

## Appendix 2

### Baseline Services Agreement

#### Schedule 1 - The Standard Services provided by Leeds City Council

##### 1.0 HIGHWAYS MANAGEMENT

***PART 1 - Statutory Services.** The activities below allow the Council to meet its statutory obligations on standards of Highway management in the BID area. Any proposed changes to the methods by which those standards are met will be undertaken in consultation with the business community.*

- 1.1 Service Standards: to provide an inspection and repair regime in accordance with the current Highway Infrastructure Asset Management Plan available at [http://www.leeds.gov.uk/docs/HiAMP\\_Section\\_4\\_from\\_2013-03-04.pdf](http://www.leeds.gov.uk/docs/HiAMP_Section_4_from_2013-03-04.pdf)
- 1.2 Winter Service; to provide a winter service regime in accordance with the current Winter Service Plan available at <http://www.leeds.gov.uk/docs/Winter%20Service%20Plan%202013-14.pdf>
- 1.3 Street Lighting; where street lighting is provided the council has a statutory duty of care to maintain it. This duty of care does not imply any duty on the Highway Authority to keep the public lighting lit. However, an authority responsible for the maintenance of public lighting should be able to demonstrate that they have systems in place to maintain the public lighting equipment in a safe condition. The council will arrange for inspections of the lighting equipment on a regular basis and will respond to reports of potentially hazardous defects within **one hour** and routine defects that are within the control of street lighting within **4 days**. Faults with power supplies will be reported to and repaired by the electricity supplying authority who must work to the national 'Guaranteed Standards of Performance' (GSOP's).
- 1.4 Network Management – The Traffic Management Act 2004 places a duty on local traffic authorities to manage the road network to secure the expeditious movement of traffic. The New Roads and Street Works Act 1991 places a duty on local highway authorities to co-ordinate all works and events on the highway network. The Highways Act 1980 places a duty on local highway authorities to protect the public's rights for the use and enjoyment of highways. To ensure these duties are carried out the Network Management section employs a number of tools to help manage the different works and events in the city centre. These include:
  - A permit scheme for utility and local authority road works  
Inspections of 10% of utility works to ensure they are undertaken safely, with minimum disruption and reinstated correctly
  - Monitoring of utility work durations and issue of overstay charges where appropriate  
The issue of fixed penalty notices to utility companies where works are not correctly notified

- The issuing of licences for builders skips, scaffolding, hoarding and cranes and associated inspection, monitoring and enforcement
- Co-ordination of works programmes and events to ensure the most efficient allocation of road space•

**PART 2 – STANDARD BUT NON-STATUTORY SERVICES**

*The activities are currently provided by the Council as standard services, but are non-statutory services. These activities will be subject to the outcomes of the comprehensive spending review and ongoing budgeting review and setting process of Leeds City Council. Any proposed changes to these standard services will be undertaken in consultation with the business community.*

- 1.5 Roads and footways maintenance; The council has a statutory duty to maintain roads and footways however within certain areas of the district we may decide to use enhanced or more aesthetic materials to do so over and above the minimum requirement to merely maintain.
- 1.6 Street Lighting; There is no requirement on local authorities in the UK to provide public lighting, The Highways Act 1980 empowers a Highway Authority to provide lighting for any highway or proposed highway for which they are, or will be, the Highway Authority. The council does not have a statutory duty to provide street lighting but it will do so where a need is established.

## **2.0 CLEANSING SERVICE**

*PART 1 - Statutory Services. The activities below allow the Council to meet its statutory obligations on standards of Highway management in the BID area. Any proposed changes to the methods by which those standards are met will be undertaken in consultation with the business community.*

Leeds City Council provides a street cleansing service with regard to its statutory duty under the Environmental Protection Act 1990. In this, the Authority has a general duty to keep land and roads clear of litter and refuse. This is not prescriptive legislation however and it includes permissive powers for which the Authority has some discretion. As an example, there is no specific statutory requirement to provide litter bins, but in not doing so, the statutory duty of keeping land free of litter etc would be that much more difficult. The following shows the approach of the Authority to general compliance, which will be modified according to emerging issues and changing need.

### **2.1 Litter bin emptying.**

This work is carried out seven days a week, with a start time intended to clear bins before the arrival of the main pedestrian commuter traffic. This continues throughout the day as required so that no bin is too full as to be unable to be used. A variety of litter bins types are provided with the majority accommodating the deposit of both litter and cigarette ends.

### **2.2 Removal of street litter.**

Litter picking commences early in the day at a time intended to clear litter deposited over-night. This is a seven day a week activity with staff deployed on set routes designed according to littering patterns (days of the week and time of day). The work is undertaken by individuals using street carts with basic cleaning equipment and is supplemented by a walk-behind mechanical sweeper. This approach to litter picking ends after the main daytime pedestrian traffic has left

the city centre. Overnight, litter removal is continued, but via drive-on pavement sweepers and road sweepers. The removal of litter is therefore continual 24hrs a day by a variety of means.

### 2.3 Cleansing of the broader streetscape.

Stickers, posters and other items deposited on street furniture etc are removed during the daytime by the staff in and amongst their litter picking duties. Items presenting possible biological hazards such as body fluids, faeces and needles etc are given high priority for removal.

### 2.4 Street washing & graffiti removal.

This work is undertaken seven days in every fortnight, which includes weekend working. Basic street washing and graffiti removal is supplemented by responding to spillages and staining reported or observed by staff. In certain high priority areas of the city centre, this work will extend to the removal of chewing gum and traffic residues, but this is not undertaken routinely across the city centre and is very limited in coverage.

### 2.5 Drainage / Street gullies.

The road gullies and road surface drainage systems are serviced and cleaned to ensure the free drainage of rain water off pavements and roads. This activity is undertaken largely during the night and does include a responsive service to deal with flooded areas following heavy rain.

### 2.6 Enforcement.

Enforcement officers work mainly during Mon- Fri, with reduced cover over the weekends. Enforcement work is carried out both formally & informally and involves both individual visitors to the city and city centre businesses. The issues controlled through this regulatory service include handing out of fliers, littering, waste storage, fouling, graffiti, domestic and commercial waste issues, and other health ( property drainage etc ) and certain other highways issues.

#### **PART 2 – STANDARD BUT NON-STATUTORY SERVICES**

*The activities are currently provided by the Council as standard services, but are non-statutory services. These activities will be subject to the outcomes of the comprehensive spending review and ongoing budgeting review and setting process of Leeds City Council. Any proposed changes to these standard services will be undertaken in consultation with the business community.*

The Authority undertakes a range of services which are not statutorily required, but which further the aim of a clean streetscape in Leeds city centre. These include patrolling the city centre to identify environmental contraventions such as illegal placement of banners, washing of litter bins and street furniture and responding to reports of problems with pests and vermin.

## 3.0 CITY CENTRE MANAGEMENT

**PART 1 - Statutory Services.** *The activities below allow the Council to meet its statutory obligations on standards of Highway management in the BID area. Any proposed changes to the methods by which those standards are met will be undertaken in consultation with the business community .*

NONE.

#### **PART 2 – STANDARD BUT NON-STATUTORY SERVICES**

*The activities are currently provided by the Council as standard services, but are non-statutory services. These activities will be subject to the outcomes of the comprehensive spending review and ongoing budgeting review and setting process of Leeds City Council. Any proposed changes to these standard services will be undertaken in consultation with the business community.*

City centre management performs a critical function that supports the economic development of the city centre. The diverse role incorporates a dual function of an operational role as well as strategic direction for the development of the city centre to support creation of jobs, growth of the city centre economy and provide support to sectors and stakeholders.

### 3.1 City centre liaison team.

The city centre liaison officer team consists of 2 liaison officers and 1 senior liaison officer, operating 7 days a week on a rota basis. They provide a high profile uniformed presence in the city centre delivering a variety of services. Their roles and responsibilities include:

- A friendly face, welcoming new visitors to the city centre;
- Providing directions, advice and assistance and general guidance;
- Improving the public's perceptions of Leeds and of the City Council.
- Business-Friendly - Responding to a wide range of issues that businesses have to do with all aspects of managing the city centre;
- Welcoming new businesses to the city;
- Providing information to businesses via letters/newsletters and delivery of key business information and communication to various city centre stakeholders.
- Assist and oversee promotional activity in the promotional spaces by supporting set up and disbanding of promotions;
- Monitor the city centre's 80 street cafes which are licensed to trade on the public highway.
- Monitoring and reporting of environmental issues in the city centre to appropriate services for resolution;
- City centre patrol within a unitary boundary definition of the city centre;
- Reassurance and confidence on perception of safety as a uniformed service;
- Work in collaboration with West Yorkshire Police, BACIL, BIG ISSUE; Tourist Attraction locations; British Waterways; Paramedics; a wide range of Council services relating to management of the city centre environment;
- Enforcement of Fixed Penalty Notices for littering specifically;
- Monitoring of begging, homelessness, Anti-Social Behaviour, Busking – 'keeping the small issues small'

3.2 It is a reasonable approach for the liaison officer service to be joined up with any proposed ambassadorial/uniformed service by the BID in order to avoid duplication. The liaison officers could therefore work within a proposed BID.

3.3 Public realm strategy, maintenance and refurbishment - devise the appropriate strategy for development of capital schemes for the city centre's public realm and subject to funding, implement such strategies; maintain existing public realm in the city centre and liaise with city council colleagues and partners to ensure the city centre schemes are kept to a high standard,

subject to funding; work in collaboration with partners in the private sector to raise funding for appropriate schemes.

- 3.4 Street Café licensing - appraise, administer and recommend the issuance of Street café licenses to businesses to enable addition of street cafés to the public highway and monitor and regulate the operation of street cafe licenses;
- 3.5 Promotional space management - Administer, manage and control city centre promotional spaces with the objective of animating the city centre by providing a high quality city centre experience.
- 3.6 City centre economy. - Work in partnership with sectors and key stakeholders who contribute to the economic development of the city centre to enable economic growth and job creation.
- 3.7 Key Performance Indicators - monitor the performance of the city centre working with colleagues and the Association of Town and City Centre Management. (ATCM)
- 3.8 Legible Leeds – Walk It Programme. Deliver the ongoing programme to install city centre pedestrian signage.

#### **4.0. Events & Promotions**

- 4.1 Events Team – manage an events team to deliver key events in the city resulting in effective communication, planning, implementation and co-ordination of major events in the city.
- 4.2 Events Programme - Organise and work with various partners and key stakeholders to deliver a dynamic and varied programme of events in the city. The objective is the promotion, marketing, and communication of the city's strengths and offer to encourage visits and animate the city. This is accomplished by working collaboratively with partners. Subject to funding, run sector based events to bring increased footfall and economic spend to the city centre.

#### **5.0 COMMUNITY SAFETY**

*PART 1 - Statutory Services. The activities below allow the Council to meet its statutory obligations on standards of Highway management in the BID area. Any proposed changes to the methods by which those standards are met will be undertaken in consultation with the business community..*

- 5.1 Our statutory approach - Leeds City Council funds a City Centre Community Safety Co-ordinator (3 days a week). This role covers coordinating; supporting and driving partnerships and relationships that work to address community safety and crime and disorder issues in Leeds city centre, both on a strategic level and through partnership working on the ground, so that the city centre is a welcoming and safe environment for all residents; workers and visitors. The role leads or plays an essential contribution to the following:
  - 5.1 City Centre Community Safety Partnership (strategic): organise; co-ordinate

and drive progress on community safety issues; brief Chairs; manage partnerships; deliver actions.

- 5.2 6 Weekly Tasking (operational) :Enables efficient partnership tasking relating to city centre current and emerging issues, plus improved networking and exchange of information.

## **Appendix 3**

### **OPERATING AGREEMENT**

**Dated**

**Name of Council**

**Leeds City Council**

**Name of BID**

**BID4Leeds**

## Contents

<b>1</b>	<b>Definitions</b>	<b>3</b>
<b>2</b>	<b>Statutory Authorities</b>	<b>7</b>
<b>3</b>	<b>Commencement</b>	<b>7</b>
<b>4</b>	<b>Setting the BID Levy</b>	<b>7</b>
<b>5</b>	<b>The BID Revenue Account</b>	<b>7</b>
<b>6</b>	<b>Debits from the BID Revenue Account</b>	<b>8</b>
<b>7</b>	<b>Collecting the BID Levy</b>	Error! Bookmark not defined.
<b>8</b>	<b>Procedures available to the Council for enforcing payment of the BID Levy</b>	<b>10</b>
<b>9</b>	<b>Enforcement Mechanisms for non-collection of the BID Levy by the Council</b>	<b>11</b>
<b>10</b>	<b>Accounting Procedures and Monitoring</b>	<b>11</b>
<b>11</b>	<b>Termination</b>	<b>12</b>
<b>12</b>	<b>Confidentiality</b>	<b>15</b>
<b>13</b>	<b>Notices</b>	<b>15</b>
<b>14</b>	<b>Miscellaneous</b>	<b>16</b>
<b>15</b>	<b>Exercise of the Council's powers</b>	<b>16</b>
<b>16</b>	<b>Contracts (Rights Of Third Parties)</b>	<b>16</b>
<b>17</b>	<b>[Arbitration]</b>	<b>16</b>
	<b>Schedule 1 – The BID Levy Rules</b>	<b>18</b>
	<b>Schedule 2 - Breakdown of Council's annual BID levy collection and administration charge</b>	<b>20</b>



## Operating Agreement

### **Dated**

### **Between**

- (1) Leeds City Council (the Council) of Civic Hall, Leeds LS2 8JR ; and
- (2) **BID4LEEDS** (the BID Company) [registered as a company limited by guarantee in England with number \*\* whose registered office is at \*\* ]

### **Recitals**

- A The Council is the billing authority for the purposes of the Local Government Act 2003 and is responsible for collecting the BID Levy 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:**

## **Definitions**

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

***the total amount of BID Levy collected during the relevant Financial Year;***

***[the total amount of interest earned on any part of the BID Levy whilst held in the BID Revenue Account<sup>1</sup>];***

***details of the success rate for the collection of the BID Levy;***

***the Council's proposals (if any) to help improve its efficiency in the collection and enforcement of the BID Levy; and***

***details of those BID Levy Payers who have paid the BID Levy and those who have not paid the BID Levy.***

***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<sup>2</sup>** shall have the same meaning as further described in Part 2 of Schedule 3 of the Regulations

**the Ballot Result Date** means the date upon which a successful ballot result has been declared in favour of putting in place the BID Arrangements

**the BID** means the Business Improvement District which operates within \*\*  
(annex a plan illustrating the extent of BID area at Schedule 4) and which is managed and operated by the BID Company

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

---

<sup>1</sup> It will be necessary for the Council to confirm whether interest will be accrued. Furthermore, discussions will need to take place as to which party is entitled to the interest accrued

**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 BID 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

**BID Levy Payer(s)** means the non-domestic rate payers responsible for paying the BID Levy

**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 [interest] bearing account to be set up in accordance with Regulation 14 and operated in accordance with Schedule 3 of the Regulations

**the BID Term** means the period of [5] years from 1<sup>ST</sup> April 2014 to 31<sup>ST</sup> March 2020

**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

**Heredity** 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

**the Enforcement Expenses**<sup>3</sup> means the costs which are incurred by the Council in issuing a Reminder Notice, obtaining Liability Orders and associated administrative expenses which may be incurred in recovering unpaid BID Levy

**the Enforcement Notice**<sup>4</sup> means a notice to be served on the Council as specified in Clause 9

**the Exceptions**<sup>5</sup> 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 are as further set out in Schedule \*\*

**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 April to March

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

---

<sup>3</sup> Note that the level of expenses will primarily depend on what is agreed with the Council. There are a variety of ways for dealing with collection and enforcement costs, some suggest fixed rates, other an annual rate for the year. There will probably therefore be deviation from this definition depending on which is agreed between the parties.

<sup>4</sup> It is probably unnecessary to attach this to the Operating Agreement. The additional services may be provided by third parties in which case this definition can be omitted.

<sup>5</sup> It might be that in some circumstances it simply will not make financial sense to incur costs seeking to enforce payment of the BID Levy where the costs are likely to exceed or be similar to the sum outstanding. It would be preferable if the parameters for these exceptions are annexed to the Agreement rather than agreed on an ad hoc basis

**the Monitoring Group**<sup>6</sup> 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 \*\* Council officers and \*\* representatives from the BID Company [and \*\* Contributors]

**the Operational Date**<sup>7</sup> 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] 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

---

<sup>6</sup> Consider the formation of this group i.e. 1 finance officer, 1 planning officer, other Contributors, etc. Further discussion will be required between the Council and BID in terms of discussing what the role of the Monitoring Group shall be. It is generally envisaged that its scope will be restricted solely to issues relating to the collection and enforcement of the BID Levy.

<sup>7</sup> It will be necessary for the BID Proposal to specify when the BID shall formally come into force

## **Statutory Authorities**

*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*

## **Commencement**

*This Agreement is conditional upon and shall not take effect until the Ballot Result Date.*

*In the event that the BID Arrangements are not voted in by the BID Levy Payers on the Ballot Result Date then this Agreement shall determine and cease to be of any further effect between the parties*

*If, at the end of the BID Term a renewal ballot is held and is successful then the terms of this Agreement shall continue to be of effect and the BID Term shall thereafter be construed as the new term*

## **Setting the BID Levy**

*Immediately upon the Ballot Result Date the Council shall:-*

***calculate the BID Levy due from each BID Levy Payer in accordance with the BID Levy Rules; and***

***confirm in writing to the BID Company the BID Levy payable annually by each BID Levy Payer***

## **The BID Revenue Account**

*Within 20 days from the Ballot Result Date the Council shall set up the BID Revenue Account and provide written confirmation to the BID Company once this has been carried out together with details of the account number sort code and any other details which the BID Company may specify*

*Within 20 days from the Ballot Result Date the BID Company shall provide the Council with details of its own bank account into which the BID Levy shall be transferred electronically from the BID Revenue Account on production of an invoice by the BID Company in accordance with clause 7.8.*

5.3 Interest earned on money in the BID Revenue Account shall form part of the BID Levy and be payable to the BID Company

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

*The Council shall not debit directly from the BID Revenue Account:-*

***the collection charges***

***the Enforcement Expenses; or***

***any deductions which in the Council's opinion are Bad or Doubtful Debts***

**6.2** ***The Council's charge for the provision of the Services will be £24,000 annual set fee (excluding VAT) representing its reasonable administrative costs in providing Services increased by the relevant RPI yearly and having effect on the [date] of each year for which a BID is in place. Following receipt by the BID Company of a valid VAT invoice, the first payment will be due together with VAT thereon on the [date], or later by agreement.***

**6.3** ***[A breakdown of the Council's Annual charge as outlined in Clause 6.2 is annexed at Schedule 4.]***

6.4 The Council shall recover the Enforcement Expenses from the liable BID levy payer, in accordance with Clause 8.

6.5 The Council shall not be entitled to recover Enforcement Expenses from the BID Company.

## **Collecting the BID Levy**

*Within 14 (fourteen) days of the Ballot Result Date the Council shall confirm in writing to the BID Company the date when the BID Levy shall first be collected (such date to be at least 14 days in advance of the Operational Date<sup>8</sup>)*

*The Demand notices shall be a separate bill and shall not be combined with the Business Rate bill.*

*Pursuant to clause 7.1 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*

*The Council shall maintain a list which identifies payment and/or non-payment of the BID Levy and shall make this available to the BID Company upon its reasonable request.*

*The Council shall liaise with the BID Company in carrying out monthly reviews of each Hereditament within the BID 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:*

**serve an updated list of BID Levy payers upon the BID Company;**

**serve a Demand Notice (or alter any existing Demand Notice if appropriate) on the relevant BID Levy Payer**

*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 monthly basis and in accordance with the procedure set out in Schedule 4 of the Regulations*

---

<sup>8</sup> The BID levy should be collected as soon as possible after the Ballot result date, allowing for the 28 day period in which a ballot can be declared void (BID Regulations, Clause 9), to ensure the BID has income to commence its service on or as soon after the Operational date as possible.



*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*

*Every 28 days thereafter the Council shall inform the BID company of the amount of BID levy monies collected*

*The BID Company shall raise an invoice, including VAT to the Council every month or less frequently should the BID Company so decide<sup>9</sup>. This invoice to be based on the information outlined in clause 7.8, for the total amount of BID levy monies collected, minus the total of BID levy monies previously invoiced for in the relevant financial year.*

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

*In the event that the BID Levy is not paid within 28 (twenty eight) day]from the date that it becomes payable then (subject to the Exceptions or as may otherwise be agreed between the parties) the Council shall serve a Reminder Notice on such relevant BID Levy Payer which shall:-*

***identify the sum payable;***

***provide a further 14 (fourteen) days for payment to be made;***

***confirm that the Council will make an application to the Magistrates Court for a Liability Order to recover the unpaid sum (together with costs.***

*If after a further 14 (fourteen) 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 as is permitted by the Regulations and the Non Domestic Rating (Collection & Enforcement) (Local Lists) Regulations 1989 (as amended)<sup>10</sup>*

---

<sup>9</sup> The Company may feel that the amount of BID levy collected each month late in the financial year does not merit a monthly invoice as the amount collected is likely to be relatively small with the bulk of levy being collected early in the financial year.

<sup>10</sup> Note that under the NNDR enforcement mechanisms it goes further than Liability Orders; this can include distress. Consider if practically this is an option to be pursued. If not consider including it as an "Exception".

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

*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 serve a Reminder Notice; or***

***it obtains a Liability Order pursuant to Clause 8.2 above***

***within 14 (fourteen) days of receipt of such Enforcement Notice and the Council shall thereafter provide written confirmation of the action taken to the recover the unpaid BID Levy***

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

***detail the sum which remains unpaid;***

***confirm that the Council has failed to use the enforcement mechanisms available to it under this Agreement to recover the sum; and***

***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***

*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.*

## **Accounting Procedures and Monitoring**

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

*Every 1 (one) month (for the duration of BID Term) the Council shall provide the BID Company with a breakdown of:-*

***the amount of BID Levy for each individual BID Levy Payer;***

***the BID Levy collected in relation to each BID Levy Payer;***

***details (together with the outstanding unpaid sum) of those BID Levy Payers who have not paid the BID Levy during that month;***

***details of the Reminder Notices issued throughout that period; and***

***details of any Liability Orders obtained or applied for by the Council;***

*Every six months (for the BID Term) the BID Company shall provide the Council with the following details:*

***the total amount of income received from the Contributors (excluding the BID Levy)***

***the total expenditure during that 6 month period.***

*The Monitoring Group shall meet no less than twice 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*

*At each meeting the Monitoring Group shall*

***review the effectiveness of the collection and enforcement of the BID Levy; and***

***if required, review and assess the information provided by the Council and the BID Company pursuant to Clauses 10.2 and 10.3 above and make any recommendations for implementation as may be agreed (and which are permitted by the Regulations and the terms of this Agreement)***

*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*

*Within 1 (one) month from the date of receipt of the Annual Report the BID Company shall provide the BID Company Report to the Council*

## **Termination**

*The Council shall not be permitted to terminate the BID Arrangements because:*

- (i) in its opinion there are insufficient finances available to the BID Company to meet its liabilities for the chargeable period for the purposes of the BID Arrangements; or

- (ii) the Council is unable, due to any cause beyond its control to provide the works or services which are secured as part of the BID Arrangements

unless and until it first serves the Public Meeting Notice on the BID Levy Payers and the Council's Termination Notice on the BID Company and within 14 (fourteen) days from the date of service of such notice both parties shall arrange to meet where the purpose of such meeting shall be to discuss and/or agree all or any of the following set out in Clause 11.2 or 11.3 (whichever is applicable)

*Where the BID Termination Notice relates to Clause 11.1(i) both parties shall agree and/or discuss or review the following:*

- (a) the Council is concerned that the BID Company has insufficient finances to meet its liabilities for that period and details of such concerns should be made available to the BID Company;
- (b) insufficient funds;
- (c) alternative means by which the insufficiency of the funds can be remedied; and
- (d) an appropriate time frame to resolve this issue;

*Where the BID Termination Notice relates to clause 11.1(ii) both parties shall agree and/or discuss or review the following:*

**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;**

**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;**

**alternative means of procuring the said services or works by third parties or increased financial funding from the BID Company;**

**alternative replacement services or works which will be acceptable to the BID Company ;**

**an appropriate time frame to resolve this issue**

*Notwithstanding clauses 11.1, 11.2 and 11.3 above, the Council shall cause a Public Meeting to be held prior to the termination of the BID arrangements*

*In the event that the parties cannot reach agreement in relation to the above and subject to consideration of representations made by any BID Levy Payer at the Public Meeting the Council shall be permitted to terminate the BID Arrangements provided that notice by the Council to terminate the BID shall be provided to the BID Company no less than 28 days prior to termination taking place*

*Upon termination of the BID Arrangements the Council shall review whether there is a credit in the BID Revenue Account and in the event that there are sufficient funds in the BID Revenue Account amounting to a refund of at least £5 for each BID Levy Payer (having already deducted a reasonable sum for the administration of such refund) to:*

**calculate the amount to be refunded to each BID Levy payer;**

**ensure that the amount to be refunded is calculated by reference to the amount payable by each BID Levy Payer for the last chargeable period; and**

**make arrangements for the amount calculated to be credited against any outstanding liabilities of each BID Levy Payer or, where there are no such liabilities refunded to the BID Levy Payer.**

*Upon termination of the BID the Council shall notify the BID Levy Payers of such termination in accordance with regulation 18(6) of the Regulations together with confirmation as to whether any part of the BID Levy is to be repaid to BID Levy payers in accordance with clause 11.6*

*The BID Company shall not be permitted to terminate the BID Arrangements where:*

**the works or services under the BID Arrangements are no longer required; or**

**the BID Company is unable, due to any cause beyond its control to provide works and services which are necessary for the BID to continue**

**unless and until it has served the BID Company's Termination Notice on the Council and thereafter carried out a proper consultation with all relevant representatives of the BID Area as considered appropriate by the Council.**

*Upon termination of the BID Arrangements the BID Company shall notify the Council of such termination in accordance with Regulation 18(5) and the Council shall notify the BID Levy payers pursuant to Regulation 18(6) together with confirmation as to whether any part of the BID Levy is to be repaid to BID Levy payers in accordance with clause 11.6*

## **Confidentiality**

*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*

## **Notices**

*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*

*A Notice may be served by*

**delivery to the Deputy Chief Executive at the Council's address specified above; or**

**delivery to the Company Secretary at the BID Company's address specified above**

**registered or recorded delivery post**

14.2.4 Electronic Communication (provided that it is in legible form and is capable of being used for subsequent reference)

*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.*

## **Miscellaneous**

*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*

*The headings appearing in this Agreement are for ease of reference only and shall not affect the construction of this Agreement*

*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*

*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*

*References to the Council include any successors to its functions as local authority*

*References to statutes, bye laws, regulations, orders, delegated legislation shall include any such instrument re-enacting or made pursuant to the same power*

## **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 County Council and Council under all statutes bye-laws statutory instruments orders and regulations in the exercise of its functions as a local authority

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

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

## **Arbitration**

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

*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*

*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*

*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*

*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**

*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*

*The award shall be final and binding both on the parties and on any persons claiming through or under them]*

**Signed by** )  
duly authorised for and )  
on behalf of )  
**NAME OF COUNCIL** )

---

**Signed by** )  
duly authorised for and )  
on behalf of )  
**NAME OF BID COMPANY** )

---



# **Schedule 1 – The BID Levy Rules**

This will set out the manner in which the BID Levy will be calculated – i.e. what was approved as the BID Arrangements

## **Part 1 – The BID Levy Rules**

Part 4 of the Local Government Act 2003 and the Regulations state that the payment of the BID Levy is mandatory by all BID Levy Payers in accordance with these BID Levy Rules once the BID proposal put forward by BID4Leeds Ltd was accepted by a ballot of those BID Levy Payers.

Leeds City Council is the billing authority under the legislation, and is the body with the power to impose, administer, collect, enforce and recover the BID Levy. The BID Levy collected is the property of the Council.

## **The BID Levy**

The BID Levy will be applied to all relevant non-domestic ratepayers whose property has a rateable value of over £60,000 and which falls within the BID Area. The billing period will run from 1<sup>st</sup> April each year to 31<sup>st</sup> March of the following year and will run for five billing periods from 1<sup>st</sup> April 2015. The BID Levy for each billing period must be paid in a single instalment shown on the front of the BID Levy Notice.

## **BID Levy Calculation**

The BID Levy for each BID Levy Payer is calculated by multiplying the BID Rateable Value of each relevant hereditament by the BID Levy Rate of 1.25% (0.0125).

## **The BID Rateable Value**

For the purposes of calculating the BID Levy the BID Rateable Value will be the rateable value shown in the 2010 rating list as at 1<sup>st</sup> April 2015. All new hereditaments entering the Rating List after 1<sup>st</sup> April 2015 will be levied at 1.25% of the prevailing list.

## **The BID Levy Rate**

The BID Levy Rate is set at 1.25% of the BID Rateable Value from 1<sup>st</sup> April 2015. 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.

## **Changes to Rateable Value**

Adjustments will be made to the BID Levy during the current billing period for changes in rateable value. Rateable value changes will only be effective for the purposes of the BID Rateable Value

from the date of alteration of the 2010 rating list unless the change in rateable Value affects more than one billing period when the BID Rateable Value shall change from the 1<sup>st</sup> April preceding the date of alteration of the 2010 rating list. Changes to the BID Rateable Value will only affect the BID Levy Calculation of the current billing period.

Properties removed from the 2010 rating list will be subject to the BID Levy up to the date of its removal from the 2010 rating list and calculated on a daily basis.

New properties will similarly be liable from the date of entry onto the 2010 rating list and be calculated on a daily basis.

Where an existing property is split or merged the BID Levy Calculation will be made on the revised entry or entries shown in the 2010 rating list and calculated on a daily basis.

### **BID Levy Exemptions**

The BID Rateable Value below which an hereditament is exempt from the BID Levy is £60,000.

NO classes of hereditament with a rateable value of over £60,000 are exempt from payment of the BID Levy:-

### **BID Levy Relief**

All BID Levy Payers are subject to the full BID Levy Calculation and are liable for the full BID Levy payable on each hereditament other than those exempt.

BID Levy Payers in receipt of mandatory and/or discretionary relief from their Non-Domestic Rating liability are not to receive any relief from their BID Levy liability.

### **Liability for the BID Levy**

Liability for the BID Levy will fall upon the Non-Domestic Ratepayer for the property. If the property is empty liability for the BID Levy will fall upon the person or organisation entitled to possession in accordance with Non-Domestic Rating regulations There shall be no exemption period from the BID Levy for an empty hereditament.

### **Change of Non-Domestic Ratepayer**

Adjustments to the BID Levy will be made where there is a change of Non-Domestic Ratepayer.

The new BID Levy Payer will have their liability for the BID Levy calculated on a daily basis in the first applicable billing period and a new Demand Notice will be issued to the new BID Levy Payer.

### **Value Added Tax (VAT)**

There will be no VAT charged to the BID Levy Payer and the cost of collection and enforcement of the BID Levy is outside the scope of the VAT.

## **Schedule 2 – Breakdown of Council’s Annual BID Levy collection and administration charge**

Share of Software costs (per annum)	£6,000
Administration (including set up costs, printing, postage, exchequer and accountancy )	£18,000
Total Charge per annum	£24,000