

# **BID proposal for Garratt Business Park (GPB)**

**October 2008**

## **Contents**

- 1) Executive summary**
  - a) Summary of proposal
  - b) Funding and finance
  
- 2) Understanding a BID at Garratt Business Park**
  - a) What is a Business Improvement District (BID)
  - b) The BID levy
  - c) The BID ballot
  - d) Consultation with businesses
  - e) The BID process at GPB
  - f) The BID levy rules
  - g) Map of the BID district
  
- 3) The BID Proposal**
  - a) Introduction and aims
  - b) Income and expenditure projections
  - c) BID projects
  - d) Achievements so far
  
- 4) BID Management**
  - a) BID proposer
  - b) BID company limited by guarantee
  
- 5) Agencies, service providers and BID contacts**
  - a) Garratt Business Park Management Limited
  - b) London BIDs
  - c) LDA
  - d) Soloman
  - e) SWELTRAC
  - f) Police
  - g) Legal
  
- 6) Monitoring the BID**
  - a) Before the ballot
  - b) BID monitoring and output measures

# BID proposal for Garratt Business Park (GBP)

## October 2008

### 1) Executive summary

#### **a) Summary of proposal**

The GBP management committee has carried out a detailed consultation with Estate businesses over a period of 2.5 years in which a number of areas were identified as in need of improvement. Many of these have been completed but there remains much to do to complete the programme and secure finance is necessary

To this end the management committee now proposes to achieve a BID status for GBP covering the following areas, the Wimbledon Stadium Business Centre, the Swan Centre, Lyndon Yard, Riverside Yard, the National Grid substation and other addresses with the post codes SW17 0BA and SW17 0AR. This includes most but not all of Garratt Business Park. The proposal is made to secure finance for the five years from 1 April 2009 to March 2014 for planned improvements to be made in the BID area over and above those necessarily provided by the Local authority. (There are in fact no services provided, as all roads are privately owned.) To achieve this end a BID ballot of a minimum of 28 days ending on 16 December is proposed.

Until now improvements have been funded by regular voluntary contributions paid by 55 out of 69 businesses in 2006/7, supplemented by grants from Wandsworth Borough Council, (WBC), the London Development Authority, (LDA), Soloman and Transport for London (TfL). The numbers paying dropped slightly in 2007/8 and it is likely they will reduce further as those who pay consider that it is unfair that some businesses do not contribute but still benefit from the improvements

The projects so far have been focused on renovation of assets, in particular roads and drains, tightening security by access barriers and CCTV, communication by further development of website and safety measures for pedestrians and cyclists. Further approved projects will be carried out in the period leading up to the BID. As the infrastructure is brought up to modern standards the emphasis will switch to maintaining the assets and considering green projects while continuing to make improvements in the areas designated in section 3

#### **b) Funding and finance**

If the BID is agreed, then from the commencement of the BID period, 1 April 2009, the cost of all voluntary contributions (levy) paid by businesses will reduce by 15% per business. i.e. businesses will be invoiced 15% less than now. However, total net income will be around £50K per annum as all businesses will contribute.

#### **The projected income and expenditure for the 5 years to 31 March 2014 is:**

	£K	£K
Business contributions, net of costs	256	
Business grants and other income	104	
Total projected income		<u>360</u>
Expenditure on improvement projects		180
Maintenance of roads, drains etc	53	
Estate management and fundraising	57	
Renewal of BID	10	
Other running costs	30	
Contingency	30	
		<u>360</u>

Details of the budget breakdown into years and probable projects are in section 3 b

## **2) Understanding a BID at Garratt Business Park**

### **a) What is a Business Improvement District (BID)**

A BID is a designated area within which all businesses have agreed, following a ballot (see 3c) to pay a levy, in addition to the business rate, for improvements to the infrastructure and services in that area, over and above those provided by the public purse.

The areas in GBP BID are as defined in the Executive summary and shown on the BID map in section 3 f)

### **b) The BID levy**

The BID levy is the amount that each business contributes and is based on rateable value. At GPB there will be, as now, 8 bands of rateable values with a minimum contribution starting at £340 p.a. up to a maximum of £2720 p.a. This represents a reduction of 15% compared with the existing voluntary contribution scale, which was agreed in a general meeting of the businesses in 2006. Details will be found in the BID rules ref 2 f)

### **c) The BID ballot**

The BID ballot period will be a minimum of 28 days leading up to 16 December 2008. It will be organised and administered by the returning officer of WBC.

Notice of the ballot was given to the Secretary of State on the 4 August

The last day for WBC to publish notice of ballot to voters and Sec of State is 4 November.

The proposed date to send out ballot papers is 11 November 2008. Voting ends at 5pm on 16 December 2008.

The result will be declared on the morning of 17 December 2008 and displayed on the WBC website.

Before a BID is created it must be voted on and agreed in two different ways.

- 1) The number of ratepayers actually voting must have a majority in favour of the BID. Note all defined ratepayers are entitled to one vote per entry on the rating list, on 5 November 2008 and confirmation of whom the ballot paper is to be sent to is also required by the 5 November 2008.
- 2) The aggregate of the rateable values of those actually voting for must exceed the aggregate of those voting against.

If either vote fails, then so does the BID.

In this situation GBP could continue collecting voluntary contributions but clearly this would be a diminishing source of income and the programme of works could be severely restricted and possibly cease altogether.

### **d) Consultation with businesses**

The consultation process will continue up to the closing date of the ballot. Consultations with businesses as to the improvements required on the Estate up to the end of July 2008 have formed the basis for the improvements proposed in the BID business plan. However, the plan will be flexible enough to accommodate improvement projects which meet the criteria laid down in the BID proposal

### e) The BID process at GBP

Because of the number of successfully completed projects funded by voluntary contributions Soloman were able to offer to fund a further 90 days of assistance, through 'The Estates Excellence Programme' for an Estate coordinator in May 2007. To maximise the benefit of this the Estate committee decided that they should go for a BID.

At a committee meeting / workshop on 28 August 2007 the vote in favour of aiming to become a BID was unanimous. A public meeting followed this in January 2008 with a unanimous vote in favour to proceed to the ballot.

At the end of January 2008 the local authority, WBC committed to support the proposal. In April 2008 the GBPM committee voted unanimously to go ahead with the BID subject to the cost of collecting the levies.

In June 2008 a closing ballot date of 16 December 2008 was agreed with WBC.

Discussions then took place between the WBC and the Estate coordinator to find the most cost effective way to collect the levies. The scheme, agreed with Wandsworth Borough Council and confirmed by the Estate committee will cost the Estate around £1200 p.a.

### f) The BID levy rules

#### Calculation of the BID Levy

The BID Levy for 1 April 2009 to 31 March 2010 shall be calculated according to the following table of BID Levy bands of the rateable value of the hereditament using the 2005 list, as compiled by the Valuation Office Agency, and using any amended values shown on the schedules as at 1 April 2009. There shall be a minimum charge of £340.00 and a maximum charge of £2720.00.

Table of levy bands: Rateable value based on 2005 rating list :	Annual Levy excluding VAT:
£0-12000	£ 340.00
12001-24000	680.00
24001-36000	1020.00
36001-48000	1360.00
48001-60000	1700.00
60001-72000	2040.00
72001-84000	2380.00
84001 and over	2720.00

Subsequent BID Levies shall be calculated according to the above table of BID Levy bands of the rateable value of the hereditament using the 2005 list, as compiled by the Valuation Office Agency, and using any amended values shown on the schedules as at 1 April 2010 and subsequent years on the 1<sup>st</sup> April. There will be a minimum charge of £340.00.

Where a business has two or more hereditaments the levy will be based on the aggregate of the rateable values as in some cases this would result in a lower levy total than if each is charged separately. The maximum charge shall also apply (if appropriate) to the aggregated amount.

The above table shall be liable to a 2.5% levy increase in year 2 and in subsequent years. As a consequence the minimum and maximum BID levy shall rise by the same percentage each year. The value of the steps shall remain constant other than for increases in rateable value caused by additions or improvements to the hereditament.

#### Individual Arrangements

In accordance with the BID proposal, as voted for on 16 December 2008, the following hereditaments shall have individual arrangements:

## Exemptions

The following Exemptions will apply:

	NNDR	BID Levy % Charged on RV
Unoccupied properties for first six months	Exempt For 3 months or 6 months according to the type of property.	Full charge at the rate for levy band subject to the minimum charge
All other properties exempt from the NNDR.	Exempt	Full charge at the rate for levy band subject to the minimum charge
Partly occupied properties	Section 44a relief	Full charge at the rate for levy band subject to the minimum charge
Registered charities and other organisations receiving mandatory reductions of business rates.	Part exempt	Small charities and other organisations with a rateable value of up to £24,000 will receive relief of 50 per cent of the levy subject to the minimum charge. Charities and other organisations with a rateable value of over £24000 will receive a relief of 25% of the levy

The Levy shall be a fixed sum based on the agreed table of bands of the rateable value and each BID Levy band is subject to an increase of 2.5% per annum in the second and subsequent years of the term of this Agreement, unless amended by the Businesses in a subsequent Alteration Ballot.

### Appeals

Adjustments to the Rateable Value of a property on appeal or for any other reason shall have no effect on the BID levy. The Rateable Value shown in the list at 1 April 2009 and each subsequent 1 April of the BID period shall be frozen for that financial year and shall continue to be used for the purposes of the calculation of the BID levy for the duration of the BID.

### Vacation of Property

On vacation of a property the annual BID levy shall not be apportioned on a daily basis. The ratepayer entitled to possession of the hereditament on 1 April 2009, and on each subsequent 1 April of the BID Term, shall be the ratepayer subject to the BID Levy for the whole of that Financial Year, regardless of any change in occupation.

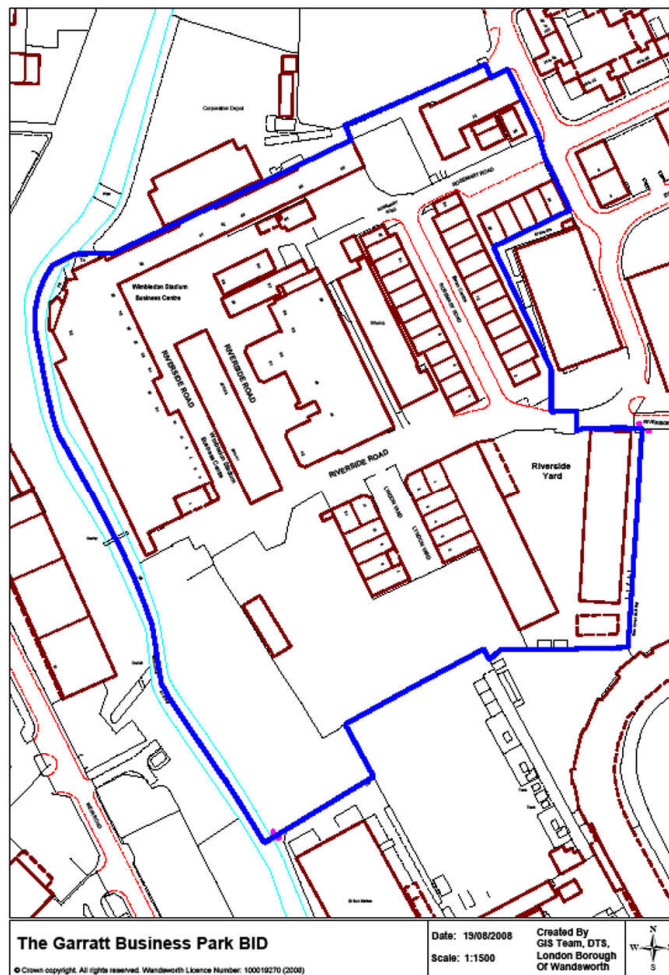
## BID Levy Liabilities of the Parties

The Council and the GBPML may have BID Levy liabilities within the BID area and each shall pay the BID Levy in the same way as other BID Levy payers.

## Instalments

The annual invoices shall be payable within 28 (twenty eight) days from the date of invoice. The BID Levy shall be paid in one instalment only but the Council's Head of Revenue Services may use its discretion to set up further payments if it considers that the circumstances of the BID Levy payer warrant this.

## g) Map of the BID district



### 3) The BID Proposal

#### Five Year Plan for Estate improvements and activities

##### a) Introduction and aims

The 5-year plan has been drawn up following detailed consultations with businesses/ratepayers up to the end of July 2008.

Over the past few years the Estate committee has achieved considerable success in completing major projects, including, estate lighting, signage, and improvements to roads, drains, communications, security and safety. See 3d)

The aim is to continue this programme of infrastructure improvements and then maintain the 'assets' through a robust maintenance programme.

The areas of improvement and management within the BID plan can be categorised as follows:

- **National Grid**, including liaison with NG, being aware of plans and planning proposals.
- **Infrastructure**, including roads, flood protection and drains.
- **Security**, including barriers, CCTV, recording of incidents, liaison with police ( safe neighbourhood scheme).
- **Safety**, including Estate lighting, road signs and markings, provision of safety wear, maintaining.
- **Communications**, including website development, starting user groups.
- **Green projects**, including waste control, recycling initiatives, provision of cycle stands, estate travel plan, travel guides.
- **Maintenance of any Estate owned area or assets**, including roads, drains, lighting and signage.

**Future projects and expenditure in the BID period should meet at least one of the above criteria**

## b) Income and expenditure projections

	Year ended 31 March £K					CUM
	2010	2011	2012	2013	2014	
BID Contributions, net of costs	49	50	51	52	54	256
Grants and other income	19	20	21	22	22	104
<b>Total income</b>	<b>68</b>	<b>70</b>	<b>72</b>	<b>74</b>	<b>76</b>	<b>360</b>
Expenditure on projects	40	30	35	35	40	180
Maintenance of roads & drains	10	10	10	11	12	53
Estate management/ fund raising	11	11	11	12	12	57
Renewal of 5 year BID in 2014				5	5	10
Other Running costs	5	6	6	6	7	30
Contingency	6	6	6	6	6	30
<b>Total expenditure</b>	<b>72</b>	<b>63</b>	<b>68</b>	<b>75</b>	<b>82</b>	<b>360</b>
Surplus / Deficiency each year	-4	7	4	-1	-6	0
Funds introduced by GBPM	10					
Funds C/f to new BID	6	13	17	16	10	

### Funding notes:

The total expected funding available until March 2014 is **£360K**

Over the 5 years the largest source of income will be the BID levy starting at £49K per annum from year 1 and including an inflationary element of 2.5% p.a. totals £256K

It is likely but not guaranteed that WBC will continue their business improvement grants and this could provide £60K at the rate of 33.3% of qualifying expenditure.

The remaining £44K is a target set to achieve additional income from grants from new or old sources, deposit interest and letting car spaces on land owned by the Estate.

A £30K contingency is allowed.

### c) BID projects

Each year the BID committee will consider and recommend a project (s) or choice of projects, from the agreed categories which will be put to BID Company members at an Estate meeting to decide priorities.

With grants more certain in the earlier years the committee will aim at carrying out projects that definitely attract grants in the earlier years.

With so much major road renovation in years ending 2007/ 2008 it is expected that the year ending 2014 project will be further major refurbishment works of those roads.

A number of BID projects have been identified from the ongoing consultation process. They were then included on a consultation survey form distributed in June and July 2008. as the most likely projects to be tackled. There were 40 responses indicating a high level of support for the BID programme and the BID itself.

All items fall within the categories set out in section 3 a. and will therefore form the basis of the BID programme of works.

If however, new priorities arise during the 5 years and they meet the BID criteria, then a general meeting of the Company members will be called with 21 days notice when the members can vote to amend the programme.

The items from which the existing programme will be carried out in the BID period, subject to detailed costing, practicality and members approval are:

- Liaison with National Grid to maximise potential benefits and minimise disruption on building of new sub station.
- Barrier and CCTV at Rosemary Road entrance
- CCTV over other areas of Estate
- Drainage or flood protection works
- Waste control, recycling.
- In year 5 major refurbishment of roads renovated in 2007 / 8
- Robust maintenance programme for roads and drains
- Improved parking organisation
- Website development
- Schemes to reduce traffic congestion on the Estate
- Improved safety and facilities for walkers, bikers on the Estate

## d) Achievements so far

GBPM Ltd has already achieved many improvements, including

- **Rosemary road, main part**  
This road was renovated in March 2007 at a cost of around £70K. (£51K from Estate members and a grant from WBC of £19K).
- **Riverside Road**, previously owned by Sapcote Developments has been purchased at no cost to the Estate by selling off a small parcel of land included in the purchase, to an adjoining business for the same price as the road.
- **Riverside Road improvement**  
The loop road was renovated in March 2008 at a cost of around £75K including drain works. (Estate members £40K, grant from WBC £20K and Soloman of £15K. Business forecourts along the same road were also renewed at a cost of circa £60K but paid for by their owners with the help of a separate grant from W C of £20K.
- **The Estate Barrier, Riverside Road entrance**  
The barrier was brought up to an enhanced spec and activated in December 2007.
- **Formation of a Management Company**, Garratt Business Park Management Limited together with a **Management committee** to deal with day to day management of the Estate.
- **Signs** comprising of individual colour coded unit numbers, individual estate signs and generic signs to Garratt Business Park were installed with TfL grant money from WBC.
- **Lighting** to make the Estate a safer working environment was also installed with a grant from WBC.
- **Estate coordinator funded by Soloman** at one day a week from Nov 2005 until March 2009 has been achieved to continue the improvements and manage the BID process.
- **A second travel survey** in conjunction with South and West London Transport Conference (SWELTRAC) has been carried out in July 2008 which in conjunction with Estate Travel aims to get people to 'DITCH THE CAR', 'BIKE IT' and 'WALK IT'.
- **A travel Website** has been set up through match funding from SWELTRAC to provide travel and other useful information to the businesses and employees.
- **Pedestrian safety signs and road marking** have been completed in conjunction with WBC and SWELTRAC on the new road and other areas.
- **CCTV has been installed at the barrier** to reduce crime and fly tipping.
- **An Estate travel guide** has been created and distributed to show Estate people all the options to get to work without a car.
- **Cycle Stands**  
Cycle stands have been provided in different areas of the Estate.

## 4) BID Management.

### **a) BID Proposer**

The BID proposer is Garratt Business Park Management Ltd, which was formed in 2003 (as Riverside Road Management Ltd) to hold, maintain and improve the assets of the Estate, in order to create a safe vibrant environment for the Estate businesses.

The Company has share capital of 1000 £1 shares.

Currently only two shares have been issued – to David Guyan and Mahesh Rawal who are directors of the Company There are three other directors with one vacancy. There are plans to issue shares to freeholders and long leaseholders early in 2009.

The board is responsible for all legal and statutory matters and will have overall responsibility for the BID proposal and preparation of the business plan. However they have delegated the work leading up to the ballot to the management committee lead by the Estate coordinator and in conjunction with the Soloman and the WBC.

Funds have been included in the BID to support an Estate coordinator, one day a week for the full 5 year BID business plan. Until the BID starts this cost is covered one day a week by Soloman through the LDA.

The Estate Management committee with members drawn from all areas of the Estate is responsible to the board and deals with all day-to-day matters; payments of routine bills, dealing with problems such as fly tipping, keeping signage up to date, communicating with the businesses etc.

The Board, management committee and estate coordinator have demonstrated their capability to manage major one off and ongoing projects. See the list under sect 3)

When the BID commences the assets will remain with GPBMLtd and the Company will continue to deal with matters outside the scope of the BID

### **b) BID company limited by guarantee**

A separate BID company is being formed to administer the BID from 1 April 2009 to 31 March 2014.

The sole purpose of the Company will be to administer the BID and carry out the BID projects for the good of the Estate as a whole.

The Company will have a Board of directors and all levy payers will have the right to become members.

The initial board of directors will comprise of four or five members of the Estate businesses and one or two representatives of WBC. The Estate members will be as far as possible from different areas of the Estate. They are likely to be members of the Estate management committee. However, within 90 days of the start of the BID elections will be held to appoint permanent directors.

The Company will cease to trade after 31 March 2014 unless a further 5-year BID is agreed.

Members will be consulted on at least an annual basis in respect of the projects to be carried out and the priority order and annual budgets will be prepared to support the controlled expenditure of funds on the agreed projects.

**Adequate procedures will be put in place to ensure that proper controls are in place over financial and other critical matters.**

## **5) Agencies, service providers and BID contacts**

### **a) Garratt Business Park Management Limited**

Contacts: David Guyan, Director, GBPMLtd and Chairman of GBP Management Committee. Email [david@garrattbusinesspark.com](mailto:david@garrattbusinesspark.com) Tel 020 8879 0485

Barbara Lascelles, Resp for Communication and Publicity on GBP Management Committee. Email [barbara@garrattbusinesspark.com](mailto:barbara@garrattbusinesspark.com) Tel 020 8944 0473

### **b) London BIDs**

London BIDs is run by Partnership Solutions on behalf of the London Development Agency. They are providing advice and training on all matters regarding the BID.  
Contacts: [contact@londonbids.info](mailto:contact@londonbids.info)

### **c) LDA**

The LDA has been very supportive to the Estate providing funding for an Estate coordinator through Soloman for around 3.5 years for one day a week at no cost to the Estate.

Contact: Diane Burridge, [dianeurridge@lda.gov.uk](mailto:dianeurridge@lda.gov.uk)

### **d) Soloman**

Soloman has provided the Estate coordinator to facilitate the activities on the Estate resulting in rapid progress in improving the Infrastructure and planning for the BID. Soloman are likely to be able to provide a BID coordinator and other services for the 5-year period of the BID if required.

Contacts: Ian Andrews, email [ian@soloman.co.uk](mailto:ian@soloman.co.uk). Tel 0845 055 1551

Alan Thompson, Estate Coordinator, email [athompson@ntlworld.com](mailto:athompson@ntlworld.com) Tel 07957140445

### **e) SWELTRAC**

SWELTRAC have worked with the Estate coordinator and the committee to provide a travel website, a travel guide, CCTV on the barrier, pedestrian safety signs and road markings, cycle stands, lockers, promotional goods to promote green alternatives to travelling to work by car and funding for travel surveys.

Contact: Jakub Bojczuk, email [J.Bojczuk@richmond.gov.uk](mailto:J.Bojczuk@richmond.gov.uk) Tel 020 8891 7665

### **f) Police**

Meetings are held with the police to discuss ways of reducing crime, improving safety and creating awareness of issues of interest.

Contact: Earlsfield Safer Neighbourhood Team Tel 020 8721 2426

### **g) Legal**

Ormerods of Wimbledon and Croydon are working with GBPM Ltd to set up Garratt Business Park BID Limited to administer the BID.

Contact: Janet Borrow, email [Janet.Borrow@ormerods.co.uk](mailto:Janet.Borrow@ormerods.co.uk) Tel 020 8774 9549

## **6) Monitoring the BID**

### **a) Before the ballot**

- BID committee meetings are being held on a regular basis to monitor progress against the 25 steps and to discuss new projects, progress on current projects and monitor costs against budgets.
- Joint meetings are being held with Soloman and WBC up to the time of the BID and thereafter will be discussed at the established regular meeting with WBC when the BID period is in place.
- Until March 2009 the Estates Excellence South London Steering group will monitor performance on a quarterly basis with advice and support from Partnership solutions.

### **b) BID monitoring and output measures**

A BID review committee comprising a representative from WBC and Soloman together with two of the Estate committee and the Estate coordinator will be set up to monitor and review progress twice yearly against agreed output measures.

The BID Company Board will agree with the monitoring committee a number of performance measures.  
The following measures will be considered.

Completion of the programme of projects included in section 3c  
Business satisfaction surveys  
Occupancy surveys  
Maintenance audits  
Cleaning audits  
Levy collection percentage  
Crime statistics