

## **FUTURE WORKING ARRANGEMENTS FOR THE CITY CENTRE PARTNERSHIP**

### **Summary**

1. The report sets out options and proposed actions for sustaining the actions of the City Centre Partnership, following the decision not to proceed with the establishment of a Business Improvement District (BID) at the present time.

### **Background**

2. The York City Centre Partnership (YCCP) was launched in October 2005 and is a public/private partnership company limited by guarantee. The company has been supported by Yorkshire Forward, the City of York Council, York Business Pride, Land Securities, Marks and Spencer and other companies. Its aims is to enhance the economic vitality and viability of the City Centre for the benefit of all who live, work, invest in or visit the Centre. A primary objective of the company has been to consult and research the establishment of a Business Improvement District in the City Centre of York. A BID is a partnership arrangement through which the local authority and the local business community agree to take forward practical schemes to benefit that business community; these are funded through a compulsory levy linked to the level of business rates by those who operate commercially within the predetermined boundaries of the BID's effective area.
3. YCCP is now well into its second year of operations, concluding its first action plan with a number of high profile and successful activities. The company has sought to explore with city centre businesses the concept of a Business Improvement District for the foot streets. Significant research was undertaken, the end result of which was the decision taken at the YCCP Board meeting on 22<sup>nd</sup> November that it was too early to take the concept further at the present time. The overall high quality of most of the built environment and the services necessary to maintain it in this state, the level of marketing and promotion and the broad appeal of the city were felt sufficiently good enough to preclude the need for a BID to address such issues (as has happened in many of the towns and cities that have recently created BID's). Nor was there a single substantial project promising a substantial return on investment that a collective business levy could contribute to via a BID, to guarantee its successful completion.

4. Since the establishment of the Company and following the recent Government Spending Review and the publication of a Sub-National Review of Economic Development, the Government has now issued a consultation paper for a scheme for supplementary business rates. This White Paper sets out the Government's proposals to introduce a power for local authorities to raise and retain local supplements on the national business rate, subject to the revenue raised only being used for spending on economic development, a national upper limit of 2p in the pound and an exemption for properties liable for business rates with a rateable value of £50,000 or less.
5. A summary of the activities of the YCCP since the company was established in July 2005 is attached to this report. Following the decision not to pursue a BID at this stage, the Board also considered the attached paper on alternative models for city centre management prepared by the YCCP Chief Executive. This report sets out some options for sustaining the activities of the YCCP Board in the future.

## **Consultation**

6. YCCP has undertaken extensive consultation and research on the establishment of a BID in the City Centre of York. Options for sustaining the work of the YCCP was considered as an urgent item at the meeting of the Economic Development Partnership Board held on 28<sup>th</sup> November 2007. Any agreed actions following consideration of this report will need to be subject to further consultation following consideration at this meeting.

## **Options**

7. The conclusion of the paper presented to the YCCP Board meeting was that many of the attractive historical destinations in the UK see distinct benefits in retaining and developing City Centre Management because of the business focus it brings to many of the traditional services that local authorities are expected to provide. Examples from elsewhere demonstrate close links between City Centre Management and visitor/tourism management due to the recognition in most places of capitalising on the extra footfall brought in to the advantage of local businesses. It was recommended that the YCCP Board consider further whether in York there was the opportunity to tie City Centre Management and visitor management more closely together. This would need to take account of the proposals to develop a single tourism partnership organisation in York.
8. An alternative approach would be to consider sustaining the activities of the YCCP on the same basis as present. This would need to be dependent upon continued funding being available from partners or from other sources. The contract between Yorkshire Forward and the Council relates to progressing the BID rather than to supporting the YCCP per se. This funding is due to cease at the end of the current financial year, although the other funding contributions to the Partnership will enable YCCP to honour its commitment to the fixed term employment of its Chief Executive which is due to last until September 2008.

9. Assuming that continued funding was not available from other sources, a further option would be to seek to sustain the activities of the YCCP as best as possible through current support arrangements within the City of York Council. The City Council has a dedicated City Centre Operations team responsible for managing the City Centre footstreets and supporting City Centre events and activities. In addition, staff within the Directorate of City Strategy are actively engaged in the production of a City Centre Action Plan to accompany the Local Development Framework.

## **Analysis**

10. The decision not to support the BID at the present time offers the opportunity to review the City Centre Partnership and its Action Plan. The current action plan covers the period March 2006 to March 2008, and a significant number of actions have been achieved by the partnership. It is therefore an appropriate time to review the models of city centre management as reported to the YCCP and consider whether any models are particularly relevant to York.
11. With regard to more closely linking City Centre Management to visitor management, it is important to note the progress in establishing a single tourism partnership in York, as set out in a separate report on this agenda. This new partnership will need to establish a robust business plan setting out its objectives for increasing visitor spend. Any consideration of linking this activity to City Centre Management would therefore need to be considered as part of that business plan.
12. A further key element in developing ways of sustaining the activities of the YCCP is to confirm the likely funding and support from partners. It is recommended that further work is undertaken to seek the views of partners on continued funding.
13. At the meeting of the Economic Development Partnership Board, the Chamber of Commerce also indicated a willingness to be involved in any future actions to engage with businesses within the City Centre.
14. It is recommended therefore that the following actions are approved:
  1. To raise with the new single tourism partnership opportunities to link more closely city centre management to visitor management;
  2. To consider the appropriateness of maintaining the existing YCCP taking account of its current activities as highlighted in the appendix to this report, and explore with partners the opportunity for continued funding to sustain the City Centre Partnership;
  3. To review the scope for sustaining the current activities of the City Centre Partnership through the Council's city centre operations team and as part of the process of developing a City Centre action plan under the Local Development Framework;
  4. To explore the opportunities for engagement with retail businesses through closer working with the Chamber of Commerce;
  5. To report back to the Council's Executive once the above actions have been pursued.

## Corporate Priorities

15. The work of YCCP relates to the following objectives for the Council, the Economic Development Service Plan and the LSP Without Walls initiatives.

\* The “Thriving City” theme of the WOW Community Plan has the following strategic objective:

“To support the progress and success of York’s existing businesses and to encourage new enterprises in order to maintain a prosperous and flourishing economy that will sustain high employment rates.”

\* The Economic Development Service Plan sets identifies a number of corporate priorities:

- DIP 5 Increase people’s skills and knowledge to improve future employment prospects.
- DIP 6 Improve the contribution that Science City York makes to economic prosperity.
- DIP 8 Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city.
- DIP12 Improve the way the Council and its partners work together to deliver better services for the people who live in York.

Please note that it is now proposed to amend DIP 6 within the Council’s corporate strategy to improve the economic prosperity of residents of the City with a focus on minimising income differentials.

## Implications

16. Financial: There is currently no budgetary provision within the Council to support the City Centre Partnership beyond the current commitments which are due to end in September 2008. Any financial implications arising from the outcome of the actions set in paragraph 14 above will be the subject of a future report to the Executive.

17. Human resources: None directly for the Council, although YCCP hold a fixed term contract for the Chief Executive which lasts until September 2008.

18. Equalities: None

19. Legal: None

20.. Crime and Disorder: None

21. Information Technology: None

22. Property: None

## Risk Management

23. In compliance with the council's risk management strategy. There are no significant risks associated with the recommendations of this report.

## Recommendation

24. That the Executive approve the actions set out in paragraph 14 of this report in order to sustain the activities of the York City Centre Partnership.

Reason: To help shape the effectiveness of future action.

## Contact Details

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### Chief Officer Responsible for the report:

Bill Woolley  
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Report Approved

Date

Wards Affected:

All

For further information please contact the author of the report

## Background Papers: