance of making sure that events did not simply use the town as a 'stage' but were more integrated with the business offer, that they encouraged people to explore more of the town and that the events had a 'Letchworth' slant to them and used as an opportunity to reinforce the town's identity.

## Making the town even more welcoming and accessible

The overall environment of the town is one of its key strengths. In fact, landscaping and greenery/floral, the condition of street furniture and street cleansing and litter control came out as the top three factors which were ranked as either good or very good by businesses with scores of between 87% and 91%.

One of the top key issues for businesses was parking for staff being considered poor or very poor



by two thirds of the businesses. This was followed by cost of parking. This was echoed in the top initiatives which would benefit businesses which were, addressing parking for customers 79%, making it the most important initiative and parking for staff at 75% making it the second most important initiative. During workshops discussion of these issues covered the poor signage to the car parks and also poor or non-existent signage within and from the car parks for pedestrians to find their way out. Issues such as the only pedestrian entrance to the only long stay carpark in the town after 6pm is not signed and not clear and requires a considerable walk around the back of the Garden Shopping centre are relatively simple things to address but make a big difference to the customer experience. This is particularly important when one considers the findings of the public survey where more than 50% of the public come to the town by car.

Although the surveys from the public thought that costs of parking and ease of finding the car parks was good, the sample interviewed are local to the town and visit on a frequent basis so questions about signage do not necessarily reflect the views of those who have not visited the town before or visit very often.

Even though the overall environment ranked highly, businesses still felt that where there are areas or buildings which are untidy or lack care, then these stand out even more and detract from the appearance of the surrounding area. Businesses felt that there was a role to play to support the overall care of the town with targeted approaches to cleaning and addressing vacant and derelict properties with landlords and agents.

## Improving the retail offer

The variety of shops and the retail offer was ranked as one of the two worst issues in Letchworth and this was also the top issue for public surveys with 59% disagreeing with the comment that 'Letchworth has a good range and variety of shops'.

Fig 6: The top ten key issues ranked poor or very poor by businesses



The way businesses work together was also ranked as one of the top ten issues for businesses although 41% of businesses ranked this as being good or very good. The workshops identified a

number of ways in which businesses can work together more closely and dynamically to increase opportunity and benefits for businesses from more local trading and awareness of anything which may impact upon their operating environment. These included staff and business benefit schemes for those who work and are based in Letchworth together with more communication between the BID and businesses themselves about forthcoming opportunities.

The overall retail offer of the town centre will only be improved if the town becomes more vibrant and commercially attractive, together with an increased awareness of the great environment and a sense of a unique identity and a place which everyone wants to be part of.

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## **9. The BID's response**

Following our extensive research three key project areas of the Letchworth BID have emerged reflecting the key issues and opportunities identified by the businesses. The activities within each of the project areas have been specifically designed to address and take advantage of these.

It was clearly evident from the comments and feedback that Letchworth is currently exposed to the changing dynamics of the way in which people use towns and city centres in terms of its limited retail offer. However in many respects it is well placed as an environment to take advantage of the desire for a 'great experience' if it can raise the profile of its beautiful environment, create a greater sense of animation and in turn develop its business offer. In fact Letchworth has many advantages over other competing town centres if it can address the issues identified by businesses.

The key issue is the lack of retail offer and the over-all business mix. It does not feel like a dynamic place to do business. The leisure offer has started to improve for the evening economy but there is a lack of diversity of retail and there is also considerable scope to encourage more office-based businesses to base themselves in the town centre. The presence of a good office-based business sector with amenities for staff are essential to create an animated and buoyant daytime economy in the town centre.

Letchworth can start to address these issues by building upon its great environment, as an attractive town centre but in order to do this it needs to feel animated and address other issues identified by businesses which make a town work. The basics such as pedestrian and road signage, traffic flow and ease of access to and from parking areas with good parking environments and payment structures are essential if the town is to work for all those who work, visit and live here.

Letchworth also needs to make itself relevant to the needs of its residents and visitors today and if it can develop and profile its identity then the town will potentially, once again, act as a model of best practise and innovation for towns and cities across the UK.

The BID could act as a catalyst for businesses and organisations to come together and play a key role in this new and exciting era in the life of this town. This BID Proposal and Business Plan has been designed to ensure that the activities benefit as wide a range of businesses as possible. It will do this by becoming a 'Garden City' which is relevant to the 21<sup>st</sup> century, which is connected and engaged with its residential and business community, is a vibrant 'Go to' place with a sense of common purpose which is attractive, appealing and lively and has a strong sense of identity.

All businesses and organisations stand to benefit from these additional projects and activities which have been identified by businesses across Letchworth as being crucial to their future.

### **How will the delivery be monitored?**

Monitoring and measuring the performance and effectiveness of the BID activities is an integral and essential part of the plan. Businesses need to be confident that their levy money is being invested as productively as possible to maximise results.

The effectiveness of the measures undertaken will be gauged by key performance indicators monitored and relevant for each project area, including footfall, customer surveys, business surveys, photographic evidence, vacant properties and footfall trends. These measures and key performance indicators are identified for each objective and need to be monitored on a regular basis throughout the life of the BID.

## 10. Vision and Objectives

Assuming a positive BID vote by a majority of businesses by both rateable value and number, BID operations will start on 1<sup>st</sup> April 2019 and will continue for a total of 5 years.

### The Vision

Through this business-led programme of investment the vision is for Letchworth town centre to be:

- A 21st century Garden City which is connected and engaged with its residential and business community
- A vibrant 'Go to' place with a sense of common purpose which is attractive and appealing for everyone who lives, works, visits and does business in Letchworth
- A place which is lively, has a strong sense of identity and awareness and is recognised internationally.

### Objective 1: Lively and well promoted

To create a place which is lively, has a strong sense of identity and awareness.

### Amount the BID will spend:

An initial budget of £105,000 p.a, increasing to £108,000 by year 5 – a total of £535,000 over five years.

### Activities

- a. Work with others to define, develop and promote the brand identity of Letchworth town centre which reflects its strengths, characteristics and heritage and is reflected in everything the BID and other partners deliver.
- b. Increase awareness of Letchworth as a destination, its business sectors, its events and all it has to offer by using digital and social media channels, traditional marketing and PR in a way which is consistent with its brand.
- c. Develop promotional campaigns to attract more people and loyalty schemes, to encourage more frequent use of the town centre.
- d. Develop Sundays into a day for a great family experience.
- e. Develop and organise a programme of annual and regular events and activities to create an animated feel to the town centre throughout the year, including the quieter months.
- f. Promote, develop and recognise customer service excellence through award schemes.

### Measures and Results:

- Footfall to the town centre which is stronger than national high street trends
- Increased footfall over time in traditionally lower trading periods.
- Increased number of active users of digital media promoting Letchworth and its businesses.
- Increased levels of sales activity across the whole of the town centre
- Positive media exposure locally, regionally and nationally measured through numbers of articles, publications, click-throughs on digital media and value through using advertising value equivalent. (a.v.e)

- Numbers of businesses actively engaged in BID activities and the use of and their association with Letchworth in their own marketing and promotion.
- Numbers of businesses and public regularly engaged and involved in a loyalty scheme
- Increased numbers of people visiting Letchworth from the catchment area and beyond
- Reduction in numbers of vacant units

### **Objective 2: Welcoming, attractive and accessible**

To provide a welcoming, attractive and easily accessible environment for visitors, workers and residents to explore and enjoy.

#### **Amount the BID will spend:**

An initial budget of £42,000 p.a, increasing to £43,000 by year 5 – a total of £212,000 over five years.

#### **Activities**

- a. Work with others to maintain and enhance the usability, appearance and vibrancy of the streets and open spaces.
- b. Work closely with the Council and other car park operators to improve parking availability, signage, access, payment structures and the overall experience across Letchworth for both visitors and those who work in the town.
- c. Work with others to address signage to encourage people to explore and make more use of the town and all it has to offer.
- d. Work with others to develop a diverse evening and night time leisure offer which appeals to people from all ages and backgrounds, in a safe, clean and attractive environment.
- e. Working with others to address anti-social behaviour and crime issues which impact upon the visitor experience and affect businesses in certain areas

#### **Measures and Results:**

- Improved perception of attractiveness of the town centre measured through surveys of visitors and those who work in the town centre
- Increased numbers of cars using car parks and street parking in Letchworth town centre
- Improved perception of the 'parking experience' in Letchworth town centre
- Improved perceptions of visitor and business safety and feeling of welcome.
- Reduction of incidents of crime and anti-social behaviour
- Numbers of parking spaces available in or near the BID area both on and off-street.

### **Objective 3. Businesses working together**

To represent the collective voice of businesses in the town centre to ensure that it continues to develop into a great place to do business and meets the needs of those who live, work, visit and do business in Letchworth.

#### **Amount the BID will spend:**

An initial budget of £40,000 p.a, increasing to £41,000 by year 5 – a total of £204,000 over five years.



### **Activities**

- a. Work with others to develop a town centre offer which reflects the current and future needs of the Letchworth residential and business community.
- b. Implement effective communications between businesses and the BID to promote awareness of different issues which may affect trading conditions or opportunities for their benefit.
- c. Work with landlords, agents and others to ensure that vacant or derelict properties are maintained and presented in a smart and tidy appearance.
- d. Influence, support and encourage plans and proposals for new buildings, signage, building refurbishments and public realm developments which build upon the town centre's strengths.
- e. Encourage an increase in trading between businesses in Letchworth and between businesses and those who work in Letchworth.
- f. Work with businesses to identify opportunities and implement initiatives which will contribute towards the reduction of business overheads.
- g. Work with other organisations to monitor footfall, commercial performance, parking statistics, customer perceptions and other key measures across the Letchworth BID area and provide updates for businesses.

### **Measures and Results:**

- Increased range of retail, leisure and evening economy offer.
- Increased number of businesses operating in the town centre
- Increased numbers of people employed in the town centre.
- Reduced levels of vacant and derelict properties in Letchworth town centre.
- Numbers of business enquiries through commercial property agents
- Monitoring of footfall and sales performances across Letchworth town centre with regular reports and feedback to businesses.

## **11. Organisation, Resources and Delivery**

The preparation of this plan has been managed by the Board and Management Group of the Letchworth Garden City BID Ltd which is made up of a cross section of businesses and organisations from across Letchworth town centre together with a representative from Local Authority.

Letchworth Garden City BID Ltd is a not for profit BID company, limited by guarantee. It is legally and operationally responsible to the businesses in the BID area for all BID activities and acts on their behalf.

The Board is elected by the members of the Letchworth BID Company, drawn predominantly from those paying a levy in the area and made up of a representative cross-section of the businesses and stakeholders of the area and key agencies associated with the successful delivery of the BID project. It will continue to be driven by the private sector and will include one Councillor from North Hertfordshire District Council.

The Board is responsible for the governance of the BID Company and for a management structure which encourages continuous business involvement in determining priorities and shaping and evolving activities within the terms of this BID Proposal and Business Plan. All businesses are encouraged to be actively involved in the BID and associated working groups to represent the levy payers.

The main role of the Board is to safeguard the interests of levy payers by ensuring that the business operates in line with the BID plan, is professional and offers consistent value for money in line with its targets. The Board will ensure that the implementation of the BID will be monitored and delivered cost-effectively, through keeping overheads to a minimum and using methods which will optimise the use of the revenue budget and add real value to the delivery of the plan.

The Board will provide a consistent, collective and effective voice for the businesses in Letchworth.

All roles on the Board and specific working groups are voluntary and are undertaken with a commitment to represent the interests of all businesses in the area.

Collaborative working will be actively encouraged to build upon the sense of the business community in the area and ensure that the skills and resources available for delivery of the BID are enhanced and deliver best value.

There will also be hands-on project and contract management to support the initiatives from the working groups. This support will provide administrative support to the BID Company, coordinate activity with partner organisations and ensure cost-effective delivery of projects through tendering and careful project and contract management.

The Letchworth BID's financial accounts and governance arrangements will be independently scrutinised annually and the effectiveness of the measures undertaken will be gauged by key performance indicators for each project area, including footfall, customer surveys, business surveys, photographic evidence and retail turnover movement full measures are identified in this plan with each objective.

Besides regular newsletters and other forms of bulletins, there will be an annual report providing details on activities and performance of the company against the objectives of the delivery plan for

the previous year.

All levy payers shall be entitled to be members of the BID Company. There will be an annual general meeting at which all members are invited to attend and vote and at which Directors will be retired by rotation and new Directors elected in accordance with the articles of the company.

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## 12. Letchworth Budget and Finances

“An uncertain economy, changing lifestyles, rapidly changing technology and increased options for shopping, mean that the way in which towns and cities are used is changing dramatically and quickly. A BID provides the opportunity for businesses to have a real influence on their local environment to ensure that collectively we can take advantage of the new opportunities these changes will bring.

In the next five years we will strive to lever in additional cash funding and value in kind to support the delivery of this plan and add to the investment made by the Letchworth businesses through the BID.

We feel that the investment we are seeking from businesses in the BID is modest in relation to what can be achieved. For the smallest business in the Business Improvement District, the daily cost is less than a first class postage stamp and even for a large business the daily cost is less than the price of a single cinema ticket.”

Maureen Davison  
Vice Chair of the Letchworth BID Board  
Owner Director of ‘Just for Me’

With levy bands and a 1.5 % levy, the indicative costs to a business are:

Rateable Value	Annual @1.5%	This equates to: Weekly	This equates to: Daily
<b>£2,000</b>	£30	£0.58	£0.08
<b>£6,000</b>	£90	£1.73	£0.25
<b>£12,000</b>	£180	£3.46	£0.49
<b>£25,000</b>	£375	£7.21	£1.03
<b>£75,000</b>	£1,125	£21.63	£3.08
<b>£150,000</b>	£2,250	£43.27	£6.16
<b>£350,000</b>	£5,250	£100.96	£14.38

## Letchworth BID's 5-year Budget: 2019 – 2024

	Year 1	Year 2	Year 3	Year 4	Year 5	Total	% to total
<b>Income</b>							
BID levy revenue (Note 1)	£ 157,034	£ 160,175	£ 163,378	£ 166,646	£ 169,979	£ 817,211	66%
Heritage Foundation (Note 2)	£ 30,000	£ 30,600	£ 31,212	£ 31,836	£ 32,473	£ 156,121	13%
Sponsorship and sales (Note 3)	£ 35,000	£ 35,700	£ 36,414	£ 37,142	£ 37,885	£ 182,141	15%
Other funding sources (Note 4)	£ 15,000	£ 15,300	£ 15,606	£ 15,918	£ 16,236	£ 78,061	6%
<b>Total Income</b>	<b>£ 237,034</b>	<b>£ 241,775</b>	<b>£ 246,610</b>	<b>£ 251,542</b>	<b>£ 256,573</b>	<b>£ 1,233,534</b>	<b>100%</b>
<b>Expenditure</b>							
Objective 1: Lively and well promoted	£ 105,800	£ 106,370	£ 106,951	£ 107,545	£ 108,149	£ 534,816	44%
Objective 2: Welcoming, attractive and accessible	£ 42,049	£ 42,276	£ 42,507	£ 42,742	£ 42,983	£ 212,556	18%
Objective 3: Businesses working together	£ 40,364	£ 40,581	£ 40,803	£ 41,029	£ 41,260	£ 204,036	17%
Central Management Costs, Administration, Office (Note 5)	£ 38,970	£ 39,749	£ 40,544	£ 41,355	£ 42,182	£ 202,799	17%
Levy Collection costs	£ 2,000	£ 2,040	£ 2,081	£ 2,122	£ 2,165	£ 10,408	1%
Contingency (Note 6)	£ 7,852	£ 8,009	£ 8,169	£ 8,332	£ 8,499	£ 40,861	3%
<b>Total Expenditure</b>	<b>£ 237,034</b>	<b>£ 239,024</b>	<b>£ 241,055</b>	<b>£ 243,126</b>	<b>£ 245,238</b>	<b>£ 1,205,476</b>	<b>100%</b>
Accrual for Renewal (Note 7)	£ -	£ 2,750	£ 5,555	£ 8,417	£ 11,335	£ 28,057	

### Notes

1. Assumes a 95% collection rate and 2% per annum inflation
2. Funding from Letchworth Garden City Heritage Foundation
3. sponsorship and revenue from events and other sales
4. Including income from landlords, associate members of the BID and other sources (including in-kind)
5. Central admin, office and fixed overheads
6. Calculated as 5% of total levy billed
7. Accrual retained from levy revenue to provide for costs of renewal of the BID for any additional term, otherwise they will be spent on additional projects in the final year

### Cost of the BID Development

The costs incurred in undertaking the research and developing the BID proposals have been made met by the Letchworth BID and the costs associated with the ballot are being met by the Local Authority, North Hertfordshire District Council for which we give sincere thanks.

### Sources of Additional Funding

The BID Company is committed to seeking additional funding where possible to increase the benefits that can be delivered by the BID to businesses. Other possible income sources will include grants where the criteria matches the aims of the business plan, voluntary contributions from property owners, companies and organisations outside the BID area and those not liable for the levy. It is estimated that this could be around £410,000 over the five-year period.

The Letchworth Garden City Heritage Foundation (LGCHF) is committed to supporting the BID and creating a strong collective voice representing business interests in the town. To this end the LGCHF has pledged to support the BID with an additional sum of £30,000 per annum over and above any levy payments it will have to pay from its property liability. The BID Company is grateful



for this and recognises that it will be essential to demonstrate that all income from all sources is spent effectively and there are measures in place to demonstrate the benefits derived from the delivery of its projects.

Through discussion, developers, property owners and other stakeholders in the area will be invited to participate in the Business Improvement District and improve delivery against the business plan objectives even further.

### **Application of BID Funds**

The BID funds will be ring-fenced and will be controlled by participating businesses. Details of the BID Company's accountability to businesses are given in Sections 11 and 14.

The budget headings and the project costs can be altered within the constraints of the revenue received through the levy. The BID Company will be empowered to move funds between budget headings and between financial years to provide the services which best meet the requirements of the BID area. Such adjustments will be fully accountable to the businesses through the performance monitoring arrangements set out in Sections 6 and 8.

### **Governance and management of the BID Budget**

In order to ensure that the projects remain relevant and continue to address needs and priorities of the businesses in Letchworth during its five-year life, the various working groups may from time to time make recommendations to the Board that budget allocations are modified for each of the main projects and the management and administration of the BID.

It will be the responsibility of the Board to assess these recommendations and make adjustments to the allocations of expenditure budget as and when they deem appropriate. It will be the responsibility of the Board to ensure that all the main aims of the BID, stated in Section 10, continue to be addressed and that all BID activity contributes towards the achievement of the vision. The Board will also monitor and gauge the effectiveness of the BID operations and activities.

### **13. BID Levy Criteria for the Letchworth BID.**

Every BID has to establish its own levy rules. Reference has been made to the technical guides prepared by HCLG and business rates legislation in developing the rules which will apply to the Letchworth BID.

The Letchworth Board has tried to balance the ambitions of businesses in the BID plan against the affordability of the levy and the requirement to ensure that the BID is able to deliver best value.

1. Assuming a positive BID vote by a majority of businesses by number and rateable value (R.V) of those who vote, the BID levy will be charged on all hereditaments listed in the local Non-Domestic Rating List located within the BID area. This applies irrespective of whether or how a business has voted in the formal BID ballot. Legislation within the Local Government Finance Act (2003) enables the local authority to issue a bill for the levy. The levy is collected by the Billing Authority, North Hertfordshire District Council. The Letchworth BID Company will invoice the Billing Authority, North Hertfordshire District Council for the levy collected for exclusive use of the BID.
2. All businesses which will be subject to the BID will be entitled to vote for the BID proposal in a 28 day postal ballot which will commence on 7<sup>th</sup> November 2018, with the close of ballot at 5pm on 5<sup>th</sup> December 2018. The result will be announced on Friday 7<sup>th</sup> December or as soon as possible thereafter.
3. If successful at the ballot, the BID will commence operation on 1<sup>st</sup> April 2019, and will be for a fixed term of 5 years
4. The levy amounts for ratepayers of business premises will be applied as follows:
  - a. The BID levy will be 1.5% of the 2017 rateable value shown on Local Authority's (the Billing Authority's) NNDR billing system as at 1<sup>st</sup> October 2018 for each defined business within the scope of the BID area.
5. The levy will be due from businesses or individuals who are liable to pay business rates, including those who have liability for unoccupied properties or anyone who occupies a non-domestic property but receives or claims business rates relief other than those that are exempt within the criteria laid out in Section 13 of this BID Proposal and Business Plan (this section).
6. The liable person is the ratepayer liable for occupied or unoccupied premises. In accordance with the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) and the Non-Domestic Rating (Collection and Enforcement) (Miscellaneous Provisions) Regulations 1989 (S.I. 1989/1060), North Hertfordshire District Council will be responsible for the imposition, administration, collection, recovery and application of the BID levy. The council will also be responsible for any enforcement action that may be appropriate in case of non-payment of the levy.
7. There may be an annual inflationary increase of all levy charges year on year for the duration of the Business Improvement District. This will be a minimum of 2% increase year on year or the inflation percentage as determined by the Consumer Price Index as at the 1<sup>st</sup> December of the year before the next billing process, whichever is the greater, rounded to the nearest tenth of a penny. (e.g. if a levy bill is 1.5% of £12,000, the bill in year 1 will be £180. If 2% inflation is

applied in year 2, the bill will be £183.60). Negative inflation will not apply. Inflation will not apply for the first full billing cycle in 2019.

8. The BID financial year will start on 1<sup>st</sup> April and last for 365 days (366 in a leap year). The BID charge is a daily charge based on rateable value. It is to be paid in full in advance, the payment date being the 1<sup>st</sup> April of that year. The daily BID levy charge for each individual ratepayer is to be calculated by multiplying its rateable value by the BID percentage levy and dividing the result by the number of days in the financial year.
9. The levy will be charged annually in advance, although businesses which cease to have liability for business rates during the year will be entitled to a refund for the remainder of the period provided that; the relevant business applies for the refund in writing to the North Hertfordshire District Council as the Billing Authority and the new ratepayer will be charged on a pro-rata basis.
10. Any changes which come into effect from the 1<sup>st</sup> October 2018 or during the life of the BID will be handled as follows:
  - a. New premises, or properties which were not on the rate valuation list at the 1<sup>st</sup> October 2018 but become subject to rates in the BID area or new streets raised in the BID area after the BID is in force will be expected to pay a BID Levy based on the % appropriate in relation to its new/current rateable value
  - b. Where property is split, two or more BID levies should be made on the revised premises from the date of split on the basis of the revised new/current rateable values
  - c. Where premises are merged the BID Levy should be charged at the appropriate % of the revised properties new/current valuation
  - d. Any change of use or ownership (or the creation of a new business within the BID (boundary) will be liable to the levy rate current at the time of the change.
  - e. Adjustments will be made for changes in occupation and if a property is deleted from the rating list and revised bills issued. The charge or refund amount will be calculated pro rata between the date of the change in occupation and the date of the financial year end.
  - f. Amendments will be made to the rateable value of any property in the BID area as a result of any general or property specific re-valuation which may be effective at any time from 1<sup>st</sup> October 2018 or within the life of the BID.
11. No other relief will be given to any class of non-domestic ratepayer and there is no distinction made between occupied or unoccupied hereditaments, both occupancy status attracting the full BID levy, unless it is a hereditament: -
  - a. whose owner is prohibited by law from occupying it or allowing it to be occupied;
  - b. which is kept vacant by reason of action taken by or on behalf of the Crown or any local or public authority with a view to prohibiting the occupation of the hereditament or to acquiring it;
  - c. which is included in the Schedule of monuments compiled under section 1 of the Ancient Monuments and Archaeological Areas Act 1979(b);
  - d. where, in respect of the owner's estate, there subsists a bankruptcy order within the meaning of section 381(2) of the Insolvency Act 1986(c);
  - e. whose owner is entitled to possession of the hereditament in his capacity as trustee under a deed of arrangement to which the Deeds of Arrangement Act 1914(d) applies;
  - f. whose owner is a company which is subject to a winding-up order made under the Insolvency Act 1986 or which is being wound up voluntarily under that Act;
  - g. whose owner is a company in administration within the meaning of paragraph 1 of Schedule B1 to the Insolvency Act 1986 or is subject to an administration order made

under the former administration provisions within the meaning of article 3 of the Enterprise Act 2002 (Commencement No. 4 and Transitional Provisions and Savings) Order 2003(e);

- h. whose owner is entitled to possession of the hereditament in his capacity as liquidator by virtue of an order made under section 112 or section 145 of the Insolvency Act 1986.
- i. where it is an advertising hoarding or advertising poster site
- j. where it is a telecommunications or radio mast
- k. where it is a building registered for religious worship
- l. where it is a hostel or which provides a place of refuge, rehabilitation or support for victims of domestic abuse.

in which case the hereditament will be exempt.

12. For clarity a hereditament which is the subject of a building preservation notice within the meaning of the Planning (Listed Buildings and Conservation Areas) Act 1990(a) or is included in a list compiled under section 1 of that Act will be subject to levy unless its use is covered by any of the other exemptions listed in Section 13 of this BID Proposal and Business Plan (this section).
13. The levy will be due from businesses or individuals who are liable to pay business rates, from any hereditaments on any roads which have not yet been constructed or named at the time of the ballot and any new hereditaments built or created within the shaded area of the map shown in section 5 in this Proposal and Business Plan which fall within the levy criteria of section 13, from the 1<sup>st</sup> October 2018 at any time during the life of the BID but which are not specifically identified on the map in section 5, with effect from the date at which their rateable value takes effect.
14. The BID levy contribution will not be reassessed if the rateable value is amended after the end of the BID. New or altered properties entered into the valuation list will become liable for the levy from the date they appear in the list.
15. Any hereditament where the occupier is a charitable organisation, will pay a levy as per the criteria outlined in this Section 12 of the BID Proposal and Business Plan.
16. Subject to this criteria stated above and within the BID boundary as defined in this document, the BID levy is a statutorily compulsory payment regardless of whether the business exercised its vote or voted against the BID.

## **14. Risk analysis**

### **The responsibilities of BID Company**

The BID Company Letchworth Garden City Business Improvement District Ltd is the legal entity and a significant business in its own right. It not only has all the attendant risks and responsibilities that go with this but also, subject to the vote in favour of the BID, has a mandate from the businesses in the area to deliver the BID Business Plan. This is a significant responsibility which has an influence over the commercial prosperity of Letchworth the businesses in the area and their staff who rely upon it for their living.

It is important therefore, to articulate some of the external and internal issues that have a direct bearing on the ability of the Company to trade successfully, as well as highlight the consequences of not adopting the principles of the BID and the benefits that accrue from the delivery of the plan.

### **BIDs in other places**

BIDs have been proving their worth and commercial value across the UK over the last twelve years as effective mechanisms to improve trading environments for all sorts and types of businesses. Where BIDs have reached the end of their first term the majority have seen even greater votes in favour and larger turn-outs than the first time of voting. They are seen as providing businesses with very effective returns on investment.

There are other towns and cities in Hertfordshire and Bedfordshire which now have Business Improvement Districts. These include Welwyn Garden City, St Albans, Hitchin and Royston which have been successfully renewed and about to go for their third term ballot. Bedford has also been through two renewal ballots and Luton is also about to undertake its first renewal.

### **The Importance of Voting 'YES'**

If you want the BID and its collective influence and all its associated benefits to continue and support your business you will need to vote for it. If the vote does not get sufficient votes in favour both by number and rateable value the BID and all its associated activities will stop as of 31<sup>st</sup> March 2019.

There will be no collective voice, no budget to deliver any priorities identified by businesses. Businesses will be left to face the challenges and uncertainties of the future alone.

### **Working with key partners**

In order to deliver exceptional value for money within the framework of the aims and objectives of the plan, the BID will work closely with other key stakeholders such as property owners, developers, the Letchworth Garden City Heritage Foundation, the District Council and the Police. It will seek, wherever possible to influence and shape larger projects to the benefit of its own aims while supporting others to achieve their own objectives.

In working with others, the over-riding principle of the BID should not be compromised i.e. that the BID is providing services and benefits additional to those which would have happened if the BID had not been in existence.

### **Sustainable mechanism for the development of Letchworth**

The BID is a unique mechanism which combines solid business support with a compulsory payment scheme which creates benefit for all on an equitable basis. It also guarantees constant cash flow to deliver the projects and priorities identified by the businesses. It provides a solid



platform for the BID Company to control costs, plan over the longer term and rise to the expectations of its stakeholders.

A contingency is contained within each of the project areas, meaning, that should the income from the additional voluntary contributions fall short of those budgeted for any period, costs can be adjusted accordingly.

There is no plan to rely upon bank or other financial support other than the levy and so there is no prospect of financial insecurity. In any event, the Company will produce monthly management accounts and financial forecasts for information for the Board, nominated by the levy payers. Independently scrutinised accounts will be produced each year, made available to all contributors and the local authority and these will be filed at Companies House in the normal way.

The Company is VAT registered to ensure that the tax can be reclaimed on expenditure. It also benefits from mutual trading status meaning that it is exempt from any Corporation Tax liability.

## Final thoughts

"I have been privileged, over the last five years to work closely with business people who have been committed to creating a new opportunity for all businesses across Letchworth. It is a place which has a great sense of community but is seeking direction, a sense of purpose and a clear identity in a rapidly changing world.

A Business Improvement District provides us with an opportunity to forge even stronger links between us and work on projects which we initiate and which are important to us as committed and hardworking business people. Towns and cities across the UK are changing rapidly and we need to ensure that Letchworth does not get left behind but takes advantage of its unique position in terms of its attractive environment, its green spaces and the strength of its people through their passion for the town.

This plan provides us with a clear direction for a new exciting era in Letchworth. I urge you to get involved and work together for the future of the town and our businesses by voting YES in the ballot in November and consider a role on the Management Group or Board".

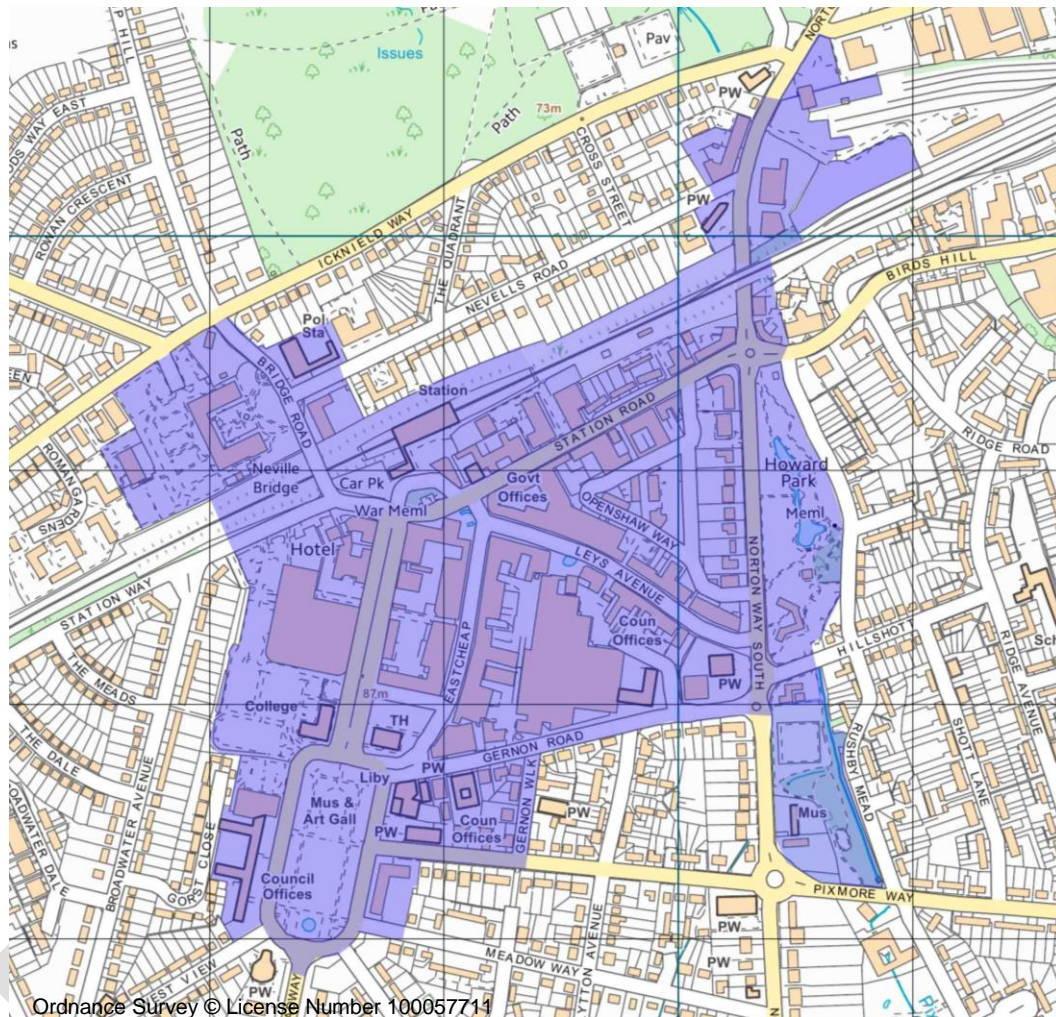
Chris Gerard  
Chair and Director of the Letchworth BID Company  
Director of Innventure Ltd

# Appendices

## Appendix 1 – Definitions

- The following terms, used throughout this Proposal document, shall have the same meaning as provided in the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004.
- “BID” means Business Improvement District.
- This document is a BID proposal for the purposes of the Act. If approved it will become the BID arrangements which govern the way in which the BID levy can be used.
- “the 2003 Act” means the Local Government Act 2003.
- “the 1988 Act” means the Local Government Finance Act 1988.
- “BID ballot” means a ballot under section 49(1) of the Local Government Act, 2003.
- “BID body” means, the body (whether corporate or not corporate) responsible for the implementation of the arrangements in this case defined in the plan as the ‘Letchworth BID Company’ whose final company name has yet to be determined.
- “BID proposer” means a person who draws up BID proposals in the plan the ‘Letchworth Garden City BID Ltd Board’
- “commencement date” subject to regulation 9(12) of the Business Improvement Districts (England) Regulations 2004, means the day, pursuant to section 53 of the 2003 Act, the BID arrangements are to come into force.
- “hereditament” means anything which is or is treated as being a hereditament by virtue of the provisions of or any provisions made under section 64 of the 1988 Act including any hereditament to which regulation 6 of the Non-Domestic Rating (Miscellaneous Provisions) Regulations 1989 applies but otherwise excluding any hereditament to which regulations made under section 64(3)(b) of the 1988 Act apply.
- “renewal ballot” means a ballot under section 54(2) of the 2003 Act.
- “BID Levy” means a charge imposed on the non-domestic ratepayers, or a class of such ratepayers in the district

## Appendix 2 – Streets included in the BID Area listed alphabetically



The BID area includes any road or street and all small business areas, courtyards and parks located off these roads that are located within the boundary of the defined BID area as per the shaded area on the map shown above and in Section 5, even if they are not listed in the table below

- Arena Parade
- Bridge Road (Shaded areas only)
- Broadway (From Station Place to West View/ South View)
- Central Approach
- Commerce Way
- Eastcheap
- Gernon Road (Shaded areas only)
- Gernon Walk (West side only)
- Howard Park Corner
- Leys Avenue
- Norton Way North (From Station Road to Ickneild Way)

- Norton Way South (From Station Road to Pixmore Way)
- Openshaw Way
- Rowland Way
- Station Forecourt
- Station Place
- Station Road
- The Arcade
- The Gallery
- The Wynd

It will also include any roads yet to be constructed and named and any new development sites created within the shaded area of the map shown in section 5 in this proposal and Business Plan and any building, land or property, which exists within the shaded area, which falls within the levy criteria of section 13, but which is not specifically identified on the map in section 5.

## **Acknowledgements**

The Letchworth Board would like to acknowledge the support of the following in preparing this Business Plan:

North Hertfordshire District Council  
Letchworth Garden City Heritage Foundation  
Partnerships for Better Business Ltd

## **Further information**

For more information about the BID or to discuss any aspect of this business plan please contact Patricia Saunders, BID Manager on e mail [bid@loveleitchworth.com](mailto:bid@loveleitchworth.com) or contact Patricia on Tel: 01462 486999



**CABINET  
25 SEPTEMBER 2018**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: STRATEGIC PLANNING MATTERS**

REPORT OF THE SERVICE DIRECTOR - REGULATORY  
EXECUTIVE MEMBER: COUNCILLOR DAVID LEVETT  
COUNCIL PRIORITY: PROSPER AND PROTECT

**1. EXECUTIVE SUMMARY**

1.1. The purpose of this report is to inform Members of the current positions regarding:

- Other Local Plans and Examinations
- North Hertfordshire Local Plan
- Neighbourhood Plans
- Government announcements
- Strategic Planning

**2. RECOMMENDATIONS**

2.1 That the report on strategic planning matters be noted.

2.2 That the submissions in Appendix A and Appendix C are noted and endorsed by Cabinet.

**3. REASONS FOR RECOMMENDATIONS**

3.1 To keep Cabinet informed of recent developments on strategic planning matters and progress on the North Hertfordshire Local Plan.

**4. ALTERNATIVE OPTIONS CONSIDERED**

4.1 None.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 The Executive Member for Planning, Enterprise and Transport has been kept informed on the matters set out above.

## **6. FORWARD PLAN**

- 6.1 This report does not contain a recommendation on a key decision and has not been referred to in the Forward Plan.

## **7. BACKGROUND**

- 7.1 Members will be aware of, and familiar with, many of the issues surrounding the strategic planning matters referred to in paragraph 1.1 above. This report is intended to provide Members with the current positions on these matters.

## **8. RELEVANT CONSIDERATIONS**

### **8.1 Other Plans and Examinations**

- 8.1.1 **Central Bedfordshire Council** – As previously reported, Central Bedfordshire's Local Plan has been submitted to the Secretary of State for independent examination.
- 8.1.2 Following an initial request from their Inspector, Central Bedfordshire completed and submitted additional work in relation to the environmental assessment of their plan.
- 8.1.3 Subsequent to this, the Inspector issued his Initial Questions to the Council in August 2018. This included questions relating to the efficacy of the transport modelling underpinning the plan and the extent to which the transport impacts on adjoining authorities have been assessed; this was one of the key issues raised by this Council in its response to the draft Plan in February 2018.
- 8.1.4 Central Bedfordshire have submitted their response to these questions. These documents are all publically available on Central Bedfordshire's website, <http://www.centralbedfordshire.gov.uk/planning/policy/local-plan/examination.aspx>. No timetable for hearing sessions has been issued.
- 8.1.5 Officers continue to discuss a potential Memorandum of Understanding with their counterparts at Central Bedfordshire. This will be informed, in part, by the questions and responses referred to above. Any agreement would be subject to delegated approval and reported in a future Strategic Planning Matters report.

- 8.1.6 **South Cambridgeshire** – Following a protracted examination lasting almost four and a half years, South Cambridgeshire’s Local Plan has been found sound. The Plan does not contain significant allocations in those areas closest to North Hertfordshire. However, the Plan does require a near immediate review, through the preparation of a joint plan with Cambridge to commence before the end of 2019.
- 8.1.7 **Uttlesford District Council** - Consultation on the Council’s Proposed Submission Local Plan ran between June and August 2018. A response was prepared under the Service Director and Executive Member’s delegated powers and is attached to this report at Appendix A.
- 8.1.8 The response seeks to ensure that Uttlesford’s Plan and, in particular, the proposals for a new settlement at the eastern end of the A505 do not have any significant detrimental impact on the operation of this road, and the highway network in general, around Royston.
- 8.1.9 **East Hertfordshire District Council** – As previously reported, the Inspector’s report finding the new District Plan ‘sound’ was issued in July 2018. The Council was due to adopt the new Plan at an Extraordinary meeting on September 11 2018. However, following requests by Stephen McPartland MP and others the Secretary of State issued a holding direction dated 11 September 2018 preventing any further step in connection with the adoption of the Plan. A copy of the letter is attached as Appendix B.
- 8.1.10 **Stevenage Borough Council** – There is no further update on the holding direction by The Secretary of State which was issued on 13 November 2017.
- 8.1.11 A consultation on the introduction of a Community Infrastructure Levy for the Borough was launched on 12 September 2018 and will run for a period of six weeks to 24 October 2018. Officers are currently reviewing the consultation to identify any implications for North Hertfordshire. Any response will be prepared and approved under delegated powers and reported to a future meeting.
- 8.1.12 **Welwyn Hatfield Borough Council** – An updated Green Belt study was published in August 2018. Further hearing sessions have been arranged for November and December 2018. The November sessions will discuss the new Green Belt work. The dates and programme for the December sessions will be announced after.
- 8.1.13 **St. Albans City & District Council** – Consultation on the Proposed Submission Local Plan commenced on 4 September 2018 and will run for a period of six weeks to 17 October 2018.
- 8.1.14 Officers are currently reviewing the Plan to identify any implications for North Hertfordshire. Any response will be prepared and approved under delegated powers and reported to a future meeting.

## **8.2 North Hertfordshire Local Plan**

8.2.1 No further announcements have been made following the District Council's submission of additional information requested by the Inspector at the hearing sessions. As previously reported, it will be for the Inspector to advise the Council on the timetable for the next steps, including any further work required and / or the issuing of the proposed main modifications, which would then be subject to Member approval to carry out a six week consultation period.

8.2.2 Any change to the above will be reported verbally at the meeting.

## **8.3 Neighbourhood Plans**

8.3.1 In conjunction with Wymondley Parish Council, Officers have appointed Deborah McCann to undertake the examination of the Wymondley Neighbourhood Plan. It is anticipated that the examination will have commenced but a verbal update will be provided.

8.3.2 Ashwell Parish Council have published a draft Neighbourhood Plan for consultation, the first step in the preparation of a neighbourhood plan. The consultation period started on 1 September and will last until 13 October 2018. The document includes draft policies on housing development, design, business and the economy, sport, leisure and recreation, health and well being, education, the natural and historic environment and traffic. This is the first neighbourhood plan in the District which considers the possibility of allocating sites for housing development. Officers will prepare a response to the consultation document.

## **8.4 Government Announcements**

8.4.1 The revised National Planning Policy Framework (NPPF) was published in July 2018. This document has immediate effect for Development Management decisions. However, the transitional arrangements mean that the previous (March 2012) version of the NPPF will continue to be used for the purposes of the ongoing Local Plan Examination.

8.4.2 Training for Planning Committee Members will be arranged in the Autumn. This will provide an update on the content of the new NPPF as well as the status of the new Local Plan.

8.4.3 The Government has still to respond to its consultation on the future of developer contributions held earlier in the year. Once the outcomes are released, they will inform a decision by Cabinet as to the most appropriate future approach to this matter for the District.

## **8.5 London Luton Airport**

8.5.1 Members will be aware that London Luton Airport Ltd recently held a consultation on increasing the capacity of the airport from its currently permitted maximum of 18 million passengers per annum (mppa) to its maximum potential capacity of 36-38mppa.

- 8.5.2 This consultation was the pre-cursor to a formal application to the National Infrastructure Commission (NIC), who determine schemes of this nature and scale. The NIC submission is anticipated in 2019.
- 8.5.3 A response to the consultation was prepared and submitted as per Cabinet's resolution in July and is attached to this report as Appendix C. The consultation response made clear this Council's extreme dissatisfaction at the absence of any prior consultation by the airport operators, given that the emerging preferred option would necessitate development within North Hertfordshire's administrative area.
- 8.5.4 The response also outlined that significant additional information was required on a number of factors, including (but not limited to) air quality, noise, transport and landscape matters, before a fully informed view could be expressed.

## **9. LEGAL IMPLICATIONS**

- 9.1 Under the Terms of Reference for Cabinet Paragraph 5.6.18 of the Constitution states that the Cabinet may exercise the Council's functions as Local Planning Authority and receive reports on: consultation/referendums revocations (or recommend revocation of) neighbourhood plans and orders, (except to the extent that those functions are by law the responsibility of the Council or delegated to the Service Director: Regulatory).
- 9.2 The preparation of plans, up to and including the approval of the proposed submission documents are Cabinet matters. Submission of the draft Local Plan to the Secretary of State for Examination and final adoption of Local Plan documents shall be a matter for Full Council.
- 9.3 Section 110 of the Localism Act 2011 sets out (by amendment to the Planning & Compulsory Purchase Act 2004) the duty to co-operate between local planning authorities and other prescribed bodies, to maximise the effectiveness in the preparation of development plan and other local development plan documents, so far as they relate to a strategic nature. These bodies should consider if they are able to work together jointly on such matters and must have due regard to any guidance given by the Secretary of State.
- 9.4 The Localism Act 2011 provided a new statutory regime for neighbourhood planning. The Neighbourhood Planning (General) Regulations 2012 (as amended) make provisions in relation to that new regime. It does amongst other things set out the Council's responsibility (as the Local Planning Authority) in assisting communities in the preparation of neighbourhood development areas, plans and order and to take plans through a process of examination and referendum.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The costs of preparing the Local Plan and running the examination are covered in existing approved revenue budgets for 2017/18 and 18/19. Officers are monitoring the impact of the extended Examination and the subsequent increase in costs. A financial risk has also been included for 2018/19 for this additional further work. Future costs such as that associated with any modifications to the Plan cannot be quantified at this time.
- 10.2 A financial risk has been included for 2018/19 for any further work on Neighbourhood Planning that is not covered by the current reserve or future grants.

## **11. RISK IMPLICATIONS**

- 11.1 No direct risk implications from this report but Sustainable Development of the District and the Local Plan are both Cabinet Top Risks. The Sustainable Development of the District has a sub-risk that covers the risks arising from the duty to co-operate with neighbouring authorities.

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 There are not considered to be any direct equality issues arising from this report. Future individual schemes or considerations may well be subject to appropriate review to ensure they comply with latest equality legislative need. Any risks and opportunities identified will also be subject to assessment for impact on those that share a protected characteristic.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 As the recommendations made in this report do not constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in the relevant section at Paragraph 12.

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 There are no new human resource implications arising from the contents of this report.



## **15. APPENDICES**

- 15.1 Appendix A – Uttlesford Local Plan consultation response.
- 15.2 Appendix B – Letter from the Secretary of State regarding East Herts Local Plan
- 15.3 Appendix C – London Luton Airport consultation response

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## **17. BACKGROUND PAPERS**

- 17.1 None.

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## NORTH HERTFORDSHIRE DISTRICT COUNCIL

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10 August 2018

Planning Policy Team  
 Uttlesford District Council  
 Council Offices  
 London Road  
 Saffron Walden  
 Essex  
 CB11 4ER

Our Ref: PL12/cs  
 Your Ref:

Contact Officer: Clare Skeels  
 Direct Line: 01462 474424  
 E-mail: clare.skeels@north-herts.gov.uk

Dear Sir / Madam,

**Uttlesford District Council Local Plan – Regulation 19 Consultation**

Thank you for providing North Hertfordshire District Council with the opportunity to comment on the Uttlesford Regulation 19 Pre-submission Local Plan.

The proposal to meet your objectively assessed housing need within your administrative area is supported and the “hybrid” strategy of distributing some of that growth in existing communities alongside significant growth through the three proposed new settlements is understood. It is noted that a Development Plan Document will be prepared for each of the garden communities before any planning application is determined. Whilst a DPD will help shape each of the proposed developments, the District Council should ensure that these are prepared expediently in order to meet the housing delivery targets set out in Policy SP3.

The majority of the allocations made in the Local Plan are unlikely to have any significant impact on North Hertfordshire. However, the District Council is concerned about those impacts arising from the proposed new settlement, North Uttlesford, particularly the impact that the proposed development might have on the strategic highway network and the A505. In our comments to previous consultations, we noted that it would be critical to ensure that full consideration was given to the cumulative impact of development on the A505 corridor. The A505 Corridor Improvement Feasibility Study : A10 to the A11, January 2018 goes some way to addressing these issues. It is considered that the issue of impact on the A505 corridor should continue to be discussed between the two authorities and Hertfordshire County Council as the highways authority.

To this end, the wording of Policy SP7 (8) – North Uttlesford Garden Community should be amended as follows to ensure that the policy is effective:

“Mitigate the transport impacts of the proposed development on the strategic and local road network including on the B184 and B1383. An access strategy that connects with the A11, A1301 and the Cambridge Park & Ride (on the A1307), with the A11 being the preferred route for northbound travel. The access strategy will

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explore the potential of a northern access for the site. The primary southern access into the site will be via Field Farm Drive, access via Park Road will be limited to ensure the character of Park Road is protected. There will be no vehicular access to the site from Cow Lane. Access for construction traffic will be via Field Farm Drive. Contributions towards capacity improvements **and other appropriate mitigation measures** along the A505 **corridor** and junction of the A505 and A1301 will be **secured** ~~sought~~, requiring cross boundary agreement with South Cambridgeshire District Council, Hertfordshire, Cambridgeshire, Essex County Councils and Highways England. Other specific transport related infrastructure requirements identified through the Strategic Growth Development Plan Document and masterplans for the Garden Community will be delivered in a phased manner. The development will avoid the use of unsuitable roads by car through existing communities.”

Please feel free to contact me to discuss any of the above comments in detail.

Yours sincerely,

Cllr David Levett  
Executive Member for Planning and Enterprise



Ministry of Housing,  
Communities &  
Local Government

**The Rt Hon James Brokenshire MP**

*Secretary of State for Housing, Communities and Local  
Government*

**Ministry of Housing, Communities and Local  
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Councillor Linda Haysey,  
Leader of East Hertfordshire District Council  
Wallfields  
Pegs Lane  
Hertford  
SG13 8EQ

11 September 2018

Dear Councillor Haysey


**East Hertfordshire District Council's Local Plan**

I have received several requests to intervene in the East Herts District Plan ("the Plan"), including from Stephen McPartland MP (Stevenage), the Hertfordshire branch of the Campaign to Protect Rural England, Aston Parish Council, Eastwick & Gilston Parish Council, Thorley Parish Council, Bishop's Stortford Civic Federation and Protecting Aston's Community Existence (PACE). The requests raise a number of issues including the proposed release of land within the Green Belt.

In respect of the issues identified above, I am considering whether to give a direction to East Hertfordshire District Council in relation to the Plan under section 21 of the Planning and Compulsory Purchase Act 2004. Therefore, in exercise of my powers under section 21A of that Act (inserted by section 145(5) of the Housing and Planning Act 2016), I hereby direct East Hertfordshire District Council not to take any step in connection with the adoption of the Plan, while I give the issues raised in the letters further consideration.

This direction will remain in force until I withdraw it or give a direction under section 21 of the 2004 Act in relation to the Plan.

My officials will be in touch with your officers to discuss next steps.

Yours sincerely,  


**RT HON JAMES BROKENSHIRE MP**

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30 August 2018

Future Luton LLAL consultation  
London Luton airport Ltd

Our Ref: LLAL/2018Pre\_con  
Your Ref:

By Email to:  
[www.futureluton.llal.org.uk](http://www.futureluton.llal.org.uk)

Contact Officer: Louise Symes  
Direct Line: (01462) 4744359  
E-mail: [louise.symes@north-herts.gov.uk](mailto:louise.symes@north-herts.gov.uk)

Dear Cllr Malcolm

**North Hertfordshire District Council Response to LLAL Future Luton: Making Best Use of our Runway: Non-Statutory Consultation June 2018.**

North Hertfordshire District Council welcomes the opportunity to comment on the above June 2018 Non-Statutory Consultation Document and on the two supporting Sift Reports. However, it does express its extreme disappointment in the strongest possible terms that no prior notification or briefing was undertaken with ourselves or Hertfordshire County Council as the authorities directly impacted by the proposals and indeed the preferred option.

The Council recognises the national policy position regarding the expansion of airports, and the likely economic benefits to the sub-regional economy, including to North Hertfordshire, with the potential expansion of London Luton Airport. However, due to the lack of any detailed evidence base the Council reserves its position in respect of commenting more fully on Green Belt, landscape, transport, environmental and noise issues until the next stage of the consultation when more detailed information will be available.

**National Policy**

The Council is aware of the Government's Airports National Policy Statement (NPS) published in June 2018 and its commitment to the increase of airport facilities. While this has effect in relation to the delivery of a new north-west runway at Heathrow Airport and any associated provision of new or reconfigured terminal capacity, the Airports NPS is clear that it does not have effect in relation to other applications, but its contents will be important and relevant in considering any such applications, particularly where it relates to London or the South East of England. Particularly where the statement also recognised "that the development of airports can have positive and negative impacts, including on noise levels" and that "any proposals should be judged on their individual merits by the

relevant planning authority, taking careful account of all relevant considerations, particularly economic and environmental impacts”.

It is also noted that there is no mention in the consultation documents of the UK’s legally binding commitment to reduce greenhouse gas emissions under the Climate Change Act. Central Government have also committed to publish a new Aviation Strategy in 2019. This will need to include a plan to limit UK aviation emissions to the level assumed when the fifth carbon budget was set (i.e. around 2005 levels by 2050). No references are made to the work conducted by PriceWaterhouseCoopers for the Airport Commission examining the relationship between aviation and quality of life.

Clear references to all relevant central government policies should be made within the consultation documents.

### **Local Policy and Consideration of Options**

As a result of sifts one and two, the top three most preferred options (1a, 1b and 1c) are for new development to the north-side of the existing runway and include a large scale extension of Luton airport east of the Luton Borough boundary, into North Hertfordshire. This raises a number of Development Plan policy and cross boundary issues that need to be addressed.

The proposed development within North Hertfordshire comprises earthworks, part of a large car park, the significant majority of a relocated Wigmore Valley Park and a potential link road bisecting the two. The large scale nature of the development is likely to have a significant adverse effect upon landscape character and visual amenity within the District as well as significant traffic, noise and air quality impact issues.

Whilst reference is made in the sift reports to the options being assessed in broad conformity with national and local town planning policies, the Council would expect a detailed and fully justified assessment of land-use policy implications of the proposals against Development Plan policies for Luton Borough Council and North Hertfordshire District Council to be undertaken.

There are a number of policies within the adopted Luton Local Plan where an expansion of the airport could broadly accord with policy subject to satisfactory long-term mitigation arrangements and others that would be contrary to policy, insofar as they relate to employment, transport and environmental impacts. This is particularly relevant in relation to Century Park and Wigmore Valley Park.

In terms of the North Hertfordshire Local Plan, the relevant land within the District is presently designated as Green Belt under the saved policies of the District Plan 2nd Review with Alterations and is proposed to be retained as Green Belt within the emerging North Hertfordshire Local Plan 2011-2031. No policy provisions are made within the current or the emerging Local Plan to address, or otherwise facilitate, the (potential) future expansion of Luton airport. The policies defer the consideration of the principle of development within the Green Belt to national policy, as now set out in the revised National Planning Policy Framework. It would be for LLAL to demonstrate the likely impacts of the proposal on the Green Belt and how it would seek to address the harms as

well as demonstrate exceptional circumstances for inappropriate development, such as the car park and link road.

It is understood that a new area of park is proposed to compensate for the loss of the existing green space at Wigmore Valley Park. At this stage there is concern for the location, nature, function and management responsibilities of the new park that need to be addressed based on an understanding of local needs. The concept diagram appears to show the proposed park as a finger of isolated green space, extending into the open countryside, and remote from the urban edge and the communities that it should serve. The Park will fundamentally change the character of the existing agricultural land, and whether or not this is an appropriate change requires assessment based on an understanding of landscape character, and its sensitivity and ability to accommodate the proposed change without causing unacceptable harm, including its impact within the Green Belt. The appropriateness of any proposals for a relocated Wigmore Valley Park would be contingent upon:

- The scale of any ancillary facilities;
- The extent of any engineering operations; and
- The impact upon openness.

The proposed Park lies in close proximity to a site allocated for housing, on the eastern edge of Luton, within the North Hertfordshire Local Plan Proposed Submission Version. How the Park relates to the new housing layout and benefits the new communities is a key consideration. How the Park relates to the conservation and enhancement of important strategic green infrastructure assets, such as the Chiltern Way, Lilley Bottom Valley, Putteridge Bury Estate and the Chilterns AONB, as identified within the North Hertfordshire and Hertfordshire Green Infrastructure Strategies is also a key consideration.

Your consultants have stated previously that the Park will be of regional significance, no evidence has been provided to show how this view has changed over time, as such the impact of visitors upon the surrounding roads and villages must be fully considered and justified. The Park cannot solely rely upon Luton as its access point as in reality this will simply not be the case.

Of particular concern is the management and on-going maintenance arrangements of the Park, further detailed information would be required to enable the Council to comment on, consider or participate in any discussions regarding such issues. However, the Council will not expect to have any liability placed upon it or the residents of North Hertfordshire with regard the Park.

In summary, there is currently insufficient information to make any assessment against detailed (Development Management) policies of either authority's plan including, but not necessarily limited to, those dealing with transport, air quality, noise and design (See comments in relation to managing these impacts under a number of sub-headings below). Significant additional information will be required to enable the Council to provide a full and comprehensive response to any future application.

## **Managing the Impacts**

### **Road Traffic, Surface Access and Cargo**

#### **Road Traffic & surface Access**

While the Council notes the relatively high level surface access objectives set out in the consultation, the Council is concerned at the significant amount of information missing from this consultation in terms of supporting the objectives in relation to transport baseline data, traffic and associated environmental impacts on North Hertfordshire.

The consultation document implies that much of the growth is expected to come from North London and from the Cambridge area. The Council is concerned that this is going to place an additional road traffic burden on the East-West routes through North Hertfordshire to Luton airport. There appears to have been no consideration of the capacity of, or need to improve or supplement, the existing east-west routes, especially the A602-A505 route through Hitchin.

It appears that the current data that is being used is out-dated and does not take into account Hertfordshire County Council's COMET modelling, which has been used to understand growth in movement terms across the county. The Model also takes into consideration the anticipated growth in North Hertfordshire as identified within its emerging Local Plan to 2031 (i.e. some 14,200 homes and a further 2,200 homes to the East of Luton to accommodate Luton's housing needs.) Similarly it is not clear what modelling data has been used to assess the anticipated growth across Central Bedfordshire.

No detail has been provided about the extent of the area around Luton airport that will be subject to a micro-simulation model. This makes it difficult for the Council to comment on or understand the adequacy/capacity of the proposal across the highway network.

The Council would expect specific detailed assessments to be undertaken of the A505 into Hitchin and the A505/A602 through Hitchin towards its junction at the A1(M) and Stevenage, as part of the micro-simulation model and the wider traffic modelling assessments.

It is unclear whether the road traffic distribution graphic shown on page 60 of the consultation document includes all road traffic to Luton (i.e. public transport, cars, heavy and light goods vehicles etc.) or whether it is passenger specific. Nor is there data provided for how staff will travel to work. The use of sustainable transport modes to help deliver modal shift objectives needs to be examined in a comprehensive way as part of the transport modelling process and should identify potential passenger transport improvements with innovative approaches to infrastructure and not just focus on highway improvements.

More information will need to be provided in order to address these concerns. The Council is currently working under the Duty to Co-operate with Luton Borough Council, Central Bedfordshire Council, Stevenage Borough Council and Hertfordshire County Council regarding longer-term strategic infrastructure requirements arising from future growth within these areas and would wish to be included in any future workshops/discussions on

transport matters relating to the airport, in particular to likely impacts on the A505 and the A602 corridor.

### Cargo

The consultation document describes the airport as having only a 'small cargo centre' and states that there were 21,199 tonnes of cargo through the airport in 2017. There is no supporting detail provided advising how the volumes of cargo handled by Luton airport have changed since 2007, nor is there a reference to what is the predicted change in cargo volumes for the period 2018 – 2050.

Not only is the Council concerned about the likely increase in air freight but also the amount of cargo being delivered by road. The Council would expect the following information to be provided for the expansion proposals to be meaningfully considered:

- What if any limits are being placed on the growth of cargo movements during the period to 2050;
- How cargo is currently delivered to and from Luton airport, as page 60 of the consultation document shows the road traffic distribution to and from Luton airport, but there is no indication as to whether that includes movement of cargo either by HGV's or LGV's and if so what proportion of it is HGV or LGV traffic.

Some measureable commitment from LLAL to reduce the amount of cargo being delivered to, or from the airport by road would be welcomed. Alongside which there should be a measureable commitment to improving the efficiency and reducing the emission of air pollutants from those deliveries that still need to be made by road vehicles.

### **Air Quality**

Although assessments have been made of each Option in terms of the adverse impacts of air pollution there has been no indication of the geographical area over which the impacts have been assessed. It is the Council's view that this should have been specified within the Sift Reports by the identification of 'red-lines' on plans for each environmental impact that was assessed and should be addressed.

Nor has consideration been given of the impact of the proposed expansion on the local air quality in North Hertfordshire, in particular the two Air Quality Management Areas (AQMA's) in Hitchin. This is despite the fact that the AQMA's are located along roads that are directly linked to the third busiest route of road traffic access to Luton as identified on page 60 of the consultation document. The impact of the proposed expansion on these AQMA will need to be assessed.

In terms of the proposals to measure the impact of the development on air quality, the Council would expect air quality monitoring to:

- coincide with each period of stepped growth (as referenced in page 22) up to and including the peak period of operation;

- account for the cumulative impact of the airport expansion plans, along with other relevant committed developments and Local Plan identified developments, for example New Century Park in Luton and the proposed East of Luton housing site in North Hertfordshire;
- be run for the key areas of North Hertfordshire; and
- be founded on sufficiently detailed road traffic growth modelling.

## **Noise, Vibration and Dust**

Although the Council notes the recognition within the consultation document regarding the need to undertake further work to understand associated noise impacts and welcomes the opportunity to be involved in a 'Noise Envelope Design Group' as referenced in the document, the Council expresses its concern regarding the lack of detail provided on the noise monitoring methodology and the affects of noise on the noise sensitive locations. This lack of information makes it difficult for the Council to comment on any of the proposed options and outlines its issues of concern below:

### Noise and Vibration

There are four noise emission issues that need to be addressed in respect of the site preparation, construction and operation of the airport for the coming years:

- Airborne aircraft noise
- Ground noise
- Road traffic noise
- Construction noise

#### *Airborne noise*

The permitted capacity of Luton Airport (LTN) is currently 18 million passengers per annum (mppa). It is estimated that the existing runway has the potential capacity of up to 36-38mppa. The plan is to expand LTN to achieve this growth. It is understood that this will lead to a considerable increase in air movements which will have an impact on the local communities. The extent of which at this time is unknown.

The Sift states 'there is the prospect that the level of impact will be reduced through changes in aircraft type, further improvements in aircraft technology, management of night time flights and other mitigation/compensation measures.' Although this may be the case it is not quantified or justified. Evidence of how for example, the changes in aircraft type affected the previous planning application, detailing the aspirations within the application and the actual changes in aircraft type over the life of the application.

It is therefore essential that the following measures should be considered in respect of aircraft noise for example:

- Providing incentives for airlines to adopt quieter aircraft
- Imposing penalties on aircraft that breach 'noise criteria', especially at 'night time'
- Providing an appropriate noise insulation scheme



- Considering the 'permitted' flight times
- Working with the National Air Traffic Services to ensure that future flight paths are designed to minimise noise disturbance.
- To follow Government Policy on aircraft noise.

It is to be noted this is not an exhaustive list.

#### *Ground noise*

On site ground noise associated with taxiing and manoeuvring of aircraft on the ground, airport equipment and engine testing and parking facilities have the potential to impact on nearby residential areas.

The documents suggest that the taxi-routes will be shortened and aircraft will spend less time idling as they queue for a stand with the proposed layout. While this may benefit a reduction in the noise escape off site if the same number of aircraft were to use the airport. However, more aircraft is likely to increase the amount of noise. There is very little detail in the documents in order for the Council to comment on the potential noise impact.

#### *Road traffic noise*

Road noise (not on the airport site) associated with people travelling to and from the airport has not been considered in the Sift reports. There will be an increase in road traffic to/from Luton as the increase in numbers of people who fly to/from this location increases. It is expected that the public will continue to use the road transport links currently in place to travel to/from the airport including, but not exclusively to the A505 and A602 through Hitchin off the A1(M). This should be considered.

#### *Construction noise*

There will inevitably be noise and vibration created during the site preparation. There is no detail as to how long these works would take to complete. Options 1a-1c will generate noise and vibration to the east of the existing terminal. Substantial earthworks will be required to level the ground. This could have an impact on NHDC residents. However the location and extent of this is not clear and the Council would expect a construction noise and vibration mitigation scheme to be prepared and consulted upon.

Noise from HGV traffic could also affect local residents. The Sift states 'substantial levels of HGV movements are anticipated during the site preparation and construction works phase. The level of impacts will be dependant on the haul route'. NHDC would require that the local village/hamlet routes through North Hertfordshire are not used and should be considered as part of a construction environmental management plan to which the Council is consulted on.

#### Dust

There will be an impact in respect of dust particularly during the site preparation and construction phase of the development. Appropriate measures must be implemented to minimise the impact on the local community. This should also be addressed via a construction environmental management plan.

## **Earthworks**

Options 1a, 1b and 1c include a substantial area and volume of earthworks within North Hertfordshire, which would use earth excavated from within the site, to create a development platform that is level with the existing airport. While it is recognised that there is a desire to limit the impact on the highway network by using material excavated from within the site, it is not clear where this material will be excavated from or details provided in terms of the phasing of the development. It is the Council's concern that construction phase traffic on local roads will be unavoidable and not insignificant, even with significant on-site sourcing of materials. Therefore, in addition to the commitment on page 53 for a Construction Environmental Management Plan, there will need to be a commitment for a Construction Traffic Management Plan (CTMP). As a minimum requirement, that CTMP should include the prohibition of all airport construction traffic from travelling to or from Luton via the local AQMAs, whether in Luton or North Hertfordshire.

There has been no mention in the consultation document of the likelihood that much of the on-site material could be obtained from a former landfill site and as such there has been no reference to the need to consider measures to mitigate the environmental impact of its disturbance, its storage, its treatment, its transport, its re-use or its disposal. This is something that should be recognised and addressed as part of the process.

## **Landscape impacts**

The Council is particularly concerned regarding the landscape impacts of the north-side development options and the associated earthworks. Luton Airport is on an elevated position in the landscape. It is partially screened from views within North Hertfordshire by the existing landform and vegetation. Changes to the profile of the landform to accommodate the changes in level, the increase in the number of buildings and any mitigation measures required will have an impact on the landscape and on views.

A Landscape and Visual Impact Assessment (LVIA) is proposed and should be used to inform the form and layout of the proposed development and its wider setting. It should include onsite and offsite landscape mitigation measures and enhancements to ensure that adverse landscape and visual effects are avoided and reduced as far as possible. It should be based on the current landscape character assessment for North Hertfordshire. The cumulative effects of the proposed development including any visual and landscape impacts on changes to the local highway network/sustainable transport measures to accommodate increased numbers of people travelling to the airport, any development at Century Park and the site allocated for housing on the eastern edge of Luton within north Hertfordshire should be assessed.

The following concerns should also be addressed in terms of the proposed earthworks: The impact of the earthworks upon the distinct landform features of the plateau and steep incised dry valleys.

- The prominence and height of the platform and built structures relative to the surrounding landscape.

- The treatment of the platform edges and how they relate to the existing natural topography.
- Until the LVIA is carried out it is not possible for the Council to formally comment on the significance of the proposals and whether the mitigation measures will be beneficial.

## Current Planning Application

Reference is made to the current planning permission that was granted in 2014 for development to enable the expansion of airport capacity to 18m ppa from its previous capacity of 9m ppa. This permission contains a complex series of mitigation measures contained within conditions of the planning permission and S106 Obligation. It includes regular monitoring of noise impacts, assumptions on fleet modernisation (newer aircraft less noise); night flight limitations and payments to local residents to provide noise insulation measures in their homes.

The modelling and assumption of the mitigation measures was based on a trajectory of increasing airport capacity towards 18m ppa by 2027/28. It now appears that this level of capacity will, or even has occurred much earlier than 2027. The 2013 S106 fund was an allocation of approx. £100,000 per annum to local residents based on a fund for an expansion to 18 ppa by 2027/28 and significant fleet modernisation. It is the Council's concern that if the 2013 assumptions and trajectory have been proved to significantly under estimate the growth of the airport then the associated mitigation (including payments to local residents) would be inadequate. If the new proposal is granted as an NSIP, then mitigation needs to be more effective and more collaborative with neighbouring local authorities.

Condition 10 of the 2014 permission reads as follows

**At no time shall the passenger throughput of the airport exceed 18 million passengers in any twelve month period. From the date of this permission the applicant shall every quarter report in writing to the Local Planning Authority the moving annual total numbers of passengers through the airport (arrivals plus departures). The report shall be made no later than 28 days after the end of each quarter to which the data relates.**

*Reason: To enable the Local Planning Authority to exercise proper control over the development, in the interests of securing a satisfactory operation of the development and to safeguard the amenities of the surrounding area. To accord with the objectives of Policy LP1 of the Luton Local Plan and the National Planning Policy Framework.*

## Health

The Council welcomes reference to a Health Impact Assessment (HIA) to be conducted for the proposed development and requests that this assessment would accurately identify and take account of the impact of the airport expansion on North Hertfordshire's residents. In addition to the socio-economic determinants such as employment and income, as stated in the document an HIA should also identify the following determinants such as:

- physical environment (air and water quality, housing and transit),
- other social and economic factors (education, family and social support and community safety, clinical care (access to and quality of care) and
- health behaviours.

It is also expected that a HIA would address air quality issues, the impact of the Wigmore Park relocation, the impact of noise from increase air and surface traffic.

## **Phasing**

The consultation document refers to managing the growth of the airport in line with passenger demand. More detail is required as to how and when the phasing of mitigations will come forward in relation to actual passenger numbers/growth. This concern is raised given the previous application and the faster than planned for increase in passenger numbers. There is also the need to make phasing of growth contingent/conditional upon, not just passenger growth, but also on managing environmental constraints, surface access, including passenger, employee and construction access to and from the airport during the construction phases, as well as other infrastructure impacts. This would be consistent with the commitments made within the consultation document to sustainability and sustainable development and would be expected to be considered and evidenced as part of the Sustainability Strategy under preparation for the airport expansion proposal.

Finally, the Council notes the reference to LLAL's Community Funding Programme which has been used to deliver projects directly within Luton and while this initiative is welcomed, the Council would expect that part of this funding is made available to support community groups outside of Luton, particularly in North Hertfordshire where some of our western communities will be substantially affected by noise and environmental impacts of the airport and its expansion proposals.

**In summary** and notwithstanding the concerns and comments raised in relation to the non-statutory consultation which the Council would expect to see addressed as part of the on-going process, the Council would welcome the opportunity to be fully engaged and involved with any working groups to enable it to provide a full and comprehensive response to any future application.

Yours sincerely,



Cllr David Levett  
Executive Member for Planning, Enterprise & Transport

## Cabinet

25 September 2018

### \*PART 1 – PUBLIC DOCUMENT

#### **TITLE OF REPORT: COUNCIL TAX REDUCTION SCHEME 2018/2019**

REPORT OF THE SERVICE DIRECTOR - CUSTOMERS  
EXECUTIVE MEMBER: COUNCILLOR JULIAN CUNNINGHAM  
COUNCIL PRIORITY: PROSPER AND PROTECT

#### **1. EXECUTIVE SUMMARY**

- 1.1 To provide Cabinet with an update on how the scheme is operating.
- 1.2 To consider whether any changes should be made to the Council Tax Reduction Scheme (CTRS) for year seven (2019/2020), prior to public consultation and a final recommendation being made to Council later in the financial year.

#### **2. RECOMMENDATIONS**

- 2.1 That Cabinet notes the CTRS position relating to this and previous financial years.
- 2.2 That there be no changes to the CTRS for 2019/2020 and that this recommendation is made to the Council to consider later in the financial year.
- 2.3 That if it becomes possible that there is scope to amend the standard percentage reduction, this is considered by Cabinet at its meeting on 18 December 2018.

#### **3. REASONS FOR RECOMMENDATIONS**

- 3.1 To obtain the views of Cabinet before a final recommendation is made to the Council.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The purpose of this report is to consider whether the scheme as it stands meets the needs of providing support where required and is affordable. Other options can be considered as part of this process.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 This report is recommending that there be no substantive changes to the CTRS for 2019/2020 and is seeking the views of Cabinet on this. As no changes are being proposed, it will not be necessary to carry out any public consultation, however the Cabinet's views will be reported to Hertfordshire County Council and the Police & Crime Commissioner for Hertfordshire as the other Major Precepting Authorities.

## **6. FORWARD PLAN**

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 25 July 2018.

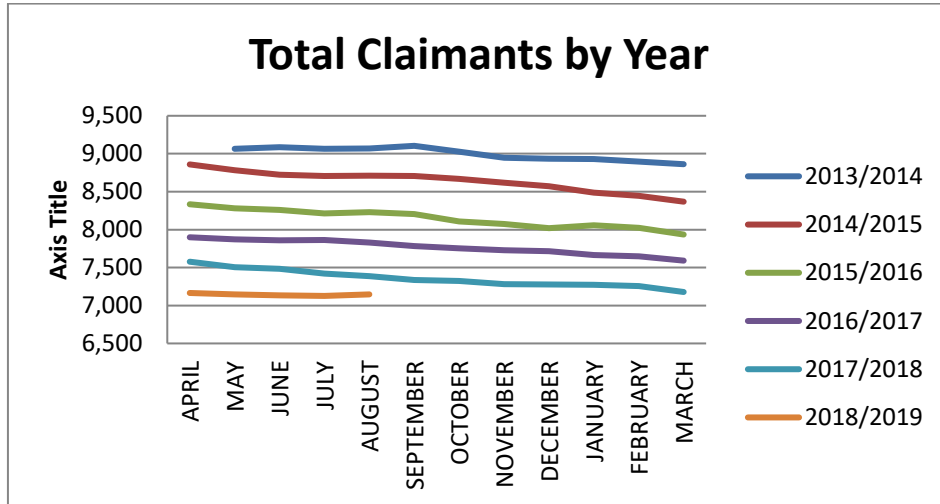
## **7. BACKGROUND**

- 7.1 Council Tax Benefit was abolished on 1 April 2013 and was replaced by locally defined Council Tax Reduction Schemes.
- 7.2 2018/2019 is the sixth year of the scheme, which is now fully embedded.
- 7.3 The Council's Scheme is based on the old Council Tax Benefit Scheme and is therefore means-tested with a standard percentage reduction being made to the final award. This reduction was 33.13% for the first two years of the Scheme and has been reduced to 25% for the subsequent four years. A lower reduction means that the claimant will receive more benefit and therefore pay less Council Tax.
- 7.4 The Scheme has been generally accepted within North Hertfordshire. The Council has received very little feedback on the Scheme and collection rates have been fairly well maintained considering the recent period of austerity.
- 7.5 The Scheme continues to cost less than originally anticipated due in the main to the steady reduction in the number of claimants. Until this current year, this has meant that the Scheme continued to cost around about the same amount each year even though Council Tax levels have increased. It was hoped to make the Scheme more generous in 2016/2017 however it was decided not to do so when it was announced that the County Council would be increasing its Council Tax by 3.99%. The County Council also opted for the maximum allowable increase in 2017/18 (of 4.99%) and 2018/2019 (of 5.99%). The District Council has also increased its Council Tax by the maximum allowable; however as the District Council precept amounts to only around 13% of the total Council Tax bill, its increase does not have the same effect on the amount of CTRS paid as that of the County Council. The cost of the Scheme has increased in 2018/2019 due to the cumulative effect of the increases and in particular the increased precepts relating to Adult Social Care. The Hertfordshire County Council Precept has increased by 11.28% in the two years between 2016/207 and 2018/2019. Despite this, the Scheme is expected to cost more than £450K less than projected when the Scheme began in 2013.



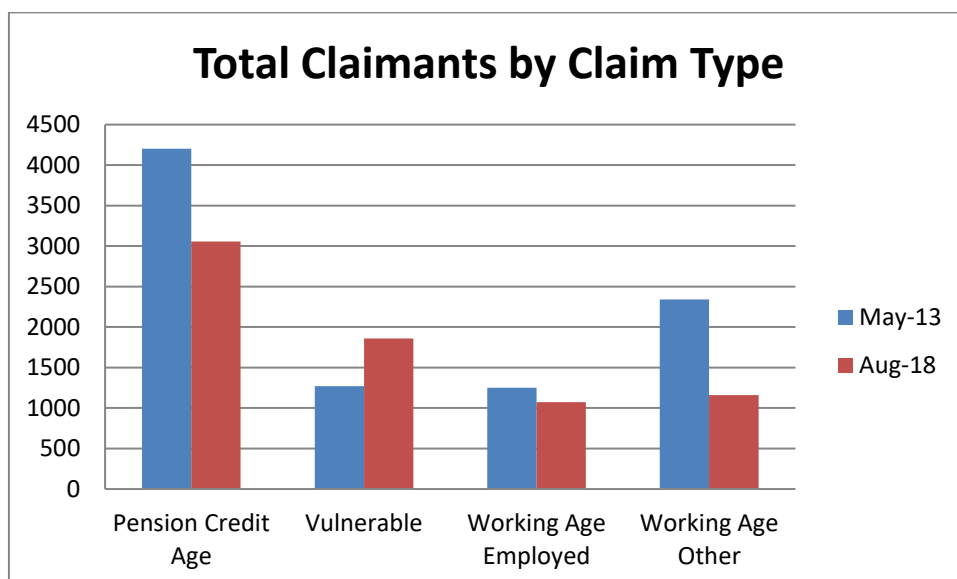
- 7.6 Chart 1 below shows how claimant numbers have steadily reduced since the Scheme was introduced.

**Chart 1**



- 7.7 It is noticeable that in 2018/2019, the number of claimants has remained fairly constant rather than showing a steady reduction as in previous years.
- 7.8 Chart 2 below shows the difference in number of claimants by claimant type from May 2013 (the earliest data we have) to August 2018. Members will see there has been a significant reduction in the number of Pension Credit Age claimants (1,148 less or 27.31%) and Working Age claimants not working (1182 less or 50.49%). The number of Working Age claimants in work has remained fairly constant (175 less or 14.01%), however the number of Vulnerable claimants, i.e. those in receipt of a Disability Premium has increased significantly (587 more or 46.18%).

**Chart 2**



## **8. RELEVANT CONSIDERATIONS**

### **Changes to Housing Benefit and should these be reflected in the CTRS?**

- 8.1 In previous years, Cabinet has considered whether any changes to the Housing Benefit Regulations should be reflected within the Council's CTRS Scheme.
- 8.2 Where it has been recommended to make any changes to the Scheme, these have to be the subject of public consultation before a final recommendation is made to the Council for adoption or not into the Scheme.
- 8.3 At the time of preparing this report, there are no changes to Housing Benefit that that need to be considered for inclusion into the CTRS in 2019/2020.

### **Other Considerations**

- 8.4 In addition to the changes to Housing Benefit, this report also considers whether there should be any changes to the minimum amount of Council Tax that working age CTRS claimants are required to pay and the formula for the distribution of compensation funding to the Parish, Town & Community Councils.

**Percentage by which claims are restricted (Standard Percentage Reduction)**

- 8.5 Entitlement under the Council's CTRS is based on the following criteria for each claim group:

Claim Group	Criteria	Calculation
Pensioner	Pension Credit Age	Entitlement protected under old Council Tax Benefit Rules as amended by the Prescribed Scheme
Vulnerable	Claimant, Partner or Dependent disabled	Entitlement protected under old Council Tax Benefit Rules as amended by the Prescribed Scheme
Working Age – Employed	Under Pension Credit Age, in work and not vulnerable	Entitlement calculated based on old Council Tax Benefit Rules and then reduced by 25%
Working Age - Other	Under Pension Credit Age, not in work and not vulnerable	Entitlement calculated based on old Council Tax Benefit Rules and then reduced by 25%

- 8.6 For the first two years of the Scheme, the standard percentage reduction for the two working age groups was 33.13% and the Council has been able to make the Scheme more generous for these two groups in the last four years, predominantly due to the overall reduction in caseload.
- 8.7 It was hoped to reduce this percentage even further, however there was a significant risk that the Scheme could become very costly due to the increases in Council Tax applied by the Major Precepting Authorities, including the additional provisions for Adult Social Care. It has proved to be the case that the Scheme has become more expensive in 2018/2019 even with a reducing caseload. The projected cost for 2018/2019 at the end of August 2018 is £6.796M compared with a cost of £6.515M in 2017/2018.
- 8.8 It is built into the Council's Scheme that this percentage will be decided each year by the Council and so there is no need to consult on this figure and Cabinet will be able to make a more informed recommendation to the Council following its meeting in December 2018 when more data will be available on the projected caseload and there may be a better understanding on likely levels of Council Tax increases for 2019/2020. The current maximum levels that Council Tax can be increased without triggering a local referendum are 2.99% for the County and District Councils and £12.00 (7.3%) for the Police & Crime Commissioner for Hertfordshire. Unless the Government announces further changes to the funding of Adult Social Care, there is no scope for the County Council to increase this Precept in 2019/2020.
- 8.9 It may be worth noting even at this stage that the levelling off in 2018/2019 of the reduction in caseload, may make changing the standard percentage reduction less of an option for 2019/2020.

- 8.10 Any reduction in the standard percentage reduction will have the affect of making the Scheme more generous and this will in turn reduce the Tax Base, requiring a corresponding increase in Council Tax to realise the same amount of revenue.
- 8.11 Cabinet should note that there is always a risk that any reduction in the 25% value may have to be reversed in subsequent years due to the impacts of further rises in Council Tax or increase in the caseload.

### **Amount to be distributed to Parish, Town & Community Councils**

- 8.12 When CTRS was introduced in 2013, the Government provided funding to each Billing Authority to compensate for the reduction in their Tax Bases as CTRS was to be treated as a Discount and was no longer reimbursed on a pound for pound basis through subsidy arrangements. Each Billing Authority was also given a sum of money to distribute amongst its Parish, Town & Community Councils to compensate for their reduction in the Tax Base.
- 8.13 This funding is no longer separately identifiable within the Council's financial settlement from the Government and the principle has now been adopted each year that the amount of money distributed by the Council will reduce in line with its own reduction in Government support.
- 8.14 As a four year settlement was announced in February 2016 for the period 2016/2017 to 2019/2020, the Council has already received indication of the funding that it will receive in 2019/20 from Business Rates Baseline and Revenue Support Grant (RSG). The level of RSG received by the Council in 2018/19 was zero, and it is now likely that it will continue to be zero in 2019/20. It had been expected that it would be reduced to around minus £1m, due to an increased tariff or "negative RSG", but a recent consultation has stated a preference for this now not to happen. As a result the amount to be distributed to Parish, Town & Community Councils is proposed to be maintained at £38,885 (i.e. the same amount as in 2018/19). The amount of funding that the Council receives from New Homes Bonus is not incorporated in to the calculation used, but it should be noted that this is expected to reduce from £1.27 million in 2018/19 to £1.12 million in 2019/20.

## **9. LEGAL IMPLICATIONS**

- 9.1 Section 5(2) of Schedule 4 of the Local Government Finance Act 2012, which inserts Schedule 1A to the Local Government Finance Act 1992 requires the Council to set its Council Tax Reduction Scheme by 31 January preceding the start of the financial year in which it is to apply. This has been further amended by Regulation 2 of The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017 to 11 March.
- 9.2 Full Council's terms of reference include at 4.4.1 (z) "approving the Council Tax Reduction Scheme". Cabinet's terms of reference include at 5.6.39 recommending to Full Council "The Council Tax Reduction Scheme".

9.3 Section 3(1) of Schedule 4 of the Local Government Finance Act 2012, which inserts Schedule 1A to the Local Government Finance Act 1992 requires the Council to consult on any changes to its scheme as follows:

- Consult any Major Precepting Authority which has power to issue a precept to it
- Publish a draft scheme in such manner as it thinks fit
- Consult such other persons as it considers are likely to have an interest in the operation of the scheme

9.4 For the original scheme implemented for 2013/2014, it was necessary to carry out comprehensive consultation to ensure that the Council complied with the legal requirement to consult and did not leave itself open to challenge. Very minor changes were made to the Scheme in year two and a restricted consultation exercise was carried inviting members of the public to comment on the Council's web site. There were no changes proposed to the Scheme for year three and the practice at that time was that no further consultation was required.

9.5 There are no changes proposed for 2019/2020 and consequently there is no requirement to consult with the public.

9.6 Cabinet should note that changes to the Scheme cannot be made later in the financial year due to the need to consult before any changes can be implemented.

## **10. FINANCIAL IMPLICATIONS**

10.1 The financial implications have been covered elsewhere in the report.

10.2 Financial modelling will be carried out to assess the feasibility of reducing the standard percentage reduction applied to non-protected claims and a final decision on this can be taken at the December meeting of Cabinet, when there is a more definite expectation on the cost of the Scheme and the implications of any Budget changes on potential Council Tax increases will be clearer. The requirement to set this figure each year is already built into the Scheme and so can be changed for any year.

10.3 There is no statutory requirement for the council to provide funding to Parish, Town and Community Councils, but it may choose to do so and the Government actively encourages Councils to do so. In 2018/2019 this Council passed on £38,885. The current proposed cost of funding to Parish, Town and Community Councils in 2019/20 is £38,885.

## **11. RISK IMPLICATIONS**

11.1 There will be financial risks associated with the Scheme, which will be evaluated when the next report is prepared for consideration by Cabinet.

- 11.2 There is a risk that there may be an increase in caseload. At this stage, Cabinet is only considering the criteria on which to consult and no final decision needs to be made until the December Cabinet Meeting, by which time there will be further, more up-to-date data on which to make that decision.

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 By conducting extensive consultation when the scheme was first implemented, the Council sought to collect information from those who may be potentially affected by these proposals. The public consultation showed broad support for the scheme. By substantially retaining the same scheme since 2013/2014, the Council continues to meet its obligations under the Equality Act, but current equalities legislation will be checked following decision by Cabinet in December to ensure this remains the case.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 The Social Value Act and “go local” policy do not apply to this report.

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 There are no Human Resources implications in this report.

## **15. APPENDICES**

- 15.1 None

## **16. CONTACT OFFICERS**

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**17. BACKGROUND PAPERS**

17.1 None

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**CABINET  
25 SEPTEMBER 2018**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: TRANSFER OF LETCHWORTH GARDEN CITY MUSEUM COLLECTIONS FROM NORTH HERTFORDSHIRE DISTRICT COUNCIL (NHDC) MUSEUM SERVICE TO THE LETCHWORTH GARDEN CITY HERITAGE FOUNDATION (LGCHF) GARDEN CITY COLLECTION**

REPORT OF THE CULTURAL SERVICES MANAGER

EXECUTIVE MEMBER: CLLR TONY HUNTER

COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

**1. EXECUTIVE SUMMARY**

- 1.1 NHDC Museum Service wishes to transfer the ownership of those museum collections relating to Letchworth Garden City to the Letchworth Garden City Heritage Foundation (LGCHF) who have managed these collections on loan since 1984.

**2. RECOMMENDATIONS**

- 2.1 Approve the transfer of the museum collections relating to Letchworth Garden City, which are currently on loan to the Garden City Collection which is part of the Letchworth Garden City Heritage Foundation.
- 2.2 To approve the Service Director – Commercial (Delegation of Authority under the constitution, section 14.6.7 (a)(iii) and 14.6.7 (b)(v) to make the required arrangements for a formal transfer document to be drafted between North Hertfordshire District Council and the Letchworth Garden City Heritage Foundation.

### **3. REASONS FOR RECOMMENDATIONS**

- 3.1 The aim of this transfer process is to ensure that the museum collections relating to the First Garden City, currently on loan to the Garden City Collection, remain under one ownership in museum conditions in Letchworth Garden City. This will enable streamlined access for visitors and researchers, and clarity for other institutions requesting loans and reproduction information. North Hertfordshire District Council, Museum Service has not insured, stored or curated this material for almost thirty five years, and does not have the resources to do so.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 North Hertfordshire District Council, Museum Service could continue to lend the material to the Garden City Collection, but accredited museums no longer make long term loans, so the continuation of this loan would be going against accepted museum best practice. This could damage future prospects of grant-aid to the new North Hertfordshire Museum, so is not advised.

- 4.2 The North Hertfordshire District Council, Museum Service could request return of these collections, but has nowhere to store or display them, or the staff capacity to curate them. The necessary storage facility would require at least 725 sq. m. floor space, assuming racking up to 2m high. It would need environmental controls, to ensure the stable relative humidity and temperature needed for the architectural plans and other works on paper.

The existing main store for North Hertfordshire District Council, Museum Service at Burymead is already full and cannot provide the controlled environment that the museum collections relating to Letchworth Garden City items currently enjoy. Storage in the old Letchworth and Hitchin Museums is not an option without major upgrade work. If these collections were returned, the Council would have to find and pay for new high-quality storage, ideally in Letchworth Garden City. Because of the importance of the material to town-planning worldwide, the Garden City Collection receives a large number of enquiries, and currently employs 2 full-time Collection Officers and one approximately 30 hour Curator to manage the collection. NHDC would need similar staff.

- 4.3 North Hertfordshire District Council are unable to consider the sale of these collections as this would be a major breach of the Museums Association Code of Ethics which could result in immediate removal of the museum's accreditation status. A further implication of pursuing a sale would be that the staff would be denied the opportunity of bidding for museum-related grant-aid from the Heritage Lottery Fund, Arts Council England or the Art Fund.

Over the last few years the Museum Service has been extremely successful in winning large amounts of grant aid, for the purchase of objects, and for members of staff, as well as many smaller grants. These external grants would not have been available to a museum without accreditation status.

Any sale would result in a huge amount of national negative publicity for NHDC; particularly with social media campaigns.

- 4.4 The collection comprises thousands of individual plans and press-cuttings of relatively low value; there is not one particularly highly priced item, so there is little for NHDC to gain by requesting the return of all or part of the collection for possible sale, in the full knowledge of the negative consequences. The value of the collection is estimated at just under £300,000.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

Consultation was undertaken in January 2006 with the Arts, Museums and Heritage Forum, and more recently in May 2018 with the committee of the Letchworth Garden City Society. Neither group raised any objections; the Garden City Society said that it would like to see the Garden City material held, and ideally displayed, in Letchworth Garden City. As one committee member put it, ‘...it makes sense to bring material together in one location and under one ownership.’ The Society could see no reason for NHDC not to transfer these collections.

## **6. FORWARD PLAN**

- 6.1 This report does not contain a recommendation on a key decision and has not been referred to in the Forward Plan.

## **7. BACKGROUND**

- 7.1 In 1984 the Letchworth Garden City Corporation, now the Letchworth Garden City Heritage Foundation, took over the running of the First Garden City Heritage Museum (FGCHM) from NHDC. The museum collections relating to Letchworth Garden City were transferred from NHDC to the Corporation on long-term loan. Since then the Heritage Foundation has upgraded the storage and conservation of these items, and insured and digitised them along with their own collections. The museum collections are now housed at the Garden City Collection, Wilbury Hills Road, Letchworth Garden City, Hertfordshire, SG6 4LB.  
<http://www.gardencitycollection.com/home>

For over thirty years the Heritage Foundation has looked after these collections as if they were their own, thus saving NHDC storage space, insurance and curatorial and administrative staffing costs. The NHDC loan collections total is around 30,000 items. These comprise 11,000 architectural plans, drawings, prints, paintings and social history items; 120 artworks; 800 objects; plus another approx.18,000 photographs and newspaper cuttings.

The total value of the loan in 2017 was £293,600. The majority of the items (around 18,000) are valued at under £5 each, with approximately 12,000 items valued at between £15 and £30 an item. The few higher value items comprise 11 items of furniture from Barry Parker's office, which range from £500 to a chair at £8000 (2017 valuation). Architect Barry Parker was, together with Raymond Unwin, one of the Garden City's original planners. The collection is stored in high-quality purpose-built racks, cupboards and plan chests, in the correct environmental conditions. Many have been conserved with the costs being met by the Heritage Foundation.

- 7.2 Long-term loans are no longer good practice in museums, so in 2012 the North Hertfordshire Museum Service issued the Heritage Foundation with a new museum standard loan agreement. The loan end/review date is noted as 1/07/2017 or on the Accreditation of the Garden City Collection, whichever was the earlier. The Garden City Collection has now gained Arts Council England Museum Accreditation, so North Hertfordshire Museum would be able to transfer these items without jeopardising its own accreditation status.
- 7.3 A transfer should have due regard to the Arts Council England *Disposal Toolkit Guidelines for Museums*, p.16, which recommends free gift or transfer to another Accredited museum as the preferred method of disposal, 'as it is the most likely to ensure that items remain cared for and accessible to the public. This approach has been central to the longstanding tradition of mutual cooperation between museums.' <https://www.artscouncil.org.uk/supporting-museums/disposal-collections>
- 7.4 A transfer should also have regard for the Museums Association *Code of Ethics*, which demands that museums are able to give 'continuing long-term care and public access' to their collections, 'without compromising standards of care and access relating to the existing collections' (2.3). The Garden City Heritage Foundation is currently fulfilling this requirement on behalf of NHDC.

## **8. RELEVANT CONSIDERATIONS**

- 8.1 These collections, which are crucial in the understanding of the foundation and development of the world's first Garden City, are best housed within Letchworth Garden City in perpetuity (apart from temporary loans to other museums for exhibition purposes). The North Hertfordshire District Council, Museum Service no longer has a site in Letchworth Garden City, or the staff to curate the collections.
- 8.2 The collection comprises approximately 30,000 items, over half of which are social history ephemera such as photographs and newspaper cuttings. The exact number of these items is not known, as there are several different lists/inventories. It may take some years before a definitive list can be agreed by both parties, as each museum has its own lists, and these often overlap. However, staff at both museums are working together to agree a final list and this will be acceptable to Arts Council England for the purposes of Museums Accreditation.



- 8.3 If a transfer takes place, and the Garden City Collection becomes the legal owner of the material, the fact that it is an Accredited Museum gives NHDC the reassurance that the transferred items will be managed in a correct and open manner. Our records show that the vast majority of items were accessioned by Letchworth Museum as gifts or purchases. Donors do not have a legal right to have their gifts returned although donors or their families are always at liberty to ask for the return of donated items, but the Arts Council Disposal Guidelines are drafted to ensure that such return does not happen. A few items are catalogued as 'On Loan to the museum service, but in almost all cases, the lender has since died. There is always a possibility of a lender's family requesting return of a loan, and this situation would be dealt with the same way whichever museum was the owner. If a family can prove continued ownership, through wills or similar documentation, the loan is returned.
- 8.4 There is no noted evidence that any of the items proposed for transfer was purchased via an external grant-aid.

## **9. LEGAL IMPLICATIONS**

- 9.1 Section 5.6.28 of the constitution notes the Terms of Reference for Cabinet and provides the authority to make decisions where a policy or strategy does not exist.
- 9.2 The Public Libraries and Museums Act 1964 provides local authorities with the power to maintain museums. Note that the 1964 Act does not impose any duty upon local authorities to run museums.

Section 111(1), Local Government Act 1972 provides the local authority with wide powers to do anything; including purchasing and disposing of property, which will help them carry out their functions.

Section 139, Local Government Act 1972 provides the local authority with general powers to accept, hold and administer gifts of property. It is noted that acceptance, holding and administering gifts can be justified where it is 'for the benefit of the inhabitants of the local area.

Section 2, Local Government Act 2000 provides for the economic, social and environmental well-being of local communities.

Equality Act 2010 – Local authority museums will need to consider whether the disposal of any item adversely impacts upon those groups with protected characteristics. The retention of the item/s in the public domain will serve to mitigate any adverse impact.

The Arts Council England's Accreditation Scheme places significant restrictions on local authority decision making. It places restrictions on any attempts by museums to sell items from their collections, even where the proceeds of such sales would be used to improve facilities or collections and/or to acquire new items. Failure to adhere to the conditions of the Accreditation Scheme could result in the removal of the accreditation.

9.3 The following comments are to be noted and taken into consideration:

- a) A formal transfer document to be drawn up and agreed between both parties (refer to prior loan agreement and note that it is to be terminated)
- b) Agree cost, responsibility for transport of museum items.
- c) Where possible compile a definitive inventory of museum items already in situ and any additional items that are being transferred. This can include online records and photographic records. It is noted that currently there are a number of database's which hold inventories of the collections.
- d) NHDC may wish to impose a condition on the transfer so that LGCHF upon request returns any item to the rightful owner. Hence the need for accurate records at the time of disposal.
- e) The appropriate consideration should be given to any item that proves to be unfit for retention as part of this proposal and should be disposed of in a way that prevents it from being rediscovered and mistakenly reinterpreted.
- f) Note the guidance for disposal contained within the Museums Association's Code of Ethics and Disposals Toolkit. The Museums Association (MA) expects all museums and museums governing bodies to abide by the MA Code of Ethics. Where a museum is found to have breached the Code through unethical sale from its collection, it will be barred from membership of the MA and will not be able to apply for funding from the MA for the duration of its loss of membership.
- g) The Code of Ethics and Accreditation make it clear that whilst financially-motivated sale from collections might be ethical under rare and exceptional circumstances, this must be determined on a case-by-case basis under the independent oversight of the Museums Association Ethics Committee and Arts Council England's national Accreditation Panel. The overriding expectation in all cases of disposal is that collections should remain in the public domain.
- h) Organisations that choose to act outside of the widely adopted standards for managing and caring for public collections will find that it has a direct impact on their relationships with development bodies and funders and the ability to access support, e.g Arts Council England can remove Accreditation from the museums in question and this will affect the ability to access Arts Council England museum funding.
- i) Therefore having regard for the above mentioned paragraphs f, g and h, NHDC should note within the transfer that the high value items must not be sold as the preservation of the District's heritage is paramount.
- j) Consideration is also to be given to the Collections Trust; Spectrum collection management standard (supported using public funding by the Arts Council England and is a supplement to the Museums Association Disposal Toolkit). The Spectrum standards must be met and the deaccessioning and disposal – suggested procedure is a useful starting point in order that the minimum requirements of the standards are achieved.
- k) The disposal process is to be carried out in an open and transparent manner – consideration to be given with regards to placing notices in local newspapers and the NHDC website in order to keep the public informed and maintain public trust.
- l) Ascertain whether any items of the transfer were acquired with the aid of an external funding organisation. In such cases, any conditions attached to the original grant should be followed. This may include repayment of the original grant or a proportion of the proceeds if the item is disposed of by sale.

- m) Items given or bequeathed will not normally be disposed of without prior consultation with the original donors or their families within the first generation, and wherever possible their approval should be obtained to the course of action proposed. This is, however, a matter of courtesy rather than a legal requirement and therefore can be waived where all reasonable efforts to trace a donor have failed, and additionally where no details of the donor exist. A press release could be considered if necessary.
- n) LGCHF to ensure that the collections remain in the public domain, keep the transferred items in a good state of repair and maintain an up to date inventory.
- o) The Museum Association provides confidential advice on transfers of museum collections and the published contact is noted as Alistair Brown, Policy Officer – [alistair@museumsassociation.org](mailto:alistair@museumsassociation.org)

## **10. FINANCIAL IMPLICATIONS**

- 10.1 Section 12.8 of the financial regulations deals with the disposal of any assets that are no longer required for service use. The key elements of the process that should be followed are:
- Check with other service areas to see if they have a use for the asset.
  - Where the estimated value is less than £2,500, the Chief Finance Officer should be notified.
  - Where the estimated value is greater than £2,500, approval must be sought from the Chief Finance Officer.
  - If the value is estimated to be more than £5,000 then the disposal should be via a public auction

In essence these assets are being retained in service use, as they will continue to be conserved and be available for viewing and enquiries. Accordingly there is a strong argument to say that these should not apply, but it is still necessary to consider how they could apply. Whilst it is a key factor, initially this should ignore the potential impacts on the accreditation status.

The total valuation of £300k is an insurance valuation and the actual amount that would be received from a sale would be expected to be less than this. Furthermore, the Cultural Services Manager does not consider there would be any individual or organisation that would want to buy the entire collection. So even if the collection was to be sold, it would need to be treated as a large number of individual items. As stated in paragraph 7.1, the vast majority of the items are of a low value. For most of these the cost of selling these items might be higher than the actual income generated. For the remainder, the Financial Regulations do not state how they should be disposed of, and therefore the benefits of a transfer to the LGCHF can be considered to be relevant. The Chief Finance Officer has therefore confirmed that those items that have an individual value of less than £2,500 can be transferred to the LGCHF for zero consideration and that this would be in accordance with the financial regulations.

As stated in paragraph 7.1, there are a few items that are valued at more than £2,500, and three at more than £5,000 (the highest individual item is a chair valued at £8000). The purpose of selling high value items via a public auction is to ensure that the Council achieves best value from the sale. To balance the benefits of these assets being held by LGCHF and the risk around not achieving best value if they were to subsequently dispose of them, the terms of the transfer will include a clause that if the LGCHF seek to sell these items then ownership will revert back to NHDC. The Chief Finance Officer considers that this would comply with the financial regulations.

- 10.2 Keeping the collection would require additional storage and possibly the use of new premises which could incur capital costs such as the purchase of a building and storage equipment.
- 10.3 There is a potential loss of income of £300,000 from the sales of the collection. However, as mentioned in the body of the report this would have a negative effect on the reputation and accreditation of the Museum.

## **11. RISK IMPLICATIONS**

- 11.1 The recommended legal transfer of the Garden City museum collections from NHDC to the Letchworth Garden City Heritage Foundation provides the opportunity for the collections to remain in Letchworth Garden City with continuing long-term care and public access, whilst allowing North Hertfordshire Museum to maintain its Accreditation status and the related funding opportunities.
- 11.2 The potential issues associated with establishing a definitive list of items and with 'on loan' items are low risk, especially compared with the benefits of completing the transfer to the Letchworth Garden City Heritage Foundation and the higher risks associated with pursuing one of the alternative options.

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 There are no equalities implications.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 The Social Value Act and "go local" policy do not apply to this report.

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 There are no human resources implications.

**15. APPENDICES**

15.1 There are no appendices.

**16. CONTACT OFFICERS**

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**17. BACKGROUND PAPERS**

Long term loan from Letchworth Museum & Art Gallery to the First Garden City HeritageMuseum (collection now known as The Garden City Collection)  
[G:\Museum Service\Museums - General\Collections Management\Loans\Loans Out\long term Heritage Museum loan\NHerts Museums long term loan with FGCHM - background 2016 - Shortcut.Ink](#)

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**CABINET  
25 SEPTEMBER 2018**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: FUTURE OF TOWN LODGE SITE**

REPORT OF THE DEPUTY CHIEF EXECUTIVE

EXECUTIVE MEMBER FOR FINANCE AND IT

COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

**1. EXECUTIVE SUMMARY**

To consider options for the future of Town Lodge, Letchworth now that the District Council has vacated the building after its temporary use for decanting office space during the refurbishment of the District Council offices in Gernon Road, Letchworth.

**2. RECOMMENDATIONS**

- 2.1 That, Cabinet notes the contents of this report and the proposals for the future of the Town Lodge site.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 To release surplus property to raise a capital receipt.
- 3.2 To help regenerate Letchworth town centre.
- 3.3 To work with Letchworth Garden City Heritage Foundation to maximise the reuse of a mixed ownership site.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The alternative options are considered in section 8 of this report.



## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 Letchworth South West Councillors have been consulted about the proposal and have raised no objections.
- 5.2 Letchworth Garden City Heritage Foundation is the freehold owner of Town Lodge and some surrounding land. They are exploring options with the District Council for the joint disposal and redevelopment of the Town Lodge site including adjacent property interests.

## **6. FORWARD PLAN**

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 25 July 2018.

## **7. BACKGROUND**

- 7.1 On 22 March 2011 Cabinet received a report on a number of sites and buildings across that District that had been identified for potential disposal. One of the sites identified within that report (site 16) was land at Gernon Road including Town Lodge. At that meeting Cabinet resolved:

*That, with the exception of Site 1 (Land adjacent to 1 The Green, Newnham); Property 3 (Baldock Town Hall); Site 18 (Greenbury Close, Barley); and Site 19 (King James Car Park, Royston), the sites and buildings within the report be declared surplus to the Council's requirements, in principle, subject to a further report back to Cabinet;*

- 7.2 In 2014 the plans to refurbish the District Council Offices were developed and a further report to Cabinet on 16 December 2014 explained the need to relocate staff during the refurbishment. At that meeting, Cabinet approved the use of Town Lodge as temporary office space during the refurbishment and also resolved:

*That, at a later date, an options appraisal report be brought to Cabinet to review alternatives for the District Council's property interests at Gernon Road and Broadway, including Town Lodge, the print and store buildings and Letchworth Museum.*

- 7.3 Council staff were relocated to Town Lodge in November 2016 and the building was used as temporary offices until early 2018 when the refurbishment of the DCO was completed. Staff were subsequently moved back to the District Council Offices leaving Town Lodge fully vacated by March 2018.

## **8. RELEVANT CONSIDERATIONS**

The properties and land are identified and outlined on the Plan Appendix A attached to this report.

### **Town Lodge**

- 8.1 The District Council owns the Town Lodge building under the terms of a 99 year lease from 24 June 1923. The lease has less than 4 years to run.
- 8.2 Town Lodge has served the District Council well for many years. Whilst its use for temporary accommodation during the 2017-2018 refurbishment of the main District Council offices was vital to continuation of Council's operations, the building is considered outdated and unable to comply with modern requirements.
- 8.3 The freehold of Town Lodge is owned by Letchworth Garden City Heritage Foundation (LGCHF).
- 8.4 The front half of Town Lodge was constructed around 1923 and the rear half later around 1950. Its design and layout are not suitable for modern requirements. Its construction makes internal alterations difficult for conversion and modernisation. There are no internal lifts.
- 8.5 Due to obsolescence it is unlikely a new tenant would wish to occupy the building.

### **Adjacent land and buildings**

- 8.6 The District Council has a legal interest in a number of areas of land surrounding Town Lodge. In considering the future of the building, it is necessary to consider the status of the adjacent land and buildings.
- 8.7 29 Gernon Road  
The District Council owns the freehold to this Property. It was previously let on a residential tenancy but this was brought to an end by the Tenant on 31 August 2013. Due to the opportunity to include the site within a larger redevelopment scheme the property has not been re-let as this could have prejudiced redevelopment.
- 8.8 Document Centre  
The freehold to the print building and the former document store to the rear of the building is owned by the District Council. The majority of the items stored in the building are furniture that is in the process of being disposed. The remaining items can be accommodated in other Council owned storage.
- 8.9 Brotherhood Hall  
The freehold of this hall is owned by LGCHF and the hall is leased to the District Council under a lease dated 27 August 1930 for a term of 99 years until 24 June 2027. It is being used as a community hall.
- 8.10 Parking to the rear of Town Lodge and Brotherhood Hall  
The District Council owns the freehold of the largest part of the parking to the rear of Town Lodge with a small area of the freehold being owned by LGCHF.

#### 8.11 Letchworth Museum

The District Council also owns Letchworth Museum. The Library next door belongs to Hertfordshire County Council. It is intended to review options for Letchworth Museum and submit a separate report at a later date.

#### **Future Options**

#### 8.12 Development in conjunction with LGCHF

LGCHF have a freehold interest in Town Lodge and some of the adjacent land. They are therefore able to significantly influence the future of the overall site. An opportunity has arisen to work with LGCHF on a joint disposal of the combined properties to help regenerate the Town Lodge site by creating a new mixed use development that subject to planning might include commercial and residential uses.

8.13 Letchworth Garden City Heritage Foundation has indicated that it wishes to retain Brotherhood Hall but they are willing to consider a joint disposal of their freeholds of Town Lodge and the land behind that forms part of the parking.

8.14 A developer has approach the District Council and LGCHF with proposals for a mixed scheme that would demolish some of the District Council's buildings and Town Lodge and replace it with new offices and residential developments.

8.15 Under the scheme outlines in 8.14, NHDC and LGCHF own approximately 50% each of the land.

#### 8.16 Development or Disposal not in conjunction with LGCHF

This would be possible but due to the fragmented ownership between the two property owners this could result in inefficient reuse of assets and less attractive design and site layout for any resulting new development.

#### 8.17 Retaining the existing buildings on the Town Lodge site

The buildings are outdated and all would require some repairs and refurbishment before they could be let. Given the short period remaining on the lease of Town Lodge of less than 4 years, it is unlikely that reuse will be possible by the District Council other than for temporary storage. The bungalow at 29 Gernon Road could be refurbished and transferred to the Council owned property company for residential letting.

### **9. LEGAL IMPLICATIONS**

9.1 Cabinet has within its terms of reference 'to dispose of land and buildings where the purchase price, premium or initial annual rent (after the expiry of any rent free period) exceeds £250,000 and does not exceed £2,500,000'.

9.2 Section 123(1) of the Local Government Act 1972 gives a Local Authority the power to dispose of land but requires that the Secretary of State consents to any disposal at less than the best consideration reasonably obtainable. The Secretary of State has issued a General Disposals Consent which permits the disposal of land at less than best consideration if:

*a) the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;*

*i) the promotion or improvement of economic well-being;*

*ii) the promotion or improvement of social well-being;*

*iii) the promotion or improvement of environmental well-being; and*

*b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).*

9.3 Any development proposal for the site will be the subject of a planning application and will need to accord with the current status of the development plan and National Planning Policy Framework.

## **10. FINANCIAL IMPLICATIONS**

10.1 As the Town Lodge building is now no longer in use, the costs of the building have reduced. However there are still business rates and other costs that are around £60,000 per year, until the lease comes to an end in 2022. The costs of the property store are around £3,000 per year. The costs of the bungalow at 29 Gernon Road are around £4,000 per year.

10.2 All the other financial implications are considered in the part 2 report, including potential capital and lettings receipts.

10.3 The Senior Estates Surveyor advises that based upon the developer's draft scheme and subject to planning, the proposed disposal is at the best consideration reasonably obtainable taking into consideration the complicated legal interests on the site and the consequential constraints on disposal. The valuation may change dependent upon planning.

## **11. RISK IMPLICATIONS**

11.1 The potential risk that planning consent for any redevelopment being withheld.

11.2 The sale of assets reduces the risk to the District Council arising from the duties under the Occupiers Liability Act 1957 and 1984. The sale will also generate a capital receipt to assist in funding the District Council's capital investment programme.

## **12. EQUALITIES IMPLICATIONS**

12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

- 12.2 There are no direct equalities implications in regard disposal of Town Lodge and car park that are surplus to council requirements. As both are vacant there is no impact to anyone, including those that demonstrate a protected characteristic.

### **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 The Social Value Act and “go local” policy do not apply to this report.

### **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 There are no Human Resource implications from this report

### **15. APPENDICES**

- 15.1 Appendix A - site plan. The plan attached is approximate and for identification purposes only. The exact site boundary may change due to design requirements and planning.

### **16. CONTACT OFFICERS**

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### **17. BACKGROUND PAPERS**

- 17.1 Cabinet 22 March 2011, Minute 124.
- 17.2 Cabinet 16 December 2014, Minute 91.
- 17.3 Land Registry titles HD442063, HD497768, HD498502, HD504642 & HD505787.

Future of Town Lodge site



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<b>CABINET</b> <b>25 SEPTEMBER 2018</b>
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<b>*PART 1 – PUBLIC DOCUMENT</b>
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**TITLE OF REPORT: NORTH HERTFORDSHIRE MUSEUM & HITCHIN TOWN HALL:  
ACQUISITION OF 14/15 BRAND STREET**

REPORT OF THE DEPUTY CHIEF EXECUTIVE  
EXECUTIVE MEMBER : COMMUNITY ENGAGEMENT & RURAL AFFAIRS  
COUNCIL PRIORITY : RESPONSIVE AND EFFICIENT

**1. EXECUTIVE SUMMARY**

The purpose of this report is to further advise Cabinet of the progress of discussions for the acquisition of 14 and 15 Brand Street from Hitchin Town Hall Ltd (HTHL). Such an acquisition would allow the building to operate as intended by the Council in an integrated way for the local community following the withdrawal of funding to HTHL from the Social Investment Business (SIB). At the time of writing this report, Officers were still waiting for a response from HTHL and Hitchin Town Hall Finance Ltd (HTHF). The absence of this response means that this report presents a number of potential options.

**2. RECOMMENDATIONS**

- 2.1 That Cabinet notes the current position in relation to the negotiations.
- 2.2 That Cabinet indicates its preferred approach in relation to next steps.
- 2.3 That Cabinet note that some options may require comment and approval from the Cabinet Sub-Committee (Council Charities).

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 To enable the Council to complete the development of the North Hertfordshire Museum/Hitchin Town Hall project as intended by Council and operate the facility for the benefit of the local community.
- 3.2 To protect the Council's interests and obtain best return from the Council's existing investment and to secure projected income from the facility to offset some of the operational and fixed costs.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The options to open the facility without occupancy of 14/15 Brand Street has been fully investigated and a number of options are available to the Council. The preferred option has previously been agreed to be the acquisition of land formerly known as 14/15 Brand Street, but this has not yet proved possible on terms agreeable to the Council despite almost two years of negotiation. A costed options appraisal considering a number of scenarios for the occupation of the land which the Council currently owns has also been undertaken to guide the commercially confidential negotiations. The potential compulsory purchase of the properties known as 14/15 Brand Street is an option and could also be pursued.

#### **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 Consultation on the general parameters for seeking to acquire 14/15 Brand Street as authorised by Full Council on 20 January 2016 has been on going with Executive Members prior to engaging in discussions with HTHL and HTHF and throughout those discussions.

#### **6. FORWARD PLAN**

- 6.1 This report contains a recommendation on a key decision, which has been notified to the public in the Forward Plan on 28 August 2018.

#### **7. BACKGROUND**

- 7.1. The decision making history in relation to this project is extensive and has been reported to both Council and Cabinet on a number of occasions. The reports are available on the website (<https://www.north-herts.gov.uk/home/museums/north-hertfordshire-museum-and-hitchin-town-hall/hitchin-town-hall-museum-proposals>). Appendix A provides details of the project expenditure and funding.
- 7.2. It should be noted that Council has approved in principle the acquisition of 14/ 15 Brand Street to allow the project to be completed in line with the original plans, subject to the financial limits as set out in the Council's Constitution.
- 7.3. Discussions have taken place in the latter part of 2016 and throughout 2017 and 2018 with HTHL and HTH Finance Ltd and it has been made very clear that in order to make a bid for the property the Chief Finance (s151) Officer would need to ensure that it was offering value for money to the Council Tax payer. Given that the agreed amount was considered to be at full market value, this meant it would need to include provisions to resolve the current dispute and that any conditions attached to the purchase could not be too onerous. This approach has also been confirmed with the Council's External Auditor.

- 7.4. At the meeting of Cabinet on 19<sup>th</sup> June 2018, a deadline of 31<sup>st</sup> July 2018 was set for an agreed purchase to be concluded by. Any proposal from the Council at that date would remain on the table for agreement by HTHL/ HTHF.

## **8. RELEVANT CONSIDERATIONS**

- 8.1 A meeting took place on the 2<sup>nd</sup> February 2018 between the Council's representative Mr Dave Fergus (a consultant engaged through the East of England Local Government Association) and HTHL and HTHF and there were various phone calls and emails after that meeting seeking to resolve the matters where the parties disagreed. This culminated in an e-mail from HTHL and HTHF on the 27<sup>th</sup> July where it seemed that the majority of the substantive points had been agreed. The Council provided a response back on these remaining points on the same day with the hope that the two remaining points could be clarified and agreed. Following some further correspondence, on the 7<sup>th</sup> August HTHL/HTHF stated that they agreed with all the points except for one where they wanted to propose a tweak to the wording. HTHL/HTHF would therefore meet with their lawyers and come back with a final draft of the settlement agreement. Officers have asked Mr Fergus to make it clear in our correspondence since then that time is of the essence. Although negotiations have not continued beyond the 31<sup>st</sup> July, it is clear that this deadline was also set to bring this matter to a final resolution as soon as possible. HTHL/ HTHF have confirmed that it took until 7<sup>th</sup> September to meet with their lawyer. At the time of writing this report (13<sup>th</sup> September) they have not been able to provide a copy of the promised settlement agreement, or even confirm when it might be available. It is hoped that an update can be provided to the meeting.
- 8.2 Whilst HTHL and HTHF have asserted in correspondence that they now have no objections to negotiations taking place in public, the fiduciary duty placed upon the Council means that where matters are commercially or legally confidential then they are treated in such a manner. Therefore the details of the content of the negotiations described in paragraph 8.1 above are detailed in the part 2 report.
- 8.3 Given the uncertainty over the timing and the content of the response back from HTHL/HTHF there are a number of potential scenarios. As it might be possible to provide an update at the meeting and to keep this moving towards a resolution, the most likely scenarios and resultant implications are described in the following paragraphs.

### **Scenario 1- Settlement proposal received from HTHL/HTHF by the Cabinet meeting that fully meets the key requirements**

- 8.4 HTHL are required to get approval for the settlement agreement from the majority of their shareholders. To achieve this, they plan on calling an Extraordinary General Meeting (EGM) and have indicated a potential date of 30<sup>th</sup> October 2018.

- 8.5 If approved by the shareholders of HTHL, the proposed deal will then be subject to approval by Cabinet. There are a number of options as to when this Cabinet meeting could take place, with a balance between getting a resolution as quickly as possible and being able to provide a report that accurately reflects the decision that Cabinet is being asked to take. The options available are:
- Cabinet date very soon after the date of the EGM (meeting between 31<sup>st</sup> October and 8<sup>th</sup> November) - the report to Cabinet would have to be written on the assumption that the EGM would accept the settlement agreement.
  - Cabinet date set so that reports are published soon after the date of the EGM (meeting w/c 12<sup>th</sup> November) - gives a small amount of time for the report to reflect the outcomes of the EGM and any consequential impacts on the decision being taken.
  - Cabinet date not set until the outcome of the EGM is known (meeting likely to be w/c 19<sup>th</sup> November or later) - the report can fully reflect the decision being taken.
- 8.6 As well as approval by Cabinet, the proposed deal will also be subject to consideration by the Cabinet Sub-Committee (Council Charities). This is because this decision would have an impact on the operation of current (Hitchin Town Hall Gymnasium and Workman's Hall) and proposed Trust assets. The original development agreement would have seen the property at 14/15 Brand Street being gifted to the Trust. The expenditure that the Council will now incur in acquiring 14/15 Brand Street means that it now intends on keeping the property and not gifting it to the Trust. This is so that the income is retained to balance the impact on the local taxpayer. However the Trust is now in a significantly better position than it was at the start of the project in that it would have a modern museum operating from the buildings that it holds. Potentially the Cabinet Sub-committee could meet on the same day as Cabinet.
- 8.7 If all of the above approvals are in place then the settlement agreement can be signed and the property purchase can take place.

**Scenario 2- Settlement proposal received from HTHL/HTHF by the Cabinet meeting that substantially meets the key requirements**

- 8.8 Given that HTHL/HTHF have stated that they want to propose a tweak to some wording, it is possible that the draft settlement could substantially (but not fully) meet the key requirements set out by Officers. Under this scenario, Cabinet could choose to extend the deadline for negotiations. If these negotiations were then successful, this could then allow scenario 1 to be followed, although possibly with slightly different timings. Otherwise the factors under scenario 4 would become relevant.

**Scenario 3- Settlement proposal not received from HTHL/HTHF by the Cabinet meeting**

- 8.9 Under this scenario, Cabinet could set a further deadline by when a response must be received. However, given that negotiations have been ongoing since 2016, Cabinet could take a view that this process has already taken too long, in which case the factors under scenario 4 would become relevant.

#### **Scenario 4- Negotiated settlement not seen as being possible within a reasonable timeframe**

- 8.10 This would cover a range of circumstances and could depend on Cabinet's view of a reasonable timeframe. Cabinet could take a view that a reasonable timeframe has already elapsed. Cabinet agreed at their meeting on 19<sup>th</sup> June 2018 that the alternative to a negotiated solution was to recommend to Council "to agree an initial, in principle, resolution to acquire the former 14/15 Brand Street, Hitchin by Compulsory Purchase". As has been reported previously, specialist legal advice has been received in relation to the acquisition of the properties known as 14/15 Brand Street, Hitchin by Compulsory Purchase (CPO). That advice supports the Council's view that acquisition via this mechanism accords with the relevant CPO legislation. Therefore, this recommendation could now be taken to the next scheduled meeting of Full Council on 22<sup>nd</sup> November, or to a Special meeting of Full Council prior to that.
- 8.11 Alongside this, Cabinet may want to consider the status of the current offer. Whilst an amount of money has been agreed with HTHL/HTHF, there is still not an agreed settlement agreement. Cabinet could consider the focus should now be on the Compulsory Purchase process. Any use of CPO powers will require the Council to remain open to a settlement via negotiation alongside the CPO process

#### **9. LEGAL IMPLICATIONS**

- 9.1 The general power of competence contained within the Localism Act 2011 came into force on 18<sup>th</sup> February 2012 and effectively replaced the previous wellbeing powers. The statutory General Power of Competence gives a local authority the power to do "anything that individuals generally may do". Section 1 (4) of the same Act confirms that using such power the local authority may do so for the benefit of the Authority, its area or persons resident in the area.
- 9.2 The Authority has power under Section 144 of the Local Government Act 1972 to provide or encourage any other person or body to provide, facilities to encourage visitors, for conferences, trade fairs and exhibitions or improve or encourage any other person or body to do so for any existing facilities. It has powers under Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 to provide recreational facilities, buildings, equipment to the extent that these do not cover the current proposals that the general Power of Competence referred to in section 9.1 can be relied upon.

- 9.3 The Council is currently in an ongoing contractual dispute with HTHL in respect of the project and statutory demands have been lodged with HTHL seeking payment of monies owed to the Council. In the event of agreement being reached for the purchase of 14/15 Brand Street from HTHL to enable them to repay their debt to HTH Finance Ltd, this will include a provision for these sums to be written off. However any agreement for purchase will include that there will be no legal claims brought by either party against the other, thereby avoiding potentially protracted (and therefore expensive) litigation. It is important that any settlement agreement is comprehensive and ensures all potential elements of claim, by any party, are covered.
- 9.4 Paragraph 5.6.20 of the Council's Constitution provides that Cabinet's terms of reference include "to approve the purchase or appropriation of land and buildings where the sale price...exceeds £250,000 and does not exceed £2,500,000."
- 9.5 The Council has powers to acquire land under s120 of the Local Government Act 1972 and to compulsorily acquire land or buildings under the Town and Country Planning Act 1990 (amongst other legislation). Initial consideration has been given to the circumstances that exist in relation to the delivery of a scheme that has the benefit of planning permission (and indeed has been constructed pursuant to the Development Agreement between the Council and HTHL). In such circumstances it would appear that such an approach is supportable.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 Prior to consideration of the developments described in the body of the report the Council's total capital expenditure on this project stood at £5.329m of which £0.874m is funded by the contribution from the Heritage Lottery Fund towards the fit out of the Museum. Following the Cabinet meeting in June, the Leader of the Council took a delegated decision (dated 17<sup>th</sup> July 2018) to allocate £20k of capital funding for the installation of a platform lift. The currently agreed purchase price for 14/15 Brand Street is £550k (agreed by Cabinet at its meeting on 18<sup>th</sup> March 2017), although as detailed in paragraph 7.3, this amount is contingent on a resolution to the current dispute and that any conditions attached to the purchase are not too onerous.
- 10.2 A decision not to acquire 14/15 Brand Street would provide a compromised offer to the public and would restrict the full income generation prospects of the building. As it seems possible to acquire 14/15 Brand Street for a similar amount to the cost of the most operationally desirable separation works, resulting in the Council owning a building with service provision as originally envisaged and with greater income generation opportunities, this would seem to offer better value for money to local taxpayers.
- 10.3 The Council's external auditor has been kept aware of negotiations as they have progressed.

## **11. RISK IMPLICATIONS**

11.1 The risk implications arising from this report are largely:

- Financial – further delay in opening or not being able to open the facility or prevent achievement in the forecasted income, failure to obtain best return from the existing capital investment and would mean that existing museum staff may not be fully utilised. The operation of the town hall may also be compromised because of the difficulties in access (particularly to the first floor) to staff and members of the public.
- Operational – uncertainty concerning full opening inhibiting marketing.

11.2 The North Hertfordshire Museum and Hitchin Town Hall Project is a corporate risk and this is monitored through the Finance Audit and Risk Committee. In addition there is a detailed project risk log that is monitored and discussed by project board.

11.3 Failure to reach agreement with HTHL is likely to result in litigation brought by either the Council, or HTHL, or both. Such litigation is likely to be complex, protracted and expensive and would divert Council resources away from undertaking other activities.

## **12. EQUALITIES IMPLICATIONS**

12.1 The Equality Act 2010 came into force on the 1<sup>st</sup> October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5<sup>th</sup> April 2011. There is a General duty, described in 12.2 that public bodies must meet, underpinned by more specific duties which are designed to help meet them.

12.2 In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.3 The proposals made in this report do not in themselves alter the overall project design as previously reported, but seek to ensure that in ensuring momentum to the existing contracts etc, a facility to meet the needs of all communities in North Herts can be completed and brought into community use. The report also suggests consideration of management arrangements for the facility which will be subject to the Public Sector Equality Duty. With or without the footprint of 14/15 Brand Street the new facility will enhance the experience for all visitors, including those with disabilities, although it is accepted that the building as originally designed with the footprint of 14/15 Brand Street would provide the optimum solution.



### **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 As the recommendations made in this report do not yet constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in the relevant section at paragraphs 12.

### **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1 The Human Resources implications arising from this report are associated with the significant additional workload on the Senior Officers and Project Team Members. This is currently mitigated by the reallocation of resources from less time sensitive projects but this situation cannot be sustained.
- 14.2 The demands of this project have required the temporary transfer of Senior Managers and Project Support staff to the Hitchin Town Hall project to develop alternative options and to minimise risk. The additional time having to be committed to this project including that of Chief Officers has created pressures and delays on other important work programmes elsewhere.
- 14.3 The current uncertainty will be of concern particularly with the Museum staff with the ongoing delay in the full opening of the Museum.

### **15. APPENDICES**

None.

### **16. CONTACT OFFICERS**

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## **17. BACKGROUND PAPERS**

Project history and reports at:  
<https://www.north-herts.gov.uk/home/museums/north-hertfordshire-museum-and-hitchin-town-hall/hitchin-town-hall-museum-proposals>

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**CABINET  
25 SEPTEMBER 2018**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: EXCLUSION OF PUBLIC AND PRESS**

To consider passing the following resolution:

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the said Act.

[Note: The definition of Paragraph 3 referred to above is as follows:-

- "3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)."]

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of the Local Government Act 1972.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A  
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