



SECURING FIVE YEARS OF INVESTMENT  
2015 to 2020

*Draft Business Plan*  
*(subject to final design sign-off)*

## WHAT IS BID4LEEDS?

BID4Leeds is the name given to the partnership run by Leeds BID Limited, which has been established as a not for profit company to act as the BID Proposer to create a Business Improvement District (BID) for investing in the City Centre of Leeds.

## WHAT IS A BID?

A BID is a business-led partnership that enables coordinated investment in the management and marketing of a commercial area. Governed by legislation to ensure fairness and transparency, a BID is created for a five year period following a successful ballot. During the term of the BID all businesses defined within this Business Plan will be required to pay the mandatory levy irrespective of whether they cast a vote in the ballot.

## WHY DOES LEEDS NEED A BID?

Leeds is an economic powerhouse.

One of the fastest growing cities in the UK, Leeds has the second largest employment total outside London and over 750,000 population.

As the UK's largest financial and business services centre outside London, this sector employs over 124,000 people in the City. Leeds is also recognised as the UK's most important legal centre outside London, with over 180 law firms. Together with over 200 accountancy firms including the majority of the 20 largest UK practices. The Bank of England also has a major presence in the City through its cash centre, which is responsible for bulk note handling for the North of England alongside over 30 national and international banks located in the centre. Further investment and development activity is continuing through the Sovereign Square scheme and West End schemes although there remains still little speculative office provision.

Leeds has consistently been ranked as one of the UK's top five retail destinations with over 1,000 shops and a wide variety of offerings although position dropped in recent years. Kirkgate Market, part of which is a Grade I listed building dating back from 1875 was where Marks & Spencer originates - Michael Marks opened his penny bazaar there back in 1884 and still operates as the largest covered market in Europe. Many independent retailers can be found around the city amongst the various streets and within the listed Corn Exchange. Significant recent retail investment has come to the city in the form of Trinity Leeds, which opened in 2013 joining Harvey Nichols and the many other high street and high-end names in and around Briggate and Victoria Quarter. The next major wave of development is already underway through Victoria Gate with a major scheme comprising John Lewis, specialist retail linking through to Victoria Quarter and further city centre car parking.

Leeds is the only English city outside London with its own repertory theatre, opera house and ballet companies. The Cultural Quarter is situated in the east of the city centre with landmarks including the BBC building and the West Yorkshire Playhouse. Just to the south of city centre also lies the Royal Armouries Museum, which is a

major tourist destination for the city. The most recent visitor destination is the new Leeds Arena, which opened in 2013 and has 12,500 seating capacity. The many attractions and retail and leisure offerings are well supported by a wide variety of hotels across the city centre ranging through budget, business and luxury. Much of this activity is not well joined-up at present to maximise the opportunities and therefore the BID will provide the mechanism to ensure coordinated activity.

In terms of education, there are almost 75,000 students at Leeds' two internationally acclaimed universities and 10% of all UK graduates were educated in Leeds. Alongside this, there are many other highly regarded educational institutions within the city including Leeds City College and the Leeds College of Music.

Leeds City Station is the busiest station in the north of England with over 900 trains and 100,000 passengers per day.

But we must not be complacent. The competition is not standing still. Increasingly there is a need to collaboratively invest in our town and city centres to safeguard their future. With greater competition to the traditional high street model; heightened customer and client expectations; and increasing pressures on public sector resources, a BID provides a compelling and accountable approach to ensure continued investment and coordinated place management.

## The Consultation

It is critical that we have understood the priorities of you, your staff and your customers when building the BID Business Plan for the next five years. We therefore created a variety of opportunities to engage with you and to ensure your views were heard during the Consultation.

### 1. Feasibility:

A comprehensive feasibility phase was undertaken, which ran from September 2013 to February 2014. Members of the Feasibility Study team undertook a consultation process which involved nearly 200 key stakeholders through over 30 meetings, five presentations and three workshops. Support for a BID for Leeds city centre was overwhelming and the feedback has informed this next stage of consultation and development.

### 2. Consultation:

A thorough consultation of all those likely to be subject to the levy, and therefore have a vote, were contacted during June 2014 to August 2014. A variety of means were utilised including email, telephone, face to face and meeting presentations. The survey was available online and by hard copy and was distributed to 100% of businesses. Direct contact was made with named individuals for a total of 709 out of the probable 1,097 voters (65%) during this phase.

### 3. Business Plan Projects Testing:

Draft Business Plan Projects was drawn up through the BID4Leeds Steering Group and this was tested through a variety of routes using email and hard copy version for the month of October 2014. This was sent to all known voters via email and distributed by hard copy through a variety of groups and initiatives.

## THE BID4LEEDS VISION

Many great partnerships, projects and initiatives exist across the city centre of Leeds.

The BID's vision is one of ambition.

To drive Leeds city centre forward to compete on a global scale and to act as a pivotal coordinating voice uniting people's efforts to maximise the benefit to the city for all business sectors.

The BID's approach will encompass leadership of new ideas and standards together with supporting and enhancing existing initiatives and will seek to add value by building on existing work streams and deliverables rather than duplicating them.

## THE BUSINESS PRIORITIES

Following the intensive consultation, a set of clear business priorities have been identified for the first five years of the BID.

The priorities are:

### 1. AIMING FOR HIGH STANDARDS

In the competitive landscape that we are faced with, it is critical that the BID ensures that the city is ambitious and aims higher in terms of place shaping standards to maintain and enhance the quality of provision and service across the city.

### 2. RAISING THE PROFILE

Leeds has a great deal to offer, and much more investment still to come. We must raise the profile of the city from both a consumer and corporate perspective.

### 3. ADDING VALUE

The BID has the ability through coordination of effort and investment to increase performance and achieve cost efficiencies whilst ensuring it doesn't just duplicate or replace existing provision.

## **THE BUSINESS PLAN PROJECTS**

### **THEME ONE: THE LEEDS WELCOME**

Leeds has the potential to be a great city with already high-quality provision and services but more needs to be done to ensure this is maintained and enhanced over the coming years.

The public sector providers including Leeds City Council and the West Yorkshire Police deliver a robust and thorough cleansing, street management and policing service that ensures a clean, safe and welcoming environment to workers, shoppers, residents and visitors alike. But the requirements of a high-class city often go beyond the statutory obligations.

BID4Leeds will focus on projects and initiatives that raise the game for both the physical and digital welcome to the city.

The proposed projects that the BID could deliver include:

1. **PHYSICAL WELCOME**

Improving the access points to the City Centre to ensure a better 'physical' welcome at all entry points, especially the train station, and to ensure ease of navigation around the city utilising new contemporary, consistent and visible way finding signage.

2. **DISTINCTIVE WELCOME**

Developing and delivering a robust marketing and communication strategy showcasing and focusing on Leeds' cultural, retail, leisure and commercial assets. Start the welcome for the consumer right from the online perception in the form of a strong consumer and corporate brand and website for the city and continue this through the full suite of digital and physical media propositions to ensure prospective visitors and users have all the information available to them. Targeted campaigns to celebrate Leeds's distinctiveness would include a focus on independent retailers, markets, the cultural offer to name just a few.

3. **BRANDED WELCOME**

Creating a uniformed team of BID Ambassadors to provide a meet and greet service, which could include static and mobile information points as the need arises. These Ambassadors could act as the eyes and ears for the city both reporting on standards of cleansing and enforcement whilst also acting as an information conduit to individual businesses as required.

## **THEME TWO: THE LEEDS EXPERIENCE**

Over the years, Leeds city centre has lacked a sustained series of city events and activities of a national scale, but more recently has been boosted by the opening of the Arena together with hosting Le Grand Depart of the Tour de France and this must be built upon. With heightened competition there is a need to ensure a well-rounded schedule of activities suiting all users of the city, to maximise investment and footfall.

Leeds City Council, Leeds & Partners and Leeds Hotels and Venues Association currently deliver some of these elements and inevitably many of the major initiatives and indeed statutory services are funded and delivered by the City Council. However the BID provides the opportunity to put a sharper focus on coordinated efforts, management arrangements and an all-round programme of events and activity for the benefit of the city centre together with adding value and supporting the delivery of existing aspirations across the city.

The proposed projects that the BID could deliver include:

### **1. COORDINATED EVENTS PROGRAMME**

Creating a year-round programme of activities, from large signature events through to small-scale sector-focused promotions, to build on the existing well-established events and to identify gaps and opportunities for further provision to enhance the business performance of the city. Build on the 'Tour de France' effect that the city was so proud to achieve. Activities could include consumer-facing initiatives to increase footfall such as coordinated retail opening hours during Christmas trading or promotion-led activity to increase overnight stays across the city. Particular emphasis would be placed on driving footfall and spend at times of the day and week when Leeds currently underperforms.

### **2. ANIMATING THE STREETS**

Generating a series of propositions to animate the streets including items such as streetscape improvements, green audits and initiatives, planting schemes, street furniture and banners.

### **3. PROVIDING A ONE STOP SHOP**

Acting as a one stop shop for businesses to ensure a clean and safe city centre. Working with the various existing initiatives such as Radio Link, Pub Watch, Taxi Marshalls and Street Angels that are run through partners including Leeds City Council, the Police and BACIL (Business Against Crime in Leeds) to ensure a well-managed city both day and night.

### **4. BUSINESS TOURISM PROPOSITIONS**

To support the creation of a city wide project team to generate and fund a business tourism strategy around the 'Leeds - The Conferencing City' Proposition.

5. STIMULATING A MODERN CITY

Identify opportunities to maximise the experience for all users of the city utilising modern technologies such as supporting the provision of free wifi throughout the city.

## **THEME THREE: THE LEEDS BUSINESS VOICE**

Cities operate more efficiently and profitably if businesses and public authorities are working effectively together. A strong, representative and effective business voice is therefore a critical component of successful place management.

The BID provides the opportunity to sharpen the focus of the business voice for the direct benefit of the city centre and in particular sectors where varying needs and aspirations exist.

The proposed projects that the BID could deliver include:

1. **ONE VOICE FOR BUSINESS**

Creating a conduit for all sectors across the city to ensure their voice is heard at a strategic level whilst also on a practical level to report on operational concerns such as parking, traffic and planning matters. The BID would also provide regular business communications and briefings as well as hosting forums and networking activities.

2. **INVESTMENT OPPORTUNITIES**

Creating a focus on investment needs in the City Centre and identify new funding opportunities to benefit individual businesses and sectors as well as the city as a whole to ensure Leeds can compete in the global marketplace. This is also representing business to ensure the city achieves a fair deal from the public sector and other funding sources.

3. **PROMOTING EXCELLENCE**

Delivering activities such as a Business Festival and a Business Awards initiative to promote excellence across the city and showcase best practice for the benefit of others.

4. **ACHIEVING ECONOMIES OF SCALE**

Driving down occupancy costs for businesses including investigation into a possible business recycling service and other collective buying opportunities to ensure the BID levy operates as an investment as opposed to a cost on business.

5. **A HUB FOR DATA, INTELLIGENCE AND INNOVATION**

Creating the BID as a hub for the collection and collation of data and intelligence of the city including footfall analysis, business surveys and customer surveys whilst providing a platform for innovation across the city.

6. **RETAINING TALENT AND SKILLS**

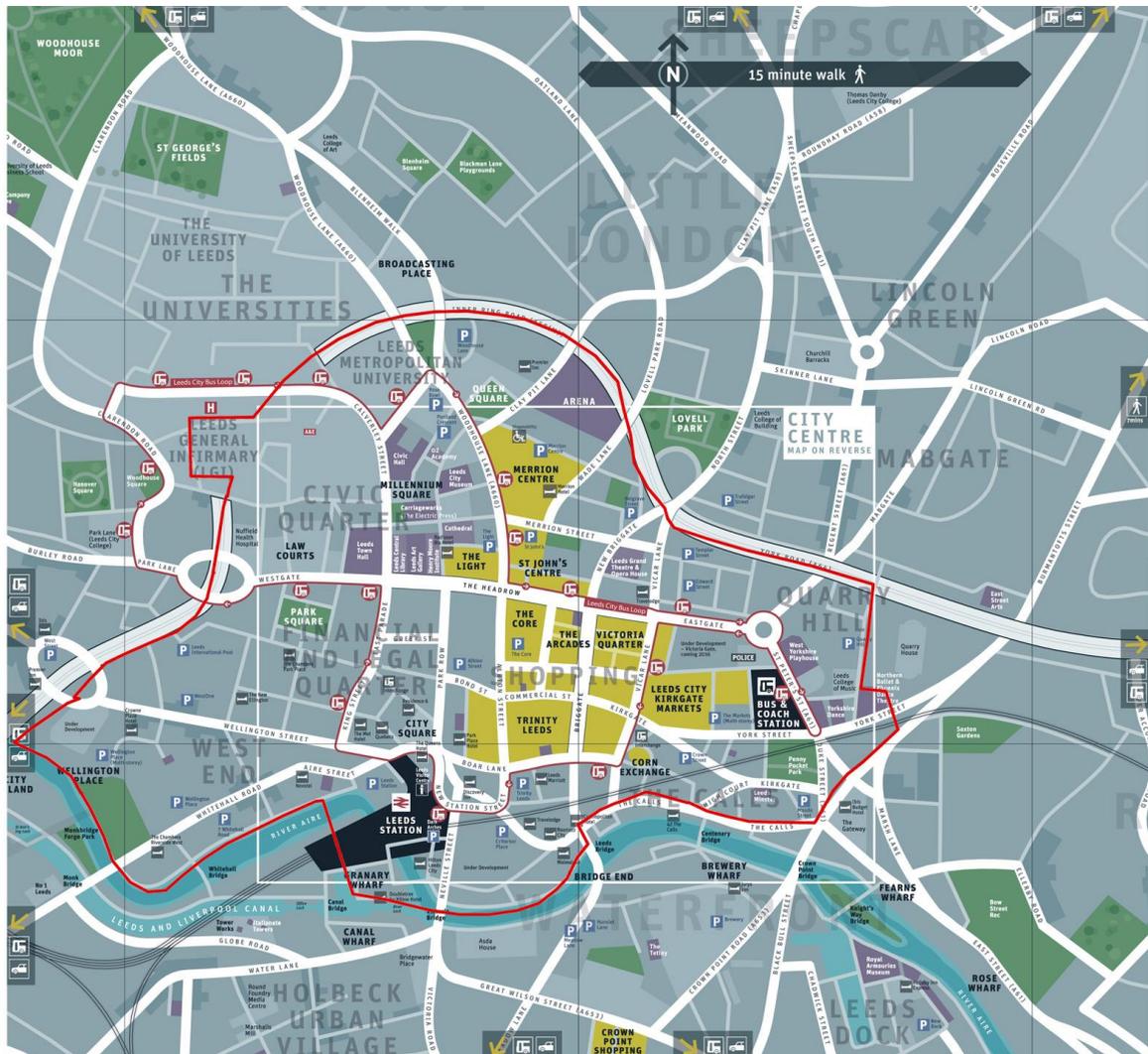
Promoting Leeds city centre as an economic driver of Leeds and Leeds City Region and promoting the city as a great place to work particularly for graduates. There are opportunities for the BID to add value in attracting and retaining talent by helping in creating a city centre environment for people to

want to work in. The BID will also take action to stimulate business interest and leadership with regard to work experience placements, apprenticeships and volunteering to improve employment opportunities and skills.

## THE BID AREA

The proposed BID area is shown.

Please visit [www.bid4leeds.com](http://www.bid4leeds.com) for a full list of streets within the BID area.



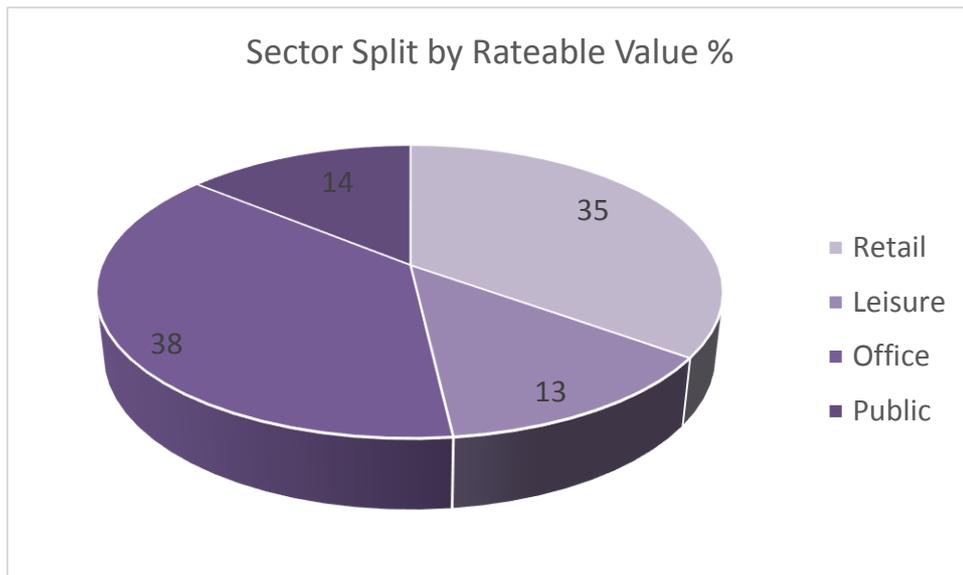
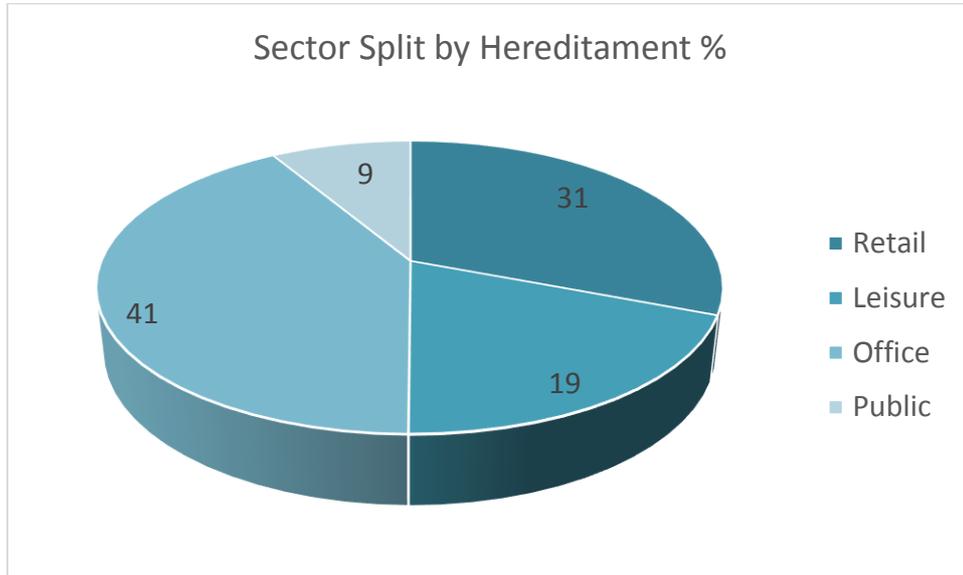
## FINANCES

Total Budget of c. £10 million over 5 years

						%	
Income		1	2	3	4	5	
Levy @ 1.25%	2,000,000	2,040,000	2,080,800	2,122,416	2,164,864		
Other Income (estimated)	100,000	100,000	100,000	100,000	100,000		
Total Income	2,100,000	2,140,000	2,180,800	2,222,416	2,264,864		
Expenditure							
The Leeds Welcome	620,000	632,400	645,048	657,949	671,108		30
The Leeds Experience	630,000	642,600	655,452	668,561	681,932		30
The Leeds Business Voice	310,000	316,200	322,524	328,974	335,554		15
Management & Overheads	360,000	367,200	374,544	382,035	389,676		17
Contingency & Loan Repayment	180,000	181,600	183,232	184,897	186,595		9
Total Expenditure	1,920,000	1,958,400	1,997,568	2,037,519	2,078,270		100

- Based on Industry Criteria, an assumed collection rate of 96% has been adopted
- A contingency on expenditure of 9% has been applied to allow for repayment on the set-up loan of £150,000 across years 1 and 2 and to enable flexibility to the plan in the later years of the BID.
- All new allocation of funds from the contingency budget and/or variations of allocation from the theme budgets will need to be reviewed and decided through the BID Board.
- The annual inflation rate on levy income has been assumed at 2%
- The percentage of estimated additional income, derived in particular from voluntary contributions, amounts to 5% over the term of the BID although this should prove to be a cautious estimate
- Management and overhead costs of the BID include all staffing, office accommodation, levy collection charges, legal and accountancy costs associated with running the BID, and are budgeted to remain below 20% of the total annual expenditure in line with Industry Criteria
- The levy collection charge is £24,000, which amounts to 1.2% of the levy and £22/unit

## SECTOR BREAKDOWN OF THE BID AREA



## BID LEVY RULES

1. From April 2015, the levy rate to be paid by each hereditament is to be calculated as 1.25% of its rateable value as at the selected 'chargeable day' (1<sup>st</sup> April annually).
2. All new hereditaments entering the Rating List after 1<sup>st</sup> April 2015 will be levied at 1.25% of the prevailing list.
3. A threshold of £60,000 Rateable Value will be applied, thereby exempting any businesses within the BID area falling below £60,000 Rateable Value.
4. The number of eligible hereditaments is estimated at 1,090.
5. The BID levy may increase by an inflationary factor of up to 2% in successive years (i.e. up from 1.25% to 1.27% in year 2). The board will assess if any increase is appropriate each year, giving careful consideration to the economic environment.
6. The levy will be charged annually in advance for each chargeable period from April to March each year, starting in 2015. No refunds will be made.
7. Any adjustments to the rateable values will only be adjusted at the fixed date of the subsequent chargeable year.
8. The term of the BID will be five years from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2020.
9. In the case of an empty or untenanted premises, the property owner will be liable for the BID levy with no void period, and will be entitled to vote.

*Consideration has been given to the British BIDs Industry Criteria and Guidance Notes 2014 when formulating the BID Levy Rules.*

## ONE LEVY FOR LEEDS

Leeds City Council has committed not to pursue other levy options in favour of supporting the principle of just one levy through the BID model. Both a Late Night Levy (a levy on late night leisure venues) and a Tourism BID levy (akin to a bed tax) had been investigated prior to developing a BID but reassurances have been given that neither will proceed in the event that the BID is established.

## LEGAL AGREEMENTS

A baseline agreement is in place, which sets out the agreed levels of service provided by Leeds City Council.

An operating agreement between Leeds BID Limited and Leeds City Council, which defines the contractual arrangements for the collection and enforcement of the BID levy is in place. *(Awaiting final version)*

Copies of these agreements can be viewed at [www.bid4leeds.com](http://www.bid4leeds.com)

## MANAGEMENT & GOVERNANCE

### BID Management

The management team for the BID will be a combination of directly employed, seconded and outsourced staff to ensure the full extent of skills and expertise are achieved. The team will need strategic leadership along with place management and place marketing expertise.

### BID Governance

Leeds BID Limited has been established as a not for profit company to act as the BID Proposer to create a Business Improvement District (BID) for investing in the city centre of Leeds.

During the BID development, a Management Board has overseen the legal and technical elements of the process. Alongside this, a Steering Group of willing volunteers from all sectors of the city have contributed their time and knowledge to the consultation and creation of the Business Plan.

Once the BID is established, there will be a Management Board representing all sectors. The Board will be responsible for the strategic and financial management of the BID and will meet on a quarterly basis as a minimum.

The split of representation on the Management Board will be per sector based on their relative value across the BID area to ensure all interests are suitably represented and the City Council will have formal representation as the provider of statutory services across the city.

Alongside the Management Board, will be short-life and/or ongoing working groups focused on specific issues/projects as the need arises. These groups will always have at least one Director from the Management Board in their membership and the appropriate budget will be agreed at Management Board level.

*(back page sign-off)*

# VOTE

## TO SECURE FIVE YEARS OF INVESTMENT IN LEEDS CITY CENTRE

A postal ballot of all business ratepayers in the BID area will take place from 29<sup>th</sup> January 2015 to 26<sup>th</sup> February 2015

The result will be announced on 27<sup>th</sup> February 2015

The BID will proceed if two tests are met –

- 1) A simple majority of those voting in the ballot must vote in favour
- 2) Those voting in favour must represent a majority of rateable value of the hereditaments (rateable properties)