

**OPERATING AGREEMENT**

**Dated**            **1<sup>st</sup> April 2016**

**Southwark Council**

(the Council)

**Waterloo Quarter BID Ltd**

(the BID Company)

**Contents**

1 Definitions 2

2 Statutory Authorities 6

3 Commencement 6

4 Setting the BID Levy 6

5 The BID Revenue Account **Error! Bookmark not defined.**

6 Debits from the BID Revenue Account 6

7 Collecting the BID Levy 6

8 Procedures available to the Council for enforcing payment of the BID Levy 8

9 Enforcement Mechanisms for non-collection of the BID Levy by the Council 9

10 Accounting Procedures and Monitoring 10

11 Termination 10

12 Confidentiality 12

13 Notices 12

14 Miscellaneous 12

15 Exercise of the Council's powers 13

16 Contracts (Rights Of Third Parties) 13

17 Arbitration 13

18 Freedom of Information 14

Schedule 1 – The BID Levy Rules / Arrangements 18

Schedule 2 – The Baseline Agreement 26

Schedule 3 – Memorandum and Articles of Association 32

## **Operating Agreement**

**Dated 1<sup>st</sup> April 2016 Between**

- (1) **Southwark Council** (the Council) of 160 Tooley Street, London, SE1 2QH and
- (2) **Waterloo Quarter BID** (the BID Company) registered as a company limited by guarantee in England with number 4381162, whose registered office is at Suite 2 45-46 Lower Marsh, London SE1 7RG

### **Recitals**

- A The Council is a billing authority for the purposes of the Local Government Act 2003 and is responsible for collecting the BID Levy in its area and administering the BID Revenue Account which shall be used towards the operation of the BID within the area of the Council and the funding of the BID Arrangements.
- B The BID Company 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
- C 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 the Council and the BID Company for the duration of the BID
- D The purpose of this Agreement is to:
- establish the procedure for setting the BID Levy
  - confirm the basis upon which the Council 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
  - confirm the manner in which the Council's expenses incurred in collecting the BID Levy shall be paid

**IT IS AGREED:**

**1 Definitions**

**the Administrative Expenses** means costs incurred by the Council in the administration, collection and recovery of the BID Levy

**the Annual Report** means a report to be prepared by the Council which details the following:-

- (i) the total amount of BID Levy collected during the relevant Financial Year;
- (ii) details of the success rate for the collection of the BID Levy;
- (iii) the Council's proposals (if any) to help improve its efficiency in the collection and enforcement of the BID Levy; and
- (iv) details of those BID Levy Payers who have paid the BID Levy and those who have not paid the BID Levy.
- (v) the Council's proposals for bad or doubtful debts

**the Appeal Notice** means a notice to be served by the BID Company in accordance with clause 9.2

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

**the Baseline Agreement** means the draft Agreement annexed at Schedule 2 the final version of which is to be agreed by the parties

**the BID** means the Business Improvement District which is managed and operated by the BID Company and which operates within and is covered by those streets set out below.

The following streets are included in the BID area in whole or in part:

Aquinas Street	Greenham Close	Mepham Street	Station Approach
Baylis Road	Greet Street	Mitre Road	Tenison Way
Brad Street	Grindall Street	Morley Street	The Cut
Carlisle Lan	Hatfields	Morton Place	Theed Street
Centaur Street	Hercules Road	Murphy Street	Virgil Street
Coin Street	Hercules Terrace	Newnham Terrace	Ufford Street
Cons Street	Johanna Street	Pear Place	Waterloo Road
Coral Street	Kennington Road	Pearman Street	Webber Street
Cosser Street	Launcelot Street	Pontypool Place	Westminster Bridge Rd
Cornwall Road	Leake Street	Roupell Street	Whittlesey Street
Duchy Street	Lower Marsh	Sandell Street	Windmill Walk
Exton Street	McAuley Close	Sidford Place	Wootton Street
Frazier Street	Mead Row	Spur Road	

**the BID Arrangements** means those arrangements to be put in place pursuant to the Regulations for the operation of the BID company

**the BID Company's Report** means a report for each Financial Year to be prepared by the BID Company which details the following:-

- (a) the total income and expenditure of the BID Levy;
- (b) other income and expenditure of the BID Company not being the BID Levy;
- (c) a statement of actual and pending deficits; and
- (c) the various initiatives and schemes upon which the BID Levy has been expended by the BID Company

**the BID Levy** means the charge to be levied and collected within the part of the BID area within the Council's area pursuant to the Regulations

**the BID Company's Termination Notice** means a notice to be served by the BID Company on the Council pursuant to clause 11.8

**the BID Levy Payer(s)** means the non-domestic rate payers who are liable for paying the BID Levy in the Council's area

**the BID Levy Rules** means the rules set out in the Schedule which sets out how the BID Levy will be calculated, details of Exempt or Discounted Properties and other requirements related to the BID Levy (as may be amended by a successful alteration ballot)

**the BID Revenue Account** means the account to be set up in accordance with section 47 Local Government Act 2003, regulation 14 and operated in accordance with Schedule 3 of the Regulations

**the BID Term** means the period of 5 years from 1 April 2016 to 31 March 2021

**the Council's Termination Notice** means the notice to be served by the Council on the BID Company pursuant to Clause 11.1

**the Contributors** means the BID Levy Payers or other Contributors making voluntary contributions to the BID company.

**Demand Notice** shall have the same meaning ascribed to it as further set out in paragraphs 3 of Schedule 4 of the Regulations

**Hereditament** shall have the same meaning as defined in the Regulations

**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):

- (a) by means of a telecommunication system (within the meaning of the Telecommunications Act 1984);or
- (b) by other means but while in electronic form

**Enforcement Notice** means a notice to be served on the Council as specified in Clause 9

**the Exceptions** means the circumstances in which the Council shall not be required to seek to enforce payment of the BID Levy where a BID Levy payer has failed to make payment pursuant to a Demand Notice. The exceptions shall be as agreed by the parties from time to time.

**the Exempt or Discounted Properties** means those class or classes of properties as identified in the BID Levy Rules which shall be exempt either from any requirement to pay the BID Levy or are permitted a discount on the BID Levy

**the Financial Year** means the financial year for the BID Company which runs from 1<sup>st</sup> April to 31<sup>st</sup> March in the following year

**the First Priority Expenses** means the administrative expenses incurred by the Council in respect of all reasonable costs arising out of compliance with its obligations under this Agreement and the Regulations during each year of the duration of this agreement

**Liability Order** means an order obtained from the Magistrates Court

**the Monitoring Group** means the group to be set up to monitor the collection and enforcement of the BID Levy (as referred to in Clause 10) such group to consist of one Council officer from Southwark Council and one representative from the BID Company

**the Operational Date** means the date upon which the BID Arrangements come into force

**the Public Meeting** means the meeting to be held of all BID Levy Payers pursuant to the Public Meeting Notice

**the Public Meeting Notice** means a notice to be served pursuant to Clause 11.1 or 11.8 by either the Council or the BID Company which provides the following:-

- (a) confirmation that either party is considering terminating the BID;
- (b) details of the venue where the public meeting will be held;
- (c) confirmation that all BID Levy Payers who attend will be permitted to make representations

**the Regulations** means the Business Improvement Districts (England) Regulations 2004(as amended) and such amendments made by the Secretary of State pursuant to Section 48 of the Local Government Act 2003 (from time to time)

**the Reminder Notice** means the notice to be served pursuant to Clause 8.1

**the Further Reminder Notice** means the notice to be served following a Reminder Notice and pursuant to Clause 8.2

**a Working Day** means any day of the week other than a Saturday, a Sunday or a bank holiday

## **2 Statutory Authorities**

2.1 This Agreement is made pursuant to Part IV of the Local Government Act 2003 and Section 111 of the Local Government Act 1972 and all other enabling powers

## **3 Commencement**

3.1 This Agreement shall be effective from 1<sup>st</sup> April 2016

3.2 If, at the end of the BID Term, a renewal ballot is held and is successful then the terms of this Agreement shall be reviewed prior to the start of the new BID term.

## **4 Setting the BID Levy**

4.1 By 13<sup>th</sup> March 2016 the Council shall:-

- (i) calculate the BID Levy due from each BID Levy Payer in accordance with the BID Levy Rules; and
- (ii) confirm in writing to the BID Company the BID Levy payable annually by each BID Levy Payer
- (iii) enter into the Baseline Agreement with the BID Company

## **5 Debits from the BID Revenue Account**

5.1 The Council may debit directly from the BID Revenue Account:-

- (i) the First Priority Expenses at the mid-point of each Financial Year provided that they have been detailed in a valid VAT invoice delivered to the BID Company giving a detailed breakdown of the costs incurred
- (ii) 5% of the total predicted BID levy income for refunds.

6.2 Notwithstanding the above provision the BID Company shall be responsible for ensuring that all VAT invoices delivered to the BID Company shall, if not debited from the BID Revenue Account, be paid within 28 days of delivery.

## **6 Collecting the BID Levy**

6.1 The Council shall at the beginning of each Financial Year confirm in writing to the BID Company:-

- (i) the means by which the BID Levy Payer shall be billed for the BID Levy; and



- (ii) the date when the BID Levy shall first be collected (such date to be on or after the Operational Date and before 8<sup>th</sup> April 2016)
- 6.2 Pursuant to clause 7.1(ii) the Council 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
- 6.3 The Council shall maintain a list which identifies payment and/or non payment of the BID Levy and shall make available to the BID Company at intervals of not less than once a month
- 6.4 The Council shall liaise with the BID Company in carrying out monthly reviews of each Hereditament within that part of the BID Area within the Council's area and in the event of any change in the occupier of each Hereditament or the merger or division of a Hereditament (or provision of an additional Hereditament) shall:
  - (a) serve an updated list of BID Levy Payers upon the BID Company;
  - (b) serve a Demand Notice (or alter any existing Demand Notice if appropriate) on the relevant BID Levy Payer
- 6.5 The Council shall use all reasonable endeavours to collect the BID Levy on the date specified (pursuant to clause 7.1(ii) above) and thereafter on an annual basis and in accordance with the procedure set out in Schedule 4 of the Regulations
- 6.6 The Council shall use all reasonable endeavours to take all reasonable steps for collecting the BID Levy which are consistent with its usual procedures for the collection of non-domestic rates
- 6.7 On the 10<sup>th</sup> of every month hereafter the Council shall notify the BID Company of the amounts credited to the BID revenue account and of the amount of the authorised debits in accordance with clause 6 and upon receipt of an appropriate VAT invoice from the BID Company shall transfer to the BID Company's own bank account the amount due and provide written confirmation of the sum transferred
- 6.8 In the event of an overpayment to by the Council to the BID Company in excess of £5,000 for a period of more than three consecutive months, the BID will return the overpayment to the Council within 14 days upon receipt of a valid invoice.

## **7 Procedures available to the Council for enforcing payment of the BID Levy**

7.1 In the event that the BID Levy is not paid in whole within fourteen days from the 1<sup>st</sup> April of each year then (subject to the Exceptions or as may otherwise be agreed between the parties) the Council shall serve a Reminder Notice on such defaulting BID Levy Payer which shall:-

- (i) identify the sum payable;
- (ii) provide a further 14 (fourteen) days for payment to be made;
- (iii) confirm that the Council will make an application to the Magistrates Court for a Liability Order to recover the unpaid sum (together with costs)

7.2 In the event that the BID Levy is not paid in whole within 7 (seven) days of the service of the reminder notice in accordance with clause 8.1 then the council shall immediately inform the BID Company of such further failure to pay (subject to the exceptions). The Council will consider any comments made by the BID Company before deciding whether to make an application to the Magistrates Court for a Liability Order. The Council will normally then make an application to the Magistrates Court for a Liability Order 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)

## **8 Enforcement Mechanisms for non-collection of the BID Levy by the Council**

8.1 In the event that the Council is not enforcing payment of the BID Levy pursuant to Clause 8 above the BID Company shall serve the Enforcement Notice on the Council requesting that it:-

- (i) serves a Reminder Notice; or
- (ii) serves a Further Reminder Notice; or
- (iii) obtains a Liability Order pursuant to Clause 8.3 above

and the Council shall thereafter provide written confirmation of the action taken to recover the unpaid BID Levy

8.2 If after being served an Enforcement Notice the Council fails to take the requested action within 28 days then the BID Company shall serve an Appeal Notice to the Chief Executive of the Council. Such notice shall:-

- (i) detail the sum which remains unpaid;
- (ii) confirm that the Council has failed to use the enforcement mechanisms available to it under this Agreement to recover the sum; and
- (iii) request a meeting take place between the Chief Executive, relevant officers of the Council and BID Company to achieve a solution and/or agree a strategy to recover the outstanding sum such meeting to take place in any event no later than 28 (twenty eight) days from service of the Appeal Notice

8.3 In the event that the Council fails to take any of the steps requested by the BID Company pursuant to clauses 9.1 and 9.2 (above) the Council shall (within 28 days of receipt of written notice from the BID Company which specifies the amount of BID Levy outstanding) pay the specified sum into the BID Revenue Account and provide written confirmation to the BID Company that this has been done

## **9 Accounting Procedures and Monitoring**

9.1 Within 1 (one) month from the Operational Date the Council and BID Company shall form the Monitoring Group

9.2 In addition to the information outlined in 7.4, every month during the BID term the Council shall provide the BID Company with a breakdown of:-

- (i) the amount of BID Levy for each individual BID Levy Payer;
- (ii) the BID Levy collected in relation to each BID Levy Payer;
- (iii) details (together with the outstanding unpaid sum) of those BID Levy Payers who have not paid the BID Levy during those 6 months;
- (iv) details of the Reminder Notices issued throughout that period; and
- (v) details of any Liability Orders obtained or applied for by the Council;

9.3 The Monitoring Group shall meet no less than once in any one Financial Year and on all other occasions further meetings of the Monitoring Group shall be arranged by the service of written notice by either party on the other, such notice to be provided no less than 28 (twenty eight) days prior to the date of the proposed meeting (or lesser if otherwise agreed or in cases of emergency) and provided further that such meetings can be dispensed with altogether upon the written agreement of both the Council and the BID Company

9.4 At each meeting the Monitoring Group shall

- (i) review the effectiveness of the collection and enforcement of the BID Levy; and
- (ii) if required, review and assess the information provided by the Council pursuant to Clauses 10.2 above and make any recommendations for implementation as may be agreed (and which are permitted by the Regulations and the terms of this Agreement)

9.5 Within 1 (one) month after the date of the end of the Financial Year the Council shall provide the Annual Report to the BID Company

9.6 The BID Company shall provide the BID Company Report to the Council two weeks prior to their Annual General Meeting (this normally takes place in September or October).

## **10 Termination**

10.1 The Council shall not be permitted to terminate the BID Arrangements because either

- (a) The works or services to be provided under the BID arrangements are no longer required; or
- (b) the Council is unable, due to any cause beyond its control to provide the works or services which are necessary for the BID to continue

Unless:

(i) it has consulted the Lead Billing Authority, and

(ii) it has consulted the BID Company and conducted a consultation with members of the business community for the geographical area of the BID as the Council and the Lead Billing Authority consider appropriate.

10.2 The Council will notify the BID Company and the Lead Billing Authority in writing of its intention to terminate the BID arrangements at least twenty eight (28) days before the date of termination

10.2 Where a proposal to terminate the BID arrangements relates to clause 10.1(b) both parties shall agree and/or discuss or review the following:

- (a) the services or works which it is no longer able to provide together with confirmation and details as to why such works or services cannot be provided;
- (b) a review by both parties as to whether such works or services are of material importance to the BID so that termination of the BID Arrangements is the only option;
- (c) alternative means of procuring the said services or works by third parties or increased financial funding from the BID Company;
- (d) alternative replacement services or works which will be acceptable to the BID Company ;
- (e) an appropriate time frame to resolve this issue

10.3 The BID Company shall not be permitted to terminate the BID Arrangements because either

- (a) The works or services to be provided under the BID arrangements are no longer required; or
- (b) the BID Company is unable, due to any cause beyond its control to provide the works or services which are necessary for the BID to continue

Unless:

(i) it has consulted the Council and the Lead Billing Authority, and

(ii) it has consulted such members of the business community for the geographical area of the BID as the Council and the Lead Billing Authority consider appropriate.

10.4 The BID Company will notify the Lead Billing Authority in writing of its intention to terminate the BID arrangements at least twenty eight (28) days before the date of termination

## **11 Confidentiality**

11.1 Both the Council and the BID Company agree to keep confidential and not to divulge to any person without the prior written consent of the other party all information (written or oral) concerning the business affairs of the other nor any information which has been exchanged about the BID Levy Payers or Contributors or about other third parties which it shall have obtained or received as a result of operating the BID. This obligation shall survive the termination or lapse of the BID Arrangements

## **12 Notices**

12.1 Any notice or other written communication to be served or given to or upon any party to this Agreement to the other shall be in writing and shall be sent to the address provided for above or such substitute address in England as may from time to time have been notified by that party

12.2 A Notice may be served by

12.2.1 Delivery to the Head of Strategy and Partnerships, PO BOX 64529  
London, SE1P 5LX

12.2.2 Delivery to the Company Secretary at the BID Company's address specified above

12.2.3 Registered or recorded delivery post

12.2.4 Electronic Communication to Southwark Council Chief Executive at the email address: [eleonor.kelly@southwark.gov.uk](mailto:eleonor.kelly@southwark.gov.uk) (provided that it is in legible form and is capable of being used for subsequent reference)

12.3 Any notice served shall be deemed to have been validly served or given at the time when in the ordinary course of business it would have been received.

## **13 Miscellaneous**

13.1 For the avoidance of doubt where any part of this Agreement is incompatible with the Regulations or any other regulations which the Secretary of State may issue pursuant to Part IV of the Local Government Act 2003 then such part shall be struck out and the balance of this Agreement shall remain

- 13.2 The headings appearing in this Agreement are for ease of reference only and shall not affect the construction of this Agreement
- 13.3 For the avoidance of doubt the provisions of this Agreement (other than those contained in this Clause) shall not have any effect until this document has been dated
- 13.4 Where reference is made to a Clause, Part, or Recital such reference (unless the context requires otherwise) is a reference to a clause, part, plan, or recital attached to this Agreement
- 13.5 References to the Council include any successors to its functions as local authority
- 13.6 References to statutes, bye laws, regulations, orders, delegated legislation shall include any such instrument re-enacting or made pursuant to the same power

#### **14 Exercise of the Council's powers**

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

#### **15 Contracts (Rights Of Third Parties)**

The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement

#### **16 Arbitration**

The following provisions shall apply in the event of a dispute:

- 16.1 Any dispute or difference of any kind whatsoever arising between the parties hereto out of or in connection with this Deed shall be referred to arbitration before a single arbitrator
- 16.2 The parties shall jointly appoint the arbitrator not later than 28 (twenty eight) days after service of a request in writing by either party to do so and each party shall bear its own costs
- 16.3 If the parties are unable to agree within 28 (twenty eight) 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
- 16.4 In the event of a reference to arbitration the parties agree to:
- prosecute any such reference expeditiously and
  - 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

- 16.5 The award shall be in writing signed by the Tribunal and shall be finalised within 21 (twenty one) days from the date of such award
- 16.6 The award shall be final and binding both on the parties and on any persons claiming through or under them

**17 Freedom of Information**

- 17.1 The BID company accepts that the Council is obliged to comply with the Freedom of Information Act 2000 and the Code of Practice on the Act, and will assist the Council to comply with these obligations. This includes helping the Council comply with its obligation to respond to a request for information within 20 days of receipt; and providing information to the Council where the Council requests.
- 17.2 The Council is entitled to disclose information unless it believes that the information is exempt under the Act. Exemption may apply where, for example, information is provided in confidence; where the information is a trade secret; or where release is likely to prejudice commercial interests. The Council will decide, acting reasonably, whether information requested under the Act is to be disclosed or not. The Council will where reasonably practicable consult the BID Company and will consider any representations made by it. The Council shall not be liable for any loss or other detriment caused by the disclosure of any information in response to a request for information under the Act

**Signed** by the parties or their duly authorised representatives

**Signed by** )  
 duly authorised for and )  
 on behalf of )  
**London Borough Of Southwark** ) \_\_\_\_\_

**Signed by** )  
 duly authorised for and )  
 on behalf of )  
**London Borough Of Southwark** ) \_\_\_\_\_

**Signed by** )  
 duly authorised for and )  
 on behalf of )  
**Waterloo Quarter Business Improvement District (BID) Ltd** ) -  
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# Schedule 1 – The BID Levy Rules / Arrangements

## Who is proposing this initiative?

The BID proposer is the Board of WeAreWaterloo (registered name Waterloo Quarter Business Improvement District (BID) Ltd.)

The BID body will be WeAreWaterloo.

## How will the BID be run?

The Southwark and Lambeth BIDs will be run as two 'trading arms' of WeAreWaterloo. The BID Regulations require the accounts for the two boroughs to be held separately. However, the overall aim is for the BID to achieve parity of service for all businesses, regardless of the local authority area in which they sit.

The BID will be run by the WeAreWaterloo BID Company. Its Board of Directors is formed from representatives from the local business community, all of whom are BID levy payers. Representatives are drawn from both the Lambeth and Southwark sections of the BID.

It is important that the make-up of the Board and steering groups reflects the diversity of the local business community to ensure we are delivering a programme of activity that meets the needs of all our members.

The make-up of the Board will be as follows:

- Office 5
- Retail 3
- Pub, Bar, Restaurant 2
- Community/Other 3
- Hotelier (new dedicated Board place from 1 April 2016 to represent the interests of this growing sector) 1
- Property owner 1
- Resident 1

Observer places on the Board are held by the following:

- Lambeth Council, officer and member
- Southwark Council, officer and member
- Metropolitan Police

The Board is responsible for agreeing the strategic direction of the BID and overseeing the delivering of major projects, financial management and key performance indicators.

The Board is supported by three Steering groups, drawn from the wider BID membership. The groups are responsible for developing BID projects and services in line with the overarching strategy of the company. All businesses are given the opportunity to be represented on these sub-groups and the Board. Each Steering group is chaired by a Director of the Board:

- Marketing & Business Development
- Environment & Public Realm

Lower Marsh Market is a subsidiary company of WeAreWaterloo. It has two Directors:

- The Chairman of the BID
- WeAreWaterloo (Corporate Director)

The market is a not-for-profit company limited by guarantee. WeAreWaterloo is reimbursed by the market company for management costs incurred in the running of the street market, making the operation of the market cost-neutral to the BID. Any surplus generated by the market is reinvested into its development and promotion.

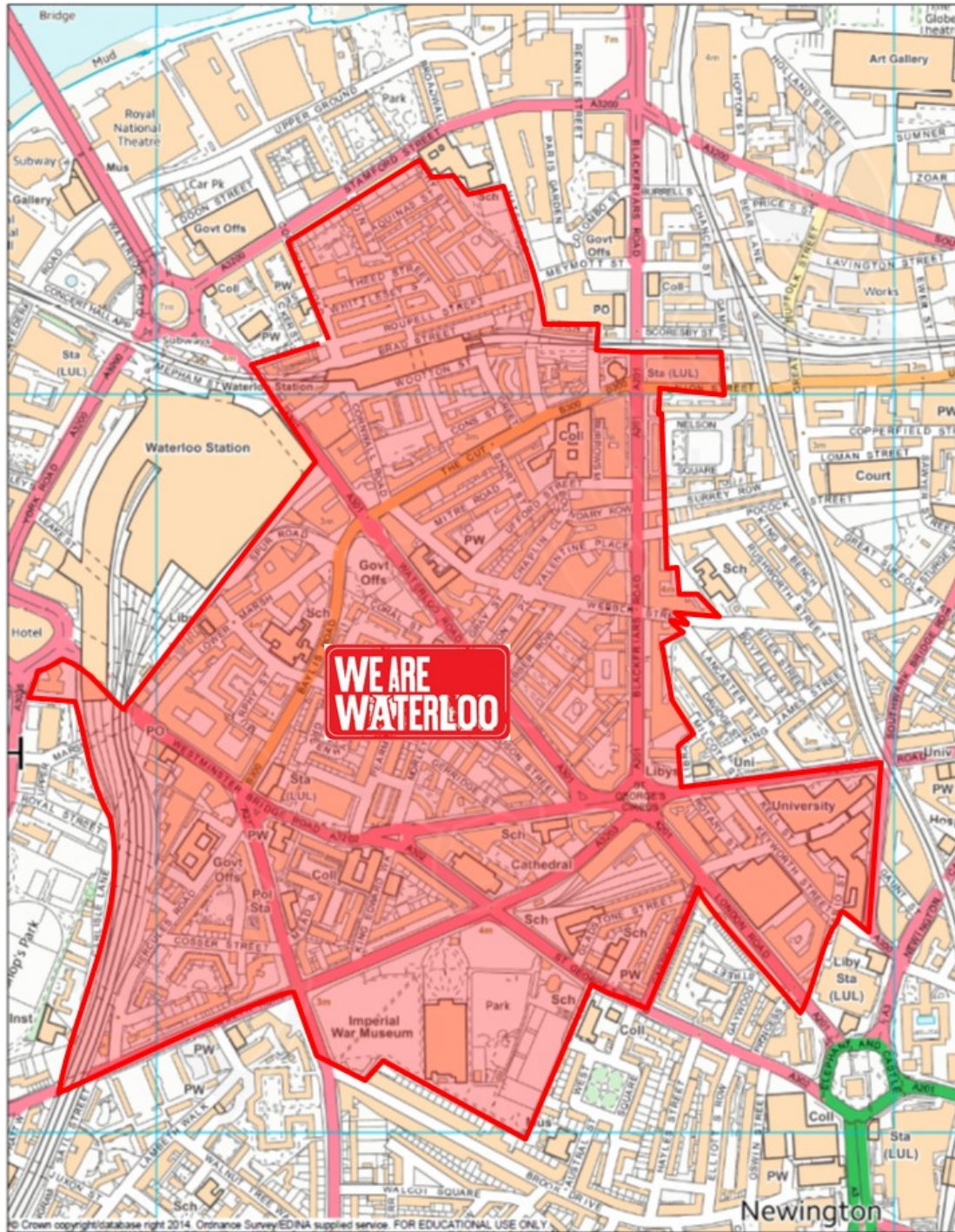
The new business incubator will be run by WeAreWaterloo through a newly created not-for-profit company. The BID will receive an income from the incubator company for management costs incurred in running the facility.

**How long will the BID last?**

The BID term will be five years in duration from 1 April 2016 to 31 March 2021. Before the end of this period, the BID Board may choose to seek renewal of the BID for a further term, through a renewal ballot.

**What area is covered by the proposal?**

The area covered by the proposals comprises parts of the London Boroughs of Lambeth and Southwark as shown in the map below, and covering part or all of the following streets.



The BID area covers the following streets, either in whole or in part:

## Lambeth

Aquinas Street  
Baylis Road  
Brad Street  
Carlisle Lane  
Centaur Street  
Coin Street  
Cons Street  
Coral Street  
Cosser Street  
Cornwall Road  
Duchy Street  
Exton Street  
Frazier Street  
Greenham Close  
Greet Street  
Grindall Street  
Hatfields  
Hercules Road  
Hercules Terrace  
Johanna Street  
Kennington Road  
Launcelot Street  
Leake Street  
Lower Marsh  
McAuley Close  
Mead Row  
Mepham Street  
Mitre Road  
Morley Street  
Morton Place  
Murphy Street  
Newnham Terrace  
Pear Place  
Pearman Street  
Pontypool Place  
Roupell Street  
Sandell Street  
Sidford Place  
Spur Road  
Station Approach  
Tenison Way  
The Cut  
Theed Street  
Virgil Street  
Ufford Street  
Waterloo Road  
Webber Street  
Westminster Bridge Road  
Whittlesey Street  
Windmill Walk  
Wootton Street

## Southwark

Barons Place  
Blackfriars Road  
Borough Road  
Boundary Row  
Brook Drive  
Burrows Mews  
Colnbrook Street  
Colombo Street  
Cooper Close  
Dodson Street  
Garden Row  
Geraldine Street  
Gerridge Street  
Gladstone Street  
Gray Street  
Hatfields  
Isabella Street  
Joan Street  
King Edward Walk  
Lambeth Road  
Kell Street  
Keyworth Street  
London Road  
Meymott Street  
Morley Street  
Ontario Street  
Paris Garden  
Peabody Square  
Pontypool Place  
Rotary Street  
Scoresby Street  
Short Street  
Southwark Bridge Road  
St George's Circus  
St George's Road  
St George's Row  
St George's Mews  
The Cut  
Thomas Doyle Street  
Ufford Street  
Valentine Place  
Valentine Row  
Waterloo Road  
Webber Row  
Webber Street  
Whitehorse Mews

### **Shouldn't the Council be paying for this through business rates?**

There is no link between the amount of business rate collected by the Council and the amount it receives back from Central Government to deliver services in the area.

A BID, in comparison, generates revenue that is 100% ring-fenced for the area in which it is collected, to be spent on projects for the benefit of businesses that pay the BID levy as determined by the businesses themselves. All services provided by the BID will be additional to those provided by The Council.

Additionality is ensured through the production of a 'Baseline Agreement' with each Council to set out the standard level of service that is already provided for the BID area. This ensures that the BID levy only funds services and projects over and above this level.

### **How will the ballot work?**

In order to be renewed, the BID needs to receive a 'yes' vote from a majority of businesses voting in the ballot, by number and by the total rateable value they represent.

If established, the BID will be financed by a mandatory annual levy, which is then ring-fenced for the delivery of the BID business plan.

The BID area spans part of the boroughs of Lambeth and Southwark. Historically, two separate ballots have been required. However, changes in legislation have meant that a single ballot can be conducted for the whole BID area. The ballot will be conducted by the Electoral Services team at Lambeth Council on behalf of businesses in both Lambeth and Southwark.

The ballot will be a secret postal ballot of the eligible hereditaments on the Ratings List at the time of the Notice of Ballot being issued.

A formal Notice of Ballot will be issued by the Ballot Holder in the second week of December.

Postal ballot papers will be issued on Friday 22<sup>nd</sup> January 2016

The ballot will close on **Thursday 25<sup>th</sup> February 2016 at 5.00pm**

The announcement of the result will be made on Friday 26<sup>th</sup> February 2016

### **Who is eligible to pay the levy? Are there any exemptions?**

All types of business are eligible for the BID levy. Hereditaments (rated 'units' of business space) with a rateable value of less than £6,500 will be exempt from paying the levy and therefore will not be eligible to vote in the ballot.

Businesses with a rateable value of less than £6,500 will be welcome to contribute on a voluntary basis, which will allow them to be involved in the BID Company. If, as a result of a re-valuation, a business' rateable value shall exceed £6,500 at any time during the BID term, they will become eligible for the levy.

The BID levy payer in cases of unoccupied hereditaments will be the owner of the whole of the hereditament and the BID levy will be 1.5% of the rateable value. Where hereditaments are unoccupied at the time of the notice of ballot, the owner will be entitled to vote in the BID ballot.

Businesses with mandatory charitable relief from business rates will be given a discount of 50% of the BID levy. Those hereditaments which are exempt from empty property rates will not be exempt from the BID levy.

Where the occupants of hereditaments pay an inclusive rent or other charge for occupying space that includes the rates charge, the owner is liable to pay the BID levy and, consequently, is eligible to vote in the ballot.

Businesses which begin to occupy existing hereditaments during the BID period will be liable to pay the levy for their period of occupation, providing the hereditament remains eligible for BID membership. The BID levy will be extended to occupiers of hereditaments built or first occupied in the BID area during the life of the BID, assuming that they are otherwise eligible. In these cases the levy will be calculated on the rateable value entered in the 2010 Rating List or the most recent available rateable value if there is no entry in the 2010 Rating List

The following will not be eligible for the BID levy, or for the vote:

- Business units with a rateable value of less than £6,500
- 'Central List' properties that are not contained in the local rating list. (NB. These include British Telecom and the gas and electricity supply networks.)
- Advertising rights, telephone masts, and kiosks
- Residential estate offices
- Schools
- Places of worship

### **How much will this cost?**

The BID levy is a daily charge. Occupiers and owner-occupiers will pay the levy at the rate of 1.5% of rateable value. The BID levy will be charged at 1.5% of the rateable value of each hereditament listed in the 2010 Ratings List as at the date of notice of ballot generating approximately £610,000 per year for the area.

The BID levy will increase by 3% annually to take inflation and cost increases into account. The BID multiplier will be as follows:

Year 1: 1.5%  
Year 2: 1.53%  
Year 3: 1.56%  
Year 4: 1.59%

Year 5: 1.62%

The table below sets out the indicative levy payable for businesses depending on their rateable value in the first year of the BID.

Indicative rateable value	Indicative BID levy
£10,000	£150
£50,000	£750
£100,000	£1,500
£200,000	£3,000

An upper cap of £40,000 will be set on the BID levy payable. No single hereditament will have to pay more than this amount.

If you're not sure what your rateable value is or how much your levy would be, please get in touch with the BID team.

#### **How will the BID levy be collected?**

Arrangements for the collection of the BID levy will be set out in two formal Operating Agreements between WeAreWaterloo and Lambeth and Southwark Councils. The Councils will be responsible for collecting the BID levy on behalf of the BID. The BID levy will be payable in one instalment per year. Bills will be raised in March and payment will become due on 1st April each year. Enforcement measures for the collection of the BID levy will be detailed in the Operating Agreement between WQBID and Lambeth and Southwark Councils.

The BID levy is a mandatory charge and collection is enforceable in the same way as the business rate. After 14 days non-payment of the BID levy, a reminder will be sent giving a further 14 days to pay. If after a further seven days from the payment date stated in the Reminder Notice the outstanding sum of the BID levy has not been paid the Council shall make an application to the Magistrates Court for a Liability Order to recover the outstanding sum of the BID levy. Non-payment of the BID levy will incur additional costs to the business in question.

#### **Who will pay for the costs of the ballot?**

The costs of the BID ballot, if successful, will be met by Lambeth and Southwark Councils. In the event of a failed ballot, Southwark and Lambeth Council may choose to pass on the costs of the ballot to WeAreWaterloo.

#### **How can I get involved in the running of the BID?**

All new BID levy payers and all existing BID levy payers not currently formal Company Members, will be invited to become a Member of the Company. Company Members may subsequently nominate themselves for directorships in their relevant sector or to sit on one of the BID's steering groups.

#### **Can the BID arrangements be altered?**

Only minor amendments can be made to the BID arrangements without seeking formal approval from the BID Members. BID arrangements may be altered without an alteration ballot, as long as there is no proposal to alter:

- The geographical area of the BID
- The BID levy in such a way that would:
  - i. cause any person to be liable to pay the BID levy, who was not previously liable to pay; or
  - ii. increase the BID levy for any person other than for inflation purposes as set out above

Where BID arrangements may be altered without an alteration ballot, the alteration will be made by a decision of the WeAreWaterloo Board, following consultation with both Councils.