

Cheltenham Borough Council

Cabinet – 15 July 2025

Cheltenham Business Improvement District Renewal Ballot

Accountable member:

Councillor Rowena Hay, Leader

Accountable officer:

Helen Mole, Head of Place Marketing and Inward Investment

Ward(s) affected:

All

Key Decision: Yes

Executive summary:

A Business Improvement District (BID) is a defined geographic area in which local businesses collaborate to fund and implement projects, services, and initiatives which will be of benefit to businesses within the BID area. Financed via a levy in addition to business rates, there are no restrictions on the types of projects or initiatives that a BID can undertake, the only condition is that they must go beyond what the local authority already provides.

All BIDs within the United Kingdom are formed in accordance with government legislation which sets out how a BID operates and is administered. A BID must go to ballot to ensure that all eligible businesses within the proposed area have a fair and democratic opportunity to vote on whether the BID should be established or renewed. This process ensures that the BID operates with the support and consent of the majority of those who will fund and benefit from its activities. If the ballot outcome is successful, all organisations in the BID area must pay the BID levy, regardless of how they voted.

Cheltenham BID, operational since July 2016, was successfully re-balloted in 2021 and is set to run until 31 March 2026. The BID board has notified relevant authorities

of its intention to hold a renewal ballot in October 2025, seeking a further five-year term from 1 April 2026 to 31 March 2031.

This report updates Cabinet on the BID's achievements in its current term, sets out the process for the renewal ballot, and seeks delegated authority to deal with elements of the process for which the council has responsibility.

Recommendations: That Cabinet

- 1. notes that, on Monday 16 June 2025, Cheltenham BID Limited formally served notice of their intention to seek a renewal ballot for a further five-year term to both the Secretary of State and the council;**
- 2. notes that the Deputy Chief Executive, as returning officer, will engage the services of a suitable consultancy that provides election services to carry out the ballot on behalf of the council in accordance with the BID regulations;**
- 3. notes the draft Baseline and Operating Agreements between Cheltenham BID Limited and the Authority at Appendix 3 and 4;**
- 4. delegates authority to the Deputy Chief Executive to review the details of the draft business plan when shared by Cheltenham BID Limited and ensure it does not conflict with any formal policy adopted by the council, providing feedback to the BID board;**
- 5. delegates to the Director of Finance and Assets, in consultation with the Leader, the authority to vote in favour of another BID term on behalf of the council in the ballot;**
- 6. delegates authority to the Deputy Chief Executive, in consultation with the Director: One Legal to agree and sign the Baseline Agreement and the Operating Agreement with Cheltenham BID Limited, should the ballot be in favour of renewal for another five-year term.**

1. Implications

1.1. Financial, Property and Asset implications

Should the BID be successful at ballot, the council will continue to manage billing and the collection of the levy and will hold the levy in a ring-fenced revenue account on behalf of the BID.

Signed off by: Gemma Bell, director of finance and assets

1.2. Legal implications

Many of the legal implications are set out in the body of the report; in summary

(a) The main piece of legislation governing the creation and administration of Business Improvement Districts is The Business Improvement Districts (England) Regulations 2004 (“the Regulations”).

(b) The Regulations set out the authority’s powers and responsibilities in terms of how ballots relating to BIDs are to be conducted and how the BID levy is to be collected and accounted for.

(c) The Baseline and Operating Agreements create a legally enforceable contractual relationship between the Council and Cheltenham BID Limited. The Operating Agreement in particular sets out how the BID levy will be dealt with between the parties.

The appointment with the specialist consultancy to assist with conducting the ballot will need to be procured in accordance with the council’s contract rules.

Signed off by: One Legal – legalservices@onelegal.org.uk

1.3. Environmental and climate change implications

There are no associated environmental and climate implications for this report.

Signed off by: Maizy McCann, Climate Officer, Maizy.mccann@cheltenham.gov.uk

1.4. Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Ensuring residents, communities and businesses benefit from Cheltenham’s future growth and prosperity

1.5. Equality, Diversity and Inclusion Implications

If the ballot is successful, Cheltenham BID will deliver against its business plans to directly benefit businesses within its designated area. Successful re-ballot for 2026-2031 will see an investment into the BID area of at least £2.7 million which will be used to deliver the objectives set out in the business plan. The BID is responsible for delivery and will conduct its own direct assessment into equality impacts.

1.6. Performance management – monitoring and review

The Cheltenham BID chief executive and the council’s head of place marketing and inward investment will meet monthly to review ongoing activity including progress against delivery of the BID business plan.

The council's head of revenues and benefits will send regular reports to the BID to update on the collection of the BID levy payments.

A monitoring group will be set up consisting of at least one council officer, the relevant Cabinet member, and two or more Cheltenham BID representatives. This group shall meet at least twice per BID financial year in every year of the term of the BID.

2. Background

2.1. Cheltenham BID was established in July 2016 and was subject to a successful re-ballot in 2021 with the current term set to expire on 31 March 2026. The board of the Cheltenham BID Company has declared it wishes to proceed with a renewal ballot and notified Cheltenham Borough Council and the Secretary of State of its intention in accordance with the Business Improvement Districts (England) Regulations 2004. The BID is seeking a further operating period of five years, running from 1 April 2026 to 31 March 2031.

2.2. The Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004 state that the council has several responsibilities in the ballot process. The council must:

- Satisfy itself that the BID business plan (when issued) does not conflict to a material extent with its policies and that the levy payment structure does not place a disproportionate financial burden on any person or class of person.
- Provide a statement of existing baseline services the council provides within the BID area. This provides transparency to BID levy payers on the existing services delivered by the council which will not be funded from the BID levy. The Draft Baseline Agreement (Appendix 3) has been reviewed by the heads of all relevant council services.
- Approve an operating agreement to set out which businesses are liable to pay the BID levy, as well as the processes for the collection and enforcement, and the amount of levy to be collected. The Draft Operating Agreement (Appendix 4) has been reviewed by the heads of all relevant council services.
- Oversee the democratic process of the ballot. To deliver this, the council will commission the services of a suitable consultancy that provides election services to carry out the ballot on behalf of the council in accordance with the BID regulations.

2.3. The timetable for the ballot activity is set out below.

Activity	Timing
BID consultation with businesses within the BID zone, identified at https://cheltenhambid.co.uk/the-bid-zone/	April – May 2025 (also ongoing throughout 2025)
Notification to Secretary of State of intention to proceed to ballot	June 2025
Council to commission the ballot provision service	July 2025
Council to review the final BID business plan to ensure it does not conflict with any formal policy adopted by the council and provide feedback to the BID board	August 2025
Publication of notice of ballot and BID business plan launched	18 September 2025
Ballot period	2 – 30 October 2025
Announcement of ballot results	31 October 2025
Challenge period	To 28 November 2025
Final baseline and operating agreements to be signed by Cheltenham Borough Council and Cheltenham BID	December 2025
BID term starts	1 April 2026

2.4. Businesses that are subject to the levy may vote in the ballot. This determines whether the new term for the Cheltenham BID will go ahead. A successful vote is one that has a majority both in votes cast and in rateable value of votes cast.

2.5. The legislation allows for appeals to be made against the establishment of a BID. The Secretary of State can only consider an appeal if it appears that material irregularities have occurred during the ballot process. A request to appeal must be made in writing to the Secretary of State within 28 days of the result of the ballot being published. An appeal can only be made by the BID proposer, the BID Company, at least 5% of the number of persons entitled to vote in the BID ballot, or the relevant local authority.

3. BID Delivery in 2021-2026

3.1. Cheltenham BID is governed by a board composed of local business leaders and stakeholders who represent a diverse range of sectors including retail, hospitality, professional services, and local government, working collaboratively to enhance the town centre. The board includes the leader of the council and the council's head of construction.

3.2. Each term of a BID is covered by a business plan setting out priorities and key actions. For the 2021 – 2026 Cheltenham BID term, the priorities were:

- **Business support** including free and subsidised training for BID businesses, subsidised parking, networking events, and in-person support and visits to businesses.
- **Marketing and promotion** including support for tourism and marketing promotion in partnership with Marketing Cheltenham, wayfinding trails in shop windows around the town centre, and the Cheltenham Gift Card.
- **Town centre events** including Christmas lights switch on events, sector specific promotional events, and sponsorship of Cheltenham Festivals.
- **Townscape enhancements** including Cheltenham BID in Bloom, artwork on utility boxes in the town centre, the Tidy Up Cheltenham campaign and a successful graffiti tagging removal project.

3.3. The Cheltenham BID levy has raised over £2 million from businesses in the 2021 – 2026 term which has been invested into delivery of the priorities identified in the BID business plan for that period.

4. BID plans for 2026-2031

4.1. The draft BID business plan will be shared with the council in August 2025. In developing this plan, the BID has consulted with the local business community to gather feedback on their experiences with the BID to date and to identify business needs and priorities for the next term.

4.2. The BID's business plan for 2026-2031 will set out the following priorities:

- **Welcoming.** A town that's vibrant, inviting, and feels safe and welcoming for all.
- **Promoted.** Showcasing Cheltenham's best – its businesses, culture, and clean, thriving spaces.
- **Supported.** Helping businesses flourish with the right tools, voice, and a

well-maintained environment.

- **Connected.** Bringing businesses, visitors, and the community together in a safer, cleaner, and more accessible town.

4.3. During the re-ballot process, the BID has the opportunity to review the boundaries of the BID zone (the area in which businesses must pay a BID levy). In June, the BID board took the decision to extend their current boundary to both the east and west of the current area. Consultation and engagement with businesses in the extended zone is underway.

4.4. The BID may also use the re-ballot process as an opportunity to review the threshold based on rateable value at which BID levy becomes payable for businesses. For 2026-2031, the BID has chosen to increase this threshold from £7,500 to £15,000. This means that fewer businesses will be liable for the levy and this will, in particular, support smaller independent businesses.

5. Reasons for recommendations

5.1. The council has a statutory duty to facilitate Cheltenham BID's ballot in accordance with the Business Improvement Districts (England) Regulations 2004.

5.2. Cheltenham's town centre is a vibrant, welcoming place with a wide variety of retail, leisure and hospitality options available to visitors and residents. Vacancy rates are lower than the national average, and footfall is buoyant year round (though especially so during events). To maintain this positive position, it is vital that town centre partners are engaged with the council to promote the town and support businesses.

5.3. The expected investment of at least £2.7 million in BID levy funding between 2026 and 2031 will help strengthen the town centre's business community, contributing to continued economic growth and prosperity in Cheltenham.

5.4. Given the benefits that Cheltenham BID has delivered to the town in its previous terms, and the expected positive impact of delivery of the proposals set out in the 2026-2031 business plan, it is recommended that the council votes in support of the continuation of Cheltenham BID, as set out in the recommendations in this report.

6. Alternative options considered

6.1. The council could choose not to support a further term of the Cheltenham BID outside its statutory role. This would risk the BID's ballot outcome, and if this is unsuccessful, the town would lose the positive impacts expected from the delivery of the proposals set out in the 2026-2031 business plan,

including the additional investment in the town centre of at least £2.7 million from the BID levy contributions in the term.

7. Consultation and feedback

7.1. The BID business plan is being developed in consultation with the BID board and businesses in the BID zone.

7.2. Heads of service with direct involvement in BID activities have been engaged in the preparation of this report.

8. Key risks

8.1. The key risk associated with this report is that the council is unable to fulfil its statutory obligations in the BID ballot process. This is mitigated by the successful implementation of the actions set out in the report.

Report author:

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Appendices:

1. Risk Assessment
2. Equality Impact Assessment
3. Draft Baseline Agreement 2025
4. Draft Operating Agreement 2025

Background information: N/A


Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
1	The council is not able to support the re-ballot process.	Helen Mole and Jayne Gilpin	4	1	4	Avoid the risk	Plan of action in place to ensure that processes are followed, and deadlines are adhered to.	Helen Mole and Jayne Gilpin	Action plan in place as set out through report

Appendix 2: Equality Impact Assessment

1. Identify the policy, project, function or service change

a. Person responsible for this Equality Impact Assessment

Officer responsible: Helen Mole	Service Area: Place marketing and inward investment
Title: Head of place marketing and inward investment	Date of assessment: June 2025
Signature: 	

b. Is this a policy, function, strategy, service change or project?

Other

If other, please specify: Decision

c. Name of the policy, function, strategy, service change or project

Cheltenham Business Improvement District	
Is this new or existing?	Already exists and is being reviewed
Please specify reason for change or development of policy, function, strategy, service change or project	
BID ballot renewal process	

d. What are the aims, objectives and intended outcomes and who is likely to benefit from it?

Aims:	If the ballot is successful, Cheltenham BID will deliver against its business plans to directly benefit Cheltenham within its designated area.
Objectives:	<p>The BID business plan sets out the following objectives for 2026-2031:</p> <ul style="list-style-type: none"> Welcoming. A town that's vibrant, inviting, and feels safe and welcoming for all.

	<ul style="list-style-type: none"> • Promoted. Showcasing Cheltenham's best – its businesses, culture, and clean, thriving spaces. • Supported. Helping businesses flourish with the right tools, voice, and a well-maintained environment. • Connected. Bringing businesses, visitors, and the community together in a safer, cleaner, and more accessible town.
Outcomes:	As above
Benefits:	As above

e. What are the expected impacts?

Are there any aspects, including how it is delivered or accessed, that could have an impact on the lives of people, including employees and customers.

Yes

Do you expect the impacts to be positive or negative?

Positive

Please provide an explanation for your answer:

Successful re-ballot for 2026-2031 will see an investment into the BID area of at least £2.7 million in BID levy contributions which will be used to deliver the objectives set out in the business plan. The BID is responsible for delivery and will conduct its own direct assessment into equality impacts.