

Letchworth  
Business Improvement District (BID)  
Proposal and Business Plan  
From 2019 – 2024

Draft

# Table of Contents

	Page No
1. Foreword	1
2. Executive Summary	3
3. What is a Business Improvement District	6
4. Letchworth BID – the first five years	9
5. Letchworth BID – working together must make a difference	11
6. Where will the Letchworth BID operate	13
7. Services provided by North Hertfordshire District Council	14
8. The Research and Consultation Process	16
9. The BID's response	22
10. Vision and Objectives	23
11. Organisation, Resources and Delivery	26
12. Letchworth Budget and Finances	28
13. BID Levy Criteria for the Letchworth BID	31
14. Risk Analysis	34
15. Final thoughts	36
<b>Appendices</b>	
Appendix 1 - Definitions	37
Appendix 2 – Streets included in the BID area	38
Acknowledgements	40

# Letchworth Business Improvement District (BID) Proposal and Business Plan 2019 – 2024

## 1. Foreword

### Message from the Chair of the Letchworth BID Board

It has been almost five years since the Letchworth BID first came into existence. Since then there have been a huge number of changes and some challenging times for businesses. At the start of the BID we were emerging from a period of economic recession and then, more recently, the aftermath of the 'Brexit' vote and the uncertainty which has followed.

Through it all Letchworth has started to realise that it has something which other places do not. We have a strong sense of community and some of the founding principles of the 'Garden City' are starting to become more relevant today than they have been since Ebenezer Howard first realised his vision.

After an uncertain start, businesses have come together through the BID to play an important part in shaping the experience for visitors, and for those who work and live in the town.

We are not alone in facing challenges of declining footfall and economic uncertainty, the pressures from changing lifestyles, increased mobility, aggressive competitors, greater customer choice and internet shopping. However, it will only be those town centres which are able to offer a great experience and good quality customer service which are going to thrive in the future.

Letchworth has great attributes and a fantastic cultural heritage, but it is vitally important that collectively we shout about this whilst at the same time building for the future and addressing any challenges head on.

The projects and initiatives in this BID Proposal and Business Plan aim to address factors affecting both the day to day operations of businesses in Letchworth as well as those impacting on the future success of the area, such as investment in retail, leisure and office space to cater for new businesses and to allow existing businesses to grow.

The activities contained in this proposal have been designed to be even more inclusive of businesses across the full extent of the BID area and with a greater emphasis on developing those quiet times and quiet parts of the town centre. Provision has also been made to account for the continued changes in the way people use their towns centres as well as the growing use of digital media, ensuring that the plan will remain relevant throughout the BID term.

This BID Proposal and Business Plan has been created by the Letchworth BID volunteer Board and Management Group consisting of business people like you and with a wide range of business experience. They have listened to your feedback via the many surveys, workshops and one-to-one meetings undertaken as part of the research process and have incorporated your thoughts.

The Board and Management Group have given their time freely because they believe in the future of Letchworth and are willing to play their part in helping to shape it. This plan sets out projects and initiatives which will support businesses and complement the programme of investment in the town centre and which, we believe, will make a positive difference to your business.

Our cumulative investment will provide a business-driven focus to ensure essential improvements to Letchworth town centre, a means of promoting the offer and a distinctive feel to the town centre. This investment will also set standards in the town centre which reflect our own aspirations as businesses, with a budget, over the five-year BID lifetime of over £1.2 million.

This is a realistic plan with realistic targets at a realistic cost. It is a chance for us to come together and lead the way in which the town presents itself and is perceived. Let's not allow this unique opportunity to slip away. We urge you to look carefully at the proposal and to give it your full support at the formal BID vote in November.

Chris Gerard  
 Chair and Director of the Letchworth BID Company  
 Director of Innventure Ltd

### **Current BID Development Board Members**

The BID Company, the Letchworth Garden City Business Improvement District Limited is limited by guarantee, is the body which has proposed the BID for the purposes of the BID Statutory Provisions and is responsible for the implementation of the BID plan. The membership of the board of the company is open to all businesses in the BID area.

The current members of the BID Board and Management Group are as follows:

<b>Name</b>	<b>Business Name</b>
Adam Fernandez	UHY - Hacker Young Accountants
Phil Paige	Morrisons
Chris Gerard	Broadway Hotel
Cllr David Levett	North Hertfordshire District Council
Graham Fisher	LGC Heritage Foundation (CEO)
Denise Poynter	Resident - Observer Role
Emma Al-Hudairi	The Cupcake Company
Graham Taylor	Talents
Heather Almond	North Hertfordshire College
Jack Philbin	Garden Square Shopping Centre
Jason Valentine	Broadway Cinema
Maureen Davison	Just for Me
Melvin Willis	Burrs
Patricia Saunders	Love Letchworth BID
Glenn Thompson	Alexander Lewis Estates
Hillary Kemp	Observer Role

## 2. Executive Summary

### **BID background**

Business Improvement Districts are created by businesses and organisations which come together to collaborate on initiatives that improve location where they trade or do business. Business Improvement Districts are driven by participating businesses - who work together to draw up a business plan which is voted on and, if agreed, is then funded through a levy based on business rateable values, as well as trying to lever in additional funding where possible for investment into the delivery of projects for the benefit of businesses.

This levy is collected by the council and paid directly to the Business Improvement District company. This is a not for profit company which will be set up by the businesses and will be accountable to the businesses in Letchworth to manage the business improvement district business plan.

### **The benefits of the Letchworth Business Improvement District**

After a deep recession and now the economic turbulence of post 'Brexit', the need for businesses to work together for a better future has never been greater.

The benefits of a BID do not just come from the ability to deliver projects and services from a guaranteed budget but come from the collective influence of the businesses in the BID area. Influence to change perceptions about a place, of potential visitors to Letchworth that it has something different, of new businesses that they will get a return on their investment if they come to the town and of residents that they have pride in the place once again.

The influence of the collective voice of businesses working together also translates into productive relationships and outcomes, when working with other organisations such as the local authorities, the Letchworth Garden City Heritage Foundation (LGCHF) and the police, to meet the businesses' needs.

The research and consultation with businesses undertaken in preparing this plan reflects the clearly held view that Letchworth has a lot to offer as a town and the potential to re-invent itself to meet the needs of its residents, visitors and its businesses as they are today. Businesses have recognised that this is an important opportunity to develop Letchworth's identity and raise its profile for the benefit of all businesses.

This new business plan has been developed to ensure that it:

- is balanced to cover all business sectors
- clearly defines the role of the BID
- seeks to create and take advantage of new opportunities
- has focussed activity but remains relevant for next five years
- has deliverable and achievable objectives

It lays out a business-led programme of investment to tackle issues identified by businesses with the aim of creating a positive and more profitable trading environment to potentially benefit all business sectors. To achieve this, the BID levy will be 1.5% of rateable value as now with all charges rising in line with inflation each year for five years.

In addition to receiving the broad benefits that BID offers your business in terms of driving local

business investment and growth, you will gain direct access to collective promotional campaigns and have the opportunity to link into social and digital media activities. You will have access to collective cost reduction schemes, the opportunity to participate in seminars and workshops offering business support and advice, invitations to regular BID networking events to develop greater local business community collaboration and much more.

As a business who pays into the BID this is an investment. The aim of the BID is to deliver as much value back in benefits, if not more, than the money you pay in.

### **The Area**

The Letchworth Business Improvement District covers the area from the north west of Neville Bridge at the junction of Icknield Way and both sides of Bridge Rd. The boundary then follows the railway line to the north east to Norton Way North before running south following property boundaries to the east of Norton Way North to Norton Way South. It includes Howard Park and runs down to the south east to the junction of Rushby Mead and Pixmore Way. The boundary then runs west from the junction of Gernon Rd and Norton Way South to include offices on Gernon Walk and those to the east of Broadway Gardens. It takes in properties to the west of Broadway Gardens and Broadway before crossing over Station Rd to return to the north west corner.

The Letchworth BID Area has been selected to cover the commercial core of the town centre. The aim of the BID Area is to bring the Letchworth business community together to act with one voice with an open policy to encourage dialogue and involvement from other businesses and organisations which may not be in the area but have a direct stake in the town centre.

### **The Vision**

Through this business-led programme of investment the vision is for Letchworth town centre to be:

- A 21st century Garden City which is connected and engaged with its residential and business community
- A vibrant 'Go to' place with a sense of common purpose which is attractive and appealing for everyone who lives, works, visits and does business in Letchworth
- A place which is lively, has a strong sense of identity and awareness and is recognised internationally.

### **Strategic Objectives and Projects**

The programme of investment will be delivered through the three strategic objectives and their related projects.

#### **Objective 1: Lively and well promoted**

To create a place which is lively, has a strong sense of identity and awareness.

#### **Objective 2: Welcoming, attractive and accessible**

To provide a welcoming, attractive and easily accessible environment for visitors, workers and residents to explore and enjoy.

#### **Objective 3. Businesses working together**

To represent the collective voice of businesses in the town centre to ensure that it continues to develop into a great place to do business and meets the needs of those who live, work, visit and do business in Letchworth.

**Costs and funding**

The budgeted income over the five-year period of the BID is approximately £1.2 million. The yearly income will be made up of some £163,000 from the levy revenues and a sum averaging around £82,000 from voluntary, private and public sector contributions and commercial revenue

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### **3. What is a Business Improvement District?**

A Business Improvement District (BID) is a precisely defined geographical area within which the businesses have voted to invest collectively in local improvements to enhance their trading environment.

BIDs were enabled by parliament through the Business Improvement Districts (England) Regulations 2004. This legislation was based on the experience of some twenty years of successful BID activity in America and Canada. Since 2004, over 300 BIDs have been proposed and approved by business communities in England and Wales. These include Welwyn Garden City, Royston, Hitchin, Luton, St Albans and Watford and many London boroughs.

There are a more than 120 BID areas which have been operating for more than five years and have gone through a renewal ballot and enough time has elapsed that many have now entered their third term having gone through a third ballot. In most cases BIDs going on to a second term have received an even greater endorsement in the vote than they did the first time. BIDs have brought significant improvements to the trading environment of the businesses based in these locations. Further details are available on the Association of Town and City Management web site: [www.atcm.org](http://www.atcm.org).

The lifetime of the BID is prescribed by the Regulations and is set at no more than 5 years. It is possible for a BID to be extended by proposing a new Business Plan at the end of the BID lifetime for a fresh formal vote by the businesses.

The purposes of a BID are to provide new or expanded works and services or environmental enhancements within the prescribed BID area, funded via a BID Levy charge. All services/improvements will be additional to those already provided by the North Hertfordshire District Council and the Hertfordshire County Council. This charge is payable by non-domestic rate payers and is collected by the council in much the same way as business rates. The manner in which the BID Levy charge is calculated is defined in Section 12.

All works and services will be contracted by Letchworth Garden City Business Improvement District Ltd, the BID Company and the BID body for the BID area. The objectives and aspirations of the Letchworth Garden City Business Improvement District Ltd are set out in this BID Proposal and Business Plan.

This BID Proposal and Business Plan has been prepared in line with best practice and guidelines from HCLG.

A set of definitions for terms used throughout this document is contained in Appendix 1.

#### **The vote**

To succeed the ballot has to pass two tests: A simple majority vote of those who vote must register a 'YES' and the aggregate rateable value of those who vote 'YES' must be greater than that of those that vote 'NO'. If these two criteria are met, the Business Plan is activated and all businesses in the area concerned will be required to pay the levy.

The persons entitled to vote, and be liable for the levy, are the ratepayers of non-domestic premises in the Business Improvement District which meet the levy criteria outlined in Section 13.

The Ballot Holder for the Business Improvement District vote is the North Hertfordshire District Council's 'CEO', David Scholes. Scrutinising and administration of the ballot will be undertaken by



UK Engage. Details of voting procedures and how you can confirm persons entitled to vote can be found by contacting North Hertfordshire District Council's Electoral Services on Tel 01462 474305 or by e-mail [elections@north-herts.gov.uk](mailto:elections@north-herts.gov.uk).

### Alteration of arrangements

The Business Improvement District, its boundaries, business plan and the levy percentage cannot be altered without an alteration ballot, although its board can adjust projects and spend as they feel appropriate, provided the basic tenets and budgets are not compromised. This is explained in more detail in Section 12.

### The levy

A levy of 1.5% of rateable value (RV) is proposed for all businesses irrespective of their rateable value and which fall within the levy criteria laid down in Section 13.

This levy arrangement will generate around £775,000 of ring fenced funding over the five-year life of the BID and will also be used to lever in additional funds where possible adding a further £350,000 over the life of the BID. This will be used to fund the projects identified in this Business Plan

### Duration and commencement date of BID Arrangements

Subject to the successful ballot in November 2018 our proposal is for the Arrangements for the Letchworth Business Improvement District Proposal and Business Plan to operate for five years and to commence, on the 1<sup>st</sup> April 2019. After five years, in 2024, it can be extended or renewed – but only after being subject to a renewal ballot.

### Timescales

Action	Day and Date	
Notice by BID Proposer to Billing Authority & Secretary of State of intention to hold ballot (at least 84 days before Ballot Holder requested to hold ballot Action Point 4)	Thu	28 June 2018
BID Proposer requests Billing Authority to instruct Ballot Holder to hold a Ballot (BID proposals need to be completed)	Target Date:	
	Wed	03 October 2018
	Latest Date:	
Billing Authority formally requests Ballot Holder to hold ballot	Wed	24 October 2018
	Target Date:	
	Sun	14 October 2018
Ballot Holder issues Letter to Business Ratepayers to give information about the ballot and identify named person to receive ballot paper (latest date is 42 days before Ballot Day)	Latest Date:	
	Wed	24 October 2018
	Target Date:	
	Wed	17 October 2018
	Latest Date:	
	Wed	24 October 2018
	Target Date:	

Ballot Holder publishes Notice of Ballot (latest date = 42 days before ballot day) also to send copy to Secretary of State, a copy of the published notice of ballot, as per Schedule 2 3(d) of the 2004 Business Improvement Districts (England) Regulations	Wed	17 October 2018
	Latest Date:	
	Wed	24 October 2018
Ballot Holder Issues ballot papers (at least 28 days before Ballot Day)	Wed	07 November 2018
Last day to appoint a proxy (tenth day before Ballot Day)	Sun	25 November 2018
Replacement of lost and spoilt ballot papers (from the fourth working day before the Ballot Day)	Thu	29 November 2018
Ballot Day (up to 5pm)	Wed	05 December 2018
Count and announcement of result	Fri	07 December 2018

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## **4. The Letchworth BID – The first five years**

Five years ago the Letchworth Business Improvement District was established by businesses in the town to address the increasing challenges faced by many small towns and high streets across the country.

Having battled with the recession, many businesses were still fearing for their future with increasing competition from neighbouring towns and the internet and businesses feeling that they had no role to play in the development of the town.

Five years on and Letchworth has started to find a sense of confidence about itself and its future starting to establish itself as a destination for some great events, entertainment and a great evening out. Sundays have developed into an important trading day for many and the office-based businesses are starting benefit from the great environment they work in. It is a family friendly safe town.

There have been some challenging times along the way. A recession which rocked the economy and whose impact was still being felt at the start of this BID. The way in which people use their towns and city centres has seen considerable change. Technology (and peoples use of technology) has moved apace and continues to evolve changing the way we live and work and is impacting upon the way in which businesses operate.

Through it all Letchworth is not only surviving but is developing. Over the last five years Letchworth BID has continually invested in projects and activities which you, the businesses, have identified as your priorities. Below are just some of the initiatives undertaken during the first BID term; without businesses working together and providing funding via the BID levy none of these activities would have been possible.

### **Letchworth BID 2014 – 2019**

- Established a respected events programme generating additional footfall and repeat visits.
- Generated commercial revenue from events which has enabled them to grow and develop and attract sponsorship.
- Improved access and signage into and around Letchworth by working with North Hertfordshire District Council and the Letchworth Garden City Heritage Foundation.
- Provided training for business free of charge
- Introduced networking events to bring businesses together
- Celebrated and profiled businesses for their customer service excellence through award schemes
- Started to develop the recognition of the Love Letchworth brand and Letchworth's reputation which has started to develop some pride in the town.
- Promoted businesses and organisations to a wider audience with trails and campaigns, as well as adverts and editorials in targeted publications and an extended reach through social media attracting new people from beyond the immediate catchment of Letchworth.

We have also learned a lot of things along the way:

- When large events are on, retailers' turnover can go down – so frequency and scale has to be balanced and the diversity of events is important.
- The human energy of 'connection' is really important and when we work together Letchworth can

bring out a real sense of community across businesses.

- The BID is not about one business, one person or a small group – it is about everyone coming together to listen, share ideas and work towards a common goal.
- The BID can enable us as businesses to make a difference to the town in which we work and operate – we do not have to simply rely on others to do this, but working with others we have a part to play in the future of Letchworth.

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## **5. The Letchworth BID - Working together must make a difference!**

Having started to recover from a deep recession from 2008 to 2013, the national economy, pre 'Brexit' is facing uncertain times and many challenges lie ahead. Besides the challenges of the economy, lifestyles are changing and influencing the way in which we use our time and spend our money. Technology continues to develop and change the way we live, work and use our town and city centres both as individuals and as businesses.

By 2015, roughly 80 percent of UK internet users were shopping online, the highest online shopping penetration rate in Europe. In 2018 nationally, e-commerce accounts for 22% of all retail sales and will continue to increase. In the UK sales via mobile phone are rising dramatically, last year sales via mobile devices represented 40% of all e-commerce transactions.

We need to think about ways in which we can work together to create multi-media opportunities for smaller businesses working together and create an experience in Letchworth which makes people want to come to the town to shop as well as simply clicking and buying online.

Over the last ten years volume of alcohol purchased per person in the UK from the off-trade increased by 38% while the volume of alcohol purchased on-site fell by nearly half. The future of a town's night life will not rely on an offer of drink-only establishments and provides new opportunities for businesses and organisations to develop their offer and encourage a wide range of people to enjoy the town in the evening and at night.

The UK professional services sector is by far the largest part of the economy, accounting for about three quarters of economic activity. It is also the sector which showed the first signs of recovery after the recession. This sector is completely hidden from view and although limited within the commercial core of the town centre, it is an essential part of the local economy of Letchworth. This sector provides Letchworth as a whole, with an opportunity to shape its identity and to promote itself as a centre of quality and internationally acclaimed professional service businesses.

The role of heritage and culture in town and city centres are also growing as important sources of economic prosperity and growth with heritage alone contributing around 2% of GVA to the UK economy. Letchworth is only just over one hundred years old but has a unique heritage upon which it can build. The principles upon which it was designed and built are probably more relevant today than they have ever been and provide an ideal platform to create and develop something special.

The town is within easy reach of large audiences and business markets, it is as easy to get to Letchworth as it is to go from it. In order to take advantage of the opportunities which exist, it is essential that the BID works closely with others such as the North Hertfordshire District Council, the Letchworth Garden City Heritage Foundation and the Transition Town Letchworth to raise the town's profile, improve the appeal to visitors and make it a great location for people to live and work and businesses to operate and invest.

The North Hertfordshire District Council in their Economic Development Strategy 2015 recognised that the town centres need to have investment to attract investment. In their Objective 4 'Supporting Business' they made the identified that:

*'Strengthening the economic offer and function of our town centres is also important, ensuring that they are competitive and attractive for modern-day use. This will in turn make them desirable places to be and increase their vitality and viability.'*

This objective and statement directly reflect the views of businesses in the town centre who feel that the town is not as competitive as it should be from a retail or leisure perspective with its limited offer.

Businesses recognise that there is a need to invest in making the town more vibrant and promoting its strengths. In this way it will start to become more commercially attractive and start to appeal to new businesses who see the opportunities in the town. This BID Proposal and Business Plan seeks to create a town which is competitive and attractive for modern-day use through the Objectives 1 and 2 detailed below in Section 10.

This links back to the Economic Development Strategy's Objective 1 – 'Increase investment and business engagement', where the District Council state that this commitment should be achieved by:

*'Developing better links between ourselves and businesses, but also between business to business which will have the added benefit of encouraging collaborative working. Developing networks and encouraging relationships will have potential benefits for staffing, skills and knowledge and will provide the opportunity for businesses to promote their products and services as well as increasing knowledge of issues such as business regulations, exporting and finance initiatives'.*

This links directly into this BID Proposal and Business Plan's Objective 3 'Businesses working together' where activities include increasing opportunities for doing more local trading and benefiting from initiatives which will contribute towards the reduction of business overheads.

In the Local Plan 2016 – 2031 – North Hertfordshire District Council identify in their policy SP4 Town and Local Centres that:

*'The Council will make provision for an appropriate range of retail facilities across the District and are committed to protecting the vitality and viability of all centres.*

*We will:*

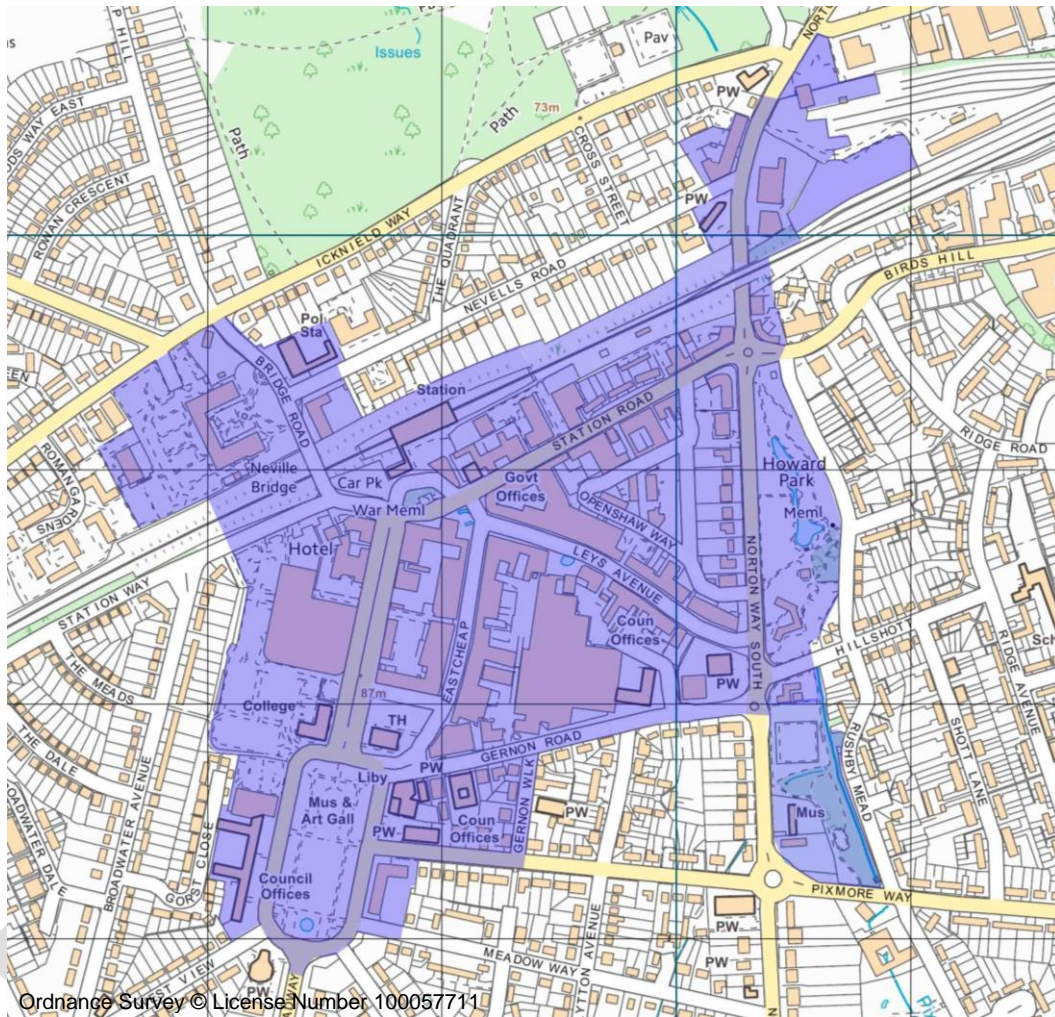
- a. Promote, protect and enhance the retail and service functions of the following centres in our retail hierarchy:
  - i. the town centres of Hitchin, Letchworth Garden City, Baldock and Royston;**
- b. Support proposals for main town centre uses in these locations where they are appropriate to the size, scale, function, catchment area, historic and architectural character of the centre;*
- e. Maintain up-to-date town centre strategies to support this approach and / or adapt to change;*

All three objectives of this BID Proposal and Business Plan serve to support the policy SP4 and potentially the BID provides a valuable vehicle through which these stated aims of the Local Plan can be achieved. The BID believes that this plan compliments the aims of the local authority

The feedback from the surveys, interviews and workshops undertaken to develop this BID Proposal and Business Plan has identified the needs and challenges faced by all business sectors and has taken account of the opportunities.

By working together as a cohesive business community with other key organisations and public sector bodies, using our collective strength there is huge potential to make Letchworth a great place to visit, live, work, invest and grow a business.

## 6. Where will the Letchworth BID operate?



The shaded area represents the full extent of the Letchworth Business Improvement District.

A full list of streets within the BID area is shown in Appendix 2. All non-domestic hereditaments within the BID area will, if the BID is approved, be liable for the BID levy (as defined in section 12). The BID covers all non-domestic rated properties. Thus banks, building societies, car parks, council facilities, the college, restaurants, clubs and pubs, estate agents, leisure operators, charities, recruitment agents, retail and health and beauty outlets, office based businesses and organisations, and transport and travel agents and all other non-domestic hereditaments are included within the BID and will, subject to the detailed levy criteria in Section 12, contribute to the BID's collective funding and activities flowing from the combined budget.

The BID Area includes any smaller business areas located off these roads or streets that are located within the boundary of the BID Area defined by the shaded area illustrated on the map and any other road or street, even if they are not listed in Appendix 2 and will include any new road or street which is developed or created during the life of the BID which is within the BID Area.



## **7. Services provided by the North Hertfordshire District Council**

### **North Hertfordshire District Council's Support for the Letchworth BID**

The North Hertfordshire District Council fully supports the Letchworth BID. In particular, it endorses the fundamental principle of additionality within the BID by agreeing to maintain the provision of existing services from the council to businesses at their current level (subject to budgetary constraints) across the North Hertfordshire District administrative area. Thus, in line with BID legislation, BID services within Letchworth will be additional to (not in substitution for) those provided by the council. If there is a need for any change in service levels provided by the council these will not be disproportionate to other parts of North Hertfordshire District outside the BID area.

The council's commitment to the Letchworth BID and the working relationships between the council and Letchworth BID Company are set out in complementary documents agreed between the council:

- A Memorandum of Understanding and Operating Agreement which defines the working relationship between the council and Letchworth BID Company and sets out the council's operational support to the BID on a number of specific issues
- A set of Baseline Agreements, each defining the benchmark for a specific service provided by the council and other agencies to the businesses in the area

### **North Hertfordshire District Council's Vision for the BID**

Beyond its clear commitments set out in the Memorandum of Understanding, the council welcomes the opportunity offered by the BID disciplines to develop a strong and more dynamic partnership between the council itself and Letchworth's businesses. The council intends that this forward looking evolution of its relationship with businesses should take shape along the following lines during the five year BID period:

- Establishing a serious dialogue with Letchworth businesses on issues that can promote a stronger trading environment for them.
- Exploring more effective means of delivering council services to businesses. This will include more cohesive ways of tailoring and delivering specific services to Letchworth.

### **Council Services for Business**

Businesses will continue to benefit from all the standard council services provided for the benefit of all stakeholders in the town (cleaning, access, safety, maintenance and public amenities). In addition, the council delivers a wide range of services either directly or indirectly specifically for businesses, these include:

- Business continuity planning
- Economic Development
- Health and Safety at Work
- Business start-ups
- Tendering for council business
- Business rates

Details of these services can be found on the council's web site under the Business Tab <https://www.north-herts.gov.uk/home/business>

### **Individual Baseline Statements**



In full support of the above commitments, Service Directors within the council will draw up Baseline Statements on the specific services they are responsible for. These documents define the benchmarks for the provision of these services and the fact that any change will not disproportionately impact upon the BID area more than any other area outside the BID within the Borough's administrative boundary. They also cover how the services will be measured. The council attaches particular importance to the incorporation of value for money principles and measures within all the Baseline Statements.

The Baseline Services are defined below:

- Town Centre Compliance (Environmental Health & Licensing)
- Environmental Services
- Parking Services
- Fountain and Statue Operations/Maintenance

The process of creating the baseline agreements proves valuable to both the service providers and the BID company. The development of these partnerships and the additional focus on the services provided in the area, will give tangible benefits over and above those derived from the projects outlined below.

#### **North Hertfordshire District Council's Operational Support for the Letchworth BID**

The council's support for the BID will take practical shape in the following specific ways:

- Conducting, through the council's Democratic Services, the formal BID vote in accordance with current BID legislation and procedures
- Assuming a positive outcome to the BID vote, collecting the BID levy defined in the BID Business Plan from Letchworth businesses and transferring the levy sums direct to the Letchworth BID Company. The council will pay the gross levy sums to the Letchworth BID Company at times agreed with the BID after collecting it.
- Nominate a Councillor to sit as a Director on the BID Company Board
- Paying the appropriate BID levy set out in the Business Plan in respect of all its own hereditaments within the Letchworth BID area.

#### **Monitoring and Review**

The council is committed to the regular monitoring of the operation of the BID Operating Agreement and reviewing its effectiveness in conjunction with Letchworth BID Company. This will be carried out as follows:

- The council monitors performance of key services through the council's Business Plan with monitoring reported to the Cabinet. Where there is a specific issue with service delivery within the BID area the respective Service Director will discuss this with the Letchworth BID Company.
- There will be annual reviews of each of the specific services for which a Baseline Statement is shown above. This will be led by the North Hertfordshire District Council Service Directors that will discuss with the Letchworth BID how the service commitments have been actually delivered during the period, and if necessary update the service levels to reflect the services each will be provided in the following year. These reviews will be scheduled to best effect for the North Hertfordshire District Council and Letchworth BID Company's yearly budgeting cycles.

## 8. The Research and Consultation Process

### Background

The last year has seen extensive research undertaken across a wide range of stakeholders to ensure that the plan which has emerged has an in depth understanding of the views and aspirations of the businesses in the area as well as an appreciation of the perceptions of those who visit and also work in the area.

The research encouraged participation from all businesses across the town centre:

- All businesses in the proposed BID area were mailed survey forms and asked to complete them seeking their opinions on a variety of issues.
- All businesses were included in mail shots and publicity including BID newsletters and frequently asked questions and e-bulletins where e-mail addresses were available.
- BID Manager available for drop-ins for any business to come along and discuss the BID and contribute their thoughts and ideas to the development.
- 45% of all businesses had at least one personal visit to discuss the BID.
- 33% of all businesses of £6,000 rateable value and above participated in detailed one-to-one interviews and completed detailed four-page surveys.
- 38% of all businesses of £12,000 rateable value and above participated in detailed one-to-one interviews and completed detailed four-page surveys.
- A launch and information event at the start of the project.
- A series of six Vision and Objective Setting workshops at the start of the development where all businesses were invited and discussed their challenges, opportunities and vision for the future of the town centre.
- A series of four Budget Setting workshops, where businesses were invited to allocate funds to projects emerging from the research process.
- Businesses were invited to submit their views via letters, email and to the Love Letchworth team.
- Press releases in the local newspaper promoting all the events and workshops and providing feedback and opportunities for businesses to contact the BID development team.
- Active participation and decision making by the business representatives from the Letchworth BID Board in all aspects of the development of this plan.

There was also a Public Survey undertaken during the day across weekdays and Saturdays from 156 people in the street.

## What were the aims of the research?

The objective of the research was to:

- Identify the key issues which impact upon all businesses in the area across all business sectors and to develop solutions to address the and which will help businesses achieve their own internal objectives
- Identify and assess the impact and the relative importance of different potential initiatives on businesses.
- Assess the public view of Letchworth and the different ways in which the public use the town.

## Research results

Surveys and interviews were carried out across a range of businesses from all sectors and sizes of Letchworth town centre.

Fig 1: Profile of surveys from across the range of rateable values of business

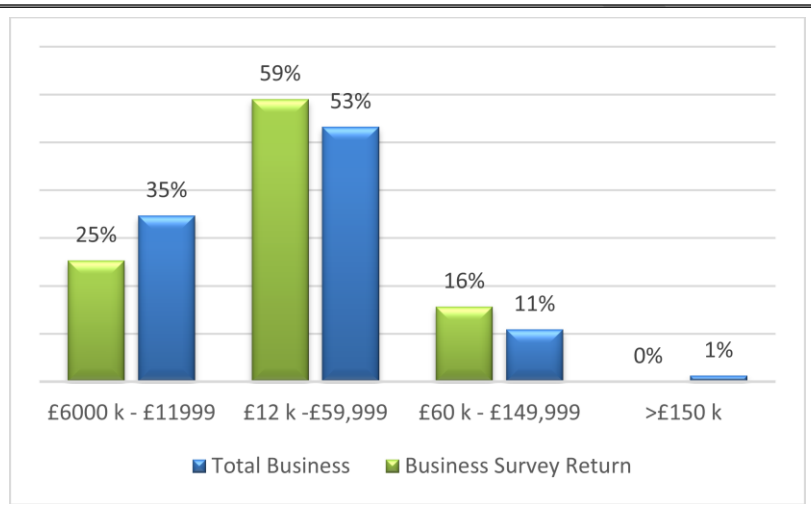
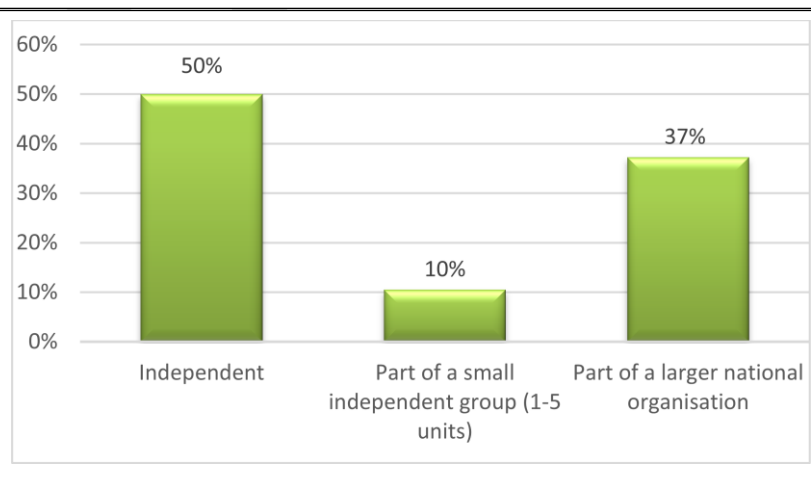


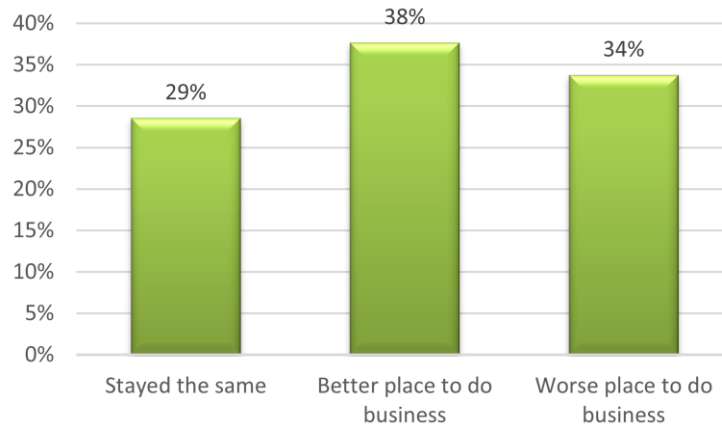
Fig 2: Profile of Surveys from across different business structures



## Is business good in Letchworth?

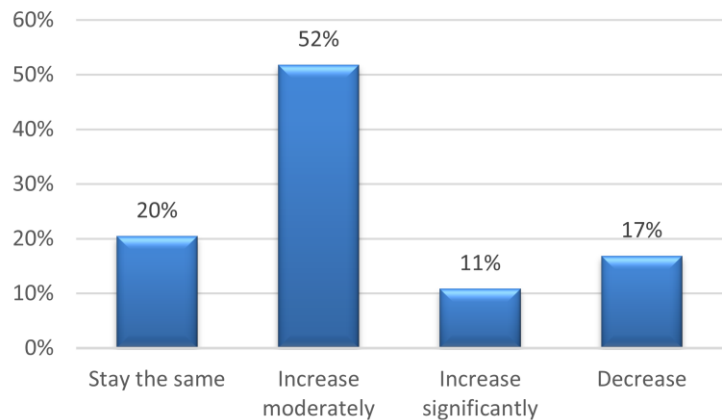
Around a third of the businesses who were interviewed had only arrived in Letchworth in the last five years. However, despite the economic uncertainty and the fragile nature of retail, 67% of businesses said that Letchworth town centre had either stayed the same or become a better place to do business over the last five years with 35% saying that it had become worse. This was reflected in the public surveys for Saturdays where 73% of those interviewed said that the place had improved over the last five years. It is interesting to note however that the weekday visitor to the town, who tends to be more local and visit more frequently was less inclined to think it had improved with only 52% saying it had improved over the last five years.

Fig 3: How has Letchworth been as a place to do business over the last 5 years?



Businesses appear to be relatively confident for the future with 63% anticipating either moderate or significant growth.

Fig 4: Anticipated business performance over the next 5 years.



## Promoting the place and making it lively

The key message to come through from businesses was that it is important to develop great events and lots of things to do for visitor to the town and those who live in the area but Letchworth should also promote the positive aspects of the town. If these factors were addressed, this would improve its commercial attractiveness and encourage a greater range of retail and leisure businesses to establish themselves here.

Business said that the events are good but there should be even more things to do when you come to Letchworth on a day to day and week to week basis, even in the early evening which is developing as a busy period for the town and on a Sunday when some retailers see this as their second most important trading day. Five out of the top ten initiatives which businesses believe would benefit them most were all related to marketing and promoting the town and its businesses.

Fig 5: The top ten initiatives ranked as being the most beneficial to businesses



Although only a quarter of businesses thought 'Things to do for the family' was poor or very poor it still managed to get into the top ten worst issues ranked by businesses. 'More big events' featured in the top ten of most beneficial initiatives by businesses. This was also discussed at workshops where there were a number of views expressed about the way in which they could be made to work better for businesses based in Letchworth. Business highlighted the importance of making sure that events did not simply use the town as a 'stage' but were more integrated with the business offer, that they encouraged people to explore more of the town and that the events had a 'Letchworth' slant to them and used as an opportunity to reinforce the town's identity.

## Making the town even more welcoming and accessible

The overall environment of the town is one of its key strengths. In fact, landscaping and greenery/floral, the condition of street furniture and street cleansing and litter control came out as the top three factors which were ranked as either good or very good by businesses with scores of between 87% and 91%.

One of the top key issues for businesses was parking for staff being considered poor or very poor

by two thirds of the businesses. This was followed by cost of parking. This was echoed in the top initiatives which would benefit businesses which were, addressing parking for customers 79%, making it the most important initiative and parking for staff at 75% making it the second most important initiative. During workshops discussion of these issues covered the poor signage to the car parks and also poor or non-existent signage within and from the car parks for pedestrians to find their way out. Issues such as the only pedestrian entrance to the only long stay carpark in the town after 6pm is not signed and not clear and requires a considerable walk around the back of the Garden Shopping centre are relatively simple things to address but make a big difference to the customer experience. This is particularly important when one considers the findings of the public survey where more than 50% of the public come to the town by car.

Although the surveys from the public thought that costs of parking and ease of finding the car parks was good, the sample interviewed are local to the town and visit on a frequent basis so questions about signage do not necessarily reflect the views of those who have not visited the town before or visit very often.

Even though the overall environment ranked highly, businesses still felt that where there are areas or buildings which are untidy or lack care, then these stand out even more and detract from the appearance of the surrounding area. Businesses felt that there was a role to play to support the overall care of the town with targeted approaches to cleaning and addressing vacant and derelict properties with landlords and agents.

### Improving the retail offer

The variety of shops and the retail offer was ranked as one of the two worst issues in Letchworth and this was also the top issue for public surveys with 59% disagreeing with the comment that 'Letchworth has a good range and variety of shops'.



The way businesses work together was also ranked as one of the top ten issues for businesses although 41% of businesses ranked this as being good or very good. The workshops identified a

number of ways in which businesses can work together more closely and dynamically to increase opportunity and benefits for businesses from more local trading and awareness of anything which may impact upon their operating environment. These included staff and business benefit schemes for those who work and are based in Letchworth together with more communication between the BID and businesses themselves about forthcoming opportunities.

The overall retail offer of the town centre will only be improved if the town becomes more vibrant and commercially attractive, together with an increased awareness of the great environment and a sense of a unique identity and a place which everyone wants to be part of.

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## **9. The BID's response**

Following our extensive research three key project areas of the Letchworth BID have emerged reflecting the key issues and opportunities identified by the businesses. The activities within each of the project areas have been specifically designed to address and take advantage of these.

It was clearly evident from the comments and feedback that Letchworth is currently exposed to the changing dynamics of the way in which people use towns and city centres in terms of its limited retail offer. However in many respects it is well placed as an environment to take advantage of the desire for a 'great experience' if it can raise the profile of its beautiful environment, create a greater sense of animation and in turn develop its business offer. In fact Letchworth has many advantages over other competing town centres if it can address the issues identified by businesses.

The key issue is the lack of retail offer and the over-all business mix. It does not feel like a dynamic place to do business. The leisure offer has started to improve for the evening economy but there is a lack of diversity of retail and there is also considerable scope to encourage more office-based businesses to base themselves in the town centre. The presence of a good office-based business sector with amenities for staff are essential to create an animated and buoyant daytime economy in the town centre.

Letchworth can start to address these issues by building upon its great environment, as an attractive town centre but in order to do this it needs to feel animated and address other issues identified by businesses which make a town work. The basics such as pedestrian and road signage, traffic flow and ease of access to and from parking areas with good parking environments and payment structures are essential if the town is to work for all those who work, visit and live here.

Letchworth also needs to make itself relevant to the needs of its residents and visitors today and if it can develop and profile its identity then the town will potentially, once again, act as a model of best practise and innovation for towns and cities across the UK.

The BID could act as a catalyst for businesses and organisations to come together and play a key role in this new and exciting era in the life of this town. This BID Proposal and Business Plan has been designed to ensure that the activities benefit as wide a range of businesses as possible. It will do this by becoming a 'Garden City' which is relevant to the 21<sup>st</sup> century, which is connected and engaged with its residential and business community, is a vibrant 'Go to' place with a sense of common purpose which is attractive, appealing and lively and has a strong sense of identity.

All businesses and organisations stand to benefit from these additional projects and activities which have been identified by businesses across Letchworth as being crucial to their future.

### **How will the delivery be monitored?**

Monitoring and measuring the performance and effectiveness of the BID activities is an integral and essential part of the plan. Businesses need to be confident that their levy money is being invested as productively as possible to maximise results.

The effectiveness of the measures undertaken will be gauged by key performance indicators monitored and relevant for each project area, including footfall, customer surveys, business surveys, photographic evidence, vacant properties and footfall trends. These measures and key performance indicators are identified for each objective and need to be monitored on a regular basis throughout the life of the BID.



## 10. Vision and Objectives

Assuming a positive BID vote by a majority of businesses by both rateable value and number, BID operations will start on 1<sup>st</sup> April 2019 and will continue for a total of 5 years.

### The Vision

Through this business-led programme of investment the vision is for Letchworth town centre to be:

- A 21st century Garden City which is connected and engaged with its residential and business community
- A vibrant 'Go to' place with a sense of common purpose which is attractive and appealing for everyone who lives, works, visits and does business in Letchworth
- A place which is lively, has a strong sense of identity and awareness and is recognised internationally.

### Objective 1: Lively and well promoted

To create a place which is lively, has a strong sense of identity and awareness.

### Amount the BID will spend:

An initial budget of £105,000 p.a, increasing to £108,000 by year 5 – a total of £535,000 over five years.

### Activities

- a. Work with others to define, develop and promote the brand identity of Letchworth town centre which reflects its strengths, characteristics and heritage and is reflected in everything the BID and other partners deliver.
- b. Increase awareness of Letchworth as a destination, its business sectors, its events and all it has to offer by using digital and social media channels, traditional marketing and PR in a way which is consistent with its brand.
- c. Develop promotional campaigns to attract more people and loyalty schemes, to encourage more frequent use of the town centre.
- d. Develop Sundays into a day for a great family experience.
- e. Develop and organise a programme of annual and regular events and activities to create an animated feel to the town centre throughout the year, including the quieter months.
- f. Promote, develop and recognise customer service excellence through award schemes.

### Measures and Results:

- Footfall to the town centre which is stronger than national high street trends
- Increased footfall over time in traditionally lower trading periods.
- Increased number of active users of digital media promoting Letchworth and its businesses.
- Increased levels of sales activity across the whole of the town centre
- Positive media exposure locally, regionally and nationally measured through numbers of articles, publications, click-throughs on digital media and value through using advertising value equivalent. (a.v.e)

- Numbers of businesses actively engaged in BID activities and the use of and their association with Letchworth in their own marketing and promotion.
- Numbers of businesses and public regularly engaged and involved in a loyalty scheme
- Increased numbers of people visiting Letchworth from the catchment area and beyond
- Reduction in numbers of vacant units

**Objective 2: Welcoming, attractive and accessible**

To provide a welcoming, attractive and easily accessible environment for visitors, workers and residents to explore and enjoy.

**Amount the BID will spend:**

An initial budget of £42,000 p.a, increasing to £43,000 by year 5 – a total of £212,000 over five years.

**Activities**

- a. Work with others to maintain and enhance the usability, appearance and vibrancy of the streets and open spaces.
- b. Work closely with the Council and other car park operators to improve parking availability, signage, access, payment structures and the overall experience across Letchworth for both visitors and those who work in the town.
- c. Work with others to address signage to encourage people to explore and make more use of the town and all it has to offer.
- d. Work with others to develop a diverse evening and night time leisure offer which appeals to people from all ages and backgrounds, in a safe, clean and attractive environment.
- e. Working with others to address anti-social behaviour and crime issues which impact upon the visitor experience and affect businesses in certain areas

**Measures and Results:**

- Improved perception of attractiveness of the town centre measured through surveys of visitors and those who work in the town centre
- Increased numbers of cars using car parks and street parking in Letchworth town centre
- Improved perception of the 'parking experience' in Letchworth town centre
- Improved perceptions of visitor and business safety and feeling of welcome.
- Reduction of incidents of crime and anti-social behaviour
- Numbers of parking spaces available in or near the BID area both on and off-street.

**Objective 3. Businesses working together**

To represent the collective voice of businesses in the town centre to ensure that it continues to develop into a great place to do business and meets the needs of those who live, work, visit and do business in Letchworth.

**Amount the BID will spend:**

An initial budget of £40,000 p.a, increasing to £41,000 by year 5 – a total of £204,000 over five years.

## **Activities**

- a. Work with others to develop a town centre offer which reflects the current and future needs of the Letchworth residential and business community.
- b. Implement effective communications between businesses and the BID to promote awareness of different issues which may affect trading conditions or opportunities for their benefit.
- c. Work with landlords, agents and others to ensure that vacant or derelict properties are maintained and presented in a smart and tidy appearance.
- d. Influence, support and encourage plans and proposals for new buildings, signage, building refurbishments and public realm developments which build upon the town centre's strengths.
- e. Encourage an increase in trading between businesses in Letchworth and between businesses and those who work in Letchworth.
- f. Work with businesses to identify opportunities and implement initiatives which will contribute towards the reduction of business overheads.
- g. Work with other organisations to monitor footfall, commercial performance, parking statistics, customer perceptions and other key measures across the Letchworth BID area and provide updates for businesses.

## **Measures and Results:**

- Increased range of retail, leisure and evening economy offer.
- Increased number of businesses operating in the town centre
- Increased numbers of people employed in the town centre.
- Reduced levels of vacant and derelict properties in Letchworth town centre.
- Numbers of business enquiries through commercial property agents
- Monitoring of footfall and sales performances across Letchworth town centre with regular reports and feedback to businesses.

## **11. Organisation, Resources and Delivery**

The preparation of this plan has been managed by the Board and Management Group of the Letchworth Garden City BID Ltd which is made up of a cross section of businesses and organisations from across Letchworth town centre together with a representative from Local Authority.

Letchworth Garden City BID Ltd is a not for profit BID company, limited by guarantee. It is legally and operationally responsible to the businesses in the BID area for all BID activities and acts on their behalf.

The Board is elected by the members of the Letchworth BID Company, drawn predominantly from those paying a levy in the area and made up of a representative cross-section of the businesses and stakeholders of the area and key agencies associated with the successful delivery of the BID project. It will continue to be driven by the private sector and will include one Councillor from North Hertfordshire District Council.

The Board is responsible for the governance of the BID Company and for a management structure which encourages continuous business involvement in determining priorities and shaping and evolving activities within the terms of this BID Proposal and Business Plan. All businesses are encouraged to be actively involved in the BID and associated working groups to represent the levy payers.

The main role of the Board is to safeguard the interests of levy payers by ensuring that the business operates in line with the BID plan, is professional and offers consistent value for money in line with its targets. The Board will ensure that the implementation of the BID will be monitored and delivered cost-effectively, through keeping overheads to a minimum and using methods which will optimise the use of the revenue budget and add real value to the delivery of the plan.

The Board will provide a consistent, collective and effective voice for the businesses in Letchworth.

All roles on the Board and specific working groups are voluntary and are undertaken with a commitment to represent the interests of all businesses in the area.

Collaborative working will be actively encouraged to build upon the sense of the business community in the area and ensure that the skills and resources available for delivery of the BID are enhanced and deliver best value.

There will also be hands-on project and contract management to support the initiatives from the working groups. This support will provide administrative support to the BID Company, coordinate activity with partner organisations and ensure cost-effective delivery of projects through tendering and careful project and contract management.

The Letchworth BID's financial accounts and governance arrangements will be independently scrutinised annually and the effectiveness of the measures undertaken will be gauged by key performance indicators for each project area, including footfall, customer surveys, business surveys, photographic evidence and retail turnover movement full measures are identified in this plan with each objective.

Besides regular newsletters and other forms of bulletins, there will be an annual report providing details on activities and performance of the company against the objectives of the delivery plan for

the previous year.

All levy payers shall be entitled to be members of the BID Company. There will be an annual general meeting at which all members are invited to attend and vote and at which Directors will be retired by rotation and new Directors elected in accordance with the articles of the company.

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## 12. Letchworth Budget and Finances

“An uncertain economy, changing lifestyles, rapidly changing technology and increased options for shopping, mean that the way in which towns and cities are used is changing dramatically and quickly. A BID provides the opportunity for businesses to have a real influence on their local environment to ensure that collectively we can take advantage of the new opportunities these changes will bring.

In the next five years we will strive to lever in additional cash funding and value in kind to support the delivery of this plan and add to the investment made by the Letchworth businesses through the BID.

We feel that the investment we are seeking from businesses in the BID is modest in relation to what can be achieved. For the smallest business in the Business Improvement District, the daily cost is less than a first class postage stamp and even for a large business the daily cost is less than the price of a single cinema ticket.”

Maureen Davison  
Vice Chair of the Letchworth BID Board  
Owner Director of ‘Just for Me’

With levy bands and a 1.5 % levy, the indicative costs to a business are:

Rateable Value	Annual @1.5%	This equates to: Weekly	This equates to: Daily
<b>£2,000</b>	£30	£0.58	£0.08
<b>£6,000</b>	£90	£1.73	£0.25
<b>£12,000</b>	£180	£3.46	£0.49
<b>£25,000</b>	£375	£7.21	£1.03
<b>£75,000</b>	£1,125	£21.63	£3.08
<b>£150,000</b>	£2,250	£43.27	£6.16
<b>£350,000</b>	£5,250	£100.96	£14.38

## Letchworth BID's 5-year Budget: 2019 – 2024

	Year 1	Year 2	Year 3	Year 4	Year 5	Total	% to total
<b>Income</b>							
BID levy revenue (Note 1)	£ 157,034	£ 160,175	£ 163,378	£ 166,646	£ 169,979	£ 817,211	66%
Heritage Foundation (Note 2)	£ 30,000	£ 30,600	£ 31,212	£ 31,836	£ 32,473	£ 156,121	13%
Sponsorship and sales (Note 3)	£ 35,000	£ 35,700	£ 36,414	£ 37,142	£ 37,885	£ 182,141	15%
Other funding sources (Note 4)	£ 15,000	£ 15,300	£ 15,606	£ 15,918	£ 16,236	£ 78,061	6%
<b>Total Income</b>	<b>£ 237,034</b>	<b>£ 241,775</b>	<b>£ 246,610</b>	<b>£ 251,542</b>	<b>£ 256,573</b>	<b>£ 1,233,534</b>	<b>100%</b>
<b>Expenditure</b>							
Objective 1: Lively and well promoted	£ 105,800	£ 106,370	£ 106,951	£ 107,545	£ 108,149	£ 534,816	44%
Objective 2: Welcoming, attractive and accessible	£ 42,049	£ 42,276	£ 42,507	£ 42,742	£ 42,983	£ 212,556	18%
Objective 3: Businesses working together	£ 40,364	£ 40,581	£ 40,803	£ 41,029	£ 41,260	£ 204,036	17%
Central Management Costs, Administration, Office (Note 5)	£ 38,970	£ 39,749	£ 40,544	£ 41,355	£ 42,182	£ 202,799	17%
Levy Collection costs	£ 2,000	£ 2,040	£ 2,081	£ 2,122	£ 2,165	£ 10,408	1%
Contingency (Note 6)	£ 7,852	£ 8,009	£ 8,169	£ 8,332	£ 8,499	£ 40,861	3%
<b>Total Expenditure</b>	<b>£ 237,034</b>	<b>£ 239,024</b>	<b>£ 241,055</b>	<b>£ 243,126</b>	<b>£ 245,238</b>	<b>£ 1,205,476</b>	<b>100%</b>
Accrual for Renewal (Note 7)	£ -	£ 2,750	£ 5,555	£ 8,417	£ 11,335	£ 28,057	

### Notes

1. Assumes a 95% collection rate and 2% per annum inflation
2. Funding from Letchworth Garden City Heritage Foundation
3. sponsorship and revenue from events and other sales
4. Including income from landlords, associate members of the BID and other sources (including in-kind)
5. Central admin, office and fixed overheads
6. Calculated as 5% of total levy billed
7. Accrual retained from levy revenue to provide for costs of renewal of the BID for any additional term, otherwise they will be spent on additional projects in the final year

### Cost of the BID Development

The costs incurred in undertaking the research and developing the BID proposals have been made met by the Letchworth BID and the costs associated with the ballot are being met by the Local Authority, North Hertfordshire District Council for which we give sincere thanks.

### Sources of Additional Funding

The BID Company is committed to seeking additional funding where possible to increase the benefits that can be delivered by the BID to businesses. Other possible income sources will include grants where the criteria matches the aims of the business plan, voluntary contributions from property owners, companies and organisations outside the BID area and those not liable for the levy. It is estimated that this could be around £410,000 over the five-year period.

The Letchworth Garden City Heritage Foundation (LGCHF) is committed to supporting the BID and creating a strong collective voice representing business interests in the town. To this end the LGCHF has pledged to support the BID with an additional sum of £30,000 per annum over and above any levy payments it will have to pay from its property liability. The BID Company is grateful

for this and recognises that it will be essential to demonstrate that all income from all sources is spent effectively and there are measures in place to demonstrate the benefits derived from the delivery of its projects.

Through discussion, developers, property owners and other stakeholders in the area will be invited to participate in the Business Improvement District and improve delivery against the business plan objectives even further.

### **Application of BID Funds**

The BID funds will be ring-fenced and will be controlled by participating businesses. Details of the BID Company's accountability to businesses are given in Sections 11 and 14.

The budget headings and the project costs can be altered within the constraints of the revenue received through the levy. The BID Company will be empowered to move funds between budget headings and between financial years to provide the services which best meet the requirements of the BID area. Such adjustments will be fully accountable to the businesses through the performance monitoring arrangements set out in Sections 6 and 8.

### **Governance and management of the BID Budget**

In order to ensure that the projects remain relevant and continue to address needs and priorities of the businesses in Letchworth during its five-year life, the various working groups may from time to time make recommendations to the Board that budget allocations are modified for each of the main projects and the management and administration of the BID.

It will be the responsibility of the Board to assess these recommendations and make adjustments to the allocations of expenditure budget as and when they deem appropriate. It will be the responsibility of the Board to ensure that all the main aims of the BID, stated in Section 10, continue to be addressed and that all BID activity contributes towards the achievement of the vision. The Board will also monitor and gauge the effectiveness of the BID operations and activities.



### **13. BID Levy Criteria for the Letchworth BID.**

Every BID has to establish its own levy rules. Reference has been made to the technical guides prepared by HCLG and business rates legislation in developing the rules which will apply to the Letchworth BID.

The Letchworth Board has tried to balance the ambitions of businesses in the BID plan against the affordability of the levy and the requirement to ensure that the BID is able to deliver best value.

1. Assuming a positive BID vote by a majority of businesses by number and rateable value (R.V) of those who vote, the BID levy will be charged on all hereditaments listed in the local Non-Domestic Rating List located within the BID area. This applies irrespective of whether or how a business has voted in the formal BID ballot. Legislation within the Local Government Finance Act (2003) enables the local authority to issue a bill for the levy. The levy is collected by the Billing Authority, North Hertfordshire District Council. The Letchworth BID Company will invoice the Billing Authority, North Hertfordshire District Council for the levy collected for exclusive use of the BID.
2. All businesses which will be subject to the BID will be entitled to vote for the BID proposal in a 28 day postal ballot which will commence on 7<sup>th</sup> November 2018, with the close of ballot at 5pm on 5<sup>th</sup> December 2018. The result will be announced on Friday 7<sup>th</sup> December or as soon as possible thereafter.
3. If successful at the ballot, the BID will commence operation on 1<sup>st</sup> April 2019, and will be for a fixed term of 5 years
4. The levy amounts for ratepayers of business premises will be applied as follows:
  - a. The BID levy will be 1.5% of the 2017 rateable value shown on Local Authority's (the Billing Authority's) NNDR billing system as at 1<sup>st</sup> October 2018 for each defined business within the scope of the BID area.
5. The levy will be due from businesses or individuals who are liable to pay business rates, including those who have liability for unoccupied properties or anyone who occupies a non-domestic property but receives or claims business rates relief other than those that are exempt within the criteria laid out in Section 13 of this BID Proposal and Business Plan (this section).
6. The liable person is the ratepayer liable for occupied or unoccupied premises. In accordance with the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) and the Non-Domestic Rating (Collection and Enforcement) (Miscellaneous Provisions) Regulations 1989 (S.I. 1989/1060), North Hertfordshire District Council will be responsible for the imposition, administration, collection, recovery and application of the BID levy. The council will also be responsible for any enforcement action that may be appropriate in case of non-payment of the levy.
7. There may be an annual inflationary increase of all levy charges year on year for the duration of the Business Improvement District. This will be a minimum of 2% increase year on year or the inflation percentage as determined by the Consumer Price Index as at the 1<sup>st</sup> December of the year before the next billing process, whichever is the greater, rounded to the nearest tenth of a penny. (e.g. if a levy bill is 1.5% of £12,000, the bill in year 1 will be £180. If 2% inflation is

applied in year 2, the bill will be £183.60). Negative inflation will not apply. Inflation will not apply for the first full billing cycle in 2019.

8. The BID financial year will start on 1<sup>st</sup> April and last for 365 days (366 in a leap year). The BID charge is a daily charge based on rateable value. It is to be paid in full in advance, the payment date being the 1<sup>st</sup> April of that year. The daily BID levy charge for each individual ratepayer is to be calculated by multiplying its rateable value by the BID percentage levy and dividing the result by the number of days in the financial year.
9. The levy will be charged annually in advance, although businesses which cease to have liability for business rates during the year will be entitled to a refund for the remainder of the period provided that; the relevant business applies for the refund in writing to the North Hertfordshire District Council as the Billing Authority and the new ratepayer will be charged on a pro-rata basis.
10. Any changes which come into effect from the 1<sup>st</sup> October 2018 or during the life of the BID will be handled as follows:
  - a. New premises, or properties which were not on the rate valuation list at the 1<sup>st</sup> October 2018 but become subject to rates in the BID area or new streets raised in the BID area after the BID is in force will be expected to pay a BID Levy based on the % appropriate in relation to its new/current rateable value
  - b. Where property is split, two or more BID levies should be made on the revised premises from the date of split on the basis of the revised new/current rateable values
  - c. Where premises are merged the BID Levy should be charged at the appropriate % of the revised properties new/current valuation
  - d. Any change of use or ownership (or the creation of a new business within the BID (boundary) will be liable to the levy rate current at the time of the change.
  - e. Adjustments will be made for changes in occupation and if a property is deleted from the rating list and revised bills issued. The charge or refund amount will be calculated pro rata between the date of the change in occupation and the date of the financial year end.
  - f. Amendments will be made to the rateable value of any property in the BID area as a result of any general or property specific re-valuation which may be effective at any time from 1<sup>st</sup> October 2018 or within the life of the BID.
11. No other relief will be given to any class of non-domestic ratepayer and there is no distinction made between occupied or unoccupied hereditaments, both occupancy status attracting the full BID levy, unless it is a hereditament: -
  - a. whose owner is prohibited by law from occupying it or allowing it to be occupied;
  - b. which is kept vacant by reason of action taken by or on behalf of the Crown or any local or public authority with a view to prohibiting the occupation of the hereditament or to acquiring it;
  - c. which is included in the Schedule of monuments compiled under section 1 of the Ancient Monuments and Archaeological Areas Act 1979(b);
  - d. where, in respect of the owner's estate, there subsists a bankruptcy order within the meaning of section 381(2) of the Insolvency Act 1986(c);
  - e. whose owner is entitled to possession of the hereditament in his capacity as trustee under a deed of arrangement to which the Deeds of Arrangement Act 1914(d) applies;
  - f. whose owner is a company which is subject to a winding-up order made under the Insolvency Act 1986 or which is being wound up voluntarily under that Act;
  - g. whose owner is a company in administration within the meaning of paragraph 1 of Schedule B1 to the Insolvency Act 1986 or is subject to an administration order made

under the former administration provisions within the meaning of article 3 of the Enterprise Act 2002 (Commencement No. 4 and Transitional Provisions and Savings) Order 2003(e);

- h. whose owner is entitled to possession of the hereditament in his capacity as liquidator by virtue of an order made under section 112 or section 145 of the Insolvency Act 1986.
- i. where it is an advertising hoarding or advertising poster site
- j. where it is a telecommunications or radio mast
- k. where it is a building registered for religious worship
- l. where it is a hostel or which provides a place of refuge, rehabilitation or support for victims of domestic abuse.

in which case the hereditament will be exempt.

12. For clarity a hereditament which is the subject of a building preservation notice within the meaning of the Planning (Listed Buildings and Conservation Areas) Act 1990(a) or is included in a list compiled under section 1 of that Act will be subject to levy unless its use is covered by any of the other exemptions listed in Section 13 of this BID Proposal and Business Plan (this section).
13. The levy will be due from businesses or individuals who are liable to pay business rates, from any hereditaments on any roads which have not yet been constructed or named at the time of the ballot and any new hereditaments built or created within the shaded area of the map shown in section 5 in this Proposal and Business Plan which fall within the levy criteria of section 13, from the 1<sup>st</sup> October 2018 at any time during the life of the BID but which are not specifically identified on the map in section 5, with effect from the date at which their rateable value takes effect.
14. The BID levy contribution will not be reassessed if the rateable value is amended after the end of the BID. New or altered properties entered into the valuation list will become liable for the levy from the date they appear in the list.
15. Any hereditament where the occupier is a charitable organisation, will pay a levy as per the criteria outlined in this Section 12 of the BID Proposal and Business Plan.
16. Subject to this criteria stated above and within the BID boundary as defined in this document, the BID levy is a statutorily compulsory payment regardless of whether the business exercised its vote or voted against the BID.

## **14. Risk analysis**

### **The responsibilities of BID Company**

The BID Company Letchworth Garden City Business Improvement District Ltd is the legal entity and a significant business in its own right. It not only has all the attendant risks and responsibilities that go with this but also, subject to the vote in favour of the BID, has a mandate from the businesses in the area to deliver the BID Business Plan. This is a significant responsibility which has an influence over the commercial prosperity of Letchworth the businesses in the area and their staff who rely upon it for their living.

It is important therefore, to articulate some of the external and internal issues that have a direct bearing on the ability of the Company to trade successfully, as well as highlight the consequences of not adopting the principles of the BID and the benefits that accrue from the delivery of the plan.

### **BIDs in other places**

BIDs have been proving their worth and commercial value across the UK over the last twelve years as effective mechanisms to improve trading environments for all sorts and types of businesses. Where BIDs have reached the end of their first term the majority have seen even greater votes in favour and larger turn-outs than the first time of voting. They are seen as providing businesses with very effective returns on investment.

There are other towns and cities in Hertfordshire and Bedfordshire which now have Business Improvement Districts. These include Welwyn Garden City, St Albans, Hitchin and Royston which have been successfully renewed and about to go for their third term ballot. Bedford has also been through two renewal ballots and Luton is also about to undertake its first renewal.

### **The Importance of Voting 'YES'**

If you want the BID and its collective influence and all its associated benefits to continue and support your business you will need to vote for it. If the vote does not get sufficient votes in favour both by number and rateable value the BID and all its associated activities will stop as of 31<sup>st</sup> March 2019.

There will be no collective voice, no budget to deliver any priorities identified by businesses. Businesses will be left to face the challenges and uncertainties of the future alone.

### **Working with key partners**

In order to deliver exceptional value for money within the framework of the aims and objectives of the plan, the BID will work closely with other key stakeholders such as property owners, developers, the Letchworth Garden City Heritage Foundation, the District Council and the Police. It will seek, wherever possible to influence and shape larger projects to the benefit of its own aims while supporting others to achieve their own objectives.

In working with others, the over-riding principle of the BID should not be compromised i.e. that the BID is providing services and benefits additional to those which would have happened if the BID had not been in existence.

### **Sustainable mechanism for the development of Letchworth**

The BID is a unique mechanism which combines solid business support with a compulsory payment scheme which creates benefit for all on an equitable basis. It also guarantees constant cash flow to deliver the projects and priorities identified by the businesses. It provides a solid

platform for the BID Company to control costs, plan over the longer term and rise to the expectations of its stakeholders.

A contingency is contained within each of the project areas, meaning, that should the income from the additional voluntary contributions fall short of those budgeted for any period, costs can be adjusted accordingly.

There is no plan to rely upon bank or other financial support other than the levy and so there is no prospect of financial insecurity. In any event, the Company will produce monthly management accounts and financial forecasts for information for the Board, nominated by the levy payers. Independently scrutinised accounts will be produced each year, made available to all contributors and the local authority and these will be filed at Companies House in the normal way.

The Company is VAT registered to ensure that the tax can be reclaimed on expenditure. It also benefits from mutual trading status meaning that it is exempt from any Corporation Tax liability.

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## Final thoughts

“I have been privileged, over the last five years to work closely with business people who have been committed to creating a new opportunity for all businesses across Letchworth. It is a place which has a great sense of community but is seeking direction, a sense of purpose and a clear identity in a rapidly changing world.

A Business Improvement District provides us with an opportunity to forge even stronger links between us and work on projects which we initiate and which are important to us as committed and hardworking business people. Towns and cities across the UK are changing rapidly and we need to ensure that Letchworth does not get left behind but takes advantage of its unique position in terms of its attractive environment, its green spaces and the strength of its people through their passion for the town.

This plan provides us with a clear direction for a new exciting era in Letchworth. I urge you to get involved and work together for the future of the town and our businesses by voting YES in the ballot in November and consider a role on the Management Group or Board”.

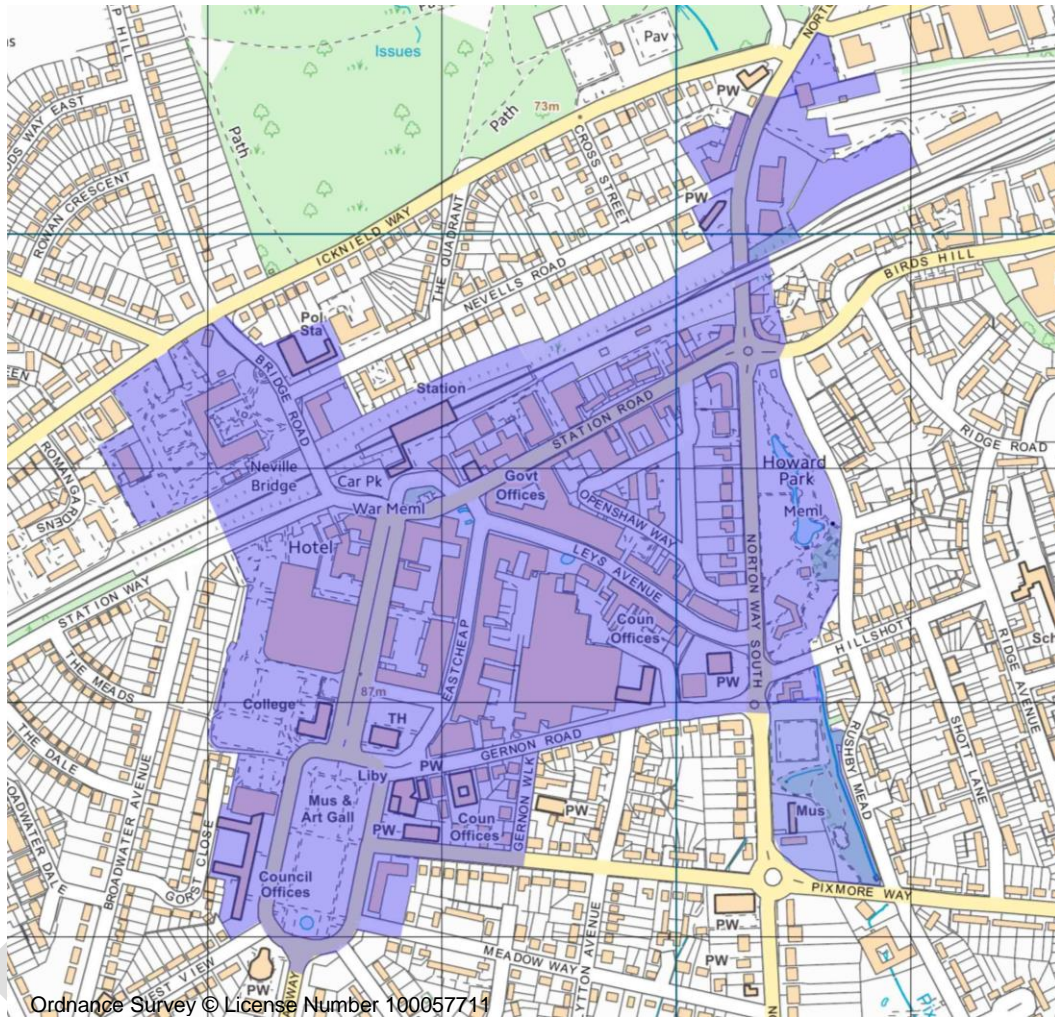
Chris Gerard  
Chair and Director of the Letchworth BID Company  
Director of Innventure Ltd

# Appendices

## Appendix 1 – Definitions

- The following terms, used throughout this Proposal document, shall have the same meaning as provided in the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004.
- “BID” means Business Improvement District.
- This document is a BID proposal for the purposes of the Act. If approved it will become the BID arrangements which govern the way in which the BID levy can be used.
- “the 2003 Act” means the Local Government Act 2003.
- “the 1988 Act” means the Local Government Finance Act 1988.
- “BID ballot” means a ballot under section 49(1) of the Local Government Act, 2003.
- “BID body” means, the body (whether corporate or not corporate) responsible for the implementation of the arrangements in this case defined in the plan as the ‘Letchworth BID Company’ whose final company name has yet to be determined.
- “BID proposer” means a person who draws up BID proposals in the plan the ‘Letchworth Garden City BID Ltd Board’
- “commencement date” subject to regulation 9(12) of the Business Improvement Districts (England) Regulations 2004, means the day, pursuant to section 53 of the 2003 Act, the BID arrangements are to come into force.
- “hereditament” means anything which is or is treated as being a hereditament by virtue of the provisions of or any provisions made under section 64 of the 1988 Act including any hereditament to which regulation 6 of the Non-Domestic Rating (Miscellaneous Provisions) Regulations 1989 applies but otherwise excluding any hereditament to which regulations made under section 64(3)(b) of the 1988 Act apply.
- “renewal ballot” means a ballot under section 54(2) of the 2003 Act.
- “BID Levy” means a charge imposed on the non-domestic ratepayers, or a class of such ratepayers in the district

## Appendix 2 – Streets included in the BID Area listed alphabetically



The BID area includes any road or street and all small business areas, courtyards and parks located off these roads that are located within the boundary of the defined BID area as per the shaded area on the map shown above and in Section 5, even if they are not listed in the table below

- Arena Parade
- Bridge Road (Shaded areas only)
- Broadway (From Station Place to West View/ South View)
- Central Approach
- Commerce Way
- Eastcheap
- Gernon Road (Shaded areas only)
- Gernon Walk (West side only)
- Howard Park Corner
- Leys Avenue
- Norton Way North (From Station Road to Ickneild Way)



- Norton Way South (From Station Road to Pixmore Way)
- Openshaw Way
- Rowland Way
- Station Forecourt
- Station Place
- Station Road
- The Arcade
- The Gallery
- The Wynd

It will also include any roads yet to be constructed and named and any new development sites created within the shaded area of the map shown in section 5 in this proposal and Business Plan and any building, land or property, which exists within the shaded area, which falls within the levy criteria of section 13, but which is not specifically identified on the map in section 5.

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## **Acknowledgements**

The Letchworth Board would like to acknowledge the support of the following in preparing this Business Plan:

North Hertfordshire District Council  
Letchworth Garden City Heritage Foundation  
Partnerships for Better Business Ltd

## **Further information**

For more information about the BID or to discuss any aspect of this business plan please contact Patricia Saunders, BID Manager on e mail [bid@loveleitchworth.com](mailto:bid@loveleitchworth.com) or contact Patricia on Tel: 01462 486999

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