

WHAT IS A BID AND HOW DOES IT AFFECT MY BUSINESS?

A BID (Business Improvement District) is an arrangement whereby businesses get together, decide what improvements they want to make in their location, how they will manage these and what it will cost them. This all goes into a Business Plan which is voted on by all those who will fund the BID projects. If the majority of businesses vote yes by number and rateable value it comes into being. The BID lasts for a maximum of 5 years and must be able to demonstrate how it benefits the businesses that have funded it.

HAVE BIDS BEEN SUPPORTED ELSEWHERE IN THE UK?

Since September 2004 when this legislation was introduced, there have been over 200 BIDs set up in the UK which will create over £300 million of new investment over the next 5 years.

WHAT MIGHT A BID DELIVER, AND HOW WILL IT HELP MY BUSINESS?

BIDs can deliver any projects or services that are agreed within the BID Boundary (A defined geographical area) and are over and above anything that the public agencies have to provide. In most cases this includes marketing and promotional activities, increasing safety and security for businesses and customers, enhancing customer experience, physical improvement works, lobbying and advocacy.

A BID is a mechanism which allows businesses to raise a sum of money to manage and deliver projects that they have identified and believe will improve their trading environment, ultimately increasing trade for those businesses who are paying for the improvements.

WHO PAYS FOR A BID?

Once projects and services have been agreed by businesses along with how they are going to be delivered and managed, they are costed up and set out in a detailed business plan, including the BID LEVY – the cost to each business. An independent and formal ballot takes place and if the majority vote YES then ALL businesses identified within the BID area are required to pay. The BID levy is normally paid by the occupiers of a property. In addition BIDs can leverage additional voluntary funding, grants and 'in-kind' contributions to supplement the BID levy.

HOW WILL THE BID BE DEVELOPED AND MANAGED?

A BID Task group is set up to manage the development of The BID, and take it through the consultation, formulate the Business Plan, and take it to ballot. A Board is formed following a successful ballot, and this is usually made up of a cross section of the business levy payers within that area. Normally, a not for profit 'company limited by guarantee' is set up to manage the BID over its 5 year term.

DOES THIS MEAN THE LOCAL AUTHORITY WILL STOP DELIVERING SERVICES?

BID money can only be used to carry out projects/ services ADDITIONAL to those that public services have to provide. Prior to the BID Business Plan being produced the current services being delivered by all public agencies including the Local Authority and Police are baselined/benchmarked. The Local Authority has to continue to deliver that level of service for the period of the BID.

HOW IS A BID MONITORED?

Like any good business plan, specific key performance indicators (KPI's) are set and performance is monitored against the KPI's by the BID board. The BID company is answerable to the businesses who pay the BID levy, and will be required to monitor and inform its members on its progress towards the agreed KPI's.

For more information, please contact The Mosaic Partnership using the following details:

info@themosaicpartnership.co.uk
+44 (0)845 250 8099
www.themosaicpartnership.co.uk