

RETAIL BIRMINGHAM

BID PROPOSAL

A Business Improvement District for Birmingham City Centre Retailers

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## Retail Birmingham Business Improvement District Delivering on your priorities...

-  to **increased turnover** in existing and new markets
-  to **repeat customer visits** and **longer stays**
-  to more **events, promotion** and **improved perceptions**
-  to **safer, stronger** and **friendlier** shopping areas
-  to targeted **street 'clean ups'**
-  to retail signage that **connects** and **directs**
-  to spectacular seasonal **displays** and **illuminations**
-  to improved **communications** and **troubleshooting**
-  to an effective **'one voice'** for retailers
-  to a strong **business led partnership**

...working for your business, large and  
small, multiple and independent.

Support your BID Vote



# BIDs: The Way of the Future



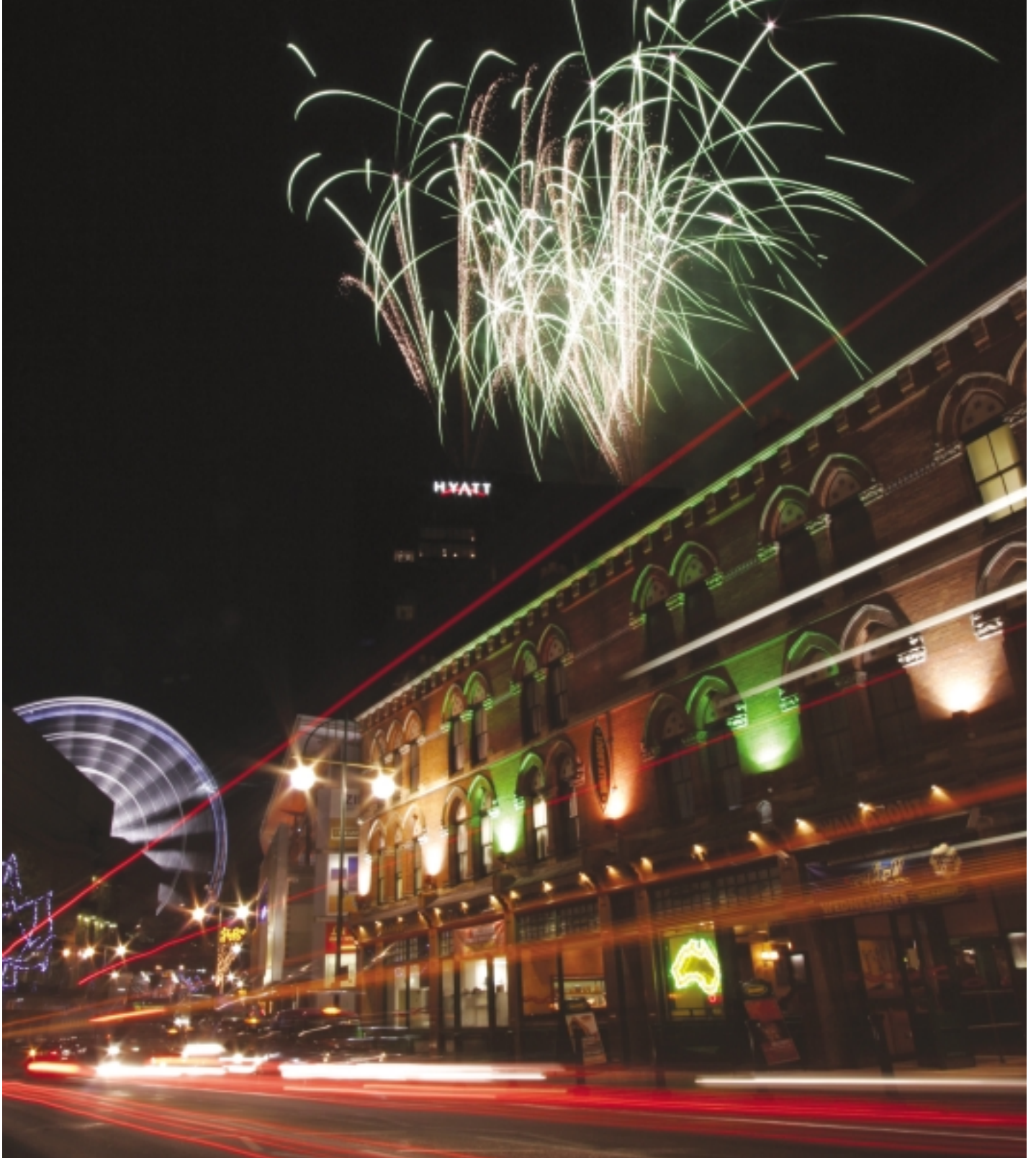
Broad Street, in Birmingham city centre's leisure, conference and business quarter, was one of the first BIDs to be approved in the UK. In response to the initiative taken by the City Centre Partnership, business leaders saw the opportunity to bring about improvements to their trading environment and have their views promoted by a business led organisation.

*"In May 2005, businesses in the Broad Street area overwhelmingly voted to establish the first Business Improvement District in Birmingham's city centre. The newly established BID company commenced delivery of its 'Brighter, Safer, Cleaner' proposals in July 2005 with an annual budget approaching £400,000. We are now making a real difference by delivering projects and services of benefit to local businesses, their customers, employees and visitors."*

Gary Taylor Chairman, Broad Street BID and Director, Argent, developers of Brindleyplace



...delivering a brighter, safer, cleaner Broad Street





## Changing perceptions, Improving reality





This proposal to establish the Retail Birmingham Business Improvement District seeks to build on the significant improvements achieved in Birmingham city centre over recent years. It aims to ensure that we sustain this momentum and are prepared to meet future challenges and opportunities.

Developed by Birmingham City Centre Partnership in consultation with the retail business community and other key stakeholders, the Retail Birmingham BID will:

- Deliver a pragmatic and business driven agenda.
- Be business led.
- Benefit from a proven and effective partnership with the public sector.
- Deliver sustained investment to improve the retail trading environment over a five year period.
- Focus on achieving positive and measurable outcomes that impact on your business in Birmingham city centre.

Nothing stands still in retail or indeed in Birmingham so we believe that the best way to predict the future is to invent it, to pro-actively manage change and 'raise our game' even further.

The decision is yours! By voting in the forthcoming ballot, your business and others will have a real opportunity to influence the future of your trading environment in Birmingham city centre.

We invite you to consider the specific proposals and give your company's support.

**Vote 'YES' in the ballot to be held between 25th September and 9th November 2006.**



Vote 'yes' for the  
Retail Birmingham BID!



*Jonathan Cheetham*

Jonathan Cheetham  
Chair, Birmingham City Centre Partnership,  
General Manager, Pallasades Shopping Centre



*Jenny Inglis*

Jenny Inglis  
City Centre Director



*Kevin Breese*

Kevin Breese  
Chair, Retail Birmingham  
General Manager, Harvey Nichols

### Retail Birmingham BID will:

- Ensure Birmingham city centre's retail area achieves its full potential as the region's principal shopping, leisure and lifestyle destination and maintains its top ranking position amongst UK retail centres.
- Deliver projects and services focused on:
  - ┆ Retail Marketing – to drive trade and build a credible Birmingham retail brand in key markets
  - ┆ Street Operations – to improve the customer and visitor experience
  - ┆ Business Support – to create an influential retail 'voice' and local business support network
- Benefit those businesses that directly trade or interface with their customers including:
  - ┆ shops
  - ┆ banks, building societies
  - ┆ restaurants, cafés, pubs, bars
  - ┆ hotels, leisure operators
  - ┆ travel/recruitment/estate agents
  - ┆ public car parks
- Secure additional annual investment of at least £850,000 per annum, collectively funded by a modest BID levy and voluntary contributions including:
  - ┆ Retailers (1% of rateable value for those businesses outside the four largest managed retail centres)
  - ┆ Major retail centre property owners (0.3% of rateable value)
  - ┆ Birmingham City Council (project finance)
- Benefit from considerable 'in kind' support from Birmingham City Council including
  - ┆ Management and staffing resources
  - ┆ No charge to the BID for levy collection and BID development
- 'In kind' support from Marketing Birmingham including
  - ┆ Marketing Campaigns and Creative Support
- Operate as a business led 'not for profit' Partnership Company
- Commence April 2007 and operate for five years.







## Birmingham's Retail Transformation



Birmingham City Centre has been transformed. It now provides a vastly improved trading environment with a shopping, cultural and leisure experience to match. It is an exciting place to visit, a dynamic place to work and increasingly a vibrant place to live.

Birmingham's radically improved city centre is the result of significant private and public sector investment and effective partnerships. At its heart is Birmingham's revitalised and much expanded retail area. Birmingham now has a retail offer capable of fulfilling the potential of its catchment area of 4.5 million people living within 30 miles of the city centre. It now attracts a total retail annual expenditure of £2,207 million. This puts it £8 million ahead of Glasgow. It is just less than half the amount spent in London's West End but 50% more than in Manchester or Leeds. CACI's Retail Footprint 2006 confirms Birmingham's ranking as the most popular destination outside the capital.

*"The impact of a matured Bullring is plain to see. New units have been filled and most retailers in Birmingham have now completed their relocations. The result is a shopping centre befitting an international city. This influence has resulted in an 11% increase in Birmingham's attractiveness score."*

CACI Information Solutions ([www.caci.co.uk](http://www.caci.co.uk))



The city centre continues to undergo change. Increased footfall in recent years, higher customer expectations and demanding retail performance targets have been tempered by the reduction in consumer confidence and slowdown in retail spending.

This fast moving and challenging trading environment is not retail 'meltdown' but principally the result of cyclical and national economic factors such as the housing market and rising personal debt. Whilst retailers are responding to these relatively short term pressures, city centre retailers in Birmingham recognise the need to address longer term opportunities and challenges, including:

- **The potential to achieve a better customer mix** by fully exploiting Birmingham's 'city region' catchment area, multi-cultural and young character and cosmopolitan visitor profile.
- **The opportunity to develop and diversify Birmingham's retail offer** by promoting quality national and unique independent businesses.
- **The need to provide a welcoming and positive customer experience** by maintaining an environment of clean, safe and high quality streets, squares and transport facilities and a diverse range of events and attractions.
- **The need to enhance retail theft and other crime prevention measures** by supporting effective local partnerships to reduce crime and their consequent costs to retailers.
- **The need to stimulate footfall across the whole retail area** by promoting the range of shopping opportunities, improving access and providing customer friendly retailer information and signage.
- **The impact of greater consumer shopping 'online'**, presenting both opportunities and threats to the experience of high street shopping.
- **The impact of further property redevelopment and infrastructure investment** requiring clear communications and coordination during lengthy construction phases – major schemes include Martineau Galleries, New Street Station/Pallasades Shopping Centre and the city centre Metro extension.
- **The impact of actual and threatened terrorist activities**, unfortunately a reality for a city centre with Birmingham's concentration of people and profile, requires planning and coordination between the retail sector and key agencies and the capacity to deliver practical responses, particularly concerning public perceptions of safety.
- **The opportunity to engage city centre retailers** in a working partnership, sufficiently resourced and organised to meet the future needs of the retail business community.



Birmingham City Centre Partnership, and its Retail Birmingham Group, has an established track record. This has been achieved by public and private sector partners cooperating to jointly agree priorities, invest additional resources and deliver effective projects and services. These arrangements provide a strong foundation on which to build.

Representing the major retailers and retail developments, Retail Birmingham liaises on all issues affecting the shopping environment, working together to promote the retail offer and liaising with other bodies such as the City Council and transport providers to ensure the ongoing improvement and development of the city centre and its facilities. Examples include the Christmas shopping campaign, Frankfurt Market, Independent Shops Guide and improvements to road and pedestrian signage.<sup>1</sup>

However, feedback from business managers confirms that existing arrangements will increasingly lack the capacity, resources and wider retailer engagement necessary to tackle future opportunities and threats and ensure that Birmingham continues to be a successful and not a failing retail centre.

Birmingham City Centre Partnership is advocating the creation of a Retail Birmingham Business Improvement District (BID) which would be business led, market focused and sufficiently resourced to respond to the needs of retail and other trading businesses within Birmingham city centre's principal retail area. In a survey of businesses within the city centre's principal retail area, over 90% of local managers who responded said they would support an initiative to establish a BID, expecting that it would have positive impacts on sales, footfall, customer opinions and crime levels.<sup>2</sup>

<sup>1</sup> See BCCP Annual Report 2005/06 and Action Plan 2006/07 at [www.retailbirminghambid.co.uk](http://www.retailbirminghambid.co.uk)

<sup>2</sup> See BID Consultation: Birmingham Central Area Report, May 2004 at [www.retailbirminghambid.co.uk](http://www.retailbirminghambid.co.uk)





# Retail Birmingham Business Improvement District

## Vision and Objectives



### Vision

To ensure Birmingham city centre's retail area achieves its full potential as the region's principal shopping, leisure and lifestyle destination and maintains its top ranking position amongst UK retail centres.

### Objectives

#### 'Punching our weight'

Increase trade by developing existing and new markets, encouraging repeat visits and longer stays and shifting perceptions via coherent and consistent branding in local, regional and national markets.

#### 'Everything in one great place'

Deliver the destination of customer choice by providing an attractive, safe and well managed trading environment, improved customer satisfaction and positive experiences.

#### 'One voice'

Engage with businesses and partners to promote local solutions to local issues and provide an effective information and support network.





# BID Programmes

## Summary



To meet these objectives, three programmes of projects and services are proposed. These will **not** replace statutory services provided by Birmingham City Council or West Midlands Police. The BID will only invest in additional or complementary projects and services that would otherwise not happen.

### Programme One: Retail Marketing

- Establish the '**Style Birmingham**' brand and annual marketing package to promote the range of city centre consumer opportunities, including fashion, dining, leisure, entertainment and lifestyle. Key targets include underdeveloped local and regional markets, discerning and high spending customers, opinion formers and influencers.
- Stage events and campaigns to support key shopping and leisure periods, including Christmas, Sundays and extended opening hours.
- Promote the 'Best of Retail Birmingham' Awards to recognise and promote company and employee excellence.

### Programme Two: Street Operations

- Collaborate with West Midlands Police, Retail Crime Operation and Citywatch to enhance retail theft/crime reduction measures.
- Establish a partnership with Birmingham City Council to expand and sustain the Street Warden service.
- Undertake special environmental 'clean ups', particularly in hotspots and in advance of key shopping periods.
- Develop 'Shopping in Bloom' floral dressing and introduce arts/sculpture features.
- Provide high quality Winter/Christmas illuminations and displays.
- Install additional signage/information points to link different shopping areas in the city centre.

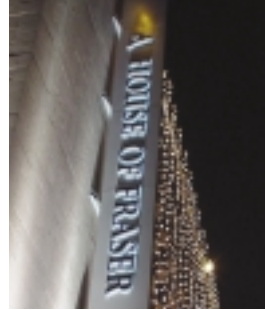
### Programme Three: Business Support

- Represent and promote the interests of retail businesses.
- Provide 'The Retail Connection', a two way communications, information and troubleshooting service.
- Engage with organisations that bring additional services and resources of benefit to the retail business community.



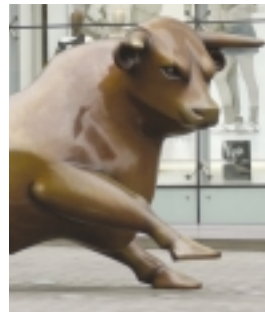
*“House of Fraser fully supports the BID proposal, and welcomes the opportunity to work with other Birmingham retailers to promote shopping in the city. We now have a range of stores to rival any major shopping destination in the UK and are confident that customers will wish to return again and again.”*

Nick Orford, General Manager, House of Fraser, Birmingham



*“Bullring lends its full support to the BID Proposal, which, if implemented, will serve to uplift and enhance the city centre shopping environment and improve perceptions of Birmingham. As the city’s retail offer continues to grow, it is crucial that its retailers and property owners are all equally committed to maintaining the highest of standards for our visitors – the BID will help us to achieve just that.”*

Tim Walley, General Manager, Bullring



*“As an independent retailer, I know how much quality, service and first impressions count. By supporting these principles in all the shopping areas of the city centre, consumers and retailers stand to benefit from a significantly improved retail offering.”*

Helen Levy, Chouchoute Chocolaterie



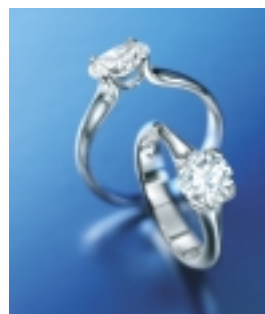
*“This is a well structured proposal which will be clearly business led and delivered by an experienced team with a good track record. It is capable of adding real value to our trading environment.”*

Rachel Clarke, Marketing Manager, Town Pubs and Classics, Mitchells and Butlers



*“I want to have a say in what happens to the city centre trading environment and how it affects my business. I want Birmingham to focus on the needs of small and independent traders and with the help of the BID; the necessary resources will be available to achieve that.”*

Helen Hulston, Helen Hulston Contemporary Jewellery



# BID Programmes

## Details and Performance Measurement

The BID will deliver the following projects and services with the intention of securing measurable improvements. In addition to activity specific performance indicators, a 'basket' of baseline performance data will be established prior to the BID's commencement and, thereafter, monitored regularly. This includes footfall, retail sales monitor, visitor and business perception surveys, crime statistics, environmental quality and photographic surveys. Overall progress will therefore be subject to a high degree of external and independent verification and will be reported to businesses, consumers, investors and the media.

Project and service budgets are shown for Year 1. Adjustments may be necessary within the programme areas in future years to reflect changes in the retail environment.



## Retail Marketing

Objective	Action	Budget (year 1)	Timing	Measurement
1) Establish the 'Style Birmingham' brand.  Development activities commenced in 2006 funded by private sector contributions and Birmingham City Centre Partnership. BID resources will supplement commercial and sponsorship investment in these initiatives.	a) Ongoing development of Style Birmingham website to include: <ul style="list-style-type: none"> <li>● Full store/brand listing</li> <li>● Data capture/customer database</li> <li>● Regular updates/offers</li> <li>● New store openings</li> <li>● Fashion ranges</li> <li>● Independent retailer section</li> <li>● Car parking/public transport information</li> <li>● Competitions/exclusive offers</li> </ul>	£20,000	Online in July 2006. Ongoing development	Size of customer database, website 'hits', customer feedback and satisfaction.
	b) Publish high quality magazine delivered to at least 120,000 target homes	£10,000	Twice yearly	Customer satisfaction, redemption of in store offers.
	c) Develop and promote Style Birmingham events	£90,000	Annual	Attendance, customer satisfaction, media coverage.
	d) Publish quality shopping guide	£40,000	Annual	Retailer support, customer feedback
2) Develop campaigns/new events to support key shopping periods	a) Christmas campaign to include: <ul style="list-style-type: none"> <li>● Regional TV</li> <li>● Radio advertising/promotion on designated regional stations</li> <li>● Door drop to several hundred target homes in outlying areas</li> <li>● 48 sheet outdoor campaign targeting outlying towns</li> <li>● Supporting PR to include competitions, magazine features, etc.</li> </ul>	£130,000	November – December 2007	Increase in trade, footfall, media coverage, ratings, customer satisfaction survey, business satisfaction survey.
	b) Develop and implement up to 5 marketing and PR campaigns e.g. Valentines Day, Mothers Day, Easter, Summer, seasonal fashion launches, Mardi Gras, etc.	£50,000	As per key dates calendar	As above.
	c) Develop and implement Sunday and late night shopping campaigns	£20,000	Ongoing	Increase in trade, footfall on Sundays and late night openings, retailers involved in extended hours opening.
3) Establish the 'Best of Retail Birmingham' awards to reward and celebrate excellence in retail customer care, promotion, crime prevention, etc.	Develop categories, nomination and judging criteria. Establish showcase event. Secure media partner/sponsorships. Generate retailer/consumer involvement.	£20,000	Spring 2008	Entries/sponsorships generated, media coverage, retailer involvement.



# BID Programmes

## Details and Performance Measurement

### Street Operations

Objective	Action	Budget (year 1)	Timing	Measurement
1) Build on existing 'Safer Business Area' and retail crime initiatives to reduce the level of shop and street crime and anti-social behaviour	a) Provide dedicated support to work alongside and enhance the existing Retail Crime Operation (RCO) and the Retail Radio Service. b) Enhance the effectiveness of Citywatch CCTV. c) Maintenance of the 'Child Safe' initiative	£40,000	Commence April 07	Levels of reported crime, Police response times. Incidents monitored.
2) Improve the quality of the customer experience in Birmingham city centre with priority to: <ul style="list-style-type: none"> <li>• Safety/perceptions of safety</li> <li>• Cleanliness/attractiveness</li> <li>• The customer 'welcome'</li> </ul>	a) Street Warden service: <ul style="list-style-type: none"> <li>• Establish Street Warden team (comprising existing BCC funded and 4 additional BID funded wardens who will patrol the District to provide a welcoming and reassuring presence during the day/evening, liaise with businesses and the Police and undertake other customer focused and key task duties)</li> <li>• Maintain retail information kiosk (High Street), staffed at key times</li> </ul>	£120,000	Commence April 07	Customer satisfaction surveys, perceptions of safety, reductions in street 'offences' e.g. leafleting.  Number and type of enquires.
	b) Environmental 'clean ups' <ul style="list-style-type: none"> <li>• Carry out Spring and pre Christmas 'clean ups' to include chewing gum removal, deep cleansing of pavements</li> <li>• Deal with streetscape clutter in key pedestrian and traffic routes</li> </ul>	£50,000	March/October  Twice yearly review	'Encams' environmental quality surveys, customer and business satisfaction surveys.
	c) Floral Dressing <ul style="list-style-type: none"> <li>• Develop 'Shopping in Bloom' floral trail</li> <li>• Incorporate arts/sculpture features as an extension to the floral trail</li> </ul>	£40,000	June — October  Pilot Area June 2007	Britain in Bloom results (regional benchmark), customer and business satisfaction surveys.
	d) Illuminations <ul style="list-style-type: none"> <li>• Enhance Christmas/festive decorations in the retail area</li> <li>• Develop lighting strategy for winter months to include tree, building and safety installations and lighting 'events'</li> </ul>	£40,000	From Winter 2007	Number of installations, customer and business satisfaction surveys.
3) Improve the linkage between different parts of the retail area	Develop: <ul style="list-style-type: none"> <li>• Trails to link and promote all retail areas</li> <li>• New business location signage at key points within the retail area</li> </ul>	£40,000	From Autumn 2007	Shopper trails installed.  Business signs installed



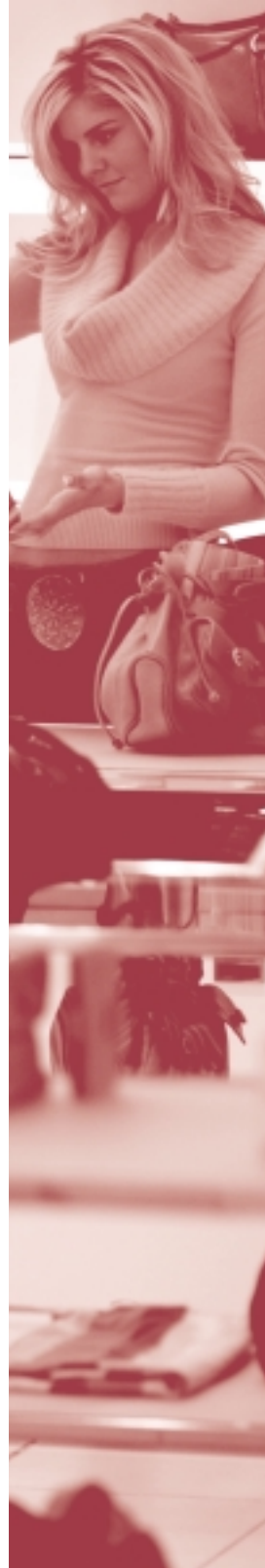


# BID Programmes

## Details and Performance Measurement

### Business Support

Objective	Action	Budget (year 1)	Timing	Measurement
1) Representation: Provide a representative and authoritative voice for the city centre retail business community	Advocate and lobby on key issues where these affect the trading environment, business development and investment and the city centre image/profile, including: <ul style="list-style-type: none"> <li>• Legislation/regulations affecting the retail environment, e.g. fly posting/leafletting/pedlars</li> <li>• Major developments, e.g. Metro extension, New Street station, Martineau Galleries</li> <li>• Transport and access developments, e.g. Freight consolidation/forwarding service, car parking</li> </ul>		Ongoing	Impact of lobbying, retailer feedback.
2) Communications: Establish 'The Retail Connection' service	Service to include: <ul style="list-style-type: none"> <li>• Develop newsletter, e-mail and web based information service</li> </ul>	£20,000	Start of BID, ongoing	Newsletters, etc. distributed, retailer feedback.
	<ul style="list-style-type: none"> <li>• Establish enquiries/troubleshooting 'hot line' for retailer enquiries</li> </ul>		Start of BID, ongoing	Enquiries received and processed, retailer feedback.
	<ul style="list-style-type: none"> <li>• Prepare and distribute 'New Retailer' information/contact pack</li> </ul>		Start of BID, ongoing	Packs distributed, new contacts made.
3) Partnership: Engage with key partner organisations to promote coordination and initiatives of mutual benefit	Coordination and planning with: <ul style="list-style-type: none"> <li>• Birmingham City Council (planning, economic development, transportation, trading standards and licensing)</li> <li>• West Midlands Police (crime and safety)</li> <li>• Marketing Birmingham (city marketing)</li> <li>• Centro, Travel WM, Network Rail, Highways Agency</li> <li>• Eastside City Jobs (recruitment and training)</li> <li>• Community interests including residents</li> </ul>		Ongoing as determined by issues and opportunities	Projects and services developed. Impact of partnerships on meeting business needs.



## Existing Services

The BID's projects and services will be entirely additional to any services, statutory or otherwise, already delivered by Birmingham City Council and West Midlands Police. An agreement will be established to benchmark relevant services and provide for regular reviews of services delivered within the BID area. These include:

- Street Cleaning
- Landscaping and Floral Decorations
- Events
- Car Parking and Traffic Management
- Highways/Lighting Maintenance
- Policing





## Partnerships

The BID is about more than projects and services. It is also an innovative way for retailers and other businesses to join together with partner organisations to improve business performance and optimise the trading environment. In Birmingham, the BID is being actively supported by key partners, including:

- **Birmingham City Council** – e.g. street cleaning, lighting, licensing, events and city centre management.
- **West Midlands Police/Retail Crime Operation/Citywatch** – crime reduction and community safety.
- **Marketing Birmingham** – marketing campaigns and support, local and national media leverage.
- **City Centre Neighbourhood Forum** – consultation and engagement with city centre residents.

### **Birmingham City Council**

*“Following the success of the city centre’s first BID in the nearby Broad Street district, Birmingham City Council applauds this initiative and is committed to working with the retail community in order to provide a high quality environment in which to do business and attract customers and visitors. Our direct investment of staff and other resources in the BID is further tangible evidence of our commitment to see it succeed.”*

Councillor Mike Whitby, Leader of Birmingham City Council



*“West Midlands Police believe that this is an effective strategy to support our retail community and ensure Birmingham city centre is one of the nation’s safest cities. Officers from Birmingham Central Command Unit give their full support to this partnership approach and believe that by working together we will reduce crime and make our communities feel safer.”*

Acting Chief Superintendent Deborah Harrod, Birmingham Central OCU, West Midlands Police





*"Marketing Birmingham is already working closely with the City's retailers and City Centre Partnership on the Style Birmingham campaign and other initiatives. We are keen to establish Birmingham as a premier European shopping destination. The BID provides a once in a lifetime opportunity to up our game as a City. It will help us to work together to improve the city's reputation and drive profitable footfall."*

Neil Rami, Chief Executive, Marketing Birmingham

### **City Centre Neighbourhood Forum**

*"The City Centre Neighbourhood Forum, as the recognised body representing the interests of city centre residents, is keen to support proposals that create a vibrant, clean and safe city centre for its 19,000 residents and all the citizens of the city and beyond. We also understand that successful businesses thrive when they live amicably with their residential neighbours. This is why we support the BID proposal."*

Jon Lord, City Centre Neighbourhood Forum

## **Retail Birmingham Limited**

The BID organisation will be a new independent and private sector led 'not for profit' company, Retail Birmingham Limited, (limited by guarantee). Its Board of Directors will be directly accountable to BID member companies for:

- a) Upholding and promoting the BID's vision and objectives.
- b) Delivering the agreed programmes, efficiently and effectively.
- c) Promoting the conditions necessary to secure mutual and active support of businesses and partners.
- d) Consulting on proposals to renew the BID at the end of its first term.

The Company's Board, which will be led by a private sector chairperson, will consist of 22 Directors comprising a majority of representatives from the retail business community and key stakeholder organisations as follows:

### Retailers:

- Multiple stores (6)
- Department stores (3)
- Independents (2)
- Leisure/food/hospitality (2)

### Stakeholders

- Shopping Centre Management (3)
- Property owners (2)
- Birmingham City Council (2)
- WM Police (1)
- City Centre Neighbourhood Forum (1)

BID programmes and budgets will be considered and approved by the Board. It will be assisted by key advisors, co-opted to the Board, including the City Centre Director and representatives from Marketing Birmingham and the Retail Crime Operation. Specific project groups with a strong retail presence, giving retailers a real say in project development and delivery, will also be established. In addition, every business making a financial contribution will be a member of the Company and eligible to vote at Annual General Meetings.



### **Executive Management and Staffing**

A small Executive Management Committee will be delegated by the Board to oversee day to day BID operations and finances. The City Centre Director will be responsible to the Board and this Committee for managing the implementation of BID projects. The Director will be supported by staff resources drawn from the existing city centre management team. It is proposed to establish an agreement whereby the equivalent of 50% of the team's resources, including staff, accommodation and IT are invested in the BID as a contribution from the City Council.

The team, which has an established track record for delivery, innovation and business engagement, will be supplemented by three new BID funded posts.

- Marketing Coordinator
- Operations Coordinator
- Business Support Coordinator



## BID Area



The BID will be focused on the core retail area, including New Street, High Street and part of Corporation Street, major shopping centres (Mailbox, Pallasades, Bullring, Pavilions) and other centres (Martineau Place, City Plaza, Great Western Arcade and Birmingham's Retail Markets). As other developments come on stream, e.g. Martineau Galleries, the scope to extend the BID area will be reviewed. The proposed Retail Birmingham BID will border on the Broad Street BID.

## Proposed Retail Birmingham BID Area





## BID Levy arrangements

- The principal source of funding for the BID will be the BID levy. This will be set at 1% of Rateable Value for each defined business premise (heraditament) and be applied to those businesses that significantly and directly trade or interface with their customers within the BID area. Therefore, retail outlets, banks, building societies, restaurants, cafes, pubs and bars, hotels, leisure operators, travel/recruitment agents, estate agents, public car parks, council/public services are included within the BID and will be balloted. This definition excludes general and 'back offices' that do not rely on visits by members of the public for their business. To ascertain the levy relating to your business, telephone 0121 616 2370/2494.
- Some 350 occupiers within the principal shopping centres, **Bullring, Pavilions, Pallasades and Mailbox**, each pay an annual service charge towards management and marketing activities. This significant financial investment delivers well managed and extensively promoted trading environments, of benefit not only to the occupiers but also to the wider city centre. Therefore, the BID does not propose to make a further charge in these centres and occupiers in these centres will be exempt from the BID levy and not be balloted. However, voluntary contributions will be made by the property owners. (see below)
- All premises with a rateable value of £10,000 or less will be exempt from paying the levy and not be balloted.
- Charitable organisations in receipt of mandatory charitable relief from rates will receive 80% allowance.
- No relief will be granted for void or partially empty properties, the liability falling to the owner or leaseholder (if an occupational lease exists).
- The 1% BID levy will be applied to rateable values listed in the 2005 Local Non-domestic Rating List as at 1st April 2007. No subsequent adjustments will be made to levy charges for outstanding proposals not reflected in the rating list as at 1st April 2007.
- Where a property is taken out of the Rating List, the BID levy will apply up to the day before the effective day of removal and the annual BID levy will be apportioned accordingly. Where a new assessment is brought into the Rating List, the BID levy will apply from the effective date as shown in the Rating List. The annual levy will be apportioned on a daily basis.
- The BID levy will be increased each year by the annual inflationary factor for local non domestic rate bills as calculated by the Government.

### Property owner contributions

- Major shopping centres: Whilst the legislation governing BIDs does not currently provide for formal engagement with the property owners of the above four centres, their considerable investment continues to play a vital part in the management and promotion of Birmingham city centre. Consultation has confirmed both their in principle support for the BID's objectives and agreement to make annual voluntary financial contributions over the life of the BID. Funding from the four property owners concerned has been agreed on the basis of voluntary contributions equating to 0.3% of each centre's total rateable value. The BID will work in partnership with them to ensure that its projects and services complement those undertaken on behalf of the occupiers by the centres' management.

### Birmingham City Council's investment in the BID

- The City Council will contribute £50,000 annually towards project expenditure. In addition, it will provide existing Street Wardens, the equivalent of 50% of the city centre management team's staff resources including the City Centre Director, office accommodation, financial management and administrative services at no cost to the BID. This has been assessed at approximately £400,000 per annum.

### Other income

- Negotiations will continue to secure voluntary contributions from other property owners, retailers and others not covered by the above arrangements.
- Commercial sponsorship and matched funding opportunities will be pursued.
- Marketing Birmingham will provide 'in kind' marketing support assessed at £100,000 per annum.
- Applications for grants and contributions from planning agreement (section 106) will be negotiated where appropriate.

### Levy collection

BID levy payments will be invoiced in April of each year by Birmingham City Council and passed on to the BID Company under arrangements set out in a formal Operating Agreement. The Council will **not** charge the BID for this service.



## Financial monitoring

The BID Company will monitor expenditure and cash flow monthly and management accounts will be formally considered by the Board quarterly. Annual accounts will be subject to independent audit.

## BID development costs

The costs of developing and promoting these BID Proposals and of staging the ballot have been met from Birmingham City Centre Partnership funds and will not be recovered from the BID budget.



*"The CBI supports BIDs as a means of encouraging businesses and the local public authorities to commit to common objectives. The clarity that BID proposals give, both about issues affecting the local business environment and the specific measures required to tackle them, the certainty of the cost and the accountability of the BID company are key to gaining support within the business community."*

Chris Clifford, Regional Director, CBI West Midlands



*"Prudential are active and enthusiastic supporters of BIDs, which provide sustainable funding for town centre management – based on a robust and deliverable Business Plan. We are supporting a number of BIDs across the UK, and we're pleased to confirm our support for the Retail Birmingham BID."*

Tony Bennett, Director, Property Management, Prudential Property Investment Managers





## Retail Birmingham BID

## Draft 5 Year Budget

	Year 1 to March 2008	Year 2 to March 2009	Year 3 to March 2010	Year 4 to March 2011	Year 5 to March 2012	TOTAL all years
Cash Brought forward		10,000	10,000	10,000	10,000	
<b>INCOME</b>						
BID Levy <sup>1</sup>	543,000	543,000	543,000	543,000	543,000	2,715,000
Major Retail Centres <sup>2</sup>	157,000	157,000	157,000	157,000	157,000	785,000
Birmingham City Council <sup>3</sup>	50,000	50,000	50,000	50,000	50,000	250,000
Other Property Owners/Retailers <sup>4</sup>	50,000	50,000	50,000	50,000	50,000	250,000
Sponsorships/Commercial <sup>5</sup>	50,000	50,000	50,000	50,000	50,000	250,000
<b>Total Income</b>	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>	<b>4,250,000</b>

## EXPENDITURE

### Projects

Retail Marketing <sup>6</sup>	380,000	390,000	390,000	390,000	390,000	1,940,000
Street Operations <sup>6</sup>	330,000	330,000	330,000	330,000	330,000	1,650,000
Business Support <sup>6</sup>	20,000	20,000	20,000	20,000	20,000	100,000
<b>Total project expenditure</b>	<b>730,000</b>	<b>740,000</b>	<b>740,000</b>	<b>740,000</b>	<b>740,000</b>	<b>3,690,000</b>

### Management

BID staff <sup>7</sup>	110,000	110,000	110,000	110,000	110,000	550,000
<b>Total management expenditure</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>	<b>550,000</b>

<b>Total Expenditure</b>	<b>840,000</b>	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>	<b>4,240,000</b>
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Contingency carried forward <sup>8</sup> 10,000 10,000 10,000 10,000 10,000

*No allowance for inflation included*

*In kind 'income' and 'expenditure' not included*

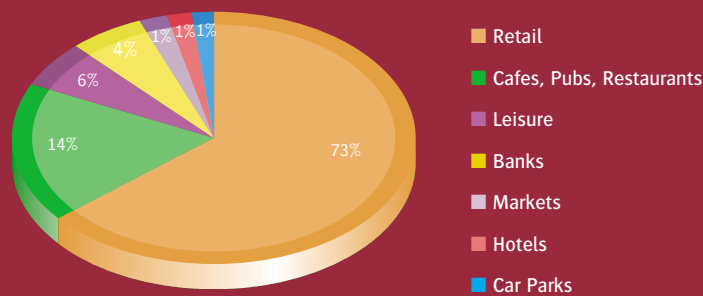
### Notes to Budget

- BID Levy: no allowance for inflation included
- Bullring, Pallasades, Pavilions, Mailbox owner contributions
- Project based contribution
- Majority confirmed
- To include sponsorship for Christmas lights, Birmingham in Bloom
- See detailed breakdown for year 1 in BID Programmes section
- Three BID funded posts
- It is considered prudent to make provision for non collection of BID levy (estimated at 2%)



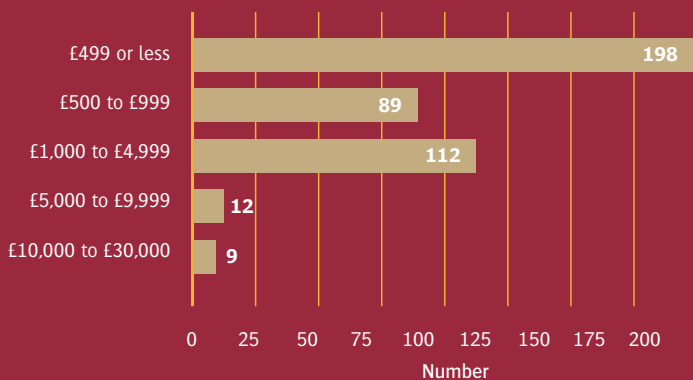
# Budget

## Levy Income by sector



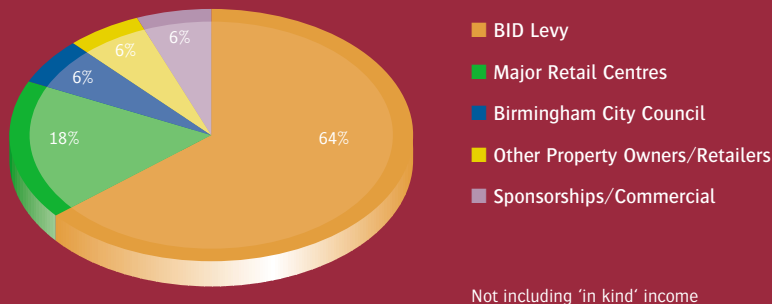
The BID proposes a very clear focus on retail and related sectors. In this way, businesses can see how their levy contributions are being invested in projects and services that are directed to meeting their specific needs.

## Levy payments by band



Most small businesses will pay a levy of less than £500, equivalent to a couple of cups of coffee a week! Only by investing this modest amount in the BID will these businesses secure significant leverage, particularly in marketing. Whilst larger businesses will pay relatively more, they and their customers will also benefit from new and enhanced services.

## BID Income by source



In addition to income derived from the BID levy, total BID income will be increased by 56% as a result of confirmed voluntary contributions and initial commercial income targets. Added to this, the value of 'In kind' support from Birmingham City Council and Marketing Birmingham will increase the total annual investment in Retail Birmingham to over £1.3 million.



## Ballot

A business will be entitled to vote if they fall within the specified categories (see BID levy above) and were listed as a non-domestic ratepayer within the BID area on the date the notice of ballot is published. In the case of an empty, partly refurbished or demolished premise where no occupational lease exists, the property owner will be entitled to vote.

Each ratepayer entitled to vote will have one vote in respect of each premise (hereditament) within the area of the proposed BID. For the BID to proceed, the ballot must meet two tests. First, a simple majority (above 50%) of those who vote must vote in favour. Second, those voting in favour must represent a majority of the aggregate rateable value of the premises of those who vote.

**Ballot papers will be despatched by the 25th September and must be returned by 5.00pm on the 9th November 2006.**



## Commencement date and term

The commencement date for the BID will be 1st April 2007 and its initial term will be 5 years. Before the end of this period, the Board may choose to seek renewal of the BID. At this point businesses will be able to evaluate the impact of the BID and vote in a further ballot. The Board will formally review and report progress to its business membership and other stakeholders on an annual basis.



## Alteration of BID Arrangements

The BID area and the BID levy (other than inflationary increases proposed) can only be altered via an Alteration Ballot or when a Renewal Ballot is held.



For further information on the BID Proposal:

Go to:

**[www.retailbirminghambid.co.uk](http://www.retailbirminghambid.co.uk)**

Telephone:

Jenny Inglis (0121 616 2122),  
Julie Moss (0121 616 2494)  
or Nigel Peardon (0121 616 2036)

Email:

[jenny.inglis@birmingham.gov.uk](mailto:jenny.inglis@birmingham.gov.uk)  
[julie.m.moss@birmingham.gov.uk](mailto:julie.m.moss@birmingham.gov.uk)  
[nigel.peardon@birmingham.gov.uk](mailto:nigel.peardon@birmingham.gov.uk)

Write:

Birmingham City Centre Partnership  
Level 4, Upper Mall West  
Bullring  
Birmingham  
B5 4BU



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