

### Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

#### Stage 1

##### Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Yes	23/6/2025
Commissioner engagement (if report focused on issues of concern to Commissioners such as Finance, Assets etc)	Yes	23/06/2025
Relevant Group Head review	Yes	23/06/2025
MAT+ review (to have been circulated at least 5 working days before Stage 2)	Yes	20/05/2025
This item is on the Forward Plan for the relevant committee	Yes	11/09/2025
	Reviewed by	
Risk comments		
Legal comments	Jo Clare	14/08/2025
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

#### Stage 2

##### Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least 5 working days before MAT	DMO J. Clare	15/8/25
S151 Officer commentary	T. Collier	15/8/25
Confirm final report cleared by MAT		

# Business, Infrastructure and Growth Committee

Date of meeting: Thursday 11 September 2025

<b>Title</b>	Ashford Business Improvement District (BID) Feasibility Study
<b>Purpose of the report</b>	To make a decision
<b>Report Author</b>	Julia Owen, Senior Economic Development Officer
<b>Ward(s) Affected</b>	Ashford Common Ashford East Ashford North and Stanwell South Ashford Town
<b>Exempt</b>	No
<b>Corporate Priority</b>	Resilience Services
<b>Recommendations</b>	<b>Committee is asked to:</b> <ol style="list-style-type: none"><li>1. Agree to progress the development of a Business Improvement District (BID) for Ashford town centre proposal to the next stage.</li><li>2. Note the feasibility study undertaken on a potential Business Improvement District (BID) in Ashford completed by consultants Heartflood (Appendix A).</li></ol>
<b>Reason for Recommendation</b>	A BID in Ashford would support revitalising the town centre by empowering local businesses to collaboratively invest in improvements, drive footfall, and enhance economic resilience.

## 1. Executive summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"><li>Ashford town is identified as a location where additional investment would be beneficial following local concerns about Anti-Social Behaviour, empty shops, and low footfall.</li></ul>	<ul style="list-style-type: none"><li>To support our local retail centres and implement measures that can improve their vitality, increase footfall and prosperity and make residents feel safe and secure.</li></ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"><li>Progress the development of a Business Improvement District (BID) proposal for Ashford town centre with the local business community, working towards a ballot of local businesses in Summer 2026.</li></ul>	<ul style="list-style-type: none"><li>Gain approval from Business, Infrastructure and Growth (BIG) Committee to take forward the recommendation in the feasibility report and move the BID proposal to the next stage of development, leading on to a ballot in summer 2026.</li></ul>



## **2. Key issues**

A Business Improvement District (BID) is an independent, business led partnership focused on improving and enhancing a defined commercial area. BIDs are established through a formal ballot and funded by a levy on eligible businesses, calculated based on the rateable value of their premises. Once approved, a BID operates independently of the local authority, delivering a business-led programme of services and initiatives for a fixed term—typically five years.

Place management consultants Heartflood were commissioned in January 2025 to undertake a feasibility study to support the consideration of a BID in Ashford, as a possible measure to improve the vitality of the town. The Feasibility Study (Appendix A) recommends that there is ample viability for Ashford to further consider the next stage of BID development.

This section outlines the main criteria upon which the decision to progress with a BID in Ashford should be based, expands on the recommendations of the feasibility study and highlights the key considerations that must be addressed before moving to the next stage.

### **2.1 Main Criteria for Decision-Making**

#### Economic Vitality and Resilience

Ashford town centre faces persistent challenges including high street decline, vacant units, and limited local promotion. A BID offers a structured business-led mechanism to deliver targeted investment and initiatives that could improve the town's vitality and long-term economic resilience.

#### Stakeholder Support and Engagement

The feasibility study conducted by Heartflood revealed moderate support among local businesses, with 61% of respondents to an engagement survey being in favour of testing a BID proposal through a formal ballot. This suggests a promising level of interest, but further extensive engagement is required to build consensus and explore key considerations—particularly around the affordability of the levy and its potential impact on smaller businesses.

#### Financial Viability and Levy Structure

Ashford's relatively low total rateable value limits the income potential of a BID unless a higher levy is applied. The Feasibility Study recommends a 2.9% levy which could generate approximately £80,000 annually, but it exceeds typical BID levy rates and was not tested in the consultation.

Businesses showed strongest support for a 1.75% levy, which would generate around £40,950 budget (of which a proportion is required to cover the cost of a part time BID Manager salary).

NB: Levy calculations based on NNDR list with an exemption threshold for properties with a Rateable Value under £5,000 and an estimated levy collection rate of 95% applied.

### Strategic Fit and Precedent

Nearby towns such as Staines-upon-Thames, Walton and Twickenham have successfully implemented BIDs, demonstrating the potential benefits of these place-based mechanisms. However, Ashford's context differs, particularly in terms of business density and rateable value, requiring a tailored approach for the town.

## **2.2 Key Considerations to Address**

### Affordability and Fairness of the Levy

While the proposed 2.9% levy could generate a more meaningful delivery budget, it significantly exceeds first-term BID levies (1.53%). This level was not tested with businesses during consultation and raises affordability concerns, particularly for smaller independent retailers. Officers advise that this levy rate would require robust business engagement and modelling before progressing to ballot.

### Boundary Definition and Inclusion

The proposed BID boundary focuses on the linear town centre encompassing approximately 240 businesses. This area was selected based on the concentration of commercial activity that would likely benefit from any BID interventions, as well as limited interest shown by businesses outside of the core area. Further engagement and modelling as part of the next phase should consider whether the boundary map is extended to include specific businesses and areas that would benefit and be interested in a local BID and increase levy potential.

### Administrative and Financial Risk

Developing the BID to ballot stage is estimated to cost £40,000–£50,000, with Spelthorne Borough Council bearing the full financial risk. While a £40,000 growth bid has been approved, careful planning is needed to ensure value for money and to mitigate risk.

### Service Delivery Expectations

Businesses would develop a Business Plan as part of the next stage of BID development, setting out key priorities and actions for the area. This could include enhanced street cleaning, marketing, events, and security enhancements. Lower levy rates may present challenges in meeting these expectations, which could affect confidence in the BID model, so careful forecasting of costs is important.

### Governance and Independence

Once established all eligible businesses within the BID area are required to pay a levy. Whilst the BID levy is billed by the local authority the funding is remitted to the BID company to deliver agreed services and initiatives outlined in its Business Plan. Whilst the Council may have representation on the BID board it does not direct BID priorities and budgets.

### **3. Options appraisal and proposal**

#### **3.1 Option 1 – Progress development of the BID proposal (Recommended)**

Progress the development of a Business Improvement District (BID) proposal for Ashford to the next stage, as recommended by the feasibility study.

##### Advantages

- This recognises the potential for a Business Improvement District to deliver targeted support to the town centre and support local regeneration
- Could deliver a steady, business led investment stream annually empowering Ashford businesses to shape and lead improvements, increasing accountability and long-term sustainability.
- Aligns with BID best practise seen in neighbouring towns such as Staines, Twickenham and Kingston.

##### Disadvantages

- Levy income would also need to cover administrative costs (including BID manager and levy collection) leaving limited budget for visible improvements.
- Risk of ballot failure concerns, resulting in reputational damage and unrecovered costs (£40,000 to £50,000 to take proposal to ballot stage).
- Proposed BID timing interacts with wider local government reform in Surrey creating governance uncertainty.

#### **3.2 Option 2 – Do not pursue the BID proposal but support Ashford through a coordinated multi-agency approach**

##### Advantages

- Allows for the design of quick-win, visible interventions (for example, small scale events or security initiatives) supports collaborative working with partners and sharing costs
- Demonstrates the Council's ongoing commitment to Ashford despite not proceeding with the BID currently.
- Responds directly to feedback from Ashford businesses during the engagement phase while avoiding the cost of developing a BID proposal.

##### Disadvantages

- Would not provide a formal mechanism for business led governance of longer-term investment, alternative funding may be more limited in scale and duration than what a BID could provide, reducing the scope of interventions.

#### **3.3 Option 3 – Decide not to pursue a BID proposal for Ashford at this time.**

##### Advantages

- Acknowledges the financial pressures currently faced by local businesses, including reduced rates relief and increased national insurance contributions.
- Enables the Council to redirect focus and resources toward alternative ways of supporting the town centre, without being constrained by BID ballot timelines or governance requirements.

- Avoids committing £40,000 - £50,000 of Council funding to a BID development process and ballot with no guarantee of success.

#### Disadvantages

- Businesses that supported the BID proposal may feel disappointed or lack of support for Ashford.
- Missed opportunity to establish a sustainable, business-led organisation with private sector investment.

## **4. Risk implications**

### **4.1 Option 1– Risks and Mitigations**

**Financial Risk:** Up to £50k could be spent with no return if the BID ballot doesn't achieve a 'yes' vote.

**Mitigation:** Ensure extensive engagement with business community on BID benefits to encourage a yes vote, particularly if resulted in a BID levy is proposed at a lower rate than 2.9%

**Delivery Risk:** Once core costs (such as a BID Manager) are accounted for limited funding may remain for local projects and interventions

**Mitigation:** Careful planning during a BID proposal stage, including a robust costed Business Plan with clearly prioritised delivery options.

**Operational Risk:** Levy collection may require additional council resources.

**Mitigation:** Plan for dedicated support and streamline processes early, normally the additional resources required would be covered by a small administration charge for collecting the levy.

**Engagement Risk:** Possible low turnout or rejection of proposal at ballot.

**Mitigation:** Strengthen engagement and build consensus before ballot.

**Reputational Risk:** A failed ballot could damage trust and future engagement.

**Mitigation:** Communicate openly and manage expectations throughout.

### **4.2 Option 2 – Risks and Mitigations**

**Governance Risk:** No formal structure for long-term business governance.

**Mitigation:** Set up a local business forum to guide and monitor progress.

**Financial Risk:** Funding may be limited or short-term.

**Mitigation:** Leverage external grants and align with existing public sector initiatives.

**Coordination Risk:** Coordination across agencies may be slow or inconsistent.

**Mitigation:** Establish clear roles, timelines, and regular review meetings.

**Expectation Risk:** Expectations may exceed delivery capacity.

**Mitigation:** Prioritise quick wins and communicate transparently with stakeholder.

#### 4.3 Option 3 Risks and Mitigations

**Reputational Risk:** Businesses that support the BID proposal may feel overlooked or disengaged.

**Mitigation:** Maintain regular communication and involve business community in alternative improvement initiatives.

**Strategic Risk:** Loss of opportunity to establish a long-term, business-led investment model.

**Mitigation:** Explore other collaborative funding approaches, such as town centre partnerships or grant programmes.

**Perception Risk:** Perception that Ashford is being deprioritised compared to neighbouring towns with BIDs.

**Mitigation:** Publicly commit to a multi-agency action plan and deliver visible improvements to demonstrate support.

**Future Planning Risk:** Reduced momentum for future BID consideration.

**Mitigation:** Keep BID as a future option and monitor business sentiment through ongoing engagement.

#### 5. Financial implications

There is budget one-off provision, for 2025-26 to cover the cost of moving onto the next stage of engagement, this provision will fall away in 2026-27 Budget. If the decision. If Committee decided not to proceed this would mean either the one-off expenditure on the proposal would not be incurred or alternatively some of this could be re-directed to exploring other ways to support the Ashford town centre.

#### 6. Legal comments

- 6.1 Establishment of a BID is subject to statutory procedure within Local Government Act 2002 and the Business Improvement Districts (England) Regulations 2004 (BID Regulations). Any BID proposal must be approved by the ratepayers in the BID area on a vote in a ballot. The Council has an obligation to ensure that any ballot is operated in accordance with BID Regulations.

#### Corporate implications

#### 7. S151 Officer comments

- 7.1 In principle the S151 is very supportive of encouraging viable BIDs within the Borough as if they are successful and encourage prosperity and footfall, they are good for residents, businesses and for the Council's taxbase. The BID in Staines-upon-Thames has made a very positive impact.
- 7.2 The risk as set out in this report is due to the constrained size of the BID footprint (in part driven by a focus on retail businesses within the centre of the town more likely to vote for a BID) that compared to other BIDs a relatively high percentage BID levy percentage would be required. In the context of the pressures the business community are currently under and given that only 2% of businesses responding to the consultation said that they would support a



lower levy of 2.25% the risk is that a BID ballot would not achieve a majority in favour, and the costs of up to £50,000 would prove abortive to the Council.

- 7.3 Therefore, it could be a lower risk and better value for money for the Council to explore other avenues for addressing the concerns around Ashford town centre and how to lever in additional funding into the area.
- 7.4 Additionally, £80,000 as an annual BID budget, once administrative costs, cost of levy collection and factoring in non-collection rate for the levy would, compared to other BID's budgets, be quite small and the BID would therefore be constrained as to what additional impact it could achieve for local businesses.
- 7.5 However, the S151 Officer, recognises that that it is potentially possible that a successful campaign and extensive engagement could persuade local businesses to support a BID and associated levy. In that context, this is a decision for the Committee to make as to whether to proceed with the proposal to engage with businesses to put forward the case for the BID, especially as the Budget provision is in place on a one-off basis.
- 7.6 If that engagement process resulted in a proposed levy rate lower than 2.9% that would increase the chances of a yes vote by businesses. If Committee decided not to proceed with the proposal for promoting a BID, the S151 Officer assumes the one-off Budget provision built into the 2025-26 budget could be used to pump prime progressing alternative proposals and that then the focus would be on leveraging in funding from other sources.

## **8. Monitoring Officer comments**

All relevant legal implications have been taken into account and are set out in Legal comments paragraph 6 above.

## **9. Procurement comments**

- 9.1 If option 1 is preferred, then a tender exercise for preparing the BID for ballot will need to be conducted. Any procurement exercise will be undertaken in accordance with the Procurement Act 2023 and the Council's Contract Standing Orders.

## **10. Equality and Diversity**

No impact identified

## **11. Sustainability/Climate Change Implications**

- 11.1 The implications of forming a BID in Ashford on sustainability and climate change are twofold. The BID would be a focal point for local sustainable development as they can promote greener spaces, pedestrian access and cycling infrastructure to support green business growth.
- 11.2 However, a BID's primary function is to increase economic activity. This will lead to further resource consumption and increased emissions. Particularly, some prioritise short term business growth over climate goals.

## **12. Other considerations**

- 12.1 The proposed implementation timeline for a BID in Ashford would coincide with the creation of new unitary authorities in Surrey from April 2027. This level of

change introduces a level of uncertainty regarding future governance arrangements, levy collection responsibilities and long-term support, representing an additional risk to a newly established BID.

- 12.2 In June 2025 Ashford was designated a 'hot spot' area by Surrey Police. As such the town centre will benefit from Home Office funding to support improvements in the area, including enhanced foot patrols by officers. There is a planned stakeholder workshop in September to discuss support for Ashford and to develop an operational plan.

### **13. Timetable for implementation**

- 13.1 The implementation timetable will need to be confirmed once a preferred option is selected. If Option 1 is chosen, the feasibility study outlines a 12 - 14 month timeline to include:

- the appointment of a BID consultant to project manage the process
- the creation of a BID shadow board of local businesses and business groups
- extensive consultation with the business community around the BID boundary
- the potential levy change and the priority projects for a Business Plan to focus on
- the formal ballot organisation (see Appendix A Feasibility Study, page 32)

### **14. Contact**

Contact Name: Julia Owen [j.owen@spelthorne.gov.uk](mailto:j.owen@spelthorne.gov.uk)

**Background papers:** Background papers: MHCLG : Information and guidance on Business Improvement Districts.

**Appendices:** Appendix A – Ashford Feasibility Study produced by Heartflood June 2025