

xxth Xxxxxxxx 20xx

**BUSINESS IMPROVEMENT DISTRICT (BID)
LEVY OPERATING AGREEMENT**

between

DUDLEY Metropolitan Borough Council

- and -

XXXXXXXXXXXXX BID LIMITED

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Agreement

Dated the XXth Xxxxxx 20xx

BETWEEN

- (1) **DUDLEY Metropolitan Borough Council** (“the Council”) of The Council House, Priory Road, Dudley, DY1 1HF; and
- (2) **Xxxxxxxxxx BID Limited** (“the BID Company”) Company Number XXXXXXXXX whose registered office is situated at XXXXXXXXX.

Each being a party and together being the parties

Background

- 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 Business Plan/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 period of the BID.
- D The purpose of this Agreement is to:
 - (1) establish the procedure for setting the BID Levy;
 - (2) confirm the basis upon which the Council will be responsible for collecting the BID Levy;
 - (3) set out the enforcement mechanisms for collection of the BID Levy;
 - (4) set out the procedures for accounting and transference of the BID Levy;
 - (5) provide for the monitoring and review of the collection of the BID Levy;
 - (6) confirm the manner in which the Council expenses incurred in collecting the BID Levy shall be paid by the BID Company.

1. Definitions

Interpretation

In this Agreement the following words and expressions have the following meanings:

Alteration BID Proposals means the proposals for the BID Arrangements in an alteration ballot

Annual Report means a report prepared by the Council which details the following:

- The cash collection outturn statement which includes the total amount of BID Levy collected during the relevant Financial Year and the amount paid to the BID Company with a statement of the Council deductions;
- Details of the percentage collection rate of the BID Levy;
- Details of those BID Levy Payers who have paid the BID Levy and those who have not paid the BID Levy.

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

Balancing Payment means the difference between any Advance Payment/s and the actual total sum of the BID Levy collected by the Council for the relevant financial year.

Ballot Result Date means XXth Xxxxx 20XX; the date upon which a successful ballot result has been declared in accordance with paragraph 17 of Schedule 2 of the Regulations in favour of putting in place the BID Arrangements.

BID means the Business Improvement District which operates within Central Halesowen and which is managed and operated by the BID Company.

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

BID Arrangements means those arrangements to be put in place pursuant to the Regulations for the operation of the BID set out in the following documents:

- BID Proposals set out in the BID Business Plan 20XX to 20XX which forms the basis of the BID arrangements referred to in the Regulations.

BID Ballot means a ballot of the non-domestic ratepayers in the BID area who are to be liable for the proposed BID Levy.

BID Board means the board of directors of the BID Company.

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

- The total income and expenditure of the BID Levy;
- Other income and expenditure not being the BID Levy;
- The various initiatives and schemes upon which the BID Levy has been expended;

- Recommendations for the operation of the BID for the following financial year.

BID Levy means the charge to be levied and collected from BID Levy Payers within the BID Area pursuant to the Regulations but not including costs awards relating to the issuing of court summonses, liability orders, other proceedings or further enforcement action.

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

BID Levy Rules means the rules set out in Schedule 1(of 4) 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).

BID Proposals means the proposals for the BID Arrangements.

BID Revenue Account means the account to be set up in accordance with Regulation 14 and operated in accordance with Schedule 3 of the Regulations.

BID Statutory Provisions means the Local Government Finance Act 1988, part 4 of the Local Government Act 2003 (“the Act”) and the Business Improvement Districts (England) Regulations 2004 and or any subsequent regulations or enactment or consolidation of the Local Government Finance Act 1988 Act or the Act or the regulations which provide a legislative framework for the establishment and operation of a BID.

BID Term means the period of five years commencing XXst Xxxxxx 20XX.

Chargeable Period(s) means any one or more of the following periods:

- Xx Xxxxx 20XX to xx Xxxxx 20XX
- Xx Xxxxx 20XX to Xx Xxxxx 20XX
- Xx Xxxxx 20XX to Xx Xxxxx 20XX
- Xx Xxxxx 20XX to Xx Xxxxx 20XX
- Xx Xxxxx 20XX to Xx Xxxxx 20XX
- Xx Xxxxx 20XX to Xx Xxxxx 20XX

Commencement Date means Xx Xxxxxx 20XX.

Confidential Information means information whether written, electronic or oral:

- Any information provided by one party to the other party under or in connection with this agreement or the BID Arrangements which is notified in writing to the receiving party as either being a trade secret or sufficiently commercially sensitive to justify such information being kept confidential;
- Personal data within the Data Protection Act 1998.

Contributors means the BID Levy Payers or other contributors making voluntary contributions to the BID Company.

Demand Notice means the demand notice required to be served by paragraph 2 of Schedule 4 of the Regulations.

Electronic Communications 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):

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

Enforcement Notice means a notice to be served by the BID Company as specified in Clause 8 and Clause 11.

Exceptions means the circumstances in which the Council shall not be required to seek to enforce payment of the BID Levy where a BID Levy payer has failed to make payment pursuant to a Demand Notice.

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.

Financial Year means the financial year in respect of the BID which runs from 1st April year to 31st March of the following year (excluding year 1 and year 6).

Force Majeure means any circumstances beyond the reasonable control of any Party (including, without limitation, any strike, lock-out or other form of industrial action).

Hereditable shall have the same meaning as defined in the Regulations.

Liability Order means an order obtained from the Magistrates' Court.

Monitoring Group means a group established to monitor the performance of the BID Levy collection. The Group will consist of a BID Director and a Revenues & Benefits representative with a Legal Services representative and Finance / Accountancy representative available when required.

Monthly Levy Payment means the sum of the BID Levy collected in the previous calendar month.

NNDR means National Non Domestic Rates.

Rateable Value means the value of the dwelling for Non Domestic Rates in accordance with the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) and the Non-Domestic Rating (Collection and

Enforcement) (Miscellaneous Provisions) Regulations 1989 (S.I. 1989/1060) and subsequent enactments.

Re-ballot BID Proposals means the proposals for the BID Arrangements in a renewal ballot/ re-ballot.

The **Regulations** means the Business Improvement Districts (England) Regulations 2004 SI 2004 No. 2443 and such amendments made from time to time by the Secretary of State pursuant to Section 48 Local Government Act 2003.

Reminder Notice means the notice to be served in respect of an unpaid BID Levy (Clause 8.1).

Renewal BID Proposals means the proposals for the BID Arrangements in a renewal ballot.

2. Statutory Authorities

- 2.1 This Agreement is entered into pursuant to the BID Statutory Provisions and Section 111 of the Local Government Act 1972 and all other enabling powers.
- 2.2 Nothing contained in this Agreement or implied in it shall prejudice or affect the rights, discretions, powers, duties and obligations of the Council under all statutes, bye-laws, statutory instruments, orders and regulations in the exercise of its functions as a local authority.

3. Commencement

- 3.1 This Agreement shall not take effect until the Ballot Result Date and in any event shall determine and cease to be of any further effect in the event that:
 - 3.1.1 The BID Company fails to secure approval of the Proposals, Renewal proposals or Alteration Proposals in a ballot, renewal ballot, alteration ballot or re-ballot;
 - 3.1.2 The Secretary of State declares void a BID ballot renewal ballot alteration ballot or re-ballot;
 - 3.1.3 The Council exercises its veto and there is no successful appeal against the veto;
 - 3.1.4 The BID Term expires save where the BID Company secures approval of Renewal Proposals in a renewal ballot or Alteration Proposals in an alteration ballot or Proposals in a rebalot in which event this Agreement shall continue until the expiry of the BID Term set out in the Renewal Proposals, Alteration Proposals or the Proposals set out in the rebalot provided. In relation to Renewal Proposals and Alteration Proposals the Council consents to such continuation;
 - 3.1.5 The Council exercises its discretion to terminate the BID Arrangements in accordance with clause 16 and/or in exercise of powers under regulation 18 of the Regulations.

4. Setting the BID Levy

- 4.1 As soon as possible upon the Ballot Result Date the Council shall:
 - 4.1.1 Calculate the BID Levy for each BID Levy Payer in accordance with the BID Levy Rules; and
 - 4.1.2 Confirm in writing to the BID Company the BID Levy payable by each BID Levy payer for the forthcoming year.

5. The BID Revenue Account

- 5.1 As soon as is reasonably practicable following the Ballot Result Date the Council shall keep a BID Revenue Account in accordance with regulations and accounting codes of practice in force at the time and provide written confirmation to the BID Company of the same.
- 5.2 As soon as reasonably practicable following the Ballot Result Date the BID Company shall provide the Council with details of its bank account into which the BID Levy shall be transferred from the BID Revenue Account and any other details which the Council may reasonably require.
- 5.3 The Council will pay to the BID Company within 10 days of the end of each month, the net of all monies collected within the month, i.e. after refunds/any adjustments.
- 5.4 At the end of each year DMBC will invoice the BID Company for software and administrative costs (see table below for details).

CHARGE (ex VAT) (FINANCIAL YEAR)	*YEAR 1 (20XX/XX)	YEAR 2 (20XX/XX)	YEAR 3 (20XX/XX)	YEAR 4 (20XX/XX)	YEAR 5 (20XX/XX)	**YEAR 6 (20XX/XX)
Software Installation	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX
Software Maintenance	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX
Billing and Collection Costs	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX
(ANTICIPATED) TOTAL COSTS	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX	£XXXX

* Denotes partial year due to commencement of bid on Xx Xxxxx 20XX.

** Denotes partial year running from Xx Xxxx 20XX – Xx Xxxx 20XX.

- 5.5 Annually the Council will pay to the BID Company or receive from it the Balancing Payment having taken account of the monthly on account payments and balance on the BID Revenue Account at the year end. The final payment to be made by within 30 days following the year end.
- 5.6 All sums will be subject to Value Added Tax (VAT) where applicable under VAT legislation and regulations in force at the time.
- 5.7 The BID Company and the Council as appropriate will issue VAT receipts, where applicable under VAT legislation and regulations in force at the time, for monies received within 7 working days of receipt of the monies.

6. Collecting the BID Levy

- 6.1 As soon as reasonably practicable following the Ballot Result Date the Council shall confirm in writing to the BID Company the anticipated date of the despatch of Demand Notices for the initial Chargeable Period and the anticipated single instalment due date being the Xx Xxxx 20XX. For 2018/19 onwards, a levy of £200 or less will have a due date of the 1st April and a levy exceeding £200 will have two due dates, being the 1st of April and 1st October. For 2022/23 the due date will be 1st April 2022.
- 6.2 The Council shall serve a Demand Notice on each BID Levy Payer and thereafter shall continue to calculate the BID Levy and serve an annual Demand Notice throughout the BID Term. The bid levy rate to be paid in respect of each property or hereditament is to be calculated as X.XX% of its rateable value as at the “chargeable day”.
- 6.3 The Council shall be able to make a list of those BID Levy Payers who have paid the BID Levy and those BID Levy Payers who have not paid the BID Levy and shall make the list available to the BID Company upon its reasonable request.
- 6.4 The Council shall serve a Demand Notice or amended Demand Notice on a BID Levy Payer as soon as reasonably practicable after the Council receives notice of a change that affects liability for the BID Levy. The number of properties or hereditaments liable for the levy is estimated at between XXX to XXX.
- 6.5 The Council shall use reasonable endeavours to collect the BID Levy throughout the BID Term in accordance with clauses 6, 7 and 8 of this Agreement and the BID rules.
- 6.6 If any payment received from the BID Levy Payer is not specifically stated to be in respect of the BID Levy and the intended allocation cannot be determined the Council reserves the right to allocate the payment to NNDR payments in respect of the BID Levy Payer’s hereditament in line with its standard procedures.
- 6.7 If the BID Levy Payer subsequently confirms that the payment was intended for the BID levy account, the appropriate reallocation will be made.

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

- 7.1 Procedures for the enforcement and recovery of the BID Levy will be in line with the enforcement procedure for NNDR and the Council shall comply with these enforcement procedures (where appropriate) in enforcing payment of the BID Levy against BID Levy Payers.
- 7.2 The above process will be subject to review throughout the life of the BID to ensure effective and efficient management of collection processes are used, taking into consideration best practice.
- 7.3 The Council shall propose to write off debts deemed to be uncollectable and report to the BID Company after year end.

7.4 The Council shall only write back any amounts in credit on accounts after it can be demonstrated that all opportunities to refund the money to the BID Levy Payer have been exhausted. All credits arising through overpayment shall be offset against future charges unless a refund is specifically requested by the BID payer.

8. Enforcement Mechanisms In The Event That The Council Fails to Enforce Collection of the BID Levy

8.1 In the event that the Council fails to enforce payment of the BID Levy pursuant to Clause 7 the BID Company shall be entitled to serve an Enforcement Notice on the Council requesting that:

8.1.1 The Council serve a Reminder Notice or

8.1.2 In the event that the Council has already served a Reminder Notice that the Council applies for a Liability Order and the Council shall thereafter provide written confirmation of the action it shall take to comply with the Enforcement Notice.

8.1.3 If the Council fails to provide written confirmation of the action it is taking in relation to the Enforcement Notice within 28 days of the issue of the Enforcement Notice the BID Company shall be entitled to serve an Appeal Notice on the Chief Officer for Finance and Legal Services of the Council and such notice shall:

- Detail the Sum Unpaid;
- Confirm that the Council has failed to use the enforcement mechanisms available to it under this Agreement to recover the Sum Unpaid; and
- Include written notice requesting that a meeting of the Monitoring Group take place in order to achieve a solution and/or agree a strategy to recover the Sum Unpaid such meeting to take place no later than 28 (twenty eight) days from the date of the Appeal Notice.

9. Accounting Procedures and Monitoring

9.1 Within 30 working days of the end of the quarter (or such lesser period as shall be agreed between the Parties and in year 1) and every quarter from year 2 thereafter (for the duration of BID Term) the Council shall provide the BID Company with details of:

- (i) The amount of the BID Levy for each BID Levy Payer;
- (ii) The amount of the BID Levy collected for each BID Levy Payer;
- (iii) BID Levy Payers who have not paid the BID Levy;
- (iv) Reminder Notices issued;
- (v) Liability Orders made or applied for;
- (vi) Agreement made, if any, between the Council and BID Levy Payers where it has been agreed that payment of a Demand Notice can be made over a period of 3 (three) months or more from the date of the Demand Notice.

9.2 The Council shall be entitled to recover its reasonable and proper costs from

the BID Levy Payer in respect of issuing summonses, obtaining Liability Orders and other legal costs and shall be entitled to retain any sums and/or costs it receives.

- 9.3 Within one month from the Ballot Result Date the parties shall agree the dates when there will be meetings of the Monitoring Group and there will be at least two such meetings in each Financial Year (throughout the duration of the BID Term) and on all other occasions further meetings of the Monitoring Group shall be arranged by the service of written notice by either party.
- 9.4 At each meeting the Monitoring Group shall only:
 - 9.4.1 Review the effectiveness of the collection and enforcement of the BID Levy; and
 - 9.4.2 If required by either party review and assess information provided by the parties.
- 9.5 Within 1 (one) month after the end of the financial year (for the duration of the Bid Term) the BID Company shall arrange for the preparation of its draft annual accounts and the subsequent provision of such drafts to the Council.
- 9.6 The Council can examine on demand the accounts and supporting records and seek explanations as required.
- 9.7 The BID Revenue Account will be subject to the normal internal & external audit arrangements of the Council. The Council will make available to the BID Company such information as requested by the BID Company that it is able to do so under legislation and regulation.

10. Confidentiality

- 10.1 Subject to the following provisions, neither party shall disclose any confidential information (whether verbal, in writing or in electronic form).
- 10.2 Such confidential information or any part thereof may only be disclosed to or used by persons such as employees, sub-contractors and agents of a party who need to know the same for the purposes of performing its obligations under the BID Arrangements. Each party shall keep the confidential information secret and confidential and shall procure that such persons shall comply with substantially similar obligations of confidentiality as set out in this agreement.
- 10.3 The restriction on disclosure shall not apply to confidential information to the extent that it:
 - Is required to be disclosed by law (including under the Freedom of Information Act 2000) or by any governmental or other regulatory authority acting within the scope of its powers;
 - Is or becomes part of the public domain through no fault of the receiving party;
 - Is known to the receiving party prior to the disclosure by the disclosing party without an obligation to keep such confidential information confidential;
 - Is subsequently furnished by the disclosing party to a third party without restriction on disclosure or use; or

- Is subsequently obtained by the receiving party from a third party without breach of any obligation of confidentiality owed to any third party or the disclosing party.

- 10.4 Each party shall use a reasonable standard of care in dealing with confidential information so as to maintain confidentiality and security of the confidential information.
- 10.5 Each party agrees that, in the performance of its respective obligations under this agreement, it shall comply with the provisions of the Data Protection Act 1998.
- 10.6 This obligation shall survive the termination or lapse of the BID Arrangements.

11. Notices

- 11.1 Any notice or other written communication to be served or given to or upon any party to this agreement to the other shall be in writing and shall be sent to the address provided for above or such substitute address in England as may from time to time have been notified by that party upon 7 days written notice.
- 11.2 A notice may be served by:
- Delivery to the Section 151 Officer or other responsible officer at the address of the Council specified above; or
 - Delivery to the Company Secretary at the address of the BID Company specified above;
 - Registered or recorded delivery post to such addresses;
 - Electronic communication (provided that it is in legible form and is capable of being used for subsequent reference) to such addresses.
- 11.3 Any notice served shall be deemed to have been validly served or given at the time when in the ordinary course of business it would have been received.

12. Contracts (Rights Of Third Parties)

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

13. Disputes

- 13.1 If any dispute arises between the Parties out of the provisions of this Agreement the Parties shall endeavour to resolve the dispute by agreement as quickly as possible but if the dispute has not been resolved within ten (10) working days then any Party may request the other to participate in a meeting of their respective senior managers, in order to discuss the dispute and to agree a strategy to resolve it. The Parties shall then liaise in good faith to arrange and implement the meeting within ten (10) working days and shall exchange statements at least three (3) clear working days prior to the date of the meeting, setting out their respective views of the disputed issues.
- 13.2 If notwithstanding any steps taken by the Parties pursuant to clause 13.1, the

dispute between them remains unresolved then at the request of any Party it shall be referred (in the absence of any express provision to the contrary) to an independent person (the “Independent Person”) appointed jointly by the Parties.

13.4 If the Parties cannot agree on the Independent Person’s identity the Independent Person is to be appointed at the request of any of the Parties by the president or chairman for the time being of whichever of the following bodies is most appropriate having regard to the nature of the dispute:

- The Royal Institution of Chartered Surveyors;
- The Institute of Chartered Accountants in England & Wales; or
- The Law Society of England and Wales.

13.5 The Independent Person is to act as arbitrator in accordance with the Arbitration Act 1996 and the costs of the arbitration shall be payable by the Parties in the proportions determined by the Independent Person.

13.6 Where costs of the Independent Person remain unpaid by the Party liable to pay them pursuant to this clause, the other Parties or any of them may discharge those costs and recover the sum so paid from the defaulting Party as a debt on written demand.

14. Force Majeure

14.1 If any Party is affected by Force Majeure it shall forthwith notify the other Parties of the nature and extent thereof.

14.2 No Party shall be deemed to be in breach of this Agreement, or otherwise be liable to the others, by reason of any delay in performance, or the non-performance, of any of its obligations hereunder, to the extent that such delay or non-performance is due to any Force Majeure of which it has notified the other Parties, and the time for performance of that obligation shall be extended accordingly.

14.3 If the Force Majeure in question prevails for a continuous period in excess of three months, the Parties shall enter into bona fide discussions with a view to alleviating its effects, or to agreeing upon such alternative arrangements as may be fair and reasonable.

15. Charges to the BID Company for the Council’s services

15.1 The BID Company shall reimburse the Council’s reasonable charges and expenses in performing the Council’s duties and obligations under this agreement set out in Schedule 3. See 5.4 above for further details.

15.2 Costs charged by the Council will be invoiced to the BID Company on an annual basis. The BID Company will pay invoices within a period of 30 days from the date of issue.

15.3 The BID Revenue Account will include the charge and the income from the BID Company.

16. Termination of BID arrangements

16.1 The Council may terminate the BID Arrangements if, in its opinion, e.g. following an inspection of their accounts, there are insufficient finances available to the BID Company to meet its liabilities for the chargeable period and the Council has:

16.1.1 Offered the BID Company a reasonable opportunity to arrange for financing the shortfall or for a reduction in the works or services under the BID Arrangements which is sufficient to meet the shortfall; and

16.1.2 Given BID Levy Payers an opportunity, at a Public Meeting, to make representations in relation to the termination of the BID Arrangements.

16.2 The Council may terminate the BID Arrangements if it is unable, due to any cause beyond its reasonable control, to provide works or services which are necessary for the BID to continue and the Council has:

- Consulted the BID Company; and
- Conducted a consultation with such representatives of the business community for the BID Area as it thinks appropriate.

16.3 The Council shall notify the BID Company in writing of its intention to terminate the BID Arrangements at least 28 days before the date of termination.

16.4 So far as it considers it reasonably practicable to do so, where the Council is contemplating terminating the BID Arrangements under regulation 18(1) of the Regulations it shall endeavour to first meet with the BID Company to discuss and review any issues, and put in a reasonable timescale to resolve them.

16.5 The BID company may terminate the BID Arrangements where:

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

16.6 The BID Company shall take no steps to terminate the BID Arrangements until:

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

16.7 The BID Company shall notify the Council in writing of its intention to terminate the BID Arrangements at least 28 days before the date of termination.

- 16.8 Any balances held by the BID Company at the time of termination and / or at the end of the BID term (insofar as there has not been a successful ballot to continue the BID for a further term) shall be passed to the Council for the Council to repay to the BID Levy Payers in a manner pursuant to Regulation 14 of the Regulations.
- 16.9 Where the BID Arrangements are terminated the Council shall, as soon as is reasonably practicable give notice of the termination in writing to the BID Levy Payers pursuant to Regulation 18(6) of the Regulations and the notice shall include an explanation as to whether any part of the BID Levy is to be repaid to BID Levy payers under Regulation 14(4) of the Regulations.

17. Miscellaneous

- 17.1 For the avoidance of doubt, in the event of any conflict between any provision in the above documents and the BID Statutory Provisions the latter shall prevail.
- 17.2 If any provision of this Agreement shall become or shall be declared by any court or Tribunal of competent jurisdiction to be invalid or unenforceable in any way whatsoever, such invalidity or unenforceability shall in no way impair or affect any other provision of the Agreement, which shall remain in full force and effect.
- 17.3 The headings appearing in this Agreement are for ease of reference only and shall not affect the construction of this Agreement.
- 17.4 References to the Council include any lawful successors to its function as the billing authority for the purposes of the BID.
- 17.5 References to any enactment, order, regulation, code of practice or other similar provision shall be construed as a reference to any amendment, re-enactment, consolidation, variation, replacement or extension of the same from time to time and for the time being in force.

Signed on behalf of

The Council

Name.....Date.....
Position Held.....

XXXXXXXXXX BID Limited

Name.....Date.....
Position Held.....

Schedule 1- BID Levy Rules

BID Rules

The BID legislation of 2004 sets out the rules and regulations under which the BID ballot must be carried out, and the framework under which the BID must operate.

This document can be found on the following web site:

<http://www.legislation.gov.uk/ukxi/2004/2443/contents/made>

The key points are:

BID Creation and the BID Ballot

- Each eligible business ratepayer within the defined area will have one vote, provided they are listed on the National Non-Domestic Rates list as provided by the Council on the Xx **Xxxx 20XX**.
- None of the costs incurred through the development of the BID, before the formal ballot, will be recovered through the BID levy.

The BID Levy and Who Contributes

- The BID levy rate will be fixed at X.XX% for the full term of the BID (five years) and will not be subject to inflation or alterations.
- The BID levy will be applied to all businesses within the defined area provided they are listed on the National Non-Domestic Rates list as provided by the Council. The BID levy will be calculated using the rateable value on 1Xx Xxxxx 20XX for year 1 and 1st April each year thereafter.
- New premises will give rise to the BID levy based upon the rateable value at the time they enter the rating list.
- If a business ratepayer is liable for the premises for less than one year, the levy will be apportioned to reflect a daily charge.
- Vacant properties, undergoing refurbishment or being demolished will be liable to pay the BID levy by the property owner or registered business ratepayer based on the rateable value on 1st April each year (Xx Xxxxx in year 1).
- The BID Levy will [not] be altered by retrospective adjustments to rateable value that are reassessed to a period prior to 1st April each year.
- The BID Company will consider any requests for exemptions to the BID levy in conjunction with the Council subject to the principle that the BID levy is a statutorily compulsory payment regardless of whether the business exercised its vote or voted against the BID.
- The BID levy will not be affected by the small business rate relief scheme, service charges paid to landlords, exemption, discretionary relief or discount periods in the non-domestic rate regulations 1989 made under the local government Finance act 1988 i.e. the BID liability will be calculated using the rateable value on 1st April each year.
- VAT will not be charged on the BID levy.

BID Operations and Management

- The Council and its agents are the only authorised bodies able to collect the BID levy on behalf of the BID Company.

- The BID funding will be kept in a separate BID account and transferred to the BID company.
- BID projects, costs and timescales may be altered by the Board of Directors, provided they remain in line with the overall BID objectives.
- The BID Board of Directors will meet at least six times a year. Every levy paying business will be eligible to be a member of the BID Company and vote at annual general meetings.
- The BID Company will produce a set of annual accounts made available to all company Members and the Council.
- BID staff will be appointed through the BID Company and will work with the appropriate agencies to deliver the programme of projects set out in the BID Business Plan 20XX – 20XX.
- The BID will last five years. At the end of the five years, a ballot must be held if businesses wish to continue with the BID.

Schedule 2 - BID Area

The below are included in the BID Levy geographical area:

- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
- Xx
-

Schedule 3 - Schedule of Recovery of BID Accounts

The timetable is set out below:

Stage	Year 1	Year 2 Onwards
Bill	Xx Xxxxxx	1 st April/1 st September
Reminder 1	+ 28 days	+ 28 days
Reminder 2	+ 28 days	+ 28 days
Summons*	+ 28 days	+ 28 days

Ongoing Changes in Liability

Revised bills for changes in liability e.g. moving in/out will be issued on a daily basis. Reminders for those will be issued weekly in line with the approximate timeframes above. Summonses will be issued for the next available court based on numbers and existing courts for recovery of unpaid council tax and business rates.

The timetable will be reviewed on an ongoing basis in the light of experience and caseload.

Contact Officer for Schedule 3 – Xxxxx Xxxxx, Revenue and Benefit Service.

Schedule 4 - Council's Duties and Obligations

- Provide a Councillor to sit as a Board member on the BID Company Board.
- Provide a senior council officer to act as adviser to the BID Company Board.
- Provide a business-focussed dynamic link on all BID matters with senior Council staff Dudley.
- Collection of the BID Levy in accordance with the arrangements set out in this Operating Agreement.
- Supporting the BID Board in the co-ordination of projects and activity by including representatives of the BID in key strategic decision making groups governing the development of Dudley.