

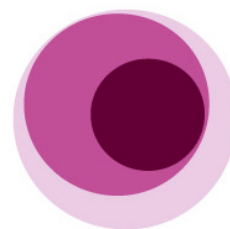
IBRF Support for Business Improvement Districts (BIDs)

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IBRF & BID's

The Inter-Bank Rating Forum are keen supporters of BID's. Member organisations decided to lend their support to the establishment of BID's within the UK provided that certain criteria were met. The IBRF published this definitive criteria in order that all prospective & operating BID's would have clear guidance on what the Financial Services industry required & expected in terms of governance & business plan from each BID. Generally, if each BID complied with the criteria, IBRF members would lend their support to the BID proposals.

The IBRF have closely monitored the development & establishment of BID's since inception & are encouraged to find that certain common themes lay at the heart of each BID:

- * BID's are driven by business; administered by a dedicated specialist team; governed by an independent Board comprising a cross-section of stakeholders &, appropriately, supported (in most cases) by the Local Authority.

- * BID's are focussed on specific identified issues within a defined business plan & require to be elected by businesses located within the BID area. They deliver good value for money, actively ensuring that monies raised from the BID levy are directed at schemes which will have both instant impact & long-term effect & which will encourage customers & enhance business return.

- * BID's are fully accountable for their actions & expenditure, & all seek to improve the trading environment which will ultimately benefit the entire community & help to attract new investment into the locality.

Naturally IBRF members, like other businesses, need to outline their own criteria for supporting each BID but this is broadly in line with all business & customers requirements: they want a clean, safe, secure, attractive, accessible & inviting trading environment which customers & staff can rely upon.

From our experience to date, IBRF members consider that BID's are quickly becoming a "must have" as a means of delivering added value to the business environment. However, the IBRF consider that the possible introduction of Business Rates Supplements may create indecision & confusion, unless clear policy is established in order not to prejudice the future financial viability of BID's.

KEY POINTS

1. BIDs funding must be for business generation
2. Benefits must be measurable
3. BID Schemes must be demand led, from the private sector
4. BID Schemes must be non political
5. BID Schemes must be based on need, not just nice to have
6. Every case will be judged on it's own merits but only in exceptional circumstances will the IBRF members support a BID which departs from these criteria. The business case must be clear and compelling.
7. IBRF members will only support BID levies which are to be used to provide additional services, not to subsidise services which are currently funded from rates income.

IBRF members already pay a substantial sum in Corporation Tax, Business Rates, Council Tax, sponsorship and voluntary contributions to community programmes. BIDs are another cost for which there must be clear business benefits.

IBRF SUPPORT CRITERIA

The IBRF BID's Support Criteria are published as general guidelines & can be found under the BID's section of the IBRF website (www.ibrf.org.uk). Individual members are, however, free to vote in accordance with their own views and it is appreciated that every case will be decided on its own merits.

It quickly became clear to members that it was impossible to individually visit & consider each BID so, in order to establish a measure of performance of existing BID's & a critical analysis of prospective BID's, the IBRF became members of British BID's (www.britishbids.info). British BID's provide a consultancy service to enable IBRF members to assess the merits & performance of each BID in line with the established criteria. All prospective & established BID's are encouraged to register with British BID's accordingly.

IBRF INVOLVEMENT WITH BID'S

A number of member organisations take an active involvement with BID's. Generally, although IBRF representatives may not have the time or opportunity to establish a local commitment, other colleagues who are more closely aligned to the BID area are free to contribute as they see fit; this cannot, however, be guaranteed in each case!

A number of members have provided advice &/or sponsorship to individual BID's, especially in cases where their local presence is significant. RBS plc & HBOS plc are examples of this additional support with, for example, HBOS plc sponsoring "Essential Edinburgh" (www.essentialedinburgh.co.uk) & having an advisory seat on the Board of Directors.

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16.01.2009