

## **Stratford Original BID Arrangements for 2015-2020**

This section sets out in further detail the technical and budgetary information relating to how the Stratford Original Business Improvement District (BID) in Newham will operate.

### **Definitions**

Definitions in these arrangements are as per The Business Improvement Districts (England) Regulations 2004.

### **Who is proposing this initiative?**

The BID proposer is the Stratford Original BID Steering Group. The BID body will be Stratford Original Business Improvement District (BID) Ltd. It will be incorporated as a company limited by guarantee in the event of a positive ballot result in November 2014.

### **How will the BID be run?**

The BID will be run by the Stratford Original BID Company.

The proposed Board representation is as below. The breakdown reflects that of the businesses in the BID area and ensures a representative body to lead the development of the Stratford BID:

- 5 Large Business (>50 employees)
- 4 Small Business (<50 employees)
- 2 Landowners
- 1 Occupier (drawn from a non-levy paying business)

The following Representatives shall also sit on the board:-1 Local Authority Representative, 2 Strategic Agency Representatives and 2 Residential representatives. The Residential representatives will have Observer status.

It is expected that three theme groups will operate: Making the Town Centre Feel Safer and More Welcoming, Doing Business & Promoting Stratford. These are sub-groups to the Board and are formed from BID Members, who are responsible for developing detailed project budgets for their group that are then passed to the Board for approval. All businesses will be given the opportunity to be represented in these sub-groups and on the Board. Additional theme groups will be set up as and when required.

### **How can I get involved in the running of the BID?**

In the event of a successful BID ballot, all new BID levy payers who are not currently formal Company Members will be invited to become a Member of the Company. Company Members may subsequently nominate themselves for directorships or to sit on one of the BID's theme groups.

The Board will manage the Executive Team, which will deliver the projects and services as set out in the BID Proposal.

### **How long will the BID last?**

The BID term will be five years in duration from 1 April 2015 to 31 March 2020. Before the

end of this period, the BID Board may choose to seek renewal of the BID for a further term, through a renewal ballot.

**What area is covered by the proposal?**

The area covered by the proposal comprises parts of the London Borough of Newham as shown in the map below.



The BID area covers the following streets, either in whole or in part:

- |  |                                     |
|--|-------------------------------------|
| BROADWAY   | SALWAY ROAD                         |
| FARTHINGALE WALK   | STATION STREET                      |
| GREAT EASTERN ROAD   | THE GROVE (1–131 ODD; 2–204 EVEN)   |
| GROVE CRESCENT ROAD  | THE STRATFORD CENTRE                |
| HIGH STREET, AND BUSINESSES WITH ENTRANCES ON THE HIGH STREET (INCLUDING 160-322 EVEN; 223 UPWARDS ODD; 1 BRIDGE TERRACE; 1 PARK LANE) | THEATRE SQUARE                      |
| MERIDIAN SQUARE  | SALWAY PLACE                        |
| ROMFORD ROAD (1A–9 ODD; 2-40 EVEN)   | TRAMWAY AVENUE                      |
|  | WEST HAM LANE (1-35 ODD; 2-12 EVEN) |

## **How will the BID support what is already provided by Newham Council?**

A BID generates revenue that is ring-fenced for the area in which it is collected, to be spent on projects for the benefit of businesses that pay the BID levy. All services provided by the BID will be additional to those provided by The Council. Additionality is ensured through the production of a 'Baseline Agreement' which sets out the standard level of statutory service that is already provided for the BID area. This ensures that the BID levy only funds services and projects over and above this level.

## **How will the ballot work?**

The ballot will be managed by the Electoral Services Department within Newham Council and will run between 20<sup>th</sup> October – 20<sup>th</sup> November 2014. The ballot will close at 5pm on 20<sup>th</sup> November 2014. The ballot will be a secret postal ballot of the eligible hereditaments on the National Non-Domestic Ratings List at the time of the notice of ballot being issued. Where the occupiers of individual hereditaments have nominated in writing the name of the person who should vote on their behalf, the notice of ballot and ballot papers will be sent to them.

## **Who is eligible to vote and to pay the levy? Are there any exemptions?**

The following will not be eligible for the BID levy, or for the vote:

- Business units with a rateable value of less than £10,000
- 'Central List' properties that are not contained in the local rating list.
- Advertising rights, telephone masts, car parks & car parking places, and kiosks
- Residential estate offices
- Schools

All other types of business are eligible to vote in the BID ballot and to pay the BID levy.

Businesses with a rateable value of less than £10,000 will be welcome to take up some of the BID's services by contributing on a voluntary basis at a rate to be agreed. If, as a result of a re-valuation, a business' rateable value shall be £10,000 or more at any time during the BID term, they will become eligible for the levy from the 1 April of the next financial year.

Where hereditaments are unoccupied at the time of the notice of ballot, the owner will be entitled to vote in the BID ballot. The BID levy payer in cases of unoccupied hereditaments will be the owner of the whole of the hereditament. The term 'owner' is defined in section 65 (1) of the Local Government Finance Act 1998.

Businesses with mandatory relief from business rates will have their BID levy discounted at the same rate.

## **How much will the BID cost?**

The BID levy is a daily charge. Occupiers and owner-occupiers will pay the levy at the rate of 1.5% of rateable value, based upon the most current version of the rating list. The BID levy will be charged at 1.5% of the rateable value of each hereditament listed in the Ratings List. Inward-facing hereditaments within the Stratford Centre will pay levy rate of 0.75% of the rateable value of each hereditament listing in the Ratings List.

In the first instance this is likely to generate around £232,000 per annum for the area.

The BID levy rate will be amended on an annual basis in line with inflation, at a rate to be agreed by the Stratford board, and not exceeding the average monthly national Retail Price Index (RPI) or the Consumer Price Index (CPI) (whichever is the lower) during the period September to December.

The table below sets out the indicative levy payable for businesses depending on their rateable value.

<b>Indicative Rateable Value</b>	<b>Indicative BID levy</b>
£20,000	£300
£50,000	£750
£100,000	£1,500
£200,000	£3,000

**I'm thinking of taking on more premises in the BID area. Will I have to pay a levy on these when I move in?**

Businesses which begin to occupy existing hereditaments during the BID period will be liable to pay the levy for their period of occupation, providing the hereditament remains eligible for BID membership. The BID levy will be extended to occupiers of hereditaments built or first occupied in the BID area during the life of the BID, assuming that they are otherwise eligible. In these cases the levy will be calculated on the rateable value entered in the most recent version of the ratings list and take effect from 1 April of the next financial year.

**How will the BID levy be collected?**

Arrangements for the collection of the BID levy are set out in a formal Operating Agreement between Stratford BID and Newham Council. The Council will be responsible for collecting the BID levy on behalf of Stratford BID. The BID levy will be payable in one instalment per year. Bills will be raised in March and payment will become due on 1st April each year. Enforcement measures for the collection of the BID levy will be detailed in the Operating Agreement between Stratford BID and Newham Council.

The BID levy is a mandatory charge and collection is enforceable in the same way as the business rate. After 14 days non-payment of the BID levy, a reminder will be sent giving a further 14 days to pay. If after a further seven days from the payment date stated in the Reminder Notice the outstanding sum of the BID levy has not been paid the Council shall make an application to the Magistrates Court for a Liability Order to recover the outstanding sum of the BID levy. The BID Company will strongly pursue collection of the BID levy, using all available enforcement mechanisms. Non-payment of the BID levy will incur additional costs to the business in question.

**Who will pay for the costs of the ballot?**

The costs of the BID ballot, if successful, will be met by Newham Council.

**Can the BID arrangements be altered?**

Only minor amendments can be made to the BID arrangements without seeking formal approval from the BID Members. BID arrangements may be altered without an alteration ballot, as long as there is no proposal to alter:

- The geographical area of the BID
- The BID levy in such a way that would:
  - i. cause any person to be liable to pay the BID levy, who was not previously liable to pay; or
  - ii. increase the BID levy for any person other than for inflation purposes as set out above

Where BID arrangements may be altered without an alteration ballot, the alteration will be made by a decision of the Stratford Original BID Board, following consultation with Newham Council.