

ABERDEEN BID PROPOSAL APRIL 2011



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Appendix 1: Operating Agreement, notice of intention, Committee Report

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LEGISLATION COMPLIANCE

Unless otherwise stated the details listed below are from the Business Improvement District (Scotland legislation)

We confirm that we have submitted to the Local Authority (LA) and The Scottish Government the following in respect of BID Proposal:

1. A database (appended), which demonstrates a cross section of at least 5% of the electorate, within the BID area support the BID Proposals. App 3.
2. Summary of the consultation the proposer has undertaken with those persons eligible to vote. P9.
3. The proposed Business Plan. App 4.
4. The financial management arrangements of the BID body. P13
5. The arrangements for periodically providing the LA and billing body with information on the finances of the BID body (i.e. after a successful ballot). P14.
6. A database containing the names and addresses of all those eligible to vote and a description (address) of each relevant property. App 2.
7. A notice in writing requesting that the LA instruct the ballot holder to hold a ballot - this may be the LA Electoral Registration Officer (ERO) or an independent body - in relation to the BID Proposals or Alteration or Renewal Proposals as the case may be. App 1.
8. Provided the local authority (also the billing body) with such information as they shall reasonably require to satisfy themselves that the BID proposer or, as the case may be, the BID body, has sufficient funds to meet the costs of the BID ballot, the renewal ballot, or the re-ballot. App 1.
9. A statement of the works or services to be provided, the name of the person responsible or body for the implementation (delivery) of these works and services and the status of such person/body (whether a LA, a company under the control of an authority, a limited company or a partnership) on and after the date the BID Proposals come into effect. P10.
10. A statement of existing baseline services provided by the LA, Police & other agencies. P19.
11. A precise description of the geographical area of the BID, including a map, which defines exactly the boundaries of the BID area. P8.
12. A statement providing details of additional financial contributions or additional actions for the purpose of enabling the projects specified. P14.
13. A statement of which aspects of the BID Proposals and or Business Plan may be altered without the need for an alteration ballot to be undertaken. P17.
14. A statement of the proposed start and end dates of the BID arrangements and the term of the BID. The BID arrangements must commence no later than a year after the date of the statement. P6.
15. Details of the apportionment of BID levy in respect of relevant properties and who will be liable to pay the levy; - proprietors, tenants, including caps, thresholds or other arrangements. P15.
16. Confirmation that the levy is to be calculated as a 1% of the RV. P6.
17. Confirmation that the 1% levy or fee is to be calculated on the RV of the property on the date of the ballot. P15.
18. The apportionment of the levy between proprietors, tenants and occupiers - providing the BID is including tenants and proprietors in its proposals. P15.
19. Details of how the steering group arrived at who will pay the levy, the percentage levy and how the levy will be split between proprietors and tenants. P15/16
20. A statement that future re-assessment of the RV of the property by the Rates Assessor will not be taken into account in the calculation of the levy. P15.
21. A statement on why groups or individual businesses are exempt or receive a levy discount. P15/16
22. A statement on the levy will not be indexed linked. P15.
23. A statement declaring that the costs incurred in developing the BID proposals, holding of the ballot or implementing the BID arrangements are not to be recovered through the BID levy. P13.
24. The constitution of the BID Company to be formed and its legal status. App. 4.

25. A statement on who will administer the BID, details regarding the BID board and the BID body and those who drew up the BID Proposals and Business Plan. P14.
26. The methodology for BID levy payers to nominate themselves or others to the BID Board of Directors and the proposed make up of the BID Board. P14.
27. A statement on how the BID Proposals will be publicised prior to the ballot. P17.

The Business Plan including: Appendix 4.

1. Estimated cash flow
2. Predicted income and expenditure ('the budget') over the term of the BID
3. A contingency margin included in the budget
4. An alteration statement that 'budgets may be transferred between projects (due to projects being amended or postponed) as the needs of the business dictate on the authority and instruction of the BID Board without resorting to an alteration ballot
5. The assessment and management of risk - financial or otherwise
6. Engagement Plan - communicating and contact with the levy payers and stakeholders
7. Marketing and Communications - promoting the BID
8. Evaluation and Monitoring Plan
9. BIDs Interim Review

Introduction

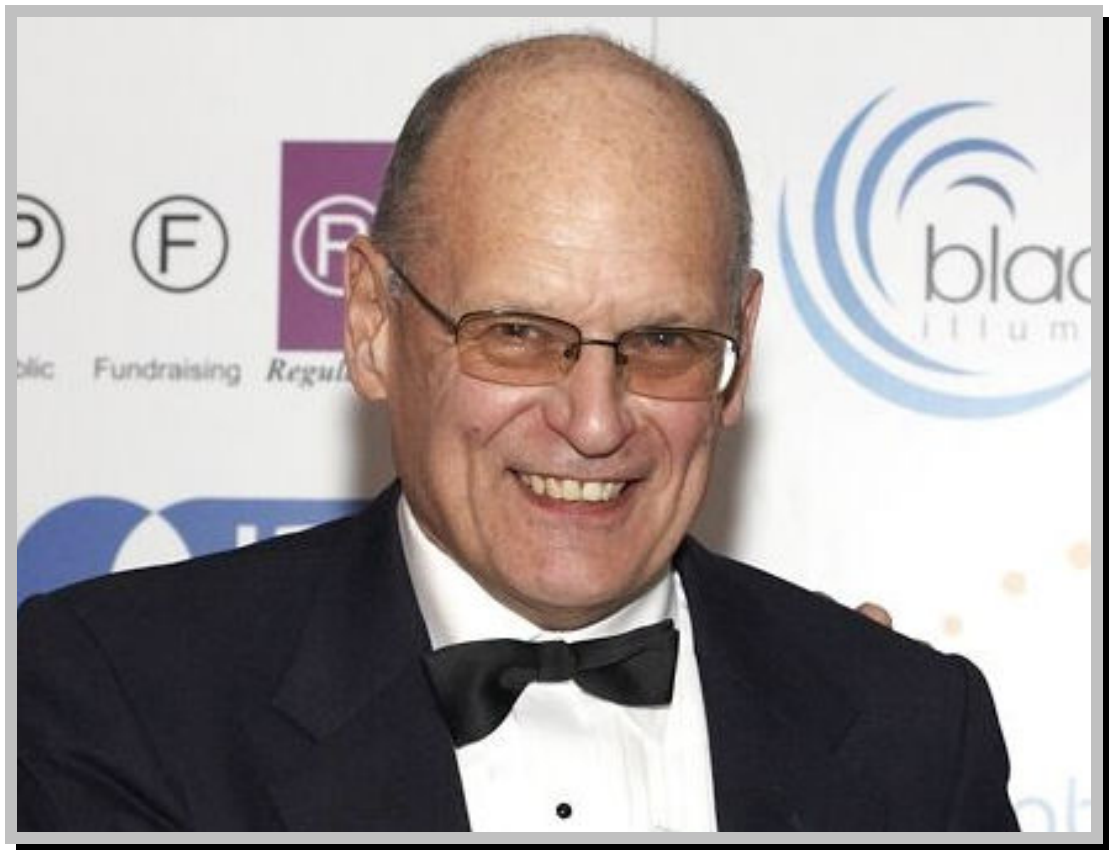
Down the years the history of Aberdeen's City Centre has been one of constant change. In particular the last 25 years have witnessed a number of significant changes which have brought enormous benefits to the City Centre and have been responsible for propelling Aberdeen into the top 20 ranked City Centres throughout the UK in terms of overall trading spend.

Following the launch, the BID initiative will enable the business community to act in unison to implement a range of exciting new ideas and initiatives, attract additional investment and provide a unique opportunity to take ownership of the management of the City Centre in partnership with the public sector.

I am convinced that this Proposal and Business Plan Document represents a valuable contribution to the future wellbeing of the City Centre and its trading environment. Your support, as a business operating in the City Centre, is now sought to help steer this exciting new development forward to move towards a vibrant economy that will translate into a great place to live, work and enjoy, providing a unique shopping experience and securing the future of Aberdeen's City Centre. By working together we can aspire to create a thriving, vibrant and interesting city centre.

I would therefore strongly urge you to carefully consider this Proposal Document and Business Plan, identify who will vote on your company's behalf in the Aberdeen BID ballot to be held on 4th August 2011 and ensure that your company delivers a 'Yes' vote.

John Michie,
Chairperson, Aberdeen BID Development Co Ltd



MD Charles Michie The Chemist
Chairman of ACCA and the BID Steering Group

What is a BID?

Definition

A Business Improvement District (BID) is a precisely defined geographical area of a town, city or any other commercial district where non domestic ratepayers have voted to invest collectively in local improvements that are additional to those already delivered by the local authority. Put simply, a BID is a mechanism that allows local businesses to agree to pay a nominal supplement on their Non-Domestic Rates (NDR) bill to provide additional services and facilities to improve their trading environment.

Legislative Framework

The legislative framework by which Business Improvement Districts are created and operated within Scotland is enshrined within the Planning etc (Scotland) Act 2006 and its associated Regulations as defined in Business Improvement Districts (Scotland) Regulations 2007.

Historical Background

BIDs were first developed in Canada and the USA. It is estimated that there are more than 70 in the UK, with Edinburgh, Inverness and Falkirk among those in Scotland.

Development funding

The Scottish Government has made funding available to contribute toward the development of BIDs in Scotland. This together with funding from Aberdeen City Council has made it possible to develop our BID proposal.

Operational funding

Operational funding for the BID is shown in this document. If the proposal passes the ballot, the local authority will collect the BID levy on behalf of the BID operating company and re-distribute all of the funds to the BID. Under the legislation the BID period is no more than five years, and will either be dissolved at the end of the term or seek a new electoral mandate.

The ballot process

For the BID to proceed, a majority of over 50% of those who vote needs to be secured in the ballot and that must be equal to a minimum of 25% of the total eligible voters. This majority must be based both by the number of votes cast and the rateable value. If the majority of those who vote, are in favour of the BID, then all businesses within the BID Area, with a rateable value of £27,500 plus, are then required to pay the levy. This is intended to balance the interests of small and large ratepayers.

The levy

If the BID is voted in, businesses in the BID area will be required to pay a levy on their NDR bills. Many small businesses will not be required to pay, whilst still benefiting from the improved conditions, as only those businesses with a rateable value of £27,500 plus are included in the levy and voting process. A general levy of 1% based on the rateable value for each property which exceeds the threshold is proposed by the Steering Group of the Aberdeen BID. Mall tenants may be offered a 25% discount on their levy with the landlord making up the difference, by agreement. Coupled with voluntary contributions this will generate between £4.5m to £5.5m of ring-fenced funds over the 5 year duration of the BID. These funds will then be available to be spent on initiatives that have been identified by the businesses themselves and which are contained in this business plan.

The BID duration

It is proposed that the Aberdeen BID is in operation for a period of five years from 4th August 2011 to 31st March 2016. At the end of the initial five year period, further consultation is required, together with a new business plan and a successful ballot to enable the BID to continue for another 5 year period.

Aims and Benefits

The aim of the BID is to use it as a vehicle to re-vitalise and re-stimulate the Aberdeen City Centre for a long term sustainable future and recapture its status and competitive edge thus directly influencing the business successes, footfall and spend. The successful launch and operation of a BID within Aberdeen City Centre will bring a number of significant benefits for the future development of Aberdeen.

These benefits can be categorised into functional and physical benefits. The functional benefits will include the ability to improve the business mix, develop better business strategies and increase cooperation levels. Physical benefits will include improvements to the appearance of the streetscape in terms of improved brightness and attractiveness and increased safety and security.

Why does Aberdeen need a BID?

By means of the Aberdeen BID we aim to create a business-led programme of investment to tackle issues identified - by business - with the aim of increasing the number of people that visit Aberdeen and to influence their dwell time in the city centre. With a significantly enhanced city centre, Aberdeen will be able to maintain and build upon its position as the premier business location within the North East region, and beyond. It will also retain a competitive advantage over new developments that are taking place in towns and cities throughout the region.

Aberdeen City Centre strategy

The next five years of change for central Aberdeen is mapped out in this document. This five year strategy & action plan has been adopted by the Aberdeen BID Steering Group and Aberdeen City Council.

The strategy and action plan has five main themes:

- Marketing and Promotion
- A safer and secure city centre
- Getting out and about
- Attractive City Centre
- A united voice

When these aspirations are set against the current UK business environment, it is clear that Aberdeen will need to consider all options if it is retain its competitive edge globally, nationally and within the region. Add to this the many new developments that have taken place, or are about to, plus those that are planned for the surrounding region: the competition that faces Aberdeen City Centre becomes even more marked.

Demonstration Projects

As a demonstration of the gains that could be achieved once a BID is in operation a number of demonstration projects, two of which have already been implemented.

1. The first of our Demonstration Projects consisted of an extensive marketing and advertising Christmas Campaign "Aberdeen, why go anywhere else", designed to increase City Centre footfall.
2. The BID Development Company contributed finance towards the provision of a weekend nighttime mobile rest and help centre. This provides an operational centre for the teams that currently assist with the nighttime problems, blue light services and street pastors.
3. Another Demonstration project is planned before the ballot, and details will be available on our web site soon.

Aberdeen BID Area

The Business Improvement District for Aberdeen covers the heart of the city centre and contains the main retail, office and leisure areas. The BID area was defined as a result of detailed consultation with representatives of each of the key business sectors to gain an understanding of the extent and strength of support for inclusion within the area. From this it was then possible to construct an outline of the area, the result of which is shown opposite.



LIST OF STREETS VOTERS IN EACH

ADELPHI	3	NORTH SILVER STREET	5
ALFORD PLACE	7	QUEEN STREET	3
BACK WYND	3	RENNIE'S WYND	1
BATH STREET	1	ROSE STREET	12
BELMONT STREET	13	ROSEMOUNT VIADUCT	2
BERRY STREET	1	RUBY PLACE	4
BON ACCORD CENTRE	51	SCHOOLHILL	13
BON-ACCORD SQUARE	13	SHIPROW	6
BON-ACCORD STREET	3	ST ANDREW STREET	2
BRIDGE PLACE	2	ST NICHOLAS CENTRE	22
BRIDGE STREET	10	ST NICHOLAS LANE	1
BROAD STREET	3	ST NICHOLAS STREET	3
CARNEGIE'S BRAE	2	SOUTH SILVER STREET	1
CASTLE STREET	9	STIRLING STREET	1
CHAPEL STREET	8	SUMMER STREET	3
COLLEGE STREET	3	THE ACADEMY	12
CRIMOND PLACE	1	THISTLE PLACE	1
CROWN STREET	3	THISTLE STREET	5
DEE STREET	5	TRINITY CENTRE	18
DIAMOND STREET	2	UNION ROW	2
EAST CRAIBSTONE STREET	1	UNION SQUARE	52
EXCHANGE STREET	4	UNION STREET	201
EXCHEQUER ROW	4	UNION TERRACE	14
FLOURMILL LANE	1	UNION WYND	6
GALLOWGATE	7	UPPERKIRK GATE	5
GEORGE STREET	17	WEST CRAIBSTONE STREET	3
GOLDEN SQUARE	18	WINDMILL BRAE	4
GUEST ROW	1		
GUILD STREET	15		
HADDEN STREET	1		
HOLBURN STREET	5		
UNTLY STREET	7		
JOHN STREET	5		
JUSTICE MILL LANE	7		
KING STREET	6		
LANGSTANE PLACE	6		
LITTLE BELMONT STREET	3		
LOCH STREET	2		
MARKET STREET	27		

The Consultation Process

The business consultation process consisted of various consultative steps:

Step 1: It was essential that Aberdeen City Council were fully committed at the highest level, at elected and executive levels. This was achieved: the Council are fully committed and have been fully involved at every stage of the development, seconding staff and fully financing the set up costs. (Appendix 1: The Joint Operating Agreement with Aberdeen City Council Agreement and base line services).

Step 2: A series of **workshops** conducted during March 2009. This involved over 40 business representatives from a constituency of over 600 different businesses in the city centre representing business sectors within the selected geographic footprint.

Step 3: The distribution of a detailed **business survey questionnaire** issued to over 800 businesses within the footprint. The questionnaire was structured to provide feedback on the key issues confronting business within Aberdeen City Centre and allow the businesses to put forward suggestions for improvements.

Step 4: A discussion with the **BID Steering Group** which focussed more specifically on the BID objectives and prospective improvement proposals.

Step 5: A series of **presentations** were given to Aberdeen City Centre Association, Aberdeen, Grampian Chamber of Commerce, SCDI Northern Committee, Aberdeen Hotel Association, Aberdeen City and Shire Economic Forum, the Chartered Management Institute, and the Tenant Group meetings of the Bon Accord Centre, the Trinity Centre and Union Square. Individual face to face discussions have taken place with a number of representatives across the area covering the various business sectors. The consultation process has resulted in this Business Plan, which costs the five themes and related projects, and sets out a mechanism for their delivery. These will continue and the suggestions made will feed into the final proposal, to be put to the ballot.

Step 6: The distribution of the **draft Proposal Document** in February 2011. These were sent to the local addresses of the eligible businesses, their billing address and where appropriate their Head Offices.

Step 7: Pop up **banners** are located in the malls and other key public areas, **and window stickers** are available for committed businesses. Empty shops have been decorated to promote and encourage support.

Step 8: Throughout the process **one to one meetings** continue to take place with local businesses and local branch managers and possible non-voting contributors. **Telephone and Email** enquiries dealt with on a regular basis, and all records of these are registered on our main database.

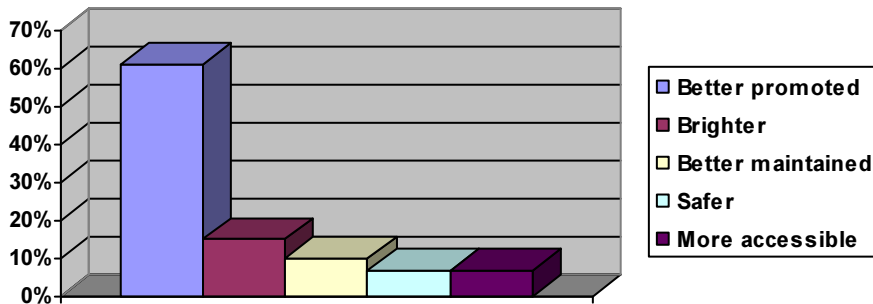
SO FAR THROUGHOUT THE CONSULTATION PROCESS THE FEED BACK HAS BEEN PREDOMINATELY POSITIVE. WE CONTINUE TO CONSULT ON AND PROMOTE THE BID CONCEPT IN ABERDEEN CITY CENTRE

What are the priorities?

The business community has so far provided a considerable list of comments and suggestions. In summary these include the following; a safer environment for shoppers and staff; a brighter and better maintained environment; better marketing and promotion and a more accessible city centre.

In addition to the consultation of Businesses within the BID area, consultation of a local consumer interest group also took place. This was undertaken under the auspices of Aberdeen City Council's 'City Voice', a consumer interest service, consisting of a membership close to 900 individual consumers. The consultation included questions related to the frequency and duration of visits to Aberdeen's City Centre (including other towns and cities in Scotland) and resulted in valuable feedback.

The priority objectives expressed by the business community were as follows:



THEMES

As a start, we shall work up the following themes and be ready to deliver them post ballot. Thereafter, as the impetus grows, other projects and marketing plans will emerge and re-emphasise our ambitions for the City Centre:

THEME 1: MARKETING AND PROMOTION - 5 YEAR BUDGET: £1, 900,000

Year One business Plan Activity: £330,000

Marketing and promoting, and developing the brand;

- £180,000. Ensure that Aberdeen is high on the visitor horizon; tell people what the City Centre has to offer, with a fully integrated five year marketing plan, with three multi-media advertising campaigns per year. Use the knowledge gained from our high KPI baselines data to directly target the correct market and marketing platforms,
- £40,000. Develop the new platforms on the web and other electronic media, introduce WIFI, WAP etc. Target airports, airlines, ferries, and participate in foreign media visits.
- £50,000. Encourage and promote new and existing festivals and events, to attract more visitors.
- £40,000. Promote the City Centre as a wonderful place to live, work, visit, do business in and invest in. Make use of new technologies, WIFI etc.
- £20,000. Monitor and measure the City Centre performance; introduce regular Key Performance Indicators. This is essential to ensure that Aberdeen improves its position within the Experian rankings.

THEME 2: A SAFER AND SECURE CITY CENTRE - 5 YEAR BUDGET: £750,000

Year One business Plan Activity: £114,000

Ensure that people feel safe & secure within the BID area:

- £60,000. Ensure that there is a welcoming physical presence for visitors into the city centre. The use of City Centre Ambassadors, Pastors

- £54,000. Integrate elements of the “Safer Aberdeen” projects and discounted members costs. This is to ensure that members get better value in their endeavours to combat instances of theft and other anti social behaviour during the day, and in the night time,

THEME 3: GETTING OUT AND ABOUT - 5 YEAR BUDGET: £450,000

Year One business Plan Activity: £70,000.

Ensure that the BID area is more appealing, easy to get into and move around, and with the potential to increase the length of stay in the city:

- £5,000. Promote the use of public transport and passenger facilities.
- £5,000. Participate in discussions, and research best practice, around appropriate taxi and bus provision 24/7.
- £60,000. Ensure that traffic & pedestrian way finder signs are of a sufficient quality, quantity and relevance, to provide ease of access around and beyond the City Centre.

THEME 4: ATTRACTIVE CITY CENTRE - 5 YEAR BUDGET: £450,000

Year One business Plan Activity: £100,000

Ensure that the BID area is attractive to locals, businesses, clients, customers and visitors by enhancing projects provided by the Council or delivering projects in addition to those already provided.

- £5,000. Advise and encourage better pedestrian safety, by increasing the pedestrian priority day and night. Advise and participate in improvements to the streetscape.
- £30,000. Intervention schemes to protect the architectural heritage. Carry out roof inspections, clear gutters and down pipes and report any serious disrepairs to the building owners and tenants, both businesses and residents.
- £5,000. Encourage better discipline in the control of commercial waste; investigate new innovative methods that suit the individual business’s needs.
- £20,000. Through best practice identify the most appropriate method of controlling graffiti and flyposting.
- £15,000. Introduce sponsored street furniture scheme, available to members, to ensure good quality and maintenance.
- £10,000. Take the lead in expanding the use of feature lighting on iconic buildings.
- £15,000. Take control of the “Empty Shop Enhancement” scheme, some of which will be self financing, others will promote the City Centre and the BID activities.

THEME 5: UNITED VOICE - 5 YEAR BUDGET: £120,000

Year One business Plan Activity: £50,000

Ensure that the business community is aware of and can lobby on issues which affect them or the area that they occupy; the combined voices of over 700 businesses are stronger than you going it alone.

- £20,000. Provide data to attract new investment.
- £20,000. Provide data to influence the protection of the City Centre and the business environment
- £10,000. Working with our partners, contribute to the economic intelligence to influence the future well being of the City Centre.

Measuring the Benefits

The Aberdeen BID Co Ltd will carefully monitor and continually review the performance of the BID against the business plan and the objectives and targets which it sets. This is important in ensuring that members and other partners are getting value for money and in helping to make adjustments, update and plan the future development of the approach. This activity will be overseen by the BID Board and will be a core task for the BID Manager. In order to ensure its objectivity this will be validated through independent external research. Three main elements of the monitoring process will be:

- The preparation of an annual report based on the activities undertaken by the BID group;
- The use of existing surveys either identifying elements which are relevant to the BID or arranging for additional questions of relevance to be added;
- Carry out specific surveys or consultations commissioned or undertaken by the BID group or other stakeholders or partners.

Two key milestones are identified where specific monitoring is thought to be required. Firstly, at the mid point of the BID period, conduct an independently facilitated business and shopper seminar to discuss progress, to inform the approach of the next stages. Secondly, business and shopper surveys in the final year of the programme. These surveys will include the relevant information fields from the research which was conducted for this business plan. This will allow progress in identifying customer and business perceptions, and customer behaviour. It will be measured on a common basis and, through the addition of specific questions, assess the impact of the BID, and will then form the basis for planning for the next period of the BID.

TARGETS;

- Footfall – increased by 2%.
- Crime levels - down 20%.
- Vacant properties levels – held below 5%.
- Recruitment/retention of staff improved.
- Development/investment levels - up 20%.
- Experian National Town Ranking – achieve a top 15 position.
- Retail Sales – increased by 2% per annum.

DEVELOPING THE BRAND – MARKETING AND PROMOTION;

- Carry out and measure opinion on value of promotions throughout the year
- Attract more people to central Aberdeen and increase their dwell time. Increase the average number of people in the BID Area by two per cent per annum for the duration of the BID
- Measure business performance, through a trading index supplied by Experian annually.
- Provide reports on car parking use, vacant property counts and hotel occupancy.

A SAFER AND SECURE CITY CENTRE;

- Report the number and types of crime within the BID Area on a quarterly basis
- Publish police response times
- Report most frequent offences and locations in which offences occur
- Report the number of incidents recorded by CCTV and by the Business Information Crime System. Subject to participation by the BID levy payers, we will produce retail loss and staff turnover indices.

ATTRACTIVE CITY CENTRE:

- Measure annual performance of the council's cleansing services
- Report on the incidence of chewing gum and the remedial action taken
- Report and show the "before" and "after" appearance following steam cleaning of paved surfaces twice per year
- Report on the quality and level of repairs to street furniture on a quarterly basis
- Report on the number of instances of graffiti and fly-posting on a quarterly basis, as measured this through ENCAM Local Environmental Quality Standards.

UNITED VOICE;

- Ensure that the business community is aware of and can lobby on issues which affect them or the area that they occupy; the combined voices of over 700 businesses are stronger than you going it alone.
- Ensure that the business community have a voice in the decision process.

INCOME AND EXPENDITURE

The BID Steering Group is committed to keeping overhead costs to a minimum and directing the majority of resources to frontline projects and services. It will seek in-kind and pro bono support where possible from partners to cover overhead costs. The table shows the Indicative 5 Year Budget and Cash Flow Summary for the BID during the Operational Phase and includes expected income and expenditure for the period. None of the costs that have been incurred in researching and developing the Aberdeen BID are to be recoverable from the levy. The BID will become fully operational when sufficient funds have been collected. Within the Aberdeen BID Business Plan there are a number of fixed costs, which come under the heading of Management and Administration. These can be explained as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
INCOME						
1% Levy	£880,000	£880,000	£880,000	£880,000	£880,000	£4,400,000
-10% contingency	£80,000	£80,000	£80,000	£80,000	£80,000	£400,000
Total income	£800,000	£800,000	£800,000	£800,000	£800,000	£4,000,000
+ Carry forward		£30,000	£54,000	£60,000	£79,000	
Voluntary payments		£50,000	£50,000	£80,000	£100,000	£280,000
AVAILABLE BUDGET	£800,000	£880,000	£904,000	£940,000	£979,000	£4,280,000
EXPENDITURE						
Theme 1	£330,000	£350,000	£360,000	£366,000	£370,000	£1,776,000
Theme 2	£114,000	£120,000	£126,000	£129,000	£133,000	£622,000
Theme 3	£70,000	£80,000	£80,000	£82,000	£90,000	£402,000
Theme 4	£100,000	£80,000	£80,000	£82,000	£90,000	£432,000
Theme 5	£50,000	£50,000	£45,000	£46,000	£56,000	£247,000
Total Project costs	£664,000	£680,000	£691,000	£705,000	£739,000	£3,479,000
BID Director	£41,000	£57,000	£60,000	£62,000	£63,000	£283,000
Operations Manager	£22,000	£30,000	£31,000	£32,000	£32,000	£147,000
Marketing Manager	£18,000	£25,000	£26,000	£26,000	£27,000	£122,000
Administrator	£13,000	£18,000	£19,000	£19,000	£20,000	£89,000
Administration (Assuming + in kind)	£12,000	£16,000	£17,000	£17,000	£18,000	£80,000
Operational costs	£106,000	£146,000	£153,000	£156,000	£160,000	£721,000
TOTAL EXPENDITURE	£770,000	£826,000	£844,000	£861,000	£899,000	£4,200,000
NET BALANCE	£30,000	£54,000	£60,000	£79,000	£80,000	£80,000

BID Management and Operation

The Aberdeen BID Development Co Ltd (ABDC) has overseen the development of the BID project in Aberdeen and sees the Aberdeen BID as a delivery mechanism for certain aspects of the City Centre Strategy & Action Plan. Though it is not a requirement of the BID Regulations, the Aberdeen BID Development Company Board has taken the decision to incorporate and become a legal entity in order to achieve this.

The company acts as the 'BID financial controller' and operational responsibility rests with the BID Steering Group, which consists of representatives from the business sectors. The Board (of Directors) and the BID Steering Group have regular meetings. The BID Steering Group is chaired by the main Board's Executive Director.

Following a successful 'yes' vote in the BID ballot, the Aberdeen BID Development Co Ltd will hand over financial control to Aberdeen BID Company Ltd from 10th September 2011. Membership of the BID company will be open to all BID levy contributors and a board of up to 14 directors (the positions will not be remunerated) will be elected from this membership.

A Chair will be nominated from the elected directors. The board will have the ability to co-opt additional members onto the board should there still be vacant places following the election. The current BID Steering Group will continue to operate after the vote to ensure there is no break in the momentum of activity.

The Steering Group will formally become the subscribers to the company Memorandum and Articles of Association. This is the document that sets out what the Company can and cannot do in carrying on its business and regulates the management, operation and decision making processes of the company.

A copy of the Memorandum and Articles of Association is available from the BID Steering Group. Different business sectors from the BID area will be entitled to a specified number of seats on the Board. This will include retail, office, food services, licensed trade, entertainment providers and property owners and will ensure that the composition of the board reflects the overall profile of City Centre business sectors.

Levy payers within the BID area will be eligible to stand for election to the BID Board. It will be possible to nominate yourself for election. Should there be more nominations than places available, an election will be held.

The BID company will be required to hold an Annual General Meeting to which all members will be invited. Directors will be elected at this meeting and audited accounts will be presented and agreed and a report on past and projected BID activities presented. The company will also employ all staff associated with the BID delivery. It is proposed that a BID Director will be recruited with responsibility for delivering the projects and services detailed in this business plan. The Director and any support staff will be recruited by the board and report to and be directed by them.

The Board of Directors will meet no less than quarterly per year with sub-groups being set up for specific tasks. A key role for the BID Director will be to establish an appropriate framework of operations based on the priorities and projects identified in this plan and to ensure effective liaison between all stakeholders. In addition the BID Director will be responsible for establishing an annual operating plan and activity programme including key performance indicators against which the success of both the BID and individual projects will be monitored.

The BID Director and the City Council BID Board member will submit a six monthly progress report to the City Council, each year of the BID. Further more a quarterly report by the City Council Rates Collection Manager, will feed into six monthly meetings between both. A full annual report will be submitted to the City Council in May of each year.

The BID Levy

How will the revenue for the BID be raised? The BID revenue will be raised by applying a levy based on the non domestic rateable value of each eligible property within the BID area. Mall tenants may be offered a 25% discount with difference made up by the landlord.

None of the costs incurred in developing and launching the Aberdeen BID will be recovered from the levy.

One of the key questions for businesses is how much will the BID yield in terms of revenue? A levy equivalent to 1% of the non-domestic rateable value will be charged on all properties listed in the 2010 Non Domestic Rates List that have a rateable value of £27,500 or more within the BID area.

What will be the cost to my business?

At a 1% levy, the indicative cost to business would be as indicated in Table.

The BID levy can be subject to an annual increase in line with the Retail Price Index, to account for inflation - up to a maximum of 2.5% on the previous year's levy. This would be based on the annual inflationary factor for local Non-Domestic Rate bills as calculated by the Scottish Government and published in October of each year. **Given the current economic situation, Aberdeen BID would not apply this throughout the first five years.**

Indicative Costs of Levy to Businesses

Rateable value of property	Annual levy	Weekly cost	Daily cost
£30,000	£300	£5.80	80p
£60,000	£600	£11.50	£1.60
£90,000	£900	£17.50	£2.50
£120,000	£1200	£23.00	£3.30

Appendix 2: the data list of eligible voters, also showing responses to consultation.

If you would like to find out the rateable value of your business, refer to your rates bill, contact us or check it at <http://www.saa.gov.uk>.

Shopping malls

The tenants located within shopping malls within the BID Area, could, after consultation with the individual landlords, share the levy. In effect they could get a 25% discount on their levy. The difference could then be made up by the landlords contributing to mutually benefitting marketing projects with the BID.

Collecting the levy

In accordance with the regulations, BID levies are collected by the local authority. In this case the local authority is Aberdeen City Council who will issue BID levy invoices to businesses as a separate invoice from the normal non-domestic rates invoice. The levy will be collected on an annual basis, temporarily held in a BID Revenue Account and subsequently remitted to the Aberdeen BID Co. Ltd.

When will I need to pay?

The first BID levy will be due in September 2011, and on the 1st April of each of the following years that the BID is in operation.

Changes to rateable values on appeal

There will be no adjustments during the year to reflect changes in individual rating values due to appeals. Changes in rating values will be reflected in a corresponding change to the levy collected from the appropriate properties in the following year. Where a property is taken out of rating (e.g. due to demolition or a split or a merged assessment), the BID levy will be due up to the date of the removal from the Rating List and the annual BID levy will be apportioned accordingly. The next general re-assessment of rates will not be used to increase the levy during the five years of this BID.

Discounts/Exemptions

For empty properties, the NDR rules will apply to the owner, in that 50% of the levy value will be charged. Equally, charities (this does not apply to companies with tax benefitting charitable status) and religious organisations will be exempt.

Default collection

Aberdeen City Council currently achieves a success rate of around 99% in the collection of non-domestic rates. As it will be collected at the same time and through the same recovery action, it is expected that this will be applicable to the collection of the BID levy. However, the Aberdeen BID will make a provision for non collection of levy and a prudent reserve will be established in the first year. This will be reviewed in subsequent years. In the event of non-payment, Aberdeen City Council's powers will largely follow those of the rates system. After issuing appropriate reminders, summons will be issued and court action may be taken, for which extra costs will become payable by those levy payers.

New businesses

Where a new assessment is brought into the Rating List (e.g. a newly erected property or a property resulting from a split or merger), the BID levy will be due on the new assessment from the effective date of the entry in the Rating List and the BID levy will be apportioned accordingly. Where there was no liable person as at 1 April of each financial year, the liable person as at the effective date of the Rating List entry will be liable to pay the BID levy for that year.

Voluntary contributions

The BID will secure voluntary contributions from property owners and other external funding partners where possible. These voluntary contributions will be paid into the Aberdeen BID Co Ltd account once established.



The Ballot

A postal ballot will be held with each business registered as an eligible non-domestic ratepayer within the BID Area. Each eligible voter entitled to vote in the BID ballot shall have one vote in respect of each property in the BID Area. This means that if a single business occupies five properties within the City Centre then it will receive five ballots. In order for a BID to be approved, the ballot must meet two tests.

First, a simple majority of over 50% of those voting must vote in favour. Second, those voting in favour must represent a greater total rateable value than those voting against. The vote will be a confidential postal vote, conducted by Aberdeen City Council as the representative 'Ballot Holder' on behalf of the Aberdeen BID Development Co Ltd and in line with BID legislation. Prior to the ballot papers being issued, a "Notice of Ballot" will be sent to all businesses in the BID area. Ballot papers and a copy of the proposal document will be issued to every business located in the BID Area and addressed to the person responsible for casting a vote within their business. The ballot paper should be completed by placing a cross in either a 'YES' or 'NO' box, as a response to the question:

'Are you in favour of an Aberdeen City Centre Business Improvement District'?

The ballot paper should be signed by the person that completed it and returned in the pre-addressed postage paid envelope. If a business has more than one rateable property it will receive a ballot paper for each property. Each paper counts as one vote. It is important that every paper received is completed and returned in the pre-addressed postage paid envelope. If a business has more than one rateable property it will receive a ballot paper for each property. Each paper counts as one vote. It is important that every paper received is completed and returned. The full ballot details will be sent out with the ballot papers, to those ratepayers who are eligible to vote, by late June 2011 and must be returned to the Returning Officer, Aberdeen City Council, The Town House, Broad Street, Aberdeen, AB10 1AQ, before 4 August 2011.

Alteration of BID arrangements

Any changes to the BID Area boundary or the BID levy cannot be made without holding an Alteration Ballot. The BID projects, costs and timescales can be altered by the BID Steering Group - within the restraints of the BID income - providing that the BID aims and objectives are adhered to.

Key Dates

The key dates for implementation of the ballot are as follows:

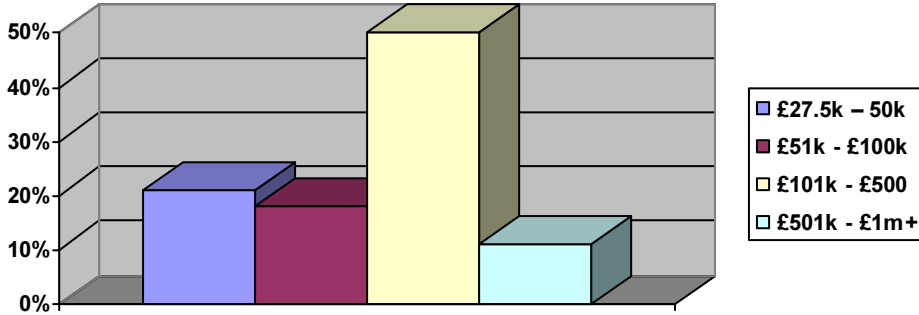
- Publish Notice of Ballot (24/05/2011)
- Issue ballot papers (24/06/2011)
- Final day for ballot to be received (03/08/2011)
- Announcement of ballot results (Week commencing 08/08/2011). By letter to all voters and local addresses, and details available on www.aberdeenbid.org.



Business mix breakdowns

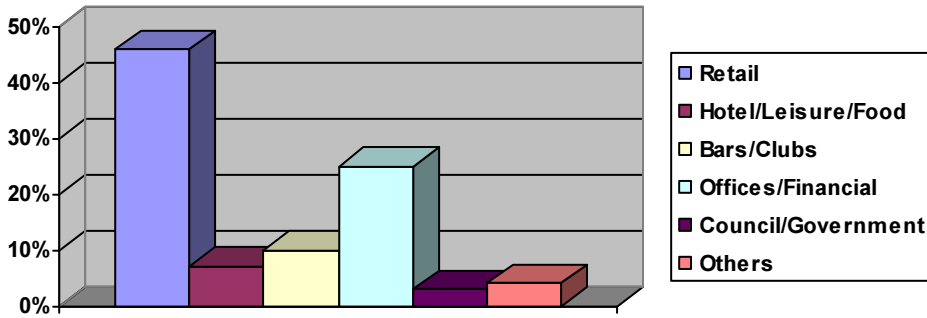
Business Mix by Rateable Value & Number Eligible Voters Only

	Rateable value	Share of the levy
	£27.5k – 50k	21%
	£51k - £100k	18%
	£101k - £500	50%
	£501k - £1m+	11%
	Total	100.0%



Business Mix by Sector Eligible Voters Only

	Retail	46%
	Hotel/Leisure/Food	7%
	Bars/Clubs	10%
	Offices/Financial	25%
	Council/Government	3%
	Others	4%



Baseline Services

Baseline services are already delivered and will continue to be delivered by Aberdeen City Council. To ensure that BID resources are directed towards delivering added value over and above the baseline services the Operating Agreement has been prepared to define the responsibilities and ongoing commitments of Aberdeen City Council. The Operating Agreement contains provisions to ensure that the baseline services delivered by Aberdeen City Council are performance monitored and reviewed on a regular basis.

In addition to the above, the Aberdeen BID will ensure that planning and operational links are established with the Aberdeen City Council in order to achieve effective co-ordination between Aberdeen BID activities and the wider city centre. The Operating Agreement will promote effective engagement and dialogue between Aberdeen City Council and the Aberdeen BID on matters of mutual interest involving the following baseline services (Full details available in APPENDIX 2, which can be viewed on our web site www.aberdeenbid.org alternatively a hard copy can be requested):

Street Furniture and Signage

- ✓ Provision of maintenance & cleaning of litter bins and seating;
- ✓ Provision of hanging baskets & planters;
- ✓ Provision of signage, street lamps and banners

Street Cleaning

- ✓ Cleaning pavements & kerbside channels;
- ✓ Emptying litter bins;
- ✓ Street cleaning;
- ✓ Litter removal;
- ✓ Removal of fly tipped material;
- ✓ Removal of dog fouling;
- ✓ Graffiti removal;
- ✓ Ground maintenance;
- ✓ Removal of abandoned vehicles

Community Wardens

- ✓ Dog fouling;
- ✓ Graffiti;
- ✓ Fly posting;
- ✓ Abandoned vehicles

City Centre Ground Maintenance

- ✓ Design & maintenance of planted areas;
- ✓ Removal of ground weeds;
- ✓ Design & installation of annual planting

Street Lighting

- ✓ Maintenance of street lights, signs & beacons;
- ✓ Design & maintenance of new lighting schemes;
- ✓ Technical advice on street & exterior lighting;
- ✓ Repairs to lighting faults

Trading Standards

- ✓ Free advice to businesses;
- ✓ Free Consumer Advice;
- ✓ Enforcing legislation;
- ✓ Preventing underage sales;
- ✓ Provision of money advice;
- ✓ Weights & measures;
- ✓ Product safety;
- ✓ Green claims, and excesses

Licensing

- ✓ Taxis renewals;
- ✓ Market operators / street traders;
- ✓ Public entertainment.

Public Car Parking

- ✓ Reviewing the sustainability on-street/off-street parking;
- ✓ Reviewing the arrangements for off-street parking

Waste Management

- ✓ Collection of waste materials and recycling.

Road Maintenance

- ✓ Coordinating works on public roads;
- ✓ Carrying out road safety measures & repairs;
- ✓ Maintenance of road markings;
- ✓ Traffic light repairs;
- ✓ Clean gullies on public roads;
- ✓ Safety inspections of public roads

CCTV

- ✓ Installation of CCTV cameras;
- ✓ Provision of 24/7 CCTV coverage

Planning & Regulatory Functions

- ✓ Planning control;
- ✓ Building control;
- ✓ Transportation planning;
- ✓ Policy & strategy;
- ✓ Major development projects;
- ✓ Environmental sustainability

Policing

- ✓ Provision of dedicated community beat officers;
- ✓ Provision of roads policing;
- ✓ Provision of schools liaison officers

Parking Traffic Enforcement

- ✓ Provision of traffic wardens;
- ✓ Provision of car park attendants

Appendix3: all baselines

Contacts

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City Events
Tel: 01224 522998
Email:
events@aberdeencity.gov.uk



- Appendix 1: Operating Agreement**
- Appendix 2: List of voters**
- Appendix 3: Baseline agreements**
- Appendix 4: Experian baseline KPI's**