



Building Better Bayswater Businesses

**The business plan for
Bayswater Business Improvement District**

June 2009

foundation

Introduction

In the autumn of 2009 your vote in favour of creating the Bayswater Business Improvement District (BID) will create unity amongst more than 500 businesses. We will come together for the explicit purpose of developing thriving, more prosperous companies that gives a better deal for residents, workers and visitors to this unique part of the one of the greatest capital cities of the world.

Through our collective efforts Queensway, Westbourne Grove and the streets adjacent to them will become the natural choice in the minds of tens of thousands of potential customers when their thoughts turn to leisure, shopping, short breaks or simply having fun!

With your support, the Bayswater BID will deliver a five-year programme to increase visitors, footfall and spending through major refurbishment, better services and security, vastly more marketing, promotions and events as well as emphatic lobbying on your behalf with all our statutory providers, from local to national government.

It will be the first time that a significant budget – more than £2.5M over 5 years - will have been generated for businesses to spend on what really matters to them to help improve the trading environment around Bayswater, to complement quality presentation and service within our own businesses and to put it ahead of the growing competition.

The new BID Company (a company limited by guarantee with mutual trading status and VAT registered) will be run by you, as Bayswater businesses purely for your own benefit, although the residents and visitors we serve will gain hugely from it too, as will our workers and our investors. It will rely heavily on voluntary support on top of the small executive team to oversee the operation.

The contributions to meet the cost of what we plan will be made through a fair and equitable mechanism that charges every business inside the BID boundary 2% of their rateable value*. We calculate that for 80% of all businesses, the cost will be around £8.60 a week. The BID company will build on this mandatory levy by leveraging contributions and securing funds from other sources wherever possible.

A Bayswater BID will also be a vehicle to hold the public sector service providers to account for the services they deliver and the value for money they achieve for us, as well as being a powerful force in lobbying for positive change - to make our area more pedestrian-friendly with easier access to Hyde Park, and to influence transport provision in the vicinity of Bayswater. (* tenants paying a service charge within Whiteleys will be charged at a lower rate).

Frequently Asked Questions

The following paragraphs deal with the key issues arising from the BID concept and we have chosen to answer your most frequently asked questions here to illustrate how the Bayswater BID has been constructed and how it will serve its business sponsors:

How does a BID get started?

A Business Improvement District (BID) scheme is a business-led initiative supported by government legislation that gives local businesses the power to raise funds locally to be spent locally on improving their trading environment in exactly the way they choose.

A BID is NOT a tax; the money does not go to the government or councils BUT remains in the BID area under the control of a BID Board ultimately nominated and controlled by you.

A local steering group of interested businesses is established and an initial boundary for the BID scheme defined. Detailed research then takes place to determine what sort of improvements businesses within this boundary would like to see and would be prepared to contribute towards. Outline actions to deliver these improvements are then priced up and put into a five-year forward plan, to be funded in part through an additional levy based on non-domestic rates - usually between 1 and 2% of the current Rateable Value (RV), (although the legislation behind the BID allows up to 5% to be nominated). After further refinement, businesses are asked to vote 'for' or 'against' the BID business plan via a postal ballot. For the BID to go ahead, two conditions must be met from the ballots returned:

1. Over 50% of businesses that vote must vote in favour.
2. The aggregate of the RVs of those businesses that vote 'yes' must be greater than that of those that vote "no"

If both these conditions are met, payment of the levy becomes COMPLULSORY on ALL eligible businesses regardless of how they voted. The life of the BID is typically five years and towards the end of this time, businesses have the opportunity to review how the BID has performed and to decide through a renewal ballot whether or not the BID Company can carry on into a second term. Thus the BID scheme only proceeds if the majority of businesses voting indicate that they want it to occur.

Aren't BIDs just a mechanism for councils to save money?

Emphatically not! A BID scheme only provides additional activities - **it does not replace any statutory activities** or services already carried out by the local authorities or other agencies.

The BID Company will ensure that relevant current services provided by the authorities are recorded in detail so that businesses are not paying again for services already delivered by the statutory authorities and only agreed "extras" appear in the BID action plans.

Indeed, the BID Company has a vested interest and the right to ensure that businesses get the services they need and deserve - effectively and efficiently delivered over the full five-year period of the BID.

How do we ensure that the council maintain their current service level?

Continuous monitoring of the services provided by the City Council will ensure that there is no shortfall in the services provided by the council. Baseline information will be supplied by them, Transport for London (TFL) and The Metropolitan Police then used regularly to assess the state of current delivery. These services are outlined in Appendix One of this plan along with the Service Level Agreements (SLAs) we will jointly establish. We plan to use this process to maintain existing service provision and seek improvements or efficiencies to ensure better value for money both for the Council and for local Uniform Business Rate (UBR) payers.

The full baseline data will also be available on our own website dedicated to the new company:

www.bayswaterbid.com

Do BID schemes work?

Yes they do and this is backed up by a substantial amount of growing empirical evidence that BID schemes are very good news for city and town centres. 95 Business Improvement District schemes are already successfully trading in town and city centres across the UK, all set up since 2004. Collectively they are now supported by over 45,000 businesses and have been responsible for injecting £154M of additional investment back into the commercial centres they operate in.

Success can be measured by increased footfall, higher spending per customer in the BID area as well as cleaner, safer and more vibrant towns. For example; the London Bridge BID area has benefited from 2,000 extra patrol hours from the Metropolitan Police in the last year through their "enhanced patrolling" contract; the New West End Company has attracted £8M additional funds to spend on physical improvements to parts of Oxford Street; also the Heart of London BID Company generated a fund of £1.4M from public and private sector sources to pay for the modernisation of Coventry Street. Six of the earliest schemes (Bristol, Paddington, Liverpool, Coventry, New West End and the Heart of London BID) have recently conducted renewal ballots to begin a second term, demonstrating continued and growing business support for the concept and its visibly successful application.

What about Bayswater?

Bayswater already offers a stimulating retail and leisure environment with a fine mix of national and specialist retailers, galleries, many ethnic cafés, bars and restaurants as well as extensive professional services and substantial employment within its many hotels and offices. Given the scale and variety in the area (and its proximity to Hyde Park is a major plus), Bayswater should provide an excellent "day out" in its own right.

There are also many visitor attractions just a short Tube journey away such as the Victoria and Albert Museum, the Science Museum, the Natural History Museum, Madame Tussauds, The West End and the River Thames.

With two major Tube stations within metres of each other, there is an enormous footfall along much of Queensway, creating a uniquely cosmopolitan feel to the area through the constant influx of overseas visitors who use the Bayswater hotel network as a base, and the multi-racial residential population who live in the quality housing stock in adjacent streets. It is home to many enterprising businesses too, offering a warm and friendly service to meet the needs of tourists and residents alike.

Why a BID for Bayswater?

Bayswater is a great place to live, work or simply visit. However, the way it sells itself and its facilities leaves much to be desired; the streetscape is "tired" and suffers from the influence of too much passing traffic, and the international recession has combined with vastly increased competition from neighbouring retail and business centres such as Westfield London, the West End and High Street Kensington, to put huge pressure on the viability of many local businesses, especially the smaller, specialist shops and restaurants. However, the British pound falling against the euro means that London will be better value as a visitor destination versus European destinations so there is no better time to attract many more people to Bayswater.

More people need to hear and understand what Bayswater is all about. Its current image and brand identity is weak and it is not well publicised either inside or outside the country. Currently there isn't a comprehensive website or a consistent programme of well-publicised promotions and events to build business for the area, nor any instant information for the thousands of tourists who arrive on our doorstep, intent on staying for two or three days or more. Generally visitors find it difficult to identify Bayswater's boundaries and so lose out on the totality of what's on offer, perhaps visiting only part of the retail area (maybe just Whiteleys), or missing out Westbourne Grove entirely. The collective profile of the area has to be impressed on the minds of all our customers (and potential investors) through strong branding, easily understandable directions and local information when they get here and user-friendly car parking with consistently attractive pricing that encourages longer dwell times.

To compete with other iconic shopping destinations around the capital, Bayswater's key streets need to be more pedestrian-friendly, broadening the cosmopolitan, food-based café culture and featuring a safe, open space where an outdoor market can be installed or special events put on.

Bayswater's close proximity to the "hot-spots" that tourists identify as London is a huge primary draw, but the area itself is not yet strong enough to demand attention in its own right. This has to change if the businesses here are to thrive and prosper.

The current economic downturn means that it is now even more important that businesses work together to promote Bayswater. If nothing is done, there is a real risk that individual businesses will start to fail, launching a downward spiral that will eventually impact on everyone, across the entire commercial spectrum. A little investment now by each of us will prevent this and will lift the area into a new competitive league. Over the next 5 years the BID intends to:

- **Directly raise the quality of the Bayswater business trading environment**
- **Improve security, in and around our shops, offices and restaurants**
- **Facilitate movement into and around the BID area, including better parking arrangements**
- **Extend the promotion of the principal streets and their core businesses to a wider audience**
- **Attract future inward investment**

What will the Bayswater BID deliver over the next five years?

As well as the problems highlighted earlier, a variety of issues were raised from the extensive market research we conducted last year with both businesses and the existing on-street users (see research in the section below). All will be tackled by working up projects and activities in six core themes:

- **A Cleaner environment**
- **Safety and Security**
- **Transport, Access and Parking**
- **The Look and Feel of the area**
- **Business Development**
- **Marketing and Promotion**

These are the themes where we can achieve the widest benefit for the greatest number of business ratepayers with minimum expenditure on staffing or administrative infrastructure. In other words, your money will be spent directly on projects that will benefit your business and your Bayswater.

A 2% levy will raise £550,000 each and every year of the BID. Accepting that the bulk of this sum will be spent on projects to improve the BID area, here are the six activity strands under which we intend to deliver our additional activities, together with an indication of approximate budget spend on each.

IT'S CLEAN!**Average spend pa £72,000**

The City Council provides a good cleansing service but we want a greater attention to detail to achieve a uniform high level of cleanliness. We intend to do this by:

- Employing Customer Service Ambassadors to identify any accumulations of rubbish and report incidents of dumped waste and graffiti/ fly tipping etc
- Set up a Cleaner Bayswater "Charter" with the local Integrated Street Manager to advise businesses on effective and appropriate storage and presentation of trade waste
- Identifying locations where there are persistent problems and work with the Council to resolve them using specialist cleaning techniques and personnel
- Re-organising and improving the efficiency of trade-waste disposal, including more recycling

Our proposals will require further discussion with the City Council to determine the best and most efficient way the BID can add to the cleansing service, not least because the Council is currently re-letting its cleansing contract which should mean a revised and enhanced service will be provided in the area from September 2010.

SAFETY FIRST**Average spend pa £109,000**

We already have CCTV and a substantial police-based security team. All seems to work reasonably efficiently but with limited capability because of low funding and old technology. New and improved equipment is now available. We want to improve security so that our businesses lose less income through crime and our local environment is safer for businesses, employees, residents and the general public. We propose to select from the following options:

- Employ our Customer Service Ambassadors to act as the “eyes and ears” for businesses, helping to reduce crime and assisting everyone to get the most out of our security network
- Employ a business crime co-ordinator to focus specifically on retail problems, introducing an exclusion order scheme administered through a strong, regularly update database and running a retail/ leisure security radio network to keep businesses abreast of immediate issues
- Employ our own dedicated on-street police officers who can patrol across the full 24 hour trading cycle
- Set up a shoppers crèche and “Child=Safe” zone to make Bayswater a family-friendly shopping destination
- Explore funding a tactical deployable wireless camera system through the Safer Westminster Partnership tasking panel

EASY IN, EASY OUT**Average spend pa £48,000 pa**

There are a number of problems with access to Bayswater: many shoppers, employees and visitors complain that the cost of public transport is high; parking is difficult and too expensive (long-term parking for staff being a particular problem). Abuse of on-street parking causes inconvenience, delivery problems and creates danger for pedestrians. We want to see more parking spaces at a realistic cost. We propose to do this by working with the Council and other providers to:

- Promote the availability of the existing car parking, harmonising the signage and identification of both the public and private sector alternatives
- Work with those responsible for traffic regulation and transport (TFL)
- Work with the Police and the City Council to address inappropriate parking
- Set up a "park/ shop refund" scheme and an "eco-friendly" local delivery service to residents
- Create a local signage strategy for the area that conforms to the principles of "Legible London" then generate suitable signs a local map, guides and information leaflets
- Re-align the pavements along Westbourne Grove to smooth traffic flow and facilitate pedestrian movement/ safety

BRIGHTENING BAYSWATER Average spend pa £84,000

We want Bayswater to be an individual area that local residents instinctively prefer for their everyday purchases as well as the specialist services and a cosmopolitan eating experience, but we know the area has immense attraction to people from further a field too. Some of the activities we are considering to add to this quality local experience include:

- Creating a regular local market with frequent farmers' stalls, continental foods etc in Queensway to complement the existing local provision
- Broaden the pavements and modernise the streetscape at the southern end of Queensway
- More planting, hanging baskets and trees and a "green link" to Hyde Park
- Create and deliver an "all year round" decorative, "mood" lighting scheme for the area, including Christmas Lights and an iconic tree
- Install quality, iconic "Gateways" to mark the key entrances to Bayswater and adjacent the Tube stations
- Introduce more public art including occasional, day-time street performances and live music

BUILDING BETTER BUSINESSES

Average spend pa £52,000

There is a lot to tackle within this aspect of the Bayswater business plan too, all designed to raise the quality and influence of the commercial scene so that it appeals to more people:

- Run a business skills audit and help-line support/ business training to help develop the weaker traders
- Streamline and harmonise delivery arrangements
- Generate a development fund to enable grants to businesses to help them improve and grow. This will cover elements such as shop front enhancement or internal fittings, new IT support kit or display training
- Build in Key Performance Indicators and business/ footfall monitoring to help understand how Bayswater is performing against its competitors
- Start a Business Consultation Scheme to aid businesses with issues such as business rates and rents

SHOUT! (MARKETING and PROMOTION)**Average spend pa £116,000**

We intend to promote Bayswater and its businesses through various media, including the Internet. We want to help local businesses to benefit from collective cheaper advertising and promotion at advantageous rates. We will attract inward investment too by working with key property owners, the City Council and the London Development Agency. We propose to bring more customers and more investment into Bayswater by:

- Working with local organisations to develop and extend a bespoke programme of special, leisure and entertainment events around the BID area, with our own annual local festival
- Co-operating with others to develop the promotion of Bayswater as a tourist attraction in its own right
- Setting on a "shop local" campaign to encourage residents and businesses to spend in the area
- Running a strong media campaign to attract new investors, especially retailers into the empty units
- Liasing with the media (newspapers, magazines and radio) to promote Bayswater businesses and Bayswater activities to a wider, national/ international audience
- Developing a coordinated marketing strategy using generic branding that can be made available to all Bayswater businesses within the BID area, with advertising at an advantageous, discounted rate
- Organising a strategic marketing campaign that focuses on a safer Bayswater, including a dedicated educationally-based drive to reduce shoplifting, anti-social behaviour and drug abuse and so improve local "civic pride"

EXPENDITURE

Here is our proposed budget for the five-year period of the BID:

INCOME (K£)	2010/11	2011/12	2012/13	2013/14	2014/15	5 Yr total
BID Levy	499	513	528	543	560	2,643
Landowners contributions	30	30	35	35	35	165
Voluntary levy & sponsorship	20	30	35	40	40	165
Total Income	549	573	598	618	635	2,973
EXPENDITURE K£)	2010/11	2011/12	2012/13	2013/14	2014/15	5 Yr total
It's Clean!	76	66	66	67	81	356
Safety first	95	114	114	109	114	546
Access and parking	33	28	67	62	48	238
Brightening Bayswater	57	62	85	85	130	419
Building better businesses	24	47	52	52	85	260
Shout!	90	120	119	129	124	582
Total Activity Costs	375	437	503	504	582	2,401
HEAD OFFICE COSTS (K£)	2010/11	2011/12	2012/13	2013/14	2014/15	5 Yr total
BID Support Team	70	72	75	77	79	373
Premises/admin/overheads	24	24	25	25	26	124
Total Overhead Costs	94	96	100	102	105	497
Contingency	15	15	15	15	15	75
Grand Total Expenditure	484	548	618	621	702	2,973

Notes on the above table:

1. This illustration is given principally to demonstrate the level of income to be allocated to each activity strand over the five years. Inevitably there will be major adjustments made within and across the strands by the BID Board when the fiscal picture becomes clearer
2. The amount of levy collected assumes a collection rate in excess of 95% and allows for the cost of its collection
3. A contingency element has been built into each year's income figures, giving a £15K tolerance between anticipated receipts and predicted spend. Patently the BID will NOT be spending money it does not have!
4. Any annual surplus will carry over to be invested in subsequent years and the detailed expenditure plan clearly identifies some projects commencing later in the five year period of BID operation
5. While income and expenditure balance for this illustration, taken across the full five-year period, we expect to see a small surplus being generated by making every effort to extend the level of non-levy income available

The Bayswater BID Board and service delivery management

Local business people will form a BID Board that will be responsible for employing a small staff resource to co-ordinate and manage the action programme. This team (an Executive Director and a part-time administrator) will create added value by monitoring existing service delivery and controlling all the additional projects as well as helping to generate extra income from other sources to maximise the scope and achievements of the BID. We expect the cost of this staffing will not exceed £75,000 per year and that it will be self-financing via the extra investment funding levered in. We are hopeful that in-kind donation of premises and equipment will keep overheads down to a minimum also.

If the BID receives a mandate to operate in October 2009, Board elections will be held during early 2010 when any recognised levy-payer will have the opportunity to stand as a board director. Every levy paying business will be a member of Bayswater BID and eligible to vote at Annual General Meetings.

The BID Board will comprise of one place each for the following

- Shopping Centre Management
- National large retailer
- National large leisure provider
- Small independent retailer
- Small, independent café/ restaurant operator
- Small, independent service provider
- National hotelier
- Independent hotelier
- Financial and professional services provider

It will also reflect the geographical nature of the BID, ensuring that Directors come from businesses across the BID area.

Observers will be invited from the Local Authority (either a politician or senior officer), Police, Transport for London, residents and landowners so that we can communicate and network with other key groups, stakeholders and influencers across Bayswater. The BID is being created to benefit all, not just the bottom-line profit of the bigger businesses.

The chairman will be nominated by the Board and will always be a private sector representative. Service on the Board will be voluntary with no remuneration paid to the directors. It is expected that they will work together in activity-specific, special interest groups, co-opting others in to help with project delivery and buying in expertise when it is necessary. Once elected, the Board of Bayswater BID will meet at least quarterly.

The agreed BID Business Plan will be independently audited and reviewed every year with an annual action plan updated and circulated, along with regular newsletters and e-bulletins to keep you, the stakeholders, fully informed and involved in the developing offer. All the Key Performance Indicators associated with each activity will be closely observed and scrutinised, again with regular reports. You will be able to keep track of all this at www.bayswaterbid.com.

The Bayswater BID will be run by, and for, local businesses and as a levy payer you will have a say in the Company, enjoying a return on your levy investment by way of improved business performance. Every year, an AGM will be held where the Company will report back on what has been delivered through the BID and discuss with you their proposals for the next year's programme for your comment. We expect to hold sector-based update and reviewing panels too, so that you are given every opportunity to understand what is going on and add in your thoughts too.

It will also be part of the Board's responsibility to increase the value of the BID through securing grant funding and sponsorship for the programme and by working in partnership with appropriate organisations to maximise the amount and quality of projects delivered. The Board will be working hard to ensure that Bayswater secures grant income, especially to support any large budget projects such physical improvements. All funds and additional income received by the Bayswater BID will be directly invested back into projects that will make a positive difference to the trading situation in Bayswater.

The proposed BID boundary area

The Bayswater BID boundary has been carefully worked out to encompass our major key landholdings as well as the core of the retail and commercial companies in Westbourne Grove and Queensway. The precise list of associated streets and addresses is as follows and as identified in the map provided so that all non-domestic levy payers can see whether or not they are to be included.

It includes:

Bayswater Road (part)

Queensway

Westbourne Grove

Inverness Terrace

Inverness Place

Moscow Road

Queensborough Terrace

Hereford Road (part)

Porchester Road (part)

Bishop Bridge Road (part)

Princes Square

Porchester Gardens (part)

Here is a map of the defined boundary:



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What research did we undertake?

In October and November 2008, a feasibility study was undertaken that involved circulating a detailed questionnaire to all the businesses identified on the City Council's rates department RV database. Some 550 forms were distributed and approaching 200 were completed, collected and collated. A discussion workshop airing the concept of BIDs was conducted at the start of the research phase and a second one to examine in-depth the returns from the survey work and a possible action plan to address the issues arising from the information gained.

Additionally, 250 users of the Queensway and Westbourne Grove were interviewed on the street, giving a statistically valid sample from which additional data could be gleaned. Over the intervening months many businesses have been consulted on a one-to-one basis, especially at a high level within some of the more significant commercial operations.

Most recently we held a "It's your money - how will you spend it?" open day in the Porchester Hall on the 20th May. Here members of the steering group addressed approaching 100 individuals from more than 80 companies, talking them through the concept, the opportunity and their personal priorities for future BID activity. A "straw" exit poll as they left gave 100% in favour of launching the Bayswater BID as soon as possible. The same exhibition will happen in Whiteleys in July and will be aimed at its national retailer tenants, while a third in Westbourne Grove and a fourth at the southern end of Queensway will seek further input from smaller, independent businesses.

Consultations have also taken place, or will take place, with representative of Bayswater hotels, through one to one meetings and by telephone with individual ratepayers including business leaders at the headquarters of multi-nationals, with the local authority councillors, key officers of the Council, and residents.

BID steering group structure and remit

Business representatives who have helped develop this final proposal include the following:

Whiteleys Shopping Centre

Gala Casinos

Waitrose

Bourne Capital

Archer

Ronald Lim

The Porchester Hall

We have also enjoyed excellent support, help and advice from the City Council's Planning and City Development Department and the local ward councillors for which we are very grateful.

Bayswater's BID has been in the thoughts of a committed group of business people from all types of businesses in Queensway who have met regularly since October 2005 as the Queensway Business Association. They include people who see Bayswater's potential, think it is currently undersold and are determined to do something about securing a better deal for its future.

In January 2009, a new not for profit limited company called Bayswater BID was established, under the chairmanship of Jonny Rees-Davies, an employee of Whiteleys. The Memoranda and Articles of Association for the new company can be viewed on our website also. Once the mandate to operate the BID Company is obtained, it will seek an operating agreement with the City Council and a baseline agreement to provide additional services in the streets that are technically under their statutory control. The first visible signs of BID activity should appear pretty quickly in January 2010 with the Board of Directors replacing the BID steering group early in the first operational year following the elections.

A forward timetable of events between now and the launch of the Bayswater BID Company's additional services can be found in Appendix Five.

How will I know it's working?

You will notice an upturn in business and a renewed optimism amongst everyone trading in Bayswater. However, in the current economic climate, 'standing still' rather than 'sliding backwards' might be a measure of success.

You should see improvements to the local physical environment more or less immediately, along with the presence on-street of our Customer Service Ambassadors. Additional publicity literature and special promotions will also be tangible evidence of BID activity, along with events.

Additionally, here are **six** different Key Performance Indicators (KPI)s that we intend to monitor constantly to confirm that the BID business is focused on activities that matter and is spending your money on the priority actions you value most:

1. Recorded footfall patterns
2. User opinions via on-street market research
3. Car parking statistics
4. Sales performance via a cross-section of key independent and national retailers trading here
5. Reported crime figures including shop theft, car-related crime and violence
6. The level of vacant units in the BID area

All this will be summarised in an external auditor's assessment based on an annual, formal report derived from scrutinising closely all aspects of the Company and its operations. A report will be made direct to the levy payers, independent of Board or Management involvement.

Naturally we will also be watching closely what happens to national customer trends, including demographic changes, dwell time and local shopping habits.

We will ensure that we keep one step ahead of our competitors. . We will be benchmarking with other BIDs of a similar size and profile, to confirm that our Company operations are generating the additional footfall and revenue we anticipate at the same or a better level than them.

Of course, if at any time you feel the Board has allowed the progress of the business to vary substantially from the published plan then you can demand adjustment to put it back on track. Also, at the end of its first five-year BID term, the Company may well seek a further mandate to continue operations. If the BID has not delivered what it said it would then you can simply vote against renewal and literally "switch it off".

Appendix Six illustrates too the expected Key Performance Indicators (KPIs) that will be applied to each activity the BID Company intends to provide over and above the statutory obligations covered by the City Council and other formal service suppliers, as discussed under the SLA arrangements (see Appendix One).

How much will the BID raise and what will I pay?

Work on the overall costings to date confirms that 2p in the £ based on current rateable values will be needed. This will be applied to all businesses with a current rateable value of greater than £5,000 although there will be a reduction to 1% for businesses trading within the Whiteleys Shopping Centre because they already pay a service charge to their landlords for some additional services. There are other exemptions to the levy too – see the section below for details.

Who will pay the levy?

Assuming a positive vote in favour of commencing the BID, all business ratepayers in the Business Improvement District with a rateable value of £5,000 or more per year (at 2005 valuation) will have to pay, with the exception of non-trading charities, unless directly connected to a profit-making business. We would also like to apply a minimum, voluntary "joining fee" for small businesses under £5,000 RV of £100 pa. so that they feel included in the BID decision-making process.

How much investment will it create?

Based on current rateable values, a 2% levy would raise approximately £550,000 per year for the five-year life of the BID. As Bayswater’s business community grows, this amount will also grow too. To achieve all the activities detailed above, we calculate that the majority of Bayswater businesses will pay typically £8.60 per week each into the scheme.

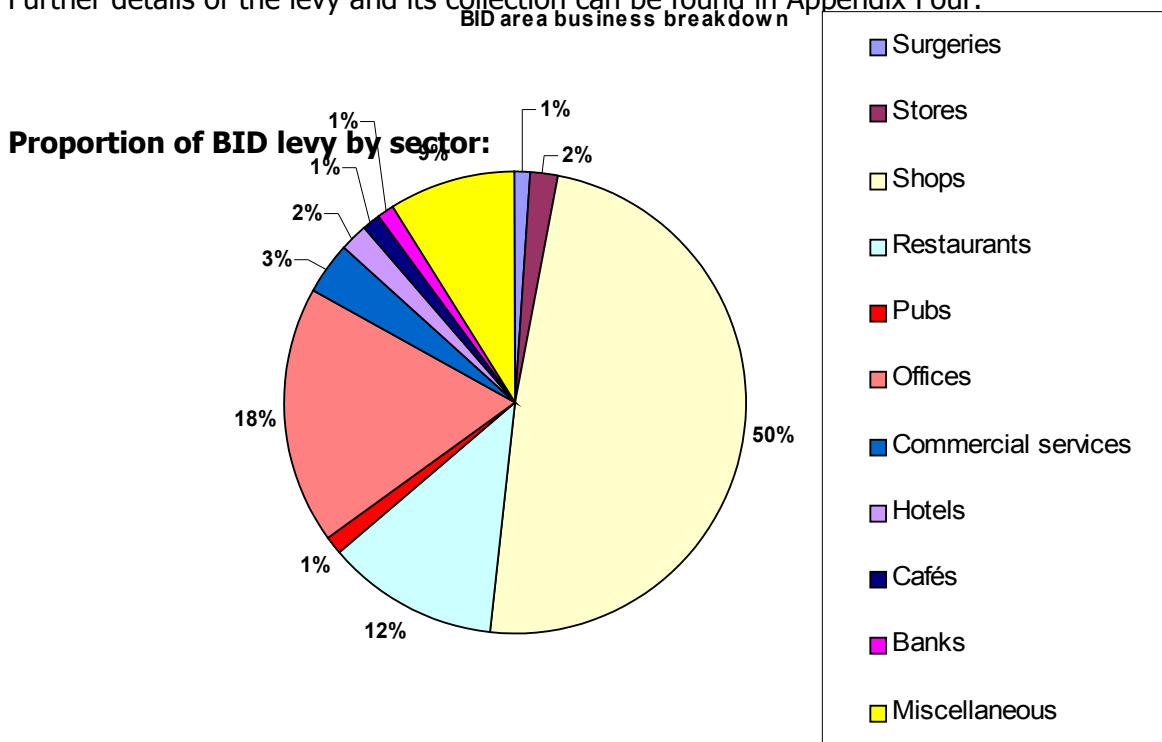
In addition, the BID Board will aim to increase the budget by at least half as much again, through grants and other sources, potentially making over £825,000 per year available in Bayswater. Other successful BIDs such as London Bridge, Paddington and The New West End Company have achieved this much and more.

That’s at least £2.75M and possibly as much as £4M retained in the BID to be spent on projects approved by you and managed by a Board elected and controlled by you, the business community.

Here are some typical contribution levels, assuming a levy rate of 2%:

Rateable Value	Cost annually £	Cost monthly £
200,000	4,000	333
100,000	2,000	167
50,000	1,000	84
25,000	500	42
10,000	200	21
Under 5,000	100	2

Under the BID legislation, the levy will be collected by Westminster City Council and then paid against an invoice from the Bayswater BID through a formal 'operating agreement' signed by both parties (the city council will make a small charge to meet the cost of collection each year). As with your Uniform Business Rates, there is a legal requirement to pay the BID levy once a mandate to operate the Company has been obtained and the levy bills have been issued. The levy is exempt from VAT. Further details of the levy and its collection can be found in Appendix Four.



How has the BID been developed and funded thus far?

Westminster City Council have supported the development of this BID through staff time and a budget to cover costs like the production of this final proposal and the running of the ballot. There will be no recovery of the costs and expenses associated with developing the BID and bringing it to a successful ballot, provided the turnout to vote reaches an acceptable level. The BID steering group is prepared to lodge a deposit of £5,000 to meet the cost of the ballot in the unlikely event of the turnout not reaching a respectable percentage, if it is required to do so.

In addition, several business people from Bayswater have donated their time over the past sixteen months on a voluntary basis to help shape and develop the Bayswater BID Programme. We are grateful to Westminster City Council, its politicians and key officers, and to our principal business champions for their consistent and unqualified support.

What if there is a “no” vote or the BID fails?

In the current economic climate, no one can be blamed for considering the 'no' option. However, it's even more important to invest now to try to reverse some of the national/ international trends that currently assail us. With UK retail sales values falling 4.2% on a like for like basis over the past year***, Bayswater must work hard to maintain then extend its unique format and appeal simply to “stand still”. We know that businesses are far more powerful when they work together and the growth of BIDs around the country is a real testimony to this fact.

A vote against launching the BID Company will mean that in excess of £500,000 of new investment annually for the benefit of all businesses in Bayswater will be lost, possibly forever. Improvements such as new marketing initiatives and events designed to increase footfall will not happen so nothing will be done to help business during the quieter trading times of the year too. There is a distinct possibility that some of the more significant physical improvements and modernisation of the streetscape will be curtailed or delivered to a lower standard and a longer timescale. Meanwhile our competitors (especially neighbouring BID operations) will continue to develop their plans to make inroads into our markets and erode the footfall that instinctively makes its way to our doors. The Internet will surge ahead, teasing hard earned cash out of shoppers' wallets and purses because it appears so easy and trouble-free to buy bargains on-line.

Putting it simply, existing agencies will continue to run Bayswater for you but you will not have a strong voice through a private sector-led organisation set up solely to represent your interests. You will remain ineffective, frustrated and under pressure.

Check your possible levy liability from the table on Page 16 and consider how many sales or additional customers would it take to recoup that amount each week. For most businesses we are expecting the payment to be less than £10 a week. Surely this is a tiny price to pay towards the half a million pounds every year that will be brought into Bayswater if a BID Company is set up and run well.

Click on the hyperlinks below for more information about the national BIDs picture:

www.britishbids.co.uk

www.ukbids.org

www.retailbids.org

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Whilst every care has been taken in the preparation and creation of this document and its associated reports, no liability can be accepted for any errors or omissions that may have occurred during the process (especially as much of it has been prepared by more than one member of the steering group). No guarantees can be offered related to either the anticipated income or the consequent expenditure. The suggested timetable for both the formal creation of the BID Company and its intended activities is wholly dependant on ratification of this draft business plan by the Cabinet of Westminster City Council, the ability of the steering group to raise sufficient funds to complete the set up process and ongoing research and development with the Bayswater business community itself.

Appendix One

Detail of the Service Level Agreements to be established

Research analysis of the returns from both the business surveys collected and the on-street questionnaires completed identified a number of issues arising from the way some public sector services are effected in the Bayswater area. Inevitably resolving these issues or improving existing provision demands that the BID Company understands the detail of what is currently being done and indeed, what applied standards are worked to or the terms and conditions of contracts presently in force demand. To do this, we must work close with those responsible for managing and monitoring the following service areas:

- closed circuit television establishment and monitoring
- City Guardians
- graffiti and fly posting removal
- policing
- street cleansing
- waste collection and management
- planting
- licensing and enforcement policy
- events and marketing
- highways maintenance
- street lighting grounds maintenance

After reviewing the existing provision, we will have Service Level Agreements with each department that guarantee to maintain the present level of delivery, as far is possible, throughout the term of the BID. Together we will regularly monitor the situation to ensure this happens. They will also commit to seeking improvements wherever possible and considering joint initiatives with the BID to generate mutual benefits in terms of greater or similar outputs with reduced resource.

The results from the SLA estimations and the agreement that followed them can be seen at:

www.bayswaterbid.com

Appendix Two Research summary

Here are some of the key findings from the Council-sponsored BID feasibility study undertaken by Urban Practitioners and New Horizon Limited. There are more details available on the website too.

Business survey results (189 returned)

The text that follows forms a summary of the results, initially examining all the returns together, irrespective of which particular street they were collected from. However, sorting the data by street has given the opportunity to analyse the returns by location and by sector. Where these differ substantially from one street to the other, the differences have been noted and will be reported separately:

1. The two streets appear to serve two distinct "markets" with Whiteleys as the lynchpin between them. Queensway largely "faces" a visitor-based clientele, drawn there by the proximity of modestly priced hotel accommodation. A substantial leisure and food oriented offer has grown on the back of this. Westbourne Grove is more focused on a local resident and commuter based audience with household goods and services predominating, although with a sprinkling of higher end fashion and furnishings
2. Trading has been difficult this year and the prognosis is for further decline in 2009/10, more so in Westbourne Grove than Queensway
3. Despite this, most businesses are confident of their current trading position and expect to remain in the area for the foreseeable future
4. They acknowledge that Westminster Council do a pretty good job in the area but find some aspects of the service provision to be 'dictatorial' and 'draconian' in approach, appearing to be unsympathetic to the local traders. Car parking services and the Planning control seen as particularly problematic (but with regulation and control it is always difficult to satisfy everyone
5. The businesses think there is a real problem with car parking....the customers who drive in think otherwise! 77% considered parking in the area to be easy.
6. The core streets could do with a substantial clean-up, modernisation and a visual enhancement to bring them closer to the standard seen in the places the two streets compete with. There is a considerably undercurrent that wants to see an extensive pedestrian priority "make-over" take place at the southern end of Queensway
7. Whiteleys is seen a fundamental strength but its message to the outside world is confusing and it doesn't seem to fit comfortably with the businesses around it, being largely introspective on the Queensway street side
8. The evening economy is the lifeblood of the area and must be made to work better
9. Petty business crime is a real problem and needs a dedicated police team to resolve it promptly. Lighting is also of questionable quality in some places

10. Collective marketing and promotion is currently abysmal and significant business opportunities are being lost because of the failure to act jointly and work together

The on-street survey (a 250 sample taken from across all trading days and times)

The text that follows forms a summary of the results from the on-street surveys conducted in both streets over a substantial period:

1. There are two distinct audiences for the businesses in both streets and they don't sit easily together. An overlap is apparent where both groups use Whiteleys
2. However both bring benefits to each other because of the way they place demands on the local businesses. The quality of service/ variety is driven by the locals while the ethnic eating and the reasonable prices are necessary to attract budget-based tourism but the residents gain from the choice and pricing structures
3. Generally speaking the users of the streets are pleased with what they see and the goods and services they are offered but recognise it could be better
4. Contrary to popular myth, there seems to be no problem with car parking locally although the state of the local car parks, ticket machines and staffing leaves something to be desired (particularly Whiteleys car park)
5. The variety of eating places and the overall leisure offer impresses virtually everybody and is a strong driver of repeat or return visits
6. Duration of stay is disappointing with three-quarters of all users completing their visit in less than two hours during the day. This must be increased to maximise business opportunity and so build takings and profits
7. Safety also appears to be another myth with virtually all visitors feeling safe during the day and substantially more people comfortable with the night-time scene here than in other big city centres (typically for our surveys the % feeling safe declines to 50-60% but it remained at 80% in Queensway/Westbourne Grove).
8. Whiteleys is a fundamental part of the WG/Q experience with three-quarters of all interviewees passing through its portals. Again much more could be made of this key anchor unit which at present is significantly under-traded
9. Off the record conversations with many people in the area suggest that a more cosmopolitan feel and appearance to the two streets could be beneficial, more in-keeping with the diverse ethnic mix and cultures that come together here. Boulevard/ café society with more greenery, substantial public art and a closer link to Hyde Park over the Bayswater Road could pay dividends to most local businesses
10. It has become apparent that there is currently little tie between the large number of small guest houses and hotels in the area and the local commercial scene. It may well be that bringing

nearby providers of accommodation into the BID could give them a greater incentive for them to promote the local diversity of the food, drink offer and the leisure dimension to the area

Appendix Three

The ballot process

By the 17th September 2009, a Notice of Ballot will be published and a ballot pack of BID information and a voting paper sent to the person with the authority to vote for your organisation. This information will be confirmed by Westminster City Council's Electoral Services department prior to distribution (they will also deal with proxy voting for those who might require it). It will be a postal vote lasting 28 working days so all votes will need to be received back by 5pm on the 29th October 2009.

Each rateable property within the boundary (see the earlier map) with a rateable value of £5,000 or more will be eligible to vote. The person entitled to vote will have one vote in respect of each rateable property they occupy, provided the hereditament is listed on the National Non-Domestic Rating List that covers the area. This means that some organisations occupying more than one premises, will have more than one vote.

For the BID to go ahead, two conditions must be met:

- 1) More than 50% of businesses that vote must vote in favour
- 2) The 'yes' votes must represent more than 50% of the total rateable value of all votes cast

Provided these conditions are fulfilled, payment of the 2% levy each year for five years until the end of 2014 becomes mandatory for all eligible businesses regardless of how they voted, unless they trade from within Whiteleys Shopping Centre, in which case the rate is 1%. This is enforceable by law. The results of the ballot will be publicly announced on the 30th October 2009. A 'yes' vote for Bayswater will mean that additional activities will start from 1st January 2010 with guaranteed and sustainable funding to deliver a comprehensive programme of benefits for the full five years of the BID from that date.

Appendix Four The levy arrangements

Assuming that a “yes” vote is achieved, a mandatory BID levy of 2% of the rateable value of each hereditament will be collected each year for five years until the end of 2014. This will apply to all businesses regardless of how they voted, unless they trade from within Whiteleys Shopping Centre, in which case the rate is 1% (both percentages will be subject to increase by an annual inflation factor of +3%, applied each April for the life of the BID).

The Bayswater BID Company will exempt those businesses with a rateable value of less than £5,000. However, if the BID is approved, businesses under this threshold will be invited to pay a minimum voluntary contribution of £100 per year to become a member of the BID Company and receive the same benefits as ordinary levy payers, apart from voting rights.

Other exemptions, relief or discounts prescribed in the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 made under the Local Government Finance Act 1988, will not apply. Those responsible for unoccupied and part-occupied rateable properties, and BID levy payers who are charities or non profit making organisations, will be liable for the full BID levy. Only charities in receipt of 100% relief can apply to the Bayswater BID Board requesting an exemption.

The BID levy will also not be affected by the small business rate relief scheme and businesses who already pay service charges to landlords will receive a discount as indicated earlier.

Where a property is vacant, undergoing refurbishment or being demolished, the property owner will be entitled to vote and also obliged to pay the levy with no void period. Where a property has been removed from the rating list by the Valuation Office due to building works/renovation/demolition etc, as at the Notice of Ballot, there will be no entitlement to vote at all. There will only be a BID levy charged once the property is brought back into rating.

Collection of the BID levy carries the same enforcement weight as collection of the non-domestic rates. The levy (with 3% inflation on the 2% applied on the 1st April each year from 2010 onwards) will be charged to each qualifying ratepayer using the 2005 non-domestic ratings list to calculate the amount payable, as registered at the 1st January 2010. The initial BID levy due will be payable for a 3 month period from 1st January 2010. Subsequently the annual levy notices will be issued each March with payment due on the 1st April of that year, as a lump sum. The levy will then be due each year with the last payment due on 1st April 2014 to cover the period up until the planned finish of the initial BID programme on the 31st December 2014, unless a renewal ballot determines that it may continue for a further five-year term.

The ratings list will be updated for any changes in ratepayer, appeals, additions or removals and liability will be adjusted accordingly.

The BID levy will have to be paid by any new ratepayer occupying an existing rateable property within the BID area up until the end of the five year term on 31st December 2014 even though they did not vote on the initial proposal.

Likewise, any new rateable property created during the lifetime of the BID will be obliged to pay the levy. If a business ratepayer occupies premises for less than one year, the amount of BID levy payable will be calculated on the number of days they occupy the property.

The Bayswater BID Company will endeavour to secure additional voluntary contributions to supplement the levy throughout the five-year lifetime of the BID. However, these contributions cannot be guaranteed and may be less than or more than the indicative amounts given in the budget.

Under the BID regulations 2004, Westminster City Council will be responsible for collection of the levy on behalf of Bayswater BID. The levy income will be kept in a separate ring-fenced account and transferred to Bayswater BID on a regular basis. This arrangement will be formalised in an operating agreement signed by both the BID Company and the local authority. Bayswater BID will provide Westminster City Council with regular updates detailing expenditure under the BID and cash flows. The Council will report on its collection processes on a monthly basis, and certainly when basic and additional service activities are reviewed.

The BID area and the levy percentage (other than the 3% inflationary rise) cannot be altered without an alteration ballot. However, the BID projects, costs and timescales can be altered subject to Board approval providing the changes fit within the overall budget for the BID.

If a levy payer considers that the BID Board is not delivering activities as announced in its literature, then it may write to the Chairman of the Board, expressing any concerns and the evidence for them. Should there be no satisfaction with the resulting response and a marked improvement to the issues raised then an Extraordinary General Meeting can be requested (this proposal has to be supported by at least 25% of the current levy-payers signing a written statement outlining the reasons behind the request) when the Board will be compelled to explain their decisions and actions. A simple proposal and a majority of voters in favour at such a meeting can initiate an alteration ballot.

Of course the BID has a finite life too and at the end of the first five-year term when a renewal ballot is necessary for the Company to continue, a "no" vote from the majority of those voting can terminate the Company immediately.

Appendix Five:

The BID development and delivery timetable:

18 th June	BID to submit business plan to the City Council and to confirm Ballot date
6 th July	Council Cabinet meet to approve the business plan
15 th July	BID steering group ratifies the final business plan
1 st September	Bayswater BID prospectus launched
17 th September	Last day to publish Notice of Ballot
30 th September	Ballot papers issued
29 th October	The Day of the Ballot
30 th October	Voting result announced
1 st November	The BID Company commences trading
15 th December	Levy demands sent to all legible businesses for the first initial quarter year
1 st January 2010	New services commence

Appendix Six Our expected Key Performance Indicators (KPIs)

Table of activities, timetable, related outputs and an appropriate KPI measurement:

BID activity	Action by *	Outcome	KPI
It's clean!			
Ambassadors	Spring 2010	Local monitoring and action	Visibility and records
Deep cleaning	Summer 2010	Cleanliness raised	Photographic evidence
Attention to detail	Autumn 2010	Ditto	Ditto
Trade waste improvements	2011	Cost-effective disposal	Business opinion sample
Safety first			
Ambassadors	Spring 2010	Security cover enhanced	Reporting logs
Crime co-ordinator	2011	Database and liaison	On-screen evidence
Increased police presence	2010	Higher policing profile	Reporting logs
Child-safe	2012	Family friendlier	Perception study
More CCTV cameras	2013	Visitor reassurance	Ditto
Easy in Easy out			
Car parking improvements	Winter 2010	Car usage facilitated	Car parking stats
Better transport services	2012	Easier to get to	Perception study
Parking control	2011	Traffic flow smoothed	Periodic sampling
Shop local and delivery scheme	2011	Greater resident support	Business comment
Better local signage	2011	Visitors better informed	Photos & questioning
Westbourne Grove pavements	2014	Raised safety	Photos before and after
Brightening Bayswater			
Local market	2013	Improved local offer	On-street surveys
Modernise Queensway	2015	Improved visual appeal	Before and after photos
Green planting and baskets	2011	Cared-for mentality	Perception study & photos
Decorative lighting	2012	Improved visual appeal	Ditto
Gateway branding	2014	Area designation	Ditto
Public art and performances	2011	Added value attractions	Counted attendance
Building better businesses			
Business support scheme	2010	Business development	Uptake recorded
Improve local deliveries	2011	Business support	Business opinion
Business development fund	2012	Small traders assistance	Grant award process
KPI monitoring	Immediate	To monitor is to control	Annual report
Business advice scheme	Summer 2010	Business support generally	Uptake recorded
Shout!			
Events & festival programme	2011 onwards	Building appeal	Footfall counts
Tourist destination framework	2012	Growing potential audience	Perception study
Shop local campaign	2010	Better customer service	Business performance
New investor programme	2011	Broaden local choice	Fewer empty units
Local business promotion	2010	Business support	Business performance
Marketing strategy/ tools	2011	Business support	Uptake and exposure
Pride of place campaign	2011	Direct community benefit	Perception study

Notes:

- * The "Action by" detail is dependant on the decision of the BID Board once it is officially responsible for the forward programme
- More explicit information and additional factors are available under "outcomes" but they do not feature here to help clarity
- The KPIs usually centre round hard, material fact and written or photographic evidence
- Activity KPIs are complemented by more generic, area-based factors such as footfall counting and a vacant unit record