



Llywodraeth Cymru
Welsh Government

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Business Improvement Districts Handbook



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Introduction

A Business Improvement District (BID) is a mechanism that has been recognised as being successful in bringing local businesses and other stakeholders together with the aim of improving their trading environment and enhancing their profitability. The Welsh Government is supporting the development of additional BIDs in Wales, as a key component of its commitment to encourage economic development and to deliver its new regeneration framework, *Vibrant and Viable Places*.

The BIDs Handbook is a guide for local authorities and businesses that are considering, or have already decided, to set up a BID. It should be read in conjunction with the Welsh BID regulations (*The Business Improvement Districts (Wales) Regulations 2005*) and aims to illustrate how the regulations work in practice by setting out a practical step-by-step guide to each stage, from scoping and feasibility to a successful ballot and beyond. It has been developed from the experience of BIDs across the UK and, in particular, in Swansea and Merthyr Tydfil.

The Handbook will help bring a degree of clarity to the process of developing a BID. Scoping, writing the proposal and campaigning for a BID can take up to two years and a range of skills and resources are needed at different stages.

A successful BID is one that provides a strong response to local needs and priorities. It needs to be driven by a partnership of local champions, those that know and understand their communities and have a passion to control their own destinies. We look forward to seeing businesses playing the leading role in this work, working with their partners in the community. By allowing these partnerships to flourish under the BID mechanism we can work together to deliver long-term success in Wales.



Section One – What are Business Improvement Districts (BIDs)?

A **Business Improvement District** is a legally and geographically defined partnership for area improvement and service delivery, funded by the levy-paying businesses within that agreed boundary. It is managed and operated by a BID Company – a non-profit company run by and for its members.

1.1 Three benefits of BIDs

1. **A proactive, flexible and accountable approach**, where businesses set priorities for local investment in the place where they do business.
2. **Broader regeneration benefits**, locally for the whole community and regionally for the wider economy.
3. **Complementary benefits of partnership**, such as supporting local supply chains and building local confidence in economic development and place making.

A realistic expectation on timescale and cost

From the first discussions to getting to ballot may take 18 months to two years, depending on the level of funding, support and staff resource, although a pre-existing partnership already working with the local authority could mean that a period of 14–18 months is enough. The costs involved should also be considered as it can cost up to £30k to establish a BID.

In this Handbook the stages leading to a ballot are laid out sequentially, but in reality several steps can be undertaken simultaneously.

1.2 How do BIDs work?

- Businesses – mostly with the help of consultants or officers of the Council identify the area and the issues, and a BID Proposal is drawn up that includes delivery guarantees, performance indicators and a management structure.
- The programme of services should clearly be in addition to those provided by the local authority and not be used to replace existing public sector services as set out in a Baseline Services Agreement – everything the BID company delivers should be new or additional.
- Non-domestic ratepayers (who will be responsible for paying the BID levy), vote on the BID Proposal in a postal ballot conducted by the local authority.

- To be successful the vote must meet two tests: more than 50% of votes cast must be in favour of the BID and the 'yes' vote must represent more than 50% of the aggregate rateable value of votes cast.
- Once voted for, the levy becomes mandatory on all defined ratepayers and enforcement is undertaken in the same way that it would be for business rates.
- A BID's mandate is for a maximum of five years: a BID wishing to continue beyond that must reaffirm its mandate through re-ballot, based on a further proposal.

1.3 How are BIDs paid for?

When businesses vote for a BID they are agreeing to pay an additional sum of money, the BID levy, based on the National Non-Domestic Rates (NNDR, business rates) payable on the business. This is known in BIDs legislation as 'the hereditament'. The levy is paid by the business ratepayer, that is the occupier of the property and not the property owner.

Following a successful ballot, BIDs are entitled to collect a levy from commercial occupiers within the defined BID area. Payment of the levy is mandatory and legally enforceable. The money raised may be used to leverage other funds, perhaps even more than the original charge collects, but the BID levy remains the core funding of the BID's activities.

Some businesses may ask how paying more in a time of austerity can help. Most businesses recognise that there are a number of factors affecting their trade over which they would normally have no control. These might include customer perceptions of the town, parking policy, street management, vacant units and a lack of promotional opportunities. BIDs can help provide that certainty and provide a financial mechanism to enable the business community to act effectively.

The BID charge will only be levied on businesses over an agreed rateable value and certain categories of business will be exempt.



Some funding definitions:

BID levy: Income collected directly via the mandatory BID levy, not including any additional income.

BID multiplier: The levy is often a percentage multiplier of the rateable value of a hereditament, usually set between 1 and 2% of rateable value. Most BIDs have a provision that allows an increase in the levy each year in line with inflation.

BID threshold: A rateable value level below which hereditaments are not charged a levy. This avoids very small businesses being required to pay small sums of money incommensurate with the costs of collecting that amount.

Upper threshold or cap: Charging as a proportion of rateable value can result in some very large occupiers being confronted with significant levy bills. In some cases this would be more than they would be prepared to support at ballot. Hence many BIDs choose to place an upper limit on the payment any single occupier would make.

Levy discounts: Some UK BIDs give discounts on their levy to members including charities and shopping centre tenants.

Voluntary contributions: BIDs can act as a catalyst within an area, attracting a range of additional income including direct voluntary contributions from some landlords and larger local companies, as well as indirect funding such as sponsorship, and public realm and infrastructure improvements.

Billing authority: The Council is the billing authority for the purposes of the Local Government Act 2003 and is responsible for collecting the BID Levy and administering the BID Revenue Account which shall be used towards the operation of the BID within the area of the Council and the funding of the BID Arrangements.

Collection charge: The sum of money charged by the local authority to the BID for the service of collecting the BID levy. The BID Regulations allow for a reasonable charge to be made for this service and the details should be set out in an operating agreement between the two parties. Some local authorities do not charge for collection and see the service as part of their contribution to the BID.

Core Costs: These will be scrutinised carefully by levy payers: guidelines recommend these be below 17%, with 2% provision for contingencies.

1.4 Where are BID's working?

The introduction of BID's in legislation

BID's began in Canada in the 1970s and have since been developed in the USA and South Africa. BID's were introduced to the UK in the Local Government Act 2003. This was followed in May 2005 by the publication of BID's Regulations for Wales. In Scotland, BID's came into force in April 2007 following legislation the previous year. In Northern Ireland BID's legislation is underway in 2013.

i. The evidence from England

The first BID in England went to ballot in December 2004 and went live on 1 January 2005 – the earliest date allowed by the legislation. There were more than 130 BID's in operation by May 2013, with 31 established in 2012 alone. In a clear sign of their success, more and more BID's have now passed a re-ballot for a second term. As BID's are established in the more 'obvious' town and city centre locations, BID's in England are also now appearing in secondary retail locations, in business parks and in industrial estates.

A growing success story

So far in the UK most BID's that have sought a second term at re-ballot have been successful – with an increase in both turn out and 'yes' votes. And those few already seeking a third term have seen even higher support.

ii. Legislation in Scotland and Wales

Swansea, the first BID in Wales and the 29th in the UK, went to ballot in May 2006 and the first Scottish BID's went to ballot in March 2008. The second BID was established in Merthyr Tydfil in 2012. By 2012 there were 19 BID's in Scotland with a further 17 under development. Despite being relatively fewer in number, lessons from BID's in Scotland can also be useful to Wales, particularly the experience of smaller BID's and also the interest in Tourism BID's.

iii. The picture in Wales: lessons from Swansea and Merthyr Tydfil

In 2013 the Welsh Government commissioned *Review of BID's in Wales*, examining the experience, impact and achievements of BID's in Swansea and Merthyr Tydfil so far. This local experience will be particularly useful for other towns and cities in Wales considering a BID, although a successful BID must always respond to specific local circumstances.

For many years Swansea City Centre has operated town and city centre management initiatives of a quality comparable to the best in the country. A group of visionary, committed businesses was quick to recognise the potential that a BID would have for the city centre. This combined with a Council supportive of innovation to bolster the centre's performance during tough times, led to a comfortable margin of success when the BID went to ballot in 2006.

The second mandate from Swansea businesses at the renewal ballot in 2011 can act as an inspiration for other centres in Wales. Most of these other centres will be smaller in scale but will be facing similar challenges to the ones Swansea BID has addressed, and that are faced by retail and commercial centres everywhere. In Swansea this began with an emphasis on what have become considered “core components” the so-called safe and clean agenda. Allied to this Swansea BID has developed a strong place marketing offer that has involved a promotion and events strategy, and famously included TV advertisements – something very few BIDs elsewhere have done. Like BIDs elsewhere, Swansea BID is now beginning to identify its contribution to the bigger strategic issues facing the city centre. This is manifesting itself in the initiatives to reduce voids and the BID’s ability to articulate a distinctive business voice. But it has also involved efforts to make the centre more accessible and welcoming.

In 2012 Merthyr Tydfil became the second location in Wales to establish a BID. The experience in Merthyr, which has a markedly different commercial core to Swansea, provides valuable lessons for other towns looking to develop BIDs as a tool for town centre regeneration. The Big Heart of Merthyr Tydfil BID was approved on 4 July 2012 and covers an area containing 250 eligible hereditaments – a third of the number in the Swansea BID area. The BID levy multiplier in Merthyr Tydfil was set at 1.35% on hereditaments with a rateable value of £5,000 or more. This produces around £120,000 per annum income for the BID, which amounts to approximately £620,000 over five years, once inflation of 3% has been taken in to account. Income derived from the levy on businesses is supplemented by an annual contribution from the Local Council and a contribution over the five-year lifetime of the BID from the Welsh Government via the Head of the Valleys Regeneration Area. Whilst the BID’s budget in Merthyr Tydfil is significantly less than larger cities such as Swansea, it services far fewer businesses and covers a smaller geographical area. Its programme of improvements has, therefore, been tailored accordingly and developed from consultation with businesses during a pre ballot feasibility study.

1.5 Other types of BIDs

i. Industrial BIDs generally have a smaller number of hereditaments and charge a higher levy rate than town centre BIDs. With a more homogenous membership their BID Programme is often more focused on issues shared by all levy payers such as environment, safety, transport and signage. Unlike in more complex town and city centres, industrial and business park BIDs are more likely to be able to identify and achieve specific goals over a single fixed term.

ii. Tourism BIDs or TBIDs were pioneered in the USA in the 1990s and are designed specifically to support the development of tourism at a specific destination rather than supporting different businesses that share the same business environment. While the actual scope of the programme for each place will still rely on thorough consultation it is likely to focus on goals around increasing visitor numbers, visitor spend, length of stay and enhancing visitor experience, and it will do this by delivering sales and marketing campaigns, researching customer trends, building the brand, organising business services

such as networking and conferences, managing events and festivals, and generating and distributing information. The programme may also include the management of capital investment to fund infrastructure projects to support the destination, leveraging in additional funding and reducing business costs through collective procurement.

While much of the process leading to the ballot will be similar to conventional BIDs, differences could include:

- the way the levy is determined (e.g. on footfall or sales)
- the way levy payers are defined (e.g. only those providing certain services, or involved in tourism)
- the BID area (i.e. the area is likely to be much wider than a conventional, defined by levy payers' association with the destination brand rather than purely by location).

Just as many BIDs develop from or alongside existing Town and City Centre Management organisations, it is likely that TBIDs will evolve from existing Destination Management Organisations (DMOs) and the maturity of the original partnership is likely to affect the length of time it takes to establish the BID.

One reason why fewer TBIDs have been established in the UK, compared with industrial BIDs is that in practice this definition of levy payers based on an association with the tourism sector is more difficult than the more transparent definition by geographical boundary. Some businesses, such as pubs or printers will serve both the tourism market but also the local centre more generally. There is also a potential loss of benefit to the wider neighbourhood as the BID focuses on promoting the businesses without the wider sense of community that is fundamental to many successful BIDs.

1.6 How are BIDs evolving elsewhere?

This Handbook sets out the stages to take a BID to a successful ballot. However, while it is essential that a BID Proposal is grounded in evidence for local spending priorities, understanding the experience of more developed BIDs in other places can be both inspiring at the outset and help to build a longer-term vision.

i. Developing the programme, projects and services

In the UK most BIDs begin by focusing on delivering **core services** that will improve the local trading environment. These include the 'safe and clean' priorities that many businesses want to focus on early on. However, while the first term focuses on getting operational aspects working effectively, often the second term gives the opportunity to take a more strategic, ambitious approach. As BIDs evolve they better understand the needs of their membership, where they can best add value and what is better left to partners and other stakeholders to deliver.

Evidence from across the UK shows that, just as with more established BIDs internationally, there is usually a progressive extension in the role of the BID from being 'janitorial' to taking on a more strategic role. This might, as in Swansea, include initiatives to reduce voids, to support and attract new

businesses and to develop an advocacy role in the relationship between businesses and the local authority.

As many of the larger towns and cities now have BIDs in place it is likely that future BIDs may become smaller and more focused in character. Different, possibly more collaborative structures will become more relevant.

The way that the programme may extend beyond these initial core services will depend on the nature of the area. For places that are mostly retail, the main priority of driving footfall and trade will always be more important, whereas more commercially mixed areas may find their Board keen to develop a broader programme that includes services around corporate social responsibility or guided walks – reflecting their own corporate objectives of staff satisfaction and retention.

ii. Moving towards place making and place management

A BID's purpose is to make an area better for doing business, but this is not its only role. The challenges towns and cities face are complex and changing. In response, BIDs are developing multi-faceted programmes.

Many BIDs are delivering comprehensive programmes, often with other partners, to improve the public realm, tackle congestion and air quality, make the best of development opportunities, increase the profile of their town and city centres and improve the quality of life for the people who use the place. This wider strategic approach to managing a place is also driving the developing field of **place management** and associated ideas around **place making** and **place marketing**.

Place management is a multidisciplinary approach that combines marketing, regeneration, economic development, urban planning and tourism, as well as retailing, sociology and some psychology. The aim is simple - to improve a distinct area or destination for the benefit of its users. The principle at the heart of place management – the process of making places better – is therefore shared by most BIDs.

Many of the themes and programmes delivered by BIDs are building on the growing lessons of marketing a place based on **building on a sense of place and capitalizing on local distinctiveness** and are making the most of **new technology** for e-marketing, apps and social media. BIDs are in a good position to be able to innovate and be creative due to their independence. The level of risk taking will depend on the Board and local circumstances.

Why BIDs can do this?

Through its strong relationships with businesses, the BID can deliver outcomes on behalf of a range of agencies where public/private co-operation is required.

The BID funding through the levy represents a substantial source of new money to invest in an identified place, not only valuable for the amount involved, but with the advantage that it is mostly **predictable**, and potentially **sustainable**. The BID levy can also be supplemented by additional funding. This will be easier to attract once the BID is established and can demonstrate success to give confidence to funders.

Why they should?

Businesses expect the BID to articulate an ambitious vision for the development of quality urban realm. They look to the BID to act as a conduit for exchanging information about the form and course of development, alerting businesses about emerging opportunities as well as the threat of any disruption.

Examples of Additional “Levered in” funding

- Joint marketing and events initiatives with councils
- Commercial sponsorship of events
- Match funding for additional police officers
- Funding secured through partner or observer status in EU bids, e.g. Interreg
- Funding applications to other external grant giving organisations
- Landlord contributions e.g. £97,500 to Oldham BID, £967,000 to New West End Company
- Section 106 or Community Infrastructure Levy (CIL)
- Capital contributions to public realm enhancement schemes
- Initiatives with transport providers
- Managing the hire of market stalls
- Managing the hire of community meeting space
- Managing an enterprise hub for hot-deskers
- Government grants for, e.g., employee health & wellbeing initiatives
- Receipts for sales of recyclable materials

Section Two – Developing a BID

What happens in this stage?

The development of any BID will follow the same broad stages:

1. Consulting with stakeholders to assess and secure support and to agree local needs and priorities
2. Scoping the area, assessing feasibility, defining the levy payers and how the levy will be calculated
3. Establishing governance, control and leadership arrangements
4. Developing a prospectus and business plan and canvassing support
5. Balloting potential levy payers
6. Delivering the programme, reviewing and developing the BID.

2.1 Who starts the process?

A **BID proposer** can be any non-domestic ratepayer, property owner, local authority or other key stakeholder with an interest in the BID area, but in reality the idea for a BID will usually come from an existing partnership or a group of businesses. Having an established partnership with a track record of delivery and a common purpose can certainly help when developing a BID.

At this stage the BID is often promoted by a pre-existing organisation – a Town Centre Management group, Chamber of Commerce or business forum, or a Destination Management Organisation, in the case of a TBID.

Even though the ballot may seem a long way off, the team needs to be on a campaign footing from the outset – always working towards the objective of a 'yes' vote.

To help track progress, performance measurement needs to be fully considered from the start and prospective BIDs need to establish their baseline from day 1.

2.2 The role of the local authority

The local authority may well be involved from the earliest stages, with an officer from regeneration or economic development sitting on the steering group, and there are benefits to this.

The local authority is a key partner for:

- arranging the ballot
- collecting the levy
- providing many of the services in the baseline agreement

- a source of support and funding
- a statutory consultee
- ensuring the BID proposal is aligned with Council policies and that officers are aware of the level of support expected from them

The relationship between Council, town and city centre management provision and a BID needs to be carefully thought through and preferably stated in a documentary form such a memorandum of understanding. This would then need to be regularly reviewed as practice develops.

It is important to ensure the support of local ward councillors as well as a commitment to engage at senior officer level. Local authorities can appreciate the degree of flexibility that the BID can bring and the BID and Council acting in consort can be a powerful combination. Ideally Councils will see the BID as the natural conduit through which to engage business, but the BID Board will need to encompass the range of levels and interests that make up local businesses.

Equally, businesses should consider the BID to be their major channel of communication with the Council.

2.3 Convening an effective steering group

Developing good corporate governance is crucial to the successful development of the BID. Engaging the right blend of talent, local understanding and representation both from different sectors and from different parts of the town is key. Identify 'anchor' organisations that can form the basis of a BID steering group and offer mentoring support. The make-up of the steering group should reflect that of the businesses in the BID area and ensure that a representative body will lead the BID development.

Typical make-up of a steering group in a town centre BID might include:

- Large Business
- Small Business Landowners
- Occupiers drawn from a non-levy paying business
- Residents
- Elected Council member
- Strategic agency representatives

Building the partnership is an on-going activity – you need to ensure that the steering group's capacity develops as the BID progresses as well as engaging with new businesses beyond those who are easier to convince.

Governance checklist

- Develop a set of policies governing decision-making, financial management and procurement

- Sub-groups and working parties allow a high proportion of the BID's member businesses to participate in the governance process.

Everyone in the governance structure, outside the staff team, is usually unpaid with an expectation that directors commit themselves and if they are unable to do so should stand down. While there may be a mixture of motivations for serving on the Board, they usually include a keen interest in the place and recognise the opportunity BID resources provide to get things done.

i. Resident involvement

In town and city centres the growing numbers of residents might be a key consideration and a valuable asset – the decision depends on the characteristics of each place and the relationship between residential and business interests. There is nothing to preclude resident involvement in the governance structure and indeed everything to recommend it, although it wouldn't be appropriate for a resident to chair the Board.

ii. Landowners and developers

Landowners, developers and property owners can also be valuable members of a Board. There are already many BIDs in which they have a voluntary involvement. Where physical regeneration and development are likely, they would be important voices on the board.

iii. Third sector and other stakeholders

Police in particular are a key partner for many BIDs and should be involved from the outset.

Third sector organisations can bring a breadth and depth of skills, as well as local knowledge and networks, to the BID partnership. Engaging with the third sector can help to inform the delivery of a range of services that the BID Board might identify including local employment, volunteering opportunities for employees and helping to support active, engaged communities. They are also invaluable in helping to reach disadvantaged or excluded groups, including young people, older people, disabled people and minority ethnic groups.

2.4 Accessing and analysing the ratings data

Once the decision has made to explore feasibility, the BID proposer is entitled to see ratings data from the Local Authority for all hereditaments.

Ratings checklist:

- Secure up-to-date ratings data (2010 list) and undertake a comprehensive data analysis exercise to ensure that the list of eligible properties from the business rates team is as accurate as possible. This will involve a walk through and physical check.
- If possible work with the local authority's GIS mapping team to check possible BID areas are reviewed and mapped into the Council's systems.
- Compile a Customer Relationship Management (CRM) database based on the ratings list so that local contacts can be added later – this should also be capable of recording all contact with each business (see following

- section on CRM). This would entail complying with the legislation that relates to data protection.
- The business rates list includes information on mandatory and discretionary discounts, as well as empty properties, as the BID may choose to offer different levy rates in these instances.

2.5 Scoping: Consultation with local business

The need for a BID rather than any other form of partnership needs to be established early on. Once the ratings data has shown the likely financial prospect for a BID, consider how much value a BID will have over other forms of place management – such as a development trust or town centre management partnership – compared with the process involved in establishing it.

This scoping period is an essential opportunity to establish the extent of a real business need, commitment and enthusiasm for a BID. As more BIDs are set up the level of knowledge about them is rising, especially among multiple retailers and groups. However, much work will still need to be done to engage with smaller businesses and with the local management of multiples.

In reality, the scale of this stage of scoping consultation will depend on the resources available: time and budget will determine the number of people that can be spoken to.

Scoping checklist:

- Is there a critical mass of private sector support and leadership for the idea?
- Are the businesses involved representative, both in terms of the size and types of businesses?
- Is there wider engagement with the Council and other stakeholders, especially at leadership level?
- What are the major issues?
- How would a BID add value?
- What is the likelihood of a positive ballot result?

Consultation checklist:

- Set up a contacts database from the NNDR lists with all businesses in the target area. If relevant include any information from Town Centre Management
- Identify the list of 'target' businesses for the survey; try to include:
 - those who would be likely to pay more than say £1,000 in annual levy if the rate was set at 1% of rateable value
 - some of the smallest businesses,
 - businesses from each sub-area
 - businesses across the spread of key sectors
 - landowners – although they will not pay the levy (unless their properties are empty) they may sit on a future BID Board and make voluntary contributions for specific projects

- Design the survey to be used in the business consultation – a mix of structured questions (for analysis) plus wider discussion
- Set up an online survey and publicize the link through Council and other mailing lists
- Identify local ‘talent’ to target for core group
- Set up core group to test viability and act as local advocates
- Focus on a few local businesses to gauge support and identify the major issues
- Think about identifying the possible levels of any threshold
- Ensure that all businesses consulted receive feedback from the consultation
- Ensure interviewees are senior enough to give a reliable view on behalf of their companies
- Ensure adequate representation from all sectors, including night-time economy operators
- Consider other forms of partnerships, perhaps relying on voluntary funding contributions

2.6 Assessing Feasibility – determining the BID area boundary

There are no limitations on how large or small a BID can be. Already the scope in the UK is vast, based both on number of hereditaments and the levy income. However it is not just a matter of the scale of the place itself – some city centres are covered by one large BID (e.g. Dublin, Edinburgh), while others are covered by a number of different BIDs (e.g. Birmingham and London).

Determining the feasibility of a BID means finding the right balance between:

- **achieving financial sustainability**
- **winning the ballot**
- **delivering an effective programme of improvements**

There are therefore several considerations to make in designating the BID boundary. Two immediate questions need to be asked:

1. Do existing geo-political boundaries or major physical and infrastructure features such as rivers or main roads need to be taken into account?
2. What alternative geographical boundaries may be appropriate?

The BID Proposer should determine the extent of the BID area by assessing it against a list of agreed criteria.

During a **re-ballot** most BIDs have investigated extending their boundaries, in which case the same analysis of the proposed zones should take place.

The **Swansea BID** area is large in BID terms, both spatially and by number of businesses – over 800 rateable business units eligible for the levy fall within its boundaries. It covers the majority of the city centre core, including two shopping centres, two large supermarkets, two nodes of the night time economy, the bus station, leisure centre, Swansea Museum and Dylan Thomas Centre. Remaining relevant, and visible, to members over such a large and diverse area poses logistical and marketing challenges.

In **Merthyr** the eventual BID area was smaller than the original area scoped after a decision was made that for a certain part of town with many heritage buildings under threat, a different regeneration approach, using Heritage Lottery Funding, would initially be more appropriate. An undertaking was made to revisit this decision at a renewal ballot. In other cases funding such as HLF (Heritage Lottery Fund) could be used within a BID as a source of funding additional to the BID levy.

2.7 Billing decisions

Lump sum or phased?

It is up to the BID proposers to determine how the levy is to be paid. The levy may be paid in a lump sum, at the beginning of each year of the BID or at certain agreed time intervals. In most cases the levy will be a fairly small amount of money and it will be more practical and cost effective to have the money paid in a lump sum. Where payment is phased, the possible impact on revenue streams and project funding should be taken into account.

One bill or two?

BID proposers will also need to decide, taking advice from their local authority, whether they want the BID levy to be invoiced on the same bill as the rates or on a separate bill. Local authorities may feel it will be easier to administrate the system if there are two separate bills.

Some BID proposers, along with their local authority, may decide that they want to keep the BID levy billing system entirely separate from the NNDR system.



Failure to pay the BID levy will face the same enforcement procedures as currently apply for non-payment of non-domestic rates. This will allow local authorities to prosecute for non-payment of the BID levy and non-payment of rates simultaneously, reducing their administrative costs.

The levy is collected by the local authority and then paid in full to the BID partnership. The administration cost of this is for discussion. If the local authority covers all or part of the costs as an in kind contribution to the BID this should be included as match funding in the business plan.

Detailed guidance on the BID revenue account is given in Schedule 3 and on administration, collection and recovery of the BID levy is given in Schedule 4 of the BID Regulations.

2.8 Calculating the budget and writing the business plan

The results of the consultation events become the basis for the business plan for the BID.

Making the Business case

The need for the BID should be clearly demonstrated through vigorous research and consultation, both at head office and local business level.

Fundamentally most businesses will only vote for a BID if it has a positive impact on their bottom line. As BIDs evolve, expectations in the commercial sector are growing. Businesses are looking for a measurable improvement in the performance of their firm or location. National multiples are setting policies for BID support and are carefully assessing BID proposals and organisations like the British Retail Consortium have published their own criteria for supporting a BID.

BID levy income is not a grant or a donation, it is a payment for services set out in the BID Proposal. Businesses make a commercial decision about whether they wish to access those services and hence support the Proposal. As long as those services remain in demand, meeting the needs of the businesses involved, the levy will continue. The conclusion from the renewal ballots that have taken place is that the vast majority are successful at renewal ballot and more often than not the margin of victory is increased.

For virtually all BIDs in the UK the BID levy is the main, and in most cases, dominant portion of their funding. The levy usually takes the form of a percentage multiplier of the rateable value of commercial premises within the BID area.

Collecting the levy

The usual way for BIDs across the UK to collect the BID levy is through the local authority's Business Rates collection mechanism. While some councils treat the cost of collection as a contribution to the BID and don't make a charge, most do, with an average of £35 per business.

Most BIDs have a provision that allows an increase in the levy each year in line with inflation. Otherwise the total collected is only adjusted by properties coming in or going out of rating. The BID levy is compulsory and enforcement is

undertaken in the same way as it would be for NNDR. Hence collection rates are high, usually higher than they are for NNDR, and are in the high 90%^s.

BID levy facts and figures
(from: British BIDs Nationwide BID Survey 2012)

- 88% of levy rates are 2% or less
- Typical number of hereditaments is between 300 and 600
- 72% of BIDs apply a threshold to the levy
- 49% of BIDs provide a charity discount
- Average levy income is £390, 052 (ranging from £20,000 to £2,700 000)
- 37% of BIDs have no collection charge; 23% charge more than the industry criteria of £35/unit.

2.9 Developing the Programme

The list of projects and services that could potentially be included in a BID programme is very long but the key consideration in getting the right mix of projects and services is understanding the nature of challenges confronting the centre and the priorities that the businesses affected give to them. There may be a wide spread of issues and views.

Programme Checklist:

- Develop a programme that is responsive to the needs of the BID's membership
- Evidence clear value for money in the BID proposal

Successful BIDs are continually innovating – trialling new products and services and reviewing the longer running ones to ensure that the desired impact is being achieved and they continue to win the approval of BID members.

The programme of improvements in Merthyr Tydfil focuses on four core activities relating to marketing and promotion, safety, cleanliness and finding cost savings for businesses.

The four key programme areas are:

- Promoting Merthyr Tydfil – marketing the town centre to visitors and capturing more local spend
- Welcoming Merthyr Tydfil – enhancing the town centre experience
- Engaging Merthyr Tydfil – improving communication between businesses and realising cost savings through collective purchasing
- Transforming Merthyr Tydfil – creating a thriving business and retail environment.

Each theme area is fairly evenly funded and overseen by a working group made up from representatives of levy payers.

Visioning event checklist:

- Prepare a database of businesses and plan an inclusive consultation event
- Arrange for the event to be hosted in a comfortable, well-known local venue
- Participants reflect on the key themes of the proposed BID business plan in small groups to see if any aspects need refining

2.10 Making the decision to proceed to ballot

This is the critical 'go ahead' point – the point at which the BID Proposer takes stock of what has been achieved so far and the steering group takes the decision on whether to proceed to ballot, based on the level of support. This decision triggers a number of actions for the BID Proposer.

Ballot decision checklist:

- Notify Welsh Government of the intention of holding a BID ballot
- Make arrangements with the Council's electoral services officers (see 'Agreeing Arrangements for the poll', below)
- Agree and finalise the BID Proposal
- Seek approval for the BID Proposal from the local authority
- Publish the BID Proposal

To give more substance ahead of the ballot, the steering group could at this stage further formalise its structure – e.g. be able to elect its own officers and have a form of membership.

It is essential now to start to create a stronger identity – a brand that is recognisably the BID's and robust enough to underpin the campaign to the ballot.

2.11 The BID Proposal

The BID Proposal is both a manifesto and a legal document. The BID Regulations require that it is made up of the following elements:

- A statement of the works or services to be provided, the name of who will provide them (the name of the BID body or local authority BID body) and the type of body the provider is (whether a local authority, a company under the control of the authority, a limited company or a partnership);
- a statement of the existing baseline services (if any) provided by the relevant billing authority or other public authority; [This would typically comprise a draft of the baseline agreement with the billing authority.]
- a description of the geographical area (including a map showing that area) in which the proposed BID arrangements are to have effect;

- a statement of whether all non-domestic ratepayers in the geographical area or a specified class of them are to be liable to the BID levy, an explanation of how the amount of the BID levy to be levied is to be calculated and an explanation of whether any of the costs incurred in developing the BID proposals, holding of the ballot or implementing the BID are to be recovered through the BID levy;
- a statement of the specified class of non-domestic ratepayer (if any) for which and the level at which any relief from the BID levy is to apply; [This would typically specify whether any types of property will be excluded from the BID levy, whether any threshold will apply to the BID levy, whether the BID levy will reflect mandatory – 80% – and discretionary rate relief and whether the BID levy will be capped. The BID regulations do not require the BIDs to offer any exemptions.]
- a statement of whether the BID arrangements may be altered without an alteration ballot and, if so, which aspects of the BID arrangements may be altered in this way;
- a statement of the duration of the BID arrangements (also indicating the start date of the BID)
- a statement of the commencement date of the BID arrangements.

In the interests of clarity, some BID Proposers choose to publish their Proposal in two parts – a short summary marketing document, typically of 12-16 pages, and a more comprehensive technical document. While the first will be published in hard copy and distributed to all BID-eligible businesses, the second may remain in a soft copy form on the BID website.

The core of the BID Proposal is of course the description of the BID programme and how it will be funded through the BID levy. This should reflect extensive consultation with the BID-eligible businesses.

2.12 Formal approval

The Proposal documents must be sent to the local authority for approval. As the notice of ballot must be published at least 42 days prior to the ballot date then the proposals need to be completed in advance of this.

The submission to the authority must also include:

- a summary of the consultation it has undertaken with those who are liable for the proposed BID levy
- the proposed business plan (including the estimated cashflow, an estimate of the predicted revenue to be generated and the predicted expenditure, the predicted budget over the duration of the BID arrangements and the contingency margin included in the budget)
- the financial management arrangements for the BID body, and the arrangements for periodically providing the relevant billing authority with information on the finances of the BID body [this may take the form of a draft Operating Agreement with the authority]

- a notice in writing requesting the relevant billing authority to instruct the ballot holder to hold a BID ballot in relation to the BID proposals
- information to show that the BID proposer has sufficient funds to meet the costs of the BID ballot
- a BID may typically include the draft Operating Agreement with its BID Proposal, and also the Articles of Association of the Company that may take the BID forward in the event of a successful ballot.
- the local authority may veto the BID Proposal on two grounds only:
 1. If it conflicts with a policy formally adopted by and contained in a document published by the authority (whether or not the authority is under a statutory duty to prepare such document)
 2. If the BID levy imposes a significantly disproportionate financial burden on any person or class of persons and that burden is caused by the manipulation of the geographical area of the BID or by the structure of the BID levy.

Ideally the Proposal should be designed and ready to be published immediately after approval by the Council.

Operating Agreement

The operating agreement:

- establishes the procedure for setting the BID Levy
- confirms the basis upon which the Council or its agents will be responsible for collecting the BID Levy
- sets out the enforcement mechanisms available for collection of the BID Levy and sets out the procedures for accounting and transference of the BID Levy providing for the monitoring and review of the collection of the BID Levy
- confirms the manner in which the Council's expenses incurred in collecting the BID Levy shall be paid



Baseline Agreement

To ensure that none of the BID levy is spent on subsidising or replacing existing expenditure by the statutory agencies within the BID area a memorandum of understanding should be drawn up between the BID partnership and the local authority on the provision of baseline services in the BID area.

One of the key issues for businesses in deciding whether to support the BID or not is being assured that the Council and other agencies will not reduce or remove the existing services.

Establishing the service baseline – which sets out the existing level of service provision from the local authority, police and other public agencies – allows the developing BID to ensure their proposals really do add value. The baseline makes clear to stakeholders that the BID will deliver added value by showing what they are already getting and what they will be getting in addition.

This dialogue needs to start early as it can take a long time to gather and agree all the relevant information and baselines.

Key topics will include cleaning and waste management services, police and other security services.

At some stage in the future the local authority may need to change service provision and a strategy should be agreed for identifying how the BID area will be treated when changes are being considered.

2.13 Agreeing arrangements for the poll

The local authority's returning officer (with their Electoral Services team) is the BID ballot holder and administers the process.

Technical preparations for ballot checklist:

- Agree timings
- Prepare the documents
- Agree the ballot process
- Identify any potential problems

Officers from the local authority will probably also find it useful to seek advice from colleagues at other Councils who have already gone through the process.

The ballot runs for around a month, but can be longer.

Turnouts for BID ballots usually compare favourably with those for local elections, with a current national average of 42% by number.

Section Three – Towards the ballot: delivering the campaign

What happens in this stage?

The object of the campaign is to identify and mobilise likely 'yes' voters during the ballot period. In this intensive period all businesses eligible for the ballot should be offered an interview and their voting intentions assessed.

The objectives here are to:

- 1) seek one-to-one meetings with voters where possible
- 2) split businesses between 'BID account managers' ensuring that they are adequately trained
- 3) record the outcomes of meetings in great detail on the CRM database.

Putting the team on a campaign footing – an away day can be helpful in marking the start of this stage, and developing a supportive 'competitive' environment within the team.

Once the BID Proposal is in place, and the local authority has approved it, the ballot campaign can start in earnest.

The outcome of BID ballots are by no means foregone conclusions. The situation constantly changes but at the time of writing there have been a total of 260 BID ballots (including renewal ballots and re-ballots) throughout the UK since the introduction of the BID Regulations. The results of these were:

219 'Yes' Ballots 41 'No' results

There have been 56 renewal ballots, of which 6 failed.

Therefore some 20% of first-time BID ballots have produced negative results. The failure at renewal ballots is lower, at about 10%. It would seem that when BIDs are campaigning on their actual performance over their first term, they are twice as likely to be successful as when campaigning on a promise of what they will deliver.

3.1 Establishing an independent identity

Getting the message across

When a BID develops from a pre-existing town or city centre partnership it is important to establish that it is not an arm of the local authority. The BID needs to establish its independence and clearly illustrate that what is being provided is additional to what businesses could expect from existing levels of service. Evidencing additionality to members is key – that a service or project is needed to enhance the centre's performance and that it should be the BID that develops and delivers it.

At the core of any successful campaign are personal meetings with the proprietors of as many of the voting businesses in the BID area as possible. This can be challenging given that a BID generally features low in the priorities of most businesses. However, it is essential to achieve interviews with 50% of the voters, and preferably with up to 75%. It is important to bear in mind the following:

- Email is not particularly effective in BID campaigns, other than to distribute digital newsletters and event invitations. The telephone call or, in retail areas, 'doorstepping', are proven methods. However, it may take many phone calls or visits before one secures the all-important interview.
- The ratings list rarely contains useful contact details for a potential local voter – except where smaller, independent businesses are concerned. The BID team will need to attempt to track down the key individual in each case.
- It is essential to engage with the most senior person available at any given business – ideally the person who will vote in the BID ballot and sign the cheque for the BID levy. In the retail environment, particularly in nationals/multiples, there is every chance that the local manager will neither vote nor pay the levy, and will defer to an area manager or a head office, with whom the would-be BID must engage. Trying to track down a voter within a head office can be a thankless business. Trade organisation British BIDs has a database of voter contacts within nationals, but there are still plenty of gaps.

Identity checklist

- A compelling brand, including a distinctive domain name and logo, link to the Town Centre Partnership website
- Promotional leaflet as 'start-up' collateral; include the aspiration for the BID, the area map and outline of the programme.
- A clear website, including:
 - who we are (key contacts, BID proposer, steering group,)
 - progress to date, scoping report, area map
 - what we want to do (key programme headings and services)
 - what is a BID? (explaining the mechanism)
 - how can I get involved? (upcoming dates for meetings and events and a link to the online consultation questionnaire)

3.2 Consultation materials

Developing the right material for the campaign period is essential. The key piece of collateral is the marketing version of the BID Proposal but other materials are useful:

Consultation materials checklist:

- A succinct and attractive version that can be left after an interview
- A generic presentation
- Larger-scale promotional materials, such as posters and banners

- The BID Proposal would be published for circulation to businesses
- A 'voter registration' phase would begin, seeking to identify the named voter for each eligible property
- The BID team would seek meetings with at least 50% of the BID constituency, securing indications of support in the ballot
- Where necessary escalate the conversation to a regional or national level within retail chains
- In the meantime there would be continual liaison with the Council's Electoral Services department, with a view to ensuring the efficient implementation of the ballot

3.3 Voter Registration

The BID Regulations leave considerable leeway for interpretation with respect to the 'list of persons entitled to vote'. Increasingly authorities take the view that the use of the ratings list as a voter list is likely to lead to a poor turnout in the ballot. They are usually willing to work with the BID Proposer to conduct a canvassing exercise aimed at producing a list that is more fit-for-purpose. Where this has been permitted, the authority will typically require that the voter registration exercise concludes 1–2 weeks before the Notice of Ballot, at which point the voting list is closed.

Typically an authority will write to all the BID-eligible addresses on the ratings list and request details of the individual that should vote on behalf of each hereditament. A 30% response to such an exercise would be considered good.

3.4 Account management

A **Customer Relationship Management (CRM) database** is a key tool for the BID campaign. As well as providing a valuable record of who to work on later in the campaign, it can also be useful for audit purposes after the ballot.

Database checklist:

- The CRM needs to be shared by all involved in the BID campaign and capable of storing a variety of data including details of contact (calls, emails, letters, attendance at events)
- Use it to map the stages through which each 'prospect' is taken
- Assign an estimate of voting intention to each account – perhaps 'soft yes', 'hard yes', 'soft no', 'soft yes', 'undecided', 'likely to abstain' and 'not known'.

In the BID ballot establishing a personal relationship is very important. In addition to the CRM:

- keep a note of any comments and nuances less easy to record electronically, but that may prove crucial later.

3.5 The approach to voters

It is preferable to spread the burden of seeking and undertaking interviews between several people, with experienced negotiators allocated the most important accounts. The database will identify which individual is assigned to each business, and this should apply for the duration of the BID campaign.

Voter checklist:

- Be professional, send a letter in advance and maximize the benefit of one-to-one interviews
- Do background research to gain an informed understanding of what they do and what the issues are that affect them
- Listen to what they say, as it might not be what you are expecting

Local champions can open doors and make introductions.

With multiple retailers targeting the right person within the company is crucial. However, although the voting decision may be made away from a local branch, it is essential to try to get a local representative on side.

3.6 Demonstration projects

If the BID has funding to undertake demonstration projects, they should be evaluated and the outcomes fed back to businesses on how they addressed the initial problem identified and if further action could be undertaken through a BID.

3.7 Notice of Ballot – 42 to 90 days before ballot day

The billing authority will write to all BID-eligible hereditaments notifying them of the arrangements for the forthcoming BID ballot. Some authorities are willing to include marketing collateral from the would-be BID. At this point of the process the voting list is closed, meaning that – if a new business opens in the BID area – it will not get to vote in the BID ballot. Given that the Notice of Ballot is typically a bold and deliberately non-partisan document, it is always advisable for the BID proposer to make contact with the eligible businesses before its arrival.

3.8 Canvassing during the ballot period

The full marketing exercise leading to the BID Ballot includes meetings with at least 50% of the constituency.

i. Maximising the turnout

This period would involve intensive liaison with the ballot holder to ensure effective delivery of the ballot. It would also involve intensive lobbying of those businesses that have expressed an intention to vote 'yes'. Projections of voting intentions are particularly important in terms of having data available to determine likely voting outcomes and coordinating the ballot process such as ensuring the right person has the voting slip.

Local champions can be very helpful in helping to open doors and make introductions.

With multiple retailers targeting the right person within the company is crucial. However, although the voting decision may be made away from a local branch, it is still a good idea to get a local representative on side.

Use of social media – as electronic newsletters proliferate and are ignored, social media tools such as Twitter and Facebook have risen in popularity. A healthy number of Twitter followers or Facebook 'likes' is a sign of a healthy BID campaign

Voting procedure checklist:

- identify which supporters have received ballot papers
- agree measures to help those in need of replacement papers
- confirm whether the local authority will share information on who has voted during the process so the BID:
 - if it is known who has not voted, check if ballot papers have been received and united with the person casting the vote
 - if not, and ballot papers remain unopened until the final day of voting no information will be available. Proxy voting – the reissue of lost ballots will be more difficult. In a BID ballot, proxy papers can be issued from the moment the notice of ballot is sent to eligible businesses (up to 90 days before ballot date) until 10 days before the close of ballot.



The BID Ballot period is a minimum of 28 days in duration. BID ballots are conducted by post with one vote per hereditament. A voter will typically receive a ballot paper, together with an explanation of the ballot and a reply-paid envelope. The package will often be in a bright colour so that it stands out from the rest of the post. The materials usually bear the authority's insignia and do not include BID logos.

The BID regulations require that the ballot paper carries the following wording:

Are you in favour of the Business Improvement District proposals for:
[insert a list of the names of the streets in the geographical area covered by the BID proposals]?
Place a cross (X) in the box of your choice.

YES NO

This vote is in respect of –
[insert address of the hereditament of the person entitled to vote]
I confirm that I am entitled to vote in respect of this hereditament
Signed
Name (in block capitals)
Position
(NB where the person entitled to vote is a company or partnership, please state the position held by the person signing)
Note: for your vote to be valid this ballot paper must be signed and returned to the ballot holder at *[insert address for return of ballot papers]* by 5p.m. on *[insert the day of the ballot]*

This means that, in effect, the paper is 'self certifying', somewhat undermining the need for the appointment of proxy voters.

Each paper typically has a number, allowing the authority to record the return of ballot papers as the ballot progresses. Most local authorities are willing to let the BID Proposer know which papers have been returned, enabling the BID team to concentrate its efforts on those businesses that have not voted.

The BID Regulations set out the rules for such matters as proxy votes, lost ballot papers and spoilt ballot papers, together with timescales in the ballot process.

3.9 The count and the result

The ballot typically ends at 5pm and the count takes place the following morning. In announcing the result, the ballot holder certifies the turnout – both by total number and aggregate rateable value, and the total number and aggregate rateable value of the votes cast in favour.

The result is typically published on the authority's website and also posted in a public location.

Detailed guidance on Rules for BID ballots and renewal ballots is given in the BID Regulations Schedule 2.

Section Four – Building on a successful outcome

What happens in this stage?

Following a successful ballot the BID faces the exciting challenge of delivering on the pledges and the programme's themes. There are distinct phases to these initial months, each with its own objectives and associated costs.

Success requires establishing a firm footing – essential tasks around governance, strategic planning, financial management, levy collection and communication and second, a robust programme and with an immediate impact.

In the event of a negative ballot result the BID steering group would need to convene and discuss its future strategy. Different places have reached different conclusions depending on the nature of the result. While a loss by a narrow margin in one of the two tests would be quite different from a comprehensive defeat in both, the decision of the electorate should always be respected: the BID Proposal should be reviewed and a reasonable time elapsed to communicate that revised position to voters.

Some BIDs in the UK have now entered their third term. The appropriateness of having a BID needs to be constantly reviewed – it is quite conceivable that in some places the BID will have achieved its objectives within one or two terms, whereas elsewhere as long as businesses support them they can and should continue to provide services.

4.1 Establishing the BID company and forming the board and incorporation

- Prepare Articles of Association and complete incorporation of the new BID company – to be signed by subscribers and submitted to Companies House as part of Company registration
- The Chair writes to all members inviting them to become members of the BID company
- Negotiate and sign Operating and Baseline Agreements with Council
- Formalise agreement with Council on staff support and possible premises
- Procure appropriate insurances
- Develop a BID management structure
- Make decisions and put a plan in place for the first AGM:
 - Find appropriate venue and agree date
 - Draft agenda, presentation and resolutions
 - Prepare supporting documents

- Produce AGM package
- Hold AGM
- Plan dates and venues for regular (possibly six-weekly) steering group/board meetings
- Introduce effective customer relationship procedures

4.2 Finalising the billing arrangements

- Agree rules and procedure for levy collection and monitoring with Council confirming
 - Which properties are included?
 - Any special conditions? (discounts, charities, shopping centres, new businesses, voids, part payment, changes in RV)
- Prepare leaflet/letter for inclusion with first levy bill
- Levy bills to be dispatched by Council
- Plan for responding to levy payers who query their bill
- Manage enquiries during levy collection
- Monitor levy collection regarding non-payment

4.3 Communicating the result – the early phases of the communication strategy

- Chair writes to all voters/payers announcing result and next stages (local businesses and head offices outside BID area)
- Engage with levy payers before and during levy collection period
- Set up contacts database
- Prepare first e-bulletin to stakeholders
- Procure local marketing services
- Upgrade BID website

4.4 Mobilising for quick wins – projects and services

E.g. recycling service: issue invitation to tender; interview suppliers & make appointment; sign-up to service begins; service starts

- Timetable for all BID meetings in next 12 months
- Each theme group meets, e.g. area promotion, retail, clean & green
- Develop 1st year business plan and 5-year delivery plan
- Discuss 'quick win' possibilities and agree budget
- Implement quick win projects
- Procure key services e.g. recycling, cleaning, maintenance

4.5 Establishing financial and administrative policies and systems

- Open bank account
- Produce document on BID financial management
- Develop lifetime budget
- Membership database
- Procure insurances

4.6 Assembling the team

- Complete job descriptions for key roles – e.g. Operations Director, Marketing & Events Manager and Administrator
- Advertise posts
- Interview and appoint positions
- Identify office base
- Procure IT, telecoms and other services
- Move into new office

4.7 Understanding the area

Establishing your BID as a central point of information for matters relating to your centre can be valuable in attracting investment and influencing spending decisions. However, gathering such information has resource implications and much of the existing membership will be more focused on benefitting from current services than collecting and disseminating data on the wider area.

4.8 After the initial phases

Keeping track of performance

Monitoring and evaluation are essential to show the contribution the BID is making to the local area. At first the focus will be on Key Performance Indicators (KPIs) that demonstrate progress against agreed targets and show a positive direction of travel but as the BID programme evolves so will the KPIs and 'external' indicators become more important, assessing the BID's impact on the wider environment and neighbourhood. Disaggregating the impact of the BID from other factors on indicators such as reducing crime or increasing visitor numbers, however, will be more challenging.

Performance will, of course, also be assessed by businesses. Members should be aware of the ways in which their levy contribution is making a difference. BIDs are increasingly good at branding and promoting their services. Even when service delivery comes through a third party, for example additional cleaning bought in from the local authority, brightly badged uniforms or equipment will ensure it is clearly associated with the BID.

Developing marketing

Once the BID is established, newsletters and social media play an important role in reaching members and the wider community alike. With enough content, separate e-newsletters can focus on the activities of the BID, volunteering and CSR opportunities and updates on local development and construction in the area.

Use of Twitter and Facebook are new ways to reach a wide audience quickly and informally. Loyalty card schemes have proved a popular and effective tool for BIDs to help promote and increase the sales of members businesses and the use of free apps is a good way to drive consumers towards those shops, restaurants and services taking part.

Keep asking questions

To really understand the way the BID is seen, an independently run awareness survey will give an objective picture of which projects and services are known and valued by employees, residents and business members.



Section 5 – Conclusion

Our town and city centres are facing unprecedented levels of challenge, calling for new tools and mechanisms to address the pressures facing the high street.

BIDs are proving they have much to offer on many levels:

- Insight and expertise – from effective engagement with many more business interests that has been the case thus far
- New resources for investment – both from the BID levy itself, and from the efficient use of this funding through levering in matching sums from elsewhere
- A better basis for collaboration – between the different sectors on operational and strategic issues
- Tailored programmes – suited to fit the interests of a particular centre
- Meaningful lines of accountability – to those most concerned with the centre's future well being through BID governance structures and the ballot mechanism.

Therefore, with the capacity of public authorities to invest sufficiently in their commercial centres are subject to increasing pressures, the list of compelling reasons for considering a BID as part of a response to re-enlivening our high streets, town and city centres, industrial estates and business parks is growing all the time.

Throughout the UK businesses are exhibiting a bigger appetite to get involved, and the growth in the number of BIDs has confounded expectations. The delivery of those BIDs is also becoming more sophisticated, with professional and dynamic organisations leading major change programmes in diverse places.

The long track record of Swansea BID, particularly the successful re-mandate in 2011, illustrates that businesses in Wales are prepared to support these kinds of interventions, while the experience in Merthyr reinforces this applicability of BIDs to all kinds of setting.

BIDs are a flexible mechanism. Some will remain focussed on janitorial (housekeeping) and/or ambassadorial (meeting and greeting) duties. Others will take an increasingly informed interest in developing strategy for the long term sustainability and improvement of their centres. Whilst BIDs should and must learn from good practice elsewhere, the key consideration for success is that they develop organisationally and programmatically in ways which are fit for the unique set of circumstances that apply in the centre in which they operate.

Investing time and effort in setting this course is essential, as is the continuing task of monitoring performance. For BIDs to survive and flourish into the long term they must have excellent performance management systems and be able to illustrate clearly to their membership and other stakeholders the benefits that they bring.