

# **Crawley Town Centre BID Operating Agreement with Crawley Borough Council**

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Date:

## **OPERATING AGREEMENT**

between

**CRAWLEY BOROUGH COUNCIL (CBC)**

and

**CRAWLEY TOWN CENTRE BID COMPANY LTD**

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**Crawley – Business Improvement District**

# Crawley Town Centre BID Operating Agreement with Crawley Borough Council

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## OPERATING AGREEMENT

**Dated the:**

**Between**

**CRAWLEY BOROUGH COUNCIL (CBC)**

Town Hall, The Boulevard, Crawley, West Sussex, RH10 1UZ

And

**Crawley Town Centre BID Company Ltd (Crawley Town Centre Business Improvement District) (BID)** of Suite 2, 1<sup>st</sup> Floor, Crosskeys House, 50-52 The Broadway, Crawley, West Sussex RH10 1HB

### **1. Background**

- 1.1 Part 4 of the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004 ('BID Statutory Provisions') provide a legislative framework for the establishment and operation of a Business Improvement District ('BID').
  - 1.2 Crawley Business Improvement District (BID) has proposed a BID ballot for Crawley Town Centre BID. The detailed proposals are set out in the BID Business Plan 2025 to 2030. The establishment of the BID is subject to approval by eligible persons in the ballot held in accordance with the BID Statutory Provisions.
  - 1.3 The BID ballot was concluded on 28<sup>th</sup> February 2025.
  - 1.4 Crawley Town Centre BID Company Ltd is the BID body for the purposes of the BID Statutory Provisions and was subject to a 'YES' vote on the 28<sup>th</sup> February 2025, and started operating from 1<sup>st</sup> April 2025. The BID period will last until 31<sup>st</sup> March 2030.
  - 1.5 Crawley Town Centre Business Improvement District will enable the businesses in that area to identify, invest in and implement specific services and facilities to improve their common trading environment. A fundamental principle of BID legislation is that such services and facilities should be additional to (not in substitution for) those already provided by Crawley Borough Council (CBC).
  - 1.6 Crawley Town Centre Business Improvement District is legally and operationally responsible to the businesses in the Crawley Town Centre BID area for all BID activities. The BID Board represents the views of the businesses that have voted for the BID and acts on their behalf.
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**Crawley – Business Improvement District**

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- 1.7 CBC's commitment to Crawley Town Centre BID and the working relationships between CBC and Crawley Town Centre BID are set out in the Memorandum of Understanding.
- 1.8 The Memorandum of Understanding is supported by this BID Operating Agreement and a series of Baseline Statements, each benchmarking a specific service provided by CBC (and other providers where necessary) to the BID area.
- 1.9 CBC will provide additional operational support to the BID in a number of ways. These are set out in Schedule 4.

## **2. The purpose of this Operating Agreement**

- 2.1 CBC is the billing authority for the purposes of the Local Government Act 2003 and the BID Statutory Provisions and is responsible for collecting the BID Levy and administering the BID Revenue Account for the Crawley Town Centre BID.
- 2.2 Crawley Town Centre BID is responsible for the operation of the BID and for using the BID Levy for the purposes of achieving the objectives and aspirations set out in the BID Arrangements.
- 2.3 Both parties wish to confirm the arrangements by which the BID Levy shall be collected together with general arrangements as to the relationship to be established between CBC and Crawley Town Centre BID for the duration of the BID.
- 2.4 The purpose of this Agreement is to:
  - Establish the procedure for setting the BID Levy;
  - Confirm the basis upon which CBC will be responsible for collecting the BID Levy;
  - Set out the enforcement mechanisms available for collection of the BID Levy;
  - Set out the procedures for accounting and transference of the BID Levy;
  - Provide for the monitoring and review of the collection of the BID Levy.

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## 3. Definitions

- 3.1 **The Advance Payment** means the sum to be paid to Crawley Town Centre BID on 1<sup>st</sup> April 2025 and thereafter on 1<sup>st</sup> April for each year that the BID is in operation which, in advance of any collection of BID levy, will be equal to 1/6<sup>th</sup> of the total levy invoiced. Levy invoices will be dispatched to levy businesses on 1<sup>st</sup> April 2025 and thereafter on the 3<sup>rd</sup> March each year.
- 3.2 The **Annual Budget Report** means a report to be prepared by CBC which details the estimated Revenue Account and supporting budget assumptions for the following financial year.
- 3.3 The **Monthly Monitoring Report** means a report to be prepared by CBC after the end of each month which summarises the following:
- The BID Revenue Account monitoring statement;
  - The amount of BID Levy billed for BID Levy Payers;
  - The BID Levy collected in relation to BID Levy Payers;
  - Outstanding unpaid sum of those BID Levy Payers who have not paid the BID Levy;
  - Amount of BID levy outstanding covered by Reminder Notices issued throughout that period;
  - Amount of BID levy covered by Liability Orders obtained or applied for by CBC;
- Details of any aspect of the above would be made available to Crawley Town Centre BID upon request if there were particular queries or issues to discuss.
- Details of changes to the occupiers of hereditaments in the BID area and levy due would be made available upon request.
- 3.4 **The Annual Accounts Report** means a report to be prepared by CBC which details the following:-
- The Revenue Account Outturn Statement which includes the total amount of BID Levy collected during the relevant Financial Year;
  - Details of the percentage collection rate for the BID Levy;
  - CBC's recommendations (if any) to help improve any efficiency measures in the collection and enforcement of the BID Levy;
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- Details of those BID Levy Payers who have paid the BID Levy and those who have not paid the BID Levy; and
- CBC's recommendations for bad or doubtful debts.

3.5 **Bad or Doubtful Debts** shall have the same meaning as further described in Part 2 of Schedule 3 of the Regulations.

3.6 the **Monthly Levy Payment** means the sum of the BID levy collected in the previous calendar month less the Advance Payment, and less any outstanding BID loan repayments.

3.7 **the Balancing Payment** means the difference between the Advance Payment and the total Monthly Levy Payments for the BID year and the actual total sum of the BID Levy collected by CBC for the relevant BID year.

3.8 **the Ballot Result Date** means 28<sup>th</sup> February 2025. It is the date upon which a ballot result will be declared in accordance with paragraph 17 of Schedule 2 of the Regulations in favour of putting in place the BID Arrangements.

3.9 **the Individual Baseline Statements** means the individual agreements related to each service in the area as outlined in Schedule 3.

3.10 **the BID** means the Business Improvement District which operates within the BID Area.

3.11 **the BID Area** means the area of Crawley specified in the BID Arrangements, the streets of which are listed in Schedule 2.

3.12 **the BID Arrangements** means those arrangements to be put in place pursuant to the BID Statutory Provisions for the operation of the BID set out in the following documents:-

- BID proposals set out in the BID Business Plan 2025 to 2030 which were approved in the statutory ballot, and forms the basis of the BID arrangements referred to in the BID Statutory Provisions;
- A Memorandum of Understanding entered into between CBC and Crawley BID;
- This Operating Agreement;
- Individual Baseline Statements setting out current levels of service provided by CBC.

3.13 **Crawley BID** means The Crawley Town Centre BID Company Ltd, a company limited by guarantee.

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- 3.14 **Crawley BID Report** means a report for each BID Financial Year to be prepared by Crawley BID which details the following:-
- The total income and expenditure of the BID Levy;
  - Other income and expenditure of Crawley BID not being the BID Levy;
  - The Revenue Account Outturn Statement;
  - The various initiatives and schemes upon which the BID Levy has been expended by Crawley BID; and
  - Recommendations for the operation of the BID for the following financial year.
- 3.15 **the BID Levy** means the charge to be levied and collected from BID Levy Payers within the BID area pursuant to the Regulations.
- 3.16 **BID Levy Payer(s)** means the non-domestic ratepayers responsible for paying the BID Levy.
- 3.17 **the BID Levy Rules** means the rules set out in Schedule 1 which sets out how the BID Levy will be calculated, details of Exempt Properties and other requirements related to the BID Levy.
- 3.18 **the BID Revenue Account** means the account to be set up in accordance with Regulation 14 and operated in accordance with Schedule 3 of the BID Regulations.
- 3.19 **the BID Term** means the period from 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2030.
- 3.20 **the Commencement Date** means the date this Operating Agreement comes into force .
- 3.21 **Confidential Information** means
- Any information provided by one party to the other or by a third party under or in connection with this agreement or the BID Arrangements which is notified in writing to the receiving party as being either a trade secret or sufficiently commercially sensitive to justify such information being kept confidential;
  - Personal data within the Data Protection Act 1998.
- whether written, electronic or oral.
- 3.22 **the Contributors** means the BID Levy Payers or other contributors making voluntary contributions to Crawley BID.
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- 3.23 **CBC** means Crawley Borough Council.
- 3.24 **Demand Notice** means the demand notice required to be served by paragraph 2 of Schedule 4 of the Regulations.
- 3.25 **Hereditament** shall have the same meaning as defined in the Regulations.
- 3.26 **Electronic Communication** means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa):
- (i) by means of a telecommunication system (within the meaning of the Telecommunications Act 1984); or
  - (ii) by other means but while in electronic form
- 3.27 **the Exempt Properties** means those class or classes of properties as identified in the BID Levy Rules which shall be exempt from any requirement to pay the BID Levy.
- 3.28 **the BID Financial Year** means the period of 1<sup>st</sup> April to 31<sup>st</sup> March.
- 3.29 **County Court Judgement** means a judgement obtained from the County Court.
- 3.30 **the Operational Date** means the date upon which the BID Arrangements come into force, 1 April 2025.
- 3.31 **the Public Meeting** means the meeting to be held of all BID Levy Payers pursuant to regulation 18(1)(a)(ii) of the Regulations.
- 3.32 **the Regulations** and the **BID Regulations** mean the Business Improvement Districts (England) Regulations 2004 and such amendments made by the Secretary of State pursuant to Section 48 of the Local Government Act 2003 (from time to time).
- 3.33 **the Reminder Notice** means the notice to be served in respect of an unpaid levy.

#### **4. Statutory Authorities**

- 4.1 This Agreement is made pursuant to Part 4 of the Local Government Act 2003 and Section 111 of the Local Government Act 1972 and all other enabling powers.



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## **5. Commencement**

- 5.1 This Agreement takes effect on the date of this agreement.
- 5.2 If, at the end of the BID Term a further ballot is planned this Agreement will be reviewed and revised if appropriate in advance of the ballot. Should the a ballot for a further term be successful then the terms of the revised Agreement shall be of effect for the new BID term.

## **6. Setting the BID Levy**

- 6.1 By 3<sup>rd</sup> March in each financial year CBC shall:-
- Calculate the BID Levy due from each BID Levy Payer in accordance with the BID Levy Rules;
  - Confirm in writing to Crawley Town Centre BID, as soon as practicable after billing, the BID Levy payable annually by each BID Levy Payer; and
  - Provide the Annual Budget Report.

## **7. The BID Revenue Account**

- 7.1 CBC shall maintain a BID Revenue Account.
- 7.2 Crawley BID shall notify CBC of any changes to the details of its bank account and sort code.
- 7.3 CBC shall have set up in its Accounts Payable system by the 1<sup>st</sup> April of the first year the Crawley BID bank account and sort code details for payment by BACS of the advance payment and monthly levy payments from the BID Revenue Account.

## **8. Charges to Crawley BID for CBC services**

- 8.1 Crawley BID shall reimburse CBC's reasonable charges and expenses in performing its duties and obligations under this agreement. Initial costs are as set out in Schedule 4.
- 8.2 Costs to be charged by CBC will be invoiced to Crawley BID on an annual basis on or around the 1<sup>st</sup> July every year. Crawley Town Centre BID will pay invoices within a period of 30 days from the date of issue.
- 8.3 The BID Revenue Account will include the charge and the income from Crawley BID.

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## **9. Collecting the BID Levy**

- 9.1 The BID Levy Payer shall be billed for the BID Levy by a separate BID Levy bill sent out by the by 3<sup>rd</sup> March in each BID year.
- 9.2 The BID Levy is due for payment on the 1<sup>st</sup> April in each BID year.
- 9.3 The method of payment to CBC is by cheque, cash, Direct Debit or CBC online payment facility. These methods of payment will be reviewed yearly and any changes made will be made in time to affect the next billing period.
- 9.4 CBC shall serve the Demand Notices on each BID Levy payer and thereafter shall continue to calculate the BID Levy and serve the Demand Notices throughout the BID Term.
- 9.5 CBC shall maintain a list which identifies payment and/or non payment of the BID Levy and shall make this available to Crawley BID upon its reasonable request.
- 9.6 CBC shall use all reasonable endeavours to collect the BID Levy by 1<sup>st</sup> May 2025 and then by 1<sup>st</sup> April in each BID year thereafter on an annual basis, in accordance with the procedure set out in Schedule 4 of the Regulations.
- 9.7 Crawley Town Centre BID reserves the right to change the collection agent for the levy in agreement and with notice to CBC.

## **10 Procedures available to CBC for enforcing payment of the BID Levy**

- 10.1 In the event that the BID Levy is not paid within 14 days from the date that it becomes payable then (subject to the exceptions or as may otherwise be agreed between the parties) CBC shall serve a Reminder Notice on such relevant BID Levy Payer which shall:-
  - Identify the sum payable;
  - Provide a further 14 days for payment to be made;
  - In the event that the BID Levy is not paid within a further 14 days from the above notice CBC will send a reminder which shall:-
    - Identify the sum payable;
    - Provide a further 7 days for payment to be made;
    - Confirm that CBC will make an application to the County Court for a County Court Judgement to recover the unpaid sum and costs.

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10.2 If after a further 14 days from the payment date stated in the Reminder Notice the outstanding sum of the BID Levy has not been paid CBC shall make an application to the County Court for a County Court Judgement to recover the outstanding sum of the BID Levy as is permitted by the Regulations and the Non Domestic Rating (Collection & Enforcement) (Local Lists) Regulations 1989 (as amended).

10.3 CBC shall make recommendations to the BID Board on debts deemed to be uncollectible.

10.4 CBC shall only write off debts on receipt of an approval in the form of a signed off authorisation from the designated BID Officer who will have had it approved by 2 designated Board Directors

## **11 Payment to Crawley BID**

11.1 On 1<sup>st</sup> April in each subsequent BID year CBC shall pay Crawley BID by BACS :

- The Advance Payment

11.2 CBC shall thereafter advise the amount of levy collected in the previous calendar month no later than the 5<sup>th</sup> of the month Crawley Town Centre BID will raise an invoice to CBC for payment to be made as soon as practicably possible but no later than the 25<sup>th</sup> of the month. The total amount of levy collected for the previous calendar month less the following deductions provided that the levy collected is equal to or more than the total of the deductions :-

- A deduction equal to the amount of the Advance Payment not previously deducted

## **12 Performance Monitoring and Reporting**

12.1 By 1<sup>st</sup> April or next available working day, each year CBC shall provide to Crawley BID with an Annual Budget Report.

12.2 Within 10 working days of the end of each calendar month CBC shall provide Crawley with the Monthly Monitoring Report.

12.3 Within 30 working days after the end of the financial year CBC shall provide Crawley BID with the full annual statement of the BID Revenue Account. .

12.4 Crawley BID will arrange the annual audit of the draft Annual Accounts.

12.5 Within two months from the date of receipt of the audited full Annual Report Crawley BID shall provide the Crawley BID's Report to CBC.

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- 12.6 Within one month from the Commencement Date the parties shall agree the dates when the Monitoring Group will meet. There will be at least two such meetings in each BID Year (throughout the duration of the BID Term). Further meetings of the Monitoring Group shall be arranged by the service of written notice by either party no less than 28 days prior to the date of the proposed meeting, unless both parties agree that such meetings can be dispensed with altogether.
- 12.7 The parties shall annually review the operation of this Agreement and shall meet from time to time to:
- Review the effectiveness of the collection and enforcement of the BID Levy; and
  - If required, review and assess the information provided by CBC and Crawley BID and make any recommendations for implementation as may be agreed (and which are permitted by the Regulations and the terms of this Agreement).

## 13. Termination of BID arrangements

- 13.1 CBC may terminate the BID Arrangements if, in its opinion, there are insufficient finances available to Crawley BID to meet its liabilities for the chargeable period for and CBC has:-
- Offered Crawley BID a reasonable opportunity to arrange for financing the shortfall or for a reduction in the works or services under the BID Arrangements which is sufficient to meet the shortfall; and
  - Given BID Levy Payers an opportunity, at the Public Meeting, to make representations in relation to the termination of the BID Arrangements.
- 13.2 CBC may terminate the BID Arrangements if it is unable, due to any cause beyond its control, to provide works or services which are necessary for the BID to continue and CBC has:-
- Consulted Crawley BID; and
  - Conducted a consultation with such representatives of the business community for the BID Area as it thinks appropriate.
- 13.3 CBC shall notify Crawley BID in writing of its intention to terminate the BID Arrangements at least 28 days before the date of termination.
- 13.4 So far as it considers it reasonably practicable to do so, where CBC is contemplating terminating the BID Arrangements under regulation 18(1) of the Regulations it shall endeavour
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to first meet with Crawley BID to discuss and review any issues and put in an appropriate timescale to resolve them.

13.5 Crawley BID may terminate the BID Arrangements where:-

- The works or services to be provided under the BID Arrangements are no longer required; or
- Crawley BID is unable, due to any cause beyond its control, to provide works or services which are necessary for the BID to continue.

13.6 The Crawley BID shall take no steps to terminate the BID Arrangements until:-

- It has consulted CBC; and
- Conducted a consultation with such representatives of the business community for the BID Area as CBC thinks appropriate.

13.7 Crawley BID shall notify the CBC in writing of its intention to terminate the BID Arrangements at least 28 days before the date of termination.

13.8 Where the BID Arrangements are terminated CBC shall, as soon as is reasonably practicable give notice of the termination in writing to the BID Levy Payers pursuant to Regulation 18(6) of the Regulations and the notice shall include an explanation as to whether any part of the BID Levy is to be repaid to BID Levy payers under Regulation 14(4) of the Regulations.

## **14. Confidentiality and Access to Data.**

14.1 Subject to the following provisions, neither party shall disclose any Confidential Information (whether verbal, in writing or in electronic form).

14.2 Such Confidential Information or any part thereof may only be disclosed to or used by persons such as employees, sub-contractors and agents of a party who need to know the same for the purposes of performing its obligations under the BID Arrangements. Each party shall keep the Confidential Information secret and confidential and shall procure that such persons shall comply with substantially similar obligations of confidentiality as set out in this agreement.

14.3 The restriction on disclosure shall not apply to Confidential Information to the extent that it:-

- Is required to be disclosed by law (including under the Freedom of Information Act 2000) or by any governmental or other regulatory authority acting within the scope of its powers;

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- Is or becomes part of the public domain through no fault of the receiving party;
- Is known to the receiving party prior to the disclosure by the disclosing party without an obligation to keep such Confidential Information confidential;
- Is subsequently furnished by the disclosing party to a third party without restriction on disclosure or use; or
- Is subsequently obtained by the receiving party from a third party without breach of any obligation of confidentiality owed to any third party or the disclosing party.

14.5 Each party shall use a reasonable standard of care in dealing with the Confidential Information so as to maintain confidentiality and security of the Confidential Information.

14.6 Each party agrees that, in the performance of its respective obligations under this Operating Agreement, it shall comply with the provisions of the Data Protection Act 1998.

14.7 This obligation shall survive the termination or lapse of the BID Arrangements.

## **15. Notices**

15.1 Any notice or other written communication to be served or given to or upon CBC shall be valid or effective if it is sent by registered post, recorded delivery post or by electronic communication (provided that it is in legible form and is capable of being used for subsequent reference) to the CBC's Chief Executive at Crawley Borough Council, Town Hall, The Boulevard, Crawley, West Sussex, RH10 1UZ or such other CBC officer or address as the Council may have notified to the Crawley BID in writing.

15.2 Any notice to be served on Crawley BID shall be valid and effective if sent by registered post or, recorded delivery post to the registered office or is transmitted electronically and addressed to the Chair of the Crawley Town Centre BID Board

15.3 Any notice sent by post shall be deemed to have been validly served on the second working day after posting. For these purposes a working day is any day on which CBC's main administrative offices are open to the public. Any notice sent electronically shall be deemed to have been validly served provided there is no automated electronic response to indicate otherwise.

## **16. Miscellaneous**

16.1 For the avoidance of doubt, in the event of any conflict between any provision in the above documents and the BID Statutory Provisions the latter shall prevail.

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- 16.2 If any provision of this Agreement shall become or shall be declared by any court or tribunal of competent jurisdiction to be invalid or unenforceable in any way whatsoever, such invalidity or unenforceability shall in no way impair or affect any other provision of the Agreement, which shall remain in full force and effect.
- 16.3 The headings appearing in this Agreement are for ease of reference only and shall not affect the construction of this Agreement.
- 16.4 References to CBC include any successors to its function as the billing authority for the purposes of the BID.
- 16.5 References to any enactment, order, regulation, code of practice or other similar provision shall be construed as a reference to any amendment, re-enactment, consolidation, variation, replacement or extension of the same from time to time and for the time being in force.

## **17. Exercise of CBC's powers**

- 17.1 Nothing contained in this Agreement or implied in it shall prejudice or affect the rights discretions powers duties and obligations of CBC under all statutes bye-laws statutory instruments orders and regulations in the exercise of its functions as a local authority.

## **18. Contracts (Rights Of Third Parties)**

- 18.1 The parties do not intend any third party to have the right to enforce any provision of this agreement under the Contracts (Rights of Third Parties) Act 1999 or otherwise.

## **19. Dispute resolution**

- 19.1 In the event of any dispute arising out of or relating to the BID Arrangements, each party agrees not to commence legal proceedings without first attempting in good faith to resolve the dispute amicably and speedily having regard to the aims and objectives of the BID Arrangements.
- 19.2 Any dispute or difference of any kind whatsoever arising between the parties out of or in connection with this Agreement which cannot be resolved through normal business channels may be referred by either party to the Chairman of the Crawley BID and the Chief Executive of CBC (or their respective nominated senior representatives).
- 19.3 Any dispute which cannot be resolved between the parties shall be referred to arbitration before a single arbitrator.
- 19.4 The parties shall jointly appoint the arbitrator not later than 28 days after service of a request in writing by either party to do so and each party shall bear its own costs.

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19.5 If the parties are unable to agree within 28 days as to the appointment of such arbitrator then such arbitrator (hereinafter referred to as “the Tribunal”) shall be appointed on the application of either party to the President for the time being of the Law Society.

19.6 In the event of a reference to arbitration the parties agree to:-

19.7 Prosecute any such reference expeditiously and

19.8 Do all things or take all steps reasonably necessary in order to enable the Tribunal to deliver any award (interim, final or otherwise) as soon as reasonably practicable.

19.9 The award shall be in writing signed by the Tribunal and shall be finalised within 21 days from the date of such award.

19.10 The award shall be final and binding on the parties and on any persons claiming through or under them.

Signed on behalf of: Crawley Borough Council

Authorised Officer

Signed on behalf of:

Crawley Town Centre BID Co Ltd

Chair



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## Schedule 1 – The BID Levy Rules

Every BID has to establish its own levy rules. Reference has been made to the use of the 'Industry Criteria and Guidance Notes' in developing the rules which will apply to Crawley BID.

Business Improvement Districts use rateable values of businesses as a means of calculating levy and determining the associated criteria. This provides the basis for an equitable approach to charging to reflect the value which businesses will receive in services and support from the activities of the BID. Crawley Business Improvement District has decided on a levy structure which takes account of the potential benefits of businesses dependent upon their size.

### The Ballot

1. The Billing Authority will send those responsible for properties or hereditaments to be subject to the BID a ballot paper by 30<sup>th</sup> January 2025.
2. Each property or hereditament subject to the BID will be entitled to one vote in respect of the BID Proposal in a 28-day postal ballot, which will commence on 30<sup>th</sup> January 2025 and close at 5pm on 28<sup>th</sup> February 2025. Ballot papers received after 5pm on 28<sup>th</sup> February 2025 will not be counted. The declaration of the ballot result is due to be announced on the following working day.
3. Businesses with a rateable value of less than £10,000 will be exempt from the levy and will not be permitted to vote in the ballot.
4. In order for the proposal to be successful at ballot the result will need to meet, as a minimum, two independent criteria which are: (a) of those ballots returned by the close, those voting in favour of the renewal proposal must exceed those voting against it, and (b) of those ballot papers returned by the close, the total rateable value of those properties or hereditaments which vote in favour, must exceed the total of those voting against.
5. If successful at ballot, the BID will commence delivery of services on 1<sup>st</sup> April 2025 and will continue for a period of 5 years to 31<sup>st</sup> March 2030.
6. Assuming a successful BID vote by a majority of businesses by number and rateable value of those who vote, the BID levy will be charged on all hereditaments listed in the local Non-Domestic Rating List located within the BID area. This applies irrespective of whether or how a business has voted in the formal BID ballot.

### The Levy

1. The levy rate to be paid by each property or hereditament is to be calculated as 1.75% of its rateable value as at the 'chargeable day' (1st February each year).
  2. Only properties or hereditaments with a rateable value of £10,000 or more as at chargeable day (not effected by any revaluation) will pay a levy. For the avoidance of doubt, any formal revaluation of Rateable Values shall be ignored and the 2023 rating list shall continue to apply.
  3. The number of properties or hereditaments liable for the levy is approximately 460.
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4. Each year (with the exception of the first year) the levy rate will be inflated by the prevailing rate as at 1<sup>st</sup> February. For the purposes of budgeting, a rate of 3% per annum has been assumed throughout the term, this may be waived by the Directors of the BID.
  5. The levy will be charged annually in advance, each chargeable period to be 1<sup>st</sup> April to 31<sup>st</sup> March each year, starting in 2025. Any business which ceases to become the liable party during the year must apply to the Crawley Borough Council for a refund for the remainder of the period if an apportionment is required between the outgoing and incoming liable parties, and the new liable party will be charged on a pro-rata basis.
  6. The maximum amount payable for any one hereditament is to be capped at £10,000 (rising by the same annual rate of inflation, if any, as above).
  7. The ratepayer for any untenanted properties or hereditaments will be liable for payment of the levy, meaning the landlord (or their representative) in most instances.
  8. Occupiers within Shopping Centres, subject to a service charge will pay a levy of 75% of the levy that would otherwise apply.
  9. Places of religious worship will be exempt from the levy for that hereditament and will not be permitted to vote for this hereditament in the ballot. No other exemptions will be made.
  10. The Billing Authority will be responsible for collection of the levy. The collection charge will be a maximum of £26000 per annum, however the BID will retain the right to move this service to another local authority or collect the levy by other means should it prove more cost effective or efficient for the levy payers (subject to the notice being agreed).
  11. Legislation within the Local Government Finance Act (2003) enables the local authority to issue a bill for the levy. The levy is collected by the billing authority, Crawley Borough Council. Crawley BID Company will invoice the billing authority, Crawley Borough Council, for the levy collected for exclusive use of the BID.
  12. The liable person is the ratepayer liable for occupied or unoccupied premises for 1st April each year of the collection of the levy. In accordance with the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) and the Non-Domestic Rating (Collection and Enforcement) (Miscellaneous Provisions) Regulations 1989 (S.I. 1989/1060), Crawley Borough Council will be responsible for the imposition, administration, collection, recovery and application of the BID levy. The Council will also be responsible for any enforcement action that may be appropriate in case of non- payment of the levy.
  13. The BID levy is payable in one instalment, unless agreed with CBC and Crawley Town Centre BID . This instalment date will be specified on the Demand Notice. The notice will be served as soon as practicable after the Council becomes aware of a BID levy liability.
    - a. If a new property comes in to the Rating List within the BID area mid-year no charge will apply until the following year's levy becomes due.
    - b. If a property undergoes a split or merger in the Rating List mid-year the levy will not be amended to reflect the change until the following year.
    - c. If a property's rateable value is decreased/increased mid-year the levy will not be amended to reflect the change until the following year.
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# Crawley Town Centre BID Operating Agreement with Crawley Borough Council

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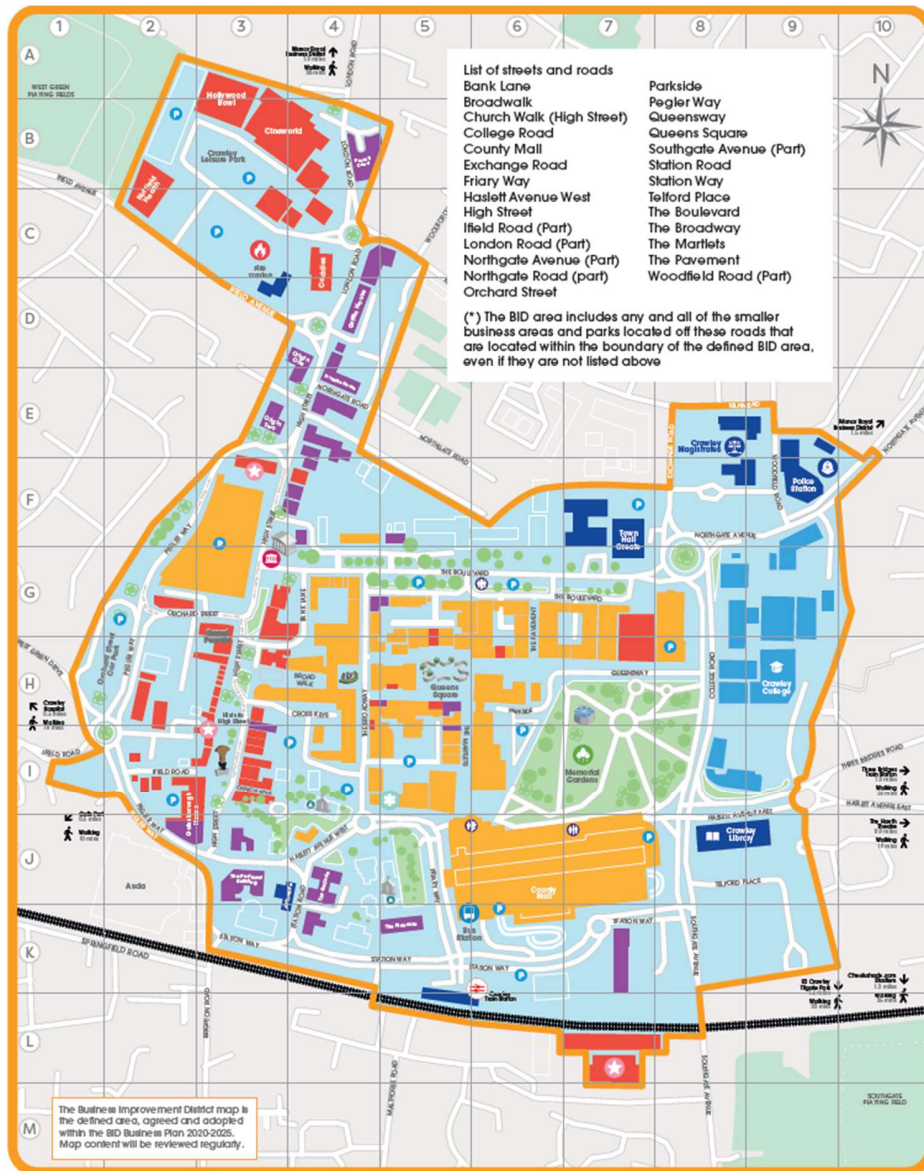
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14. New premises, or properties which were not in the Rating List but become subject to rates in the BID area or new streets or roads raised in the BID area after the BID is in force will be expected to pay a BID Levy based on the annual levy charge appropriate in relation to its new/current rateable value. The charge will not become applicable until the following year's levy becomes due.
  15. The BID levy contribution will not be reassessed if the rateable value is amended after the end of the BID. New or altered properties entered into the valuation list will become liable for the levy, but no charge will apply until the following year's levy becomes due.
  16. Subject to this criteria stated above and within the BID boundary as defined in this document, the BID levy is a statutorily compulsory payment regardless of whether the business exercised its vote or voted against the BID.

## Accountability and Transparency

1. The BID Proposer is Crawley Town Centre BID Company Limited (Company Number 12058421) who will also operate the BID, a Company established for the specific purpose. The BID Company is a not for profit organisation, limited by guarantee (the "**BID Body**").
2. The Directors of the BID Body (the "**Board**"), shall be primarily made up of representatives of levy-paying businesses and, where necessary, will include non-levy-paying representatives where additional expertise is required. The Board will have responsibility for governance matters such as financial arrangements, contractual obligations, human resources, standards, performance and compliance.
3. The Billing Authority shall be entitled to 1 representative on the BID Board, as agreed.
4. The Board shall meet no less than quarterly and shall appoint a Chair annually from its private sector members.
5. The Board shall form such sub-groups that from time to time become necessary.
6. Provided that the BID is meeting its overall objectives, the Board shall have the ability to vary service delivery and expenditure allocation according to the changing demands of BID Levy Payers. However, any change to the BID boundary or to the BID Levy proposals, such that they impact negatively upon any BID Levy Payer, would require a formal Alteration Ballot.
7. The Company shall meet with the Billing Authority, at least twice per year to monitor service delivery, levy collection and financial management issues.
8. The BID will file annual accounts with Companies House.
9. An Annual Meeting for Members and BID Levy Payers will be held.
10. An Operating Agreement, which includes baseline Services (if any) has been agreed with the Billing Authority. A copy can be found at on the Local Authority website.
11. Notification of the intention to hold a ballot was sent to the Secretary of State on 4<sup>th</sup> June 2024.

# Crawley Town Centre BID Operating Agreement with Crawley Borough Council

## Schedule 2 - BID Area - list of streets



(\* ) The BID area includes any and all of the smaller business areas and parks located off these roads that are located within the boundary of the defined BID area, even if they are not listed above.

## Crawley – Business Improvement District

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## **Schedule 3 – Individual Baseline Statements**

### **Individual Baseline Statements**

In full support of the above commitments, Heads of Service within the Council will draw up Baseline Statements on the specific services they are responsible for. These documents define the benchmarks for the provision of these services and how these will be measured.

The Baseline Services are defined below:

- Community Safety
- Highways and Visitor and Information Signs
- Street lighting
- Parking – On and Off street operations
- Public transport
- Cycling
- Street Cleansing (waste collection, trade waste, fly posting, graffiti removal, street furniture maintenance, gully emptying etc)
- Grounds Maintenance and Arboricultural services

The process of creating the baseline agreements proves valuable to both the service providers and the BID Company. The development of these partnerships and the additional focus on the services provided in the area, will give tangible benefits over and above those derived from the projects outlined below. Also by defining baseline services, it becomes possible to monitor their delivery and ensure that standards are maintained at high level.

### **BID legislation requirements for the Council**

The BID regulations also determine that the Crawley Borough Council meets the following obligations:

- Conducting, through the council's Democratic Services, the formal BID vote in accordance with current BID legislation and procedures
- Assuming a positive outcome to the BID vote, collecting the BID levy defined in the BID Business Plan from Crawley businesses and transferring the levy sums direct to the Crawley BID Company. The Council proposes to make a charge for the BID levy collection and will transfer the levy sums to Crawley BID Company within 30 days of collecting it.
- Paying the appropriate BID levy set out in the Business Plan in respect of all its own hereditaments within the Crawley BID area.

### **Monitoring and Review**

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

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- An annual monitoring of each of the specific services for which a Baseline Statement is shown above. This will be led by the respective Head of Service who will provide an account to Crawley BID Company of how the service commitments have been actually delivered during the period.
- An annual review of the overall effectiveness of the Operating Agreement. This will be led by the Cabinet member with responsibility for the BID and will reflect the Cabinet's commitment to address any shortfalls and propose measures to evolve the partnerships to the mutual benefit of the Council and Crawley BID Company. These reviews will be scheduled to best effect for the Council and Crawley BID Company's yearly budgeting cycles. These reviews should be conducted in line with the Council's own Best Value Reviews

#### **Monitoring of basic service provision**

The Council is committed to sustaining core or basic services to the district for the duration of the BID so that the activities of the BID will be totally additional and complementary. Provision of Baseline Assessments and Service Level Agreements will allow the BID Company to regularly appraise the delivery of core services and compare them with the details stated in the SLAs.

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## Schedule 4 – CBC’s Operational Support for Crawley BID

Crawley Borough Council fully supports Crawley BID. In particular, they endorse the fundamental principle of additionality within the BID by agreeing to maintain the provision of existing services from both Councils to businesses at their current level across the Crawley BID area. Thus, in line with BID legislation, BID services within the Crawley BID will be additional to (not in substitution for) those provided by both Councils.

The Council’s commitment to the Crawley BID and the working relationships between the Crawley Borough Council and Crawley BID Company are set out in complementary documents agreed between the Council and Crawley BID Company.

- Memorandum of Understanding and an Operating Agreement which define the working relationship between the Council and Crawley BID Company and set out the Council’s Operational Support to the BID on a number of specific issues
- A set of Baseline Agreements, each defining the benchmark for a specific service provided by the Council and other agencies to the businesses in the area

The main areas of cost incurred by CBC associated with setting up and administering the BID Levy collection process are:

- NNDR Staff costs
- Business Systems staff costs
- Stationery costs
- Cash allocation costs

Future years’ costs will be reviewed and agreed by both CBC and Crawley BID by the 1<sup>st</sup> March or as soon as possible thereafter.