

British BIDs

Quarterly News August 2007



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Industry Sign-up to British BIDs

British BIDs has taken a major leap forward as the two major industry bodies sign up.

The Inter Bank Rating Forum (IBRF www.ibrf.org.uk) and the British Retail Consortium (BRC www.brc.org.uk) have signed up to effectively outsource many of their BID functions to British BIDs thus making the administration and management process more efficient and streamlined.

The outcome is that British BIDs becomes the **single point of contact** for BIDs and levy payers, acting as a conduit between the two sectors.

Both sides have long found that it is an extremely labour intensive process to collect, analyse and respond to the various data needs during the development process and post ballot. This development will vastly reduce the time and effort required and hence enable more focus on the core purpose of delivering BID services on the ground in each locality.

A series of new systems have been put in place, which have been developed in collaboration with, and endorsed by, both the IBRF and the BRC. These systems are due to be rolled out over the coming months and will vastly reduce the duplication of work that has been taking place previously.

Supplementary Business Rate Inquiry and Report

The Government Department of Communities and Local Government (DCLG) held a formal Inquiry session on the Supplementary Business Rate (SBR) concept on 19th June 2007.

British BIDs was invited to provide the industry experts for the Inquiry and presented Dr Julie Grail, Chief Executive of British BIDs, together with Sue Ashley, Town Centres and BIDs Manager of Warwickshire County Council.



Sue Ashley

Industry Sign-up to British BIDs (continued...)

If you are a formal BID or a developing BID you will soon be receiving some requests for information from British BIDs as follows:

For Formal BIDs:

- **BID Registration Form**

As a formal BID you will receive a Registration Form from British BIDs that has been completed with known details of your BID. Please check this to ensure the correct data is held on the Bb website. This data will in turn be used by the IBRF and BRC members.

- **BID Property Database Link**

As a formal BID you will be asked to provide an excel version of your BID Property database containing all hereditaments within your BID area. All sensitive data should be removed in advance. British BIDs will provide a link to this database on the Bb website to enable IBRF and BRC members to access and search where they have properties and thus calculate their levy liabilities.

- **BID Annual Evaluation Form**

As a formal BID, once you have completed a full year of operation (or more) you will be asked to complete an Annual Evaluation Form. This will be held on the Bb website enabling IBRF and BRC members to assess and analyse the data.

For Developing BIDs:

- **BID Registration Form**

As a developing BID you will receive a Registration Form from British BIDs for completion. This will then be held on the Bb website and will in turn be used by the IBRF and BRC members to assist them with their voting decision.

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SBR (continued...)

There has been renewed interest in the idea of SBR following recommendations in the Lyons Inquiry Report published in March this year. However, it was previously debated as part of the Green Paper of 1999 that preceded the White Paper and subsequent Local Government Act 2003 that introduced the concept of BIDs. At that time, BIDs were favoured over the SBR approach due to their clear localism and accountability to the business community.

A similar view remains and indeed was the subject of much of the debate during the June Inquiry. Many of the reasons why BIDs are proving to be a success would not be followed through in the SBR concept such as –

- Accountability and transparency through a democratic voting process;
- Genuinely local delivery against business priorities;
- Private sector governance;
- Levy rules to meet the needs of the area.

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Industry Sign-up to British BIDs (continued...)

• BID Property Database Link

As a developing BID you will be asked to provide an excel version of your BID Property database containing all hereditaments within your potential BID area. All sensitive data should be removed in advance. British BIDs will provide a link to this database on the Bb website to enable IBRF and BRC members to access and search where they have properties and thus calculate their potential levy liabilities.

For Formal BIDs, Developing BIDs and Companies:

• Company Contacts Data

Companies that are BID levy payers with multiple outlets across the country will be asked to complete or check a Company Contacts Form providing data on Head Office, Local, Ratepayer and Voter contacts together with their general policy on BIDs. This data will then be held on the Bb website and will be capable of being searched by Company in alphabetical order.

What the BID industry has said about these developments....

'The new process is more efficient without any significant risk. The benefits exceed the costs and free up time for more value added work.'

Ken Bruce, Royal Bank of Scotland and Chair of the Inter Bank Rating Forum.

'We have worked with Bb to develop the Evaluation criteria and believe that evaluation should be planned into the process and incorporated into the BID proposal'.

Andy Godfrey, Alliance Boots and Chair of the British Retail Consortium BIDs Group.

SBR (continued...)

There certainly appears to be much interest in implementation in upper tier authorities to fund transport infrastructure, not least Crossrail in London, but concern for the impact on BIDs is paramount.

Whilst presenting evidence to the Inquiry, British BIDs made a clear statement that the only way of ensuring the continued success of BIDs if SBR is introduced, is through a commitment to **off-set the BID levy** where businesses are being asked to pay twice. This would mean that a business finding itself subject to a BID levy and a SBR levy would only be required to pay the proportion of SBR that falls above the incumbent BID levy.

The **Report from the Inquiry was published this week** and does indeed confirm that Government has taken this message on off-setting on board.

The report confirms the Government's commitment to SBR stating '*...the Government should look (continued on next page)*

Industry Sign-up to British BIDs (continued...)

'This will provide a more efficient means of communicating on BID matters between BID promoters and multiples. We spent a lot of time researching contact details for BID decision makers within large multiple organisations - had this contact information been centrally available along with a policy statement or criteria we would have collected useful BID intelligence in much less time. The evaluation criteria sought by businesses will be very valuable in the future as we start delivering the Truro BID'

Mel Richardson, Totally Truro BID Officer, Truro

'This coordinated facility for the access of key information to support the administration of BIDs and their working practices will be a valuable resource for us. British BIDs will provide a centralised service that offers real-time data to join up the sector's knowledge and further best practice for all involved'

Tass Mavrogordato, Chief Executive, Holborn BID

The New Companies Act – Implications for BIDs

The **Companies Act 2006** is the longest Act of Parliament ever and has far reaching implications for the way that Companies operate.

Given that the vast majority of BIDs so far have incorporated as Companies Limited by Guarantee (and two have established as Community Interest Companies), it is important for BIDs to be aware of the new provisions and when they come into force.

At a glance...

- It is being implemented in stages between January 2007 and October 2008.

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SBR (continued...)

favourably upon proposals put forward earlier this year by Sir Michael Lyons...' and that '...allowing councils to vary local business rates would be a positive step towards financial devolutions and would allow councils to take a stronger role in building the identities and distinctiveness of specific areas'

The Committee proposes a number of parameters that should be set to define the operation of SBR include:

- the rate, duration and purpose should be clearly defined at the outset
- for variations higher than 10% of the business rate, a ballot must be carried out
- revenue must be spent only on genuinely additional projects
- local authorities are liable for SBR on properties they occupy
- where **SBR and a BID co-exist, there should be an off-set** for BID contributors

For full details download the report from the Document Centre at www.britishbids.info

The New Companies Act continued...

- The majority will come into force in October 2008 but some significant parts will be brought in on 1 October 2007 and 6 April 2008.
- Corporate websites and business emails must now include company details (came into force on 1 January 2007).
- Directors duties are changing – there is a new set of 'factors' that directors have to consider when making decisions.
- Companies will be able to execute deeds by signature of a single director before a witness.
- There will be a new 'model articles' – the memorandum of association will no longer be an important document.
- AGMs will no longer be required for private companies.
- Reports and accounts will need to change to reflect new rules on contents and liability.
- The time limit for filing accounts is being shortened.
- It will be easier for companies to send reports and accounts out by either email or by posting them on their website.

For full details of the Companies Act download the 'Implementation Timetable' kindly provided by Cameron McKenna, which is attached with this newsletter. This document is also available to download from the Document Centre at www.britishbids.info

For further details or for specific queries about the implications of the new Act please contact

**Adam Seymour
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British BIDs Accreditation Launched

The British BIDs Accreditation System is an industry standard to measure a **BID's quality management systems**. The system focuses on ensuring that the BID's customers, ie. its levy payers and stakeholders, are satisfied and that the BID complies with the Legislation and Regulations governing it.

Endorsed by the **IBRF** and the **BRC**, the Accreditation System is designed to form a '**mid-term**' review of the BID's activities and processes in order to ensure that it is on track for a successful renewal ballot. The focus is as much on development and support as it is on assessment and audit to ensure that there is genuine benefit to the applicant.

There are a wide range of **benefits** as follows:

- Methodical approach to review and preparation for a renewal ballot
- Heightened awareness of the expectations of levy payers and stakeholders

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BIDs and Property Owner Involvement

The recently published 'Business Matters – Understanding the role of business in regeneration' report produced by the **All Party Urban Development Group** has supported the principle of a property owner levy for BIDs. One of seven recommendations states '**BIDs should be made to have a property owner levy where appropriate**'.

For the full report visit the Document Centre at www.britishbids.info

British BIDs group pension plan – member service

British BIDs' pension package has been developed specifically for BID companies to enable them to provide staff with a competitive pension offer that is fully portable, without placing an undue burden on the BID company, and is provided by Zurich Financial Services Group.

If you would like more information on the pension plan or a no-obligation advice session please contact us at contact@britishbids.info

Finding Funding Service – member service

British BIDs offers its members a regularly updated list of funding streams and grants that may be suitable for a developing or formal BID, to assist with project funding.

As a taster, **Intelligent Energy** are supporting projects and one off events that promote energy efficiency, new and renewable energy sources and sustainable energy development programmes.

Or, how about working in partnership with a local charity to apply for funding from **Vodafone UK** Foundation's REACH Programme, which supports three year projects working with 16-25 year olds facing exclusion from society.

To find out more visit www.britishbids.info

Accreditation continued...

- Technical support on compliance with the legislative framework
- Advice on best practice methods and benchmarks

There is a **five step process** focused around **six key themes** of:

- Management
- Governance
- Financials
- Communications
- Relationships
- Performance Measurement

The Accreditation System was launched at our 'Impact of BIDs' seminar in July this year and there has already been a great deal of interest.

When?

The optimum time to focus on accreditation would be the mid-period of the BID, ie. during year 3 if you are operating a 5 year term. However, in some cases BIDs may wish to do this earlier or later for individual reasons.

To find out more or to register your interest

contact@britishbids.info

Going Green Seminar – June 2007

Our BIDs: Going Green event proved to be a great success with many innovative ideas being presented and debated for BIDs to deliver in their local area.

Sponsored by **Recycling Options** (www.recycling-options.com) and hosted by **EC Harris** (www.echarris.com) the event covered a wide range of ideas and initiatives under the 'Green' agenda.



Delegates were given a demonstration of a series of innovative **Reverse Vending Machines**. Reverse vending offers a practical and potentially cost positive solution to the issue of poorly sorted and contaminated items, which currently means that tens of thousands of tonnes of recovered materials sent for recycling have to be rejected or dumped in landfill. The equipment, which is well established internationally, looks certain to become commonplace over the coming years in the UK and could be of great relevance to BID areas with high footfall.

Forthcoming Events

Industrial BIDs Seminar 27th November 2007

A one day seminar to be held in West Bromwich focusing aimed at all industrial areas, whether in the development phase or with formal BID status.

To register your interest in the seminar email bookings@britishbids.info

Coventry City-wide BID ballot result upheld

The Secretary of State has rejected the objection raised regarding the result of the BID ballot and the BID has now got the formal go-ahead.

Reading BID Manager

Reading BID are looking to recruit a highly competent successor to the current BID Manager, to carry on the excellent work done to date.

The salary is up to £45,000 p.a. and the closing date for applications is 28th August.

Please visit www.readingbids.co.uk for more information.

Impact of BIDs Seminar – July 2007

Our event in July was a **landmark seminar** in the BIDs world launching a series of new initiatives and focusing on the critical task of gearing up to measure the performance of BID companies now that they are in plentiful existence. Hosted by **CB Richard Ellis** we heard a wide range of experienced speakers from both the business perspective and the BID perspective.



Ken Bruce

Andy Godfrey

John Hirst

Many of the lessons coming out focused on the desire for a standardised approach to measuring performance (as established through the **Bb Annual Evaluation Form**) whilst recognising the need to remain flexible, reactive and innovative as external factors impact on the day to day work of the BIDs.



2007 YES votes

- InSwindon BID
- Cater Business Park
- Coventry city wide BID
- Angel Town Centre BID
- Heart of London (Renewal)
- London Riverside BID
- Croydon Town Centre BID
- Erdington Town Centre BID
- Cannock Chase BID
- Segensworth BID (Cross Borough)
- Argall Avenue
- E11BID
- Worthing BID
- Sleaford BID
- Truro BID
- Winchester BID
- Taunton BID
- Blackburn EDZ BID

2007 NO votes

- Chester BID
- Southport (re-ballot)
- Bayton Industrial Estate

Forthcoming Ballots

- Clackmannanshire BID
- Hove BID
- Nottingham BID
- Colchester BID
- Shrewsbury BID

Forthcoming Renewals

- New West End Company

For full details of all the ballot statistics visit

www.britishbids.info

BID Focus: Segensworth Business Forum - The First Cross-Borough BID

This quarter, the BID Focus is on **Segensworth BID**, which was the first cross-borough BID in the country, winning its ballot in May 2007. 76% of business turned out to vote in **Winchester** and 30% in **Fareham**, with 100% voting in favour by number in Winchester and 73% in Fareham, and 100% voting in favour by proportion of rateable value in Winchester and 68% in Fareham.

The current BID Regulations do not make provision for running cross-borough BIDs so it is necessary to create two separate BIDs, with a ballot for each area to be included. For the BID to proceed, a yes vote must take place in both areas and care should be taken to make provisions in the BID proposal for a no vote in one of the areas.

Segensworth BID covers an industrial area with about 90% of its 257 businesses in the Fareham Borough Council area, and the remaining 10% in the Winchester City Council area. The BID ballots were conducted independently by the returning officers of Fareham Borough and Winchester City Councils. Now the BID is up and running, these two BIDs will be governed as one, through the Segensworth Business Forum, established since mid 2005.

Other cross-borough BIDs are now certainly in the pipeline, with **Waterloo Quarter Business Alliance** intending to go for a ballot in the Southwark part of the area in January 2008. This will help to join up the currently fragmented area, which has the borough boundary between Lambeth and Southwark cutting through the heart of the area.

Partnerships intending to embark on a cross-borough BID should ensure that a clear legal Operating Agreement is in place, between the BID proposer and the participating local authorities, which sets out the billing and collection responsibilities of each authority, particularly where one has contracted out the BID levy administration to the other.

Find out more about the Segensworth BID www.sbfl.co.uk

Editorial notes

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If you have any comments on the content of this newsletter, would like further information on any of the items or would like to provide ideas or content for future editions of the newsletter please send these to **contact@britishbids.info**