

Appendix 1

1. The Principles of a BID

- 1.1 Business representatives in an area develop a BID Proposal including objectives and targets for the BID, the finance to be raised and how it will be invested. The intention is that businesses should have a greater input into improvements where they are prepared to pay for them. This last point is crucial, as core funding for the BID is derived from a statutory payment, known as the BID levy, made by eligible non-domestic ratepayers in the BID area.
- 1.2 BID arrangements cannot come into force unless they are approved by a ballot of non-domestic ratepayers in the proposed BID who are to be liable for the proposed BID levy. Approval requires a majority 'yes' vote in both number of votes cast and rateable value of votes cast. This 'dual-key' mechanism means that a scheme cannot be forced through by larger businesses against the wishes of the smaller businesses, or vice versa.
- 1.3 A legal requirement is that BID arrangements will have a maximum term of five years and will then be subject to a renewal ballot. This aims to protect levy payers from an indefinite commitment but also provides a powerful incentive for BID management to deliver best value.

2. Business Improvement Districts in Birmingham

- 2.1 Birmingham currently has 11 BIDs – 5 in the city centre (Colmore Business District, Jewellery Quarter, Retail Birmingham, Southside, Westside) and 6 in local centres (Acocks Green, Erdington, Kings Heath, Northfield, Soho Road, Sutton Coldfield). A further BID ballot, in Harborne has also recently been successful and a 12th BID will commence from 1st January 2018. (This is presently delayed subject to a Call-In from the Secretary of State).
- 2.2 Birmingham's BIDs have raised in excess of £20 million of additional private sector investment.

3. Business Improvement Districts in The Midlands

- 3.1 Locally, formal BIDs include Wolverhampton, Coventry, Leamington Spa, Derby (2), Stratford-upon-Avon, Nottingham and Solihull. New BIDs have recently been created in Halesowen, Leicester and Wednesbury and presently new BIDs are being developed in Kidderminster and Sheldon.

4 Business Improvement Districts in the United Kingdom

- 4.1 There are now over 300 BIDs operating in towns and cities across the UK and Republic of Ireland.
- 4.2 BIDs across the UK make an invaluable contribution to Cities, Towns and Local Centres, they contribute sustainable business engagement, strong leadership at a local level, a powerful lobby for local investment and a significant point of contact for community engagement.

- 4.3 Major cities which have developed a BID include Liverpool, Leeds, Manchester, Edinburgh and over Fifty in London.
- 4.4 Nationally BIDs raise in excess of £75 million in direct levy investment, This investment is further enhanced with additional income, inward investment and in-kind contributions to provide over £110 million per annum