

Executive

2 October 2017

Addendum to Agenda Item 7: Formal Notification of Banbury Business Improvement District (BID) Business Plan and Related Decisions

This addendum is public

Legal Implications

The legal implications contained within the main body of the report on this item should be disregarded and members' attention is instead drawn to the following issues:

1. Should the Council determine to exercise its right to vote in the BID ballot in favour of the establishment of the BID and the ballot approves the establishment of the BID then those properties which the Council owns within the BID area will be liable to the additional statutory liability for the BID Levy. This will, therefore, lead to an additional statutory liability which the Council will have to fund going forwards.
2. The provision of grant funding to subsidise the BID company to pay the Council's costs associated with administering the BID levy (i.e. raising bills, collecting monies and debt-collecting in the event of any failure to pay) will be governed by a grant agreement which the Council's internal legal team will be able to prepare following the conclusion of the BID ballot.
3. The provision of a bridging loan will be subject to a loan agreement which the Council's legal team will prepare. The loan agreement will contain necessary obligations and penalties around the payment and repayment of the loan money over the term of that agreement. When entering into the loan agreement the Council will need to consider if any State Aid implications may arise from the terms of the loan agreement; whilst these will be addressed by the internal legal team, the Council can be confident that any State Aid which may arise as a result of this activity will be exempt under either the General Block Exemption Regulations as being purely local in its effect, or will be under the *de minimis* threshold in any event.

Comments checked by:

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