

# BUSINESS IMPROVEMENT DISTRICT (BID) PROPOSAL FOR THE KIMPTON INDUSTRIAL PARK SUTTON

## 1. Executive Summary

### a) Summary of proposal

Following an initiative from the London Development Agency (LDA) through their Estates Excellence South London Programme (EESLP), a survey has been carried out on the Kimpton Industrial Park (KIP) to identify any current and future issues that need to be addressed to further improve the estate for the companies and their employees. After several meetings with the officers from the London Borough of Sutton and the Kimpton Industrial Park Proprietors Association (KIPPA) it has been identified that the best long-term solution to address these issues is to achieve BID (Business Improvement District) status for KIP.

KIPPA has now been operating since 2004 representing the interests of the estate also giving the business view to the London Bough of Sutton and the police, with regular attendance at the Kimpton Liaison Meetings, also communicating the plans and outcomes of the estate's new developments.

KIPPA has had success in raising a petition and attending planning meetings to get the Kimpton Rd opened for a trial period of 6 months, getting agreement for 2 exit lanes to be installed on the new Kimpton Parkway, more CCTV cameras, police liaison to reduce the level of vandalism and crime, currently lobbying for a bus service, input into the landscaping proposals and getting better signage along the A217 for the estate.

The number of companies supporting KIPPA financially has grown since its inception as has its achievements. It is sensible for this activity to be formalised, its activities to be expanded to deal with the matters which are concerning those people on the estate and for the costs to be borne by all those enjoying them. With a BID it would give 5 years secure funding and would enable the committee to have a more structured and planned approach, allowing much more to be done on behalf of the estate.

### b) Funding and finance

If the BID is agreed, then from the commencement of the BID period, 1 April 2009, the cost of contributions paid by businesses is set out in the table of BID Levy band rates section 2 f (the BID levy rules)

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

	£K	£K
Business contributions	200	
Business Grants	15	
Total projected income		<u>215</u>
Expenditure on Security	65.5	
Expenditure on CCTV	10	
Estate coordinator (April 2009 – 2014)	65	
Contingency	20.5	
BID costs	9	
Small projects and other running costs	<u>30</u>	
	200	
Business grant for CCTV	15	
	215	215

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

## 2. Understanding a BID at Kimpton Industrial 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 BID area is designated as Kimpton Industrial Park as defined in the Executive summary and shown on the BID map in Section 3f

#### b) The BID levy

The BID levy is the amount that each business contributes and is based on rateable value. Every business contributes towards the BID improvement programme, which they will directly benefit from. The contribution should be fair in relation to the benefits of the BID

#### c) The BID ballot

- 1) The BID ballot period will be 28 days leading up to 4<sup>th</sup> February 2009
- 2) It will be organised and administered by the returning officer of LBS
- 3) Notice of the intention to hold a BID ballot was given to the Secretary of State on 26<sup>th</sup> September 2008.
- 4) The last day for London Borough of Sutton to publish notice of the ballot to voters is on 24<sup>th</sup> December 08.
- 5) The London Borough of Sutton will issue ballot papers on 7<sup>th</sup> January 2009
- 6) Voting ends at 5pm on 4<sup>th</sup> February 2009.
- 6) The ballot result will be announced on the evening of 4<sup>th</sup> February and they will be displayed on the SOLOMAN ( Society of London Manufactures) website. [www.soloman.co.uk](http://www.soloman.co.uk).

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

- 1) Firstly 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 December 2008 and confirmation of whom the ballot paper is to be sent to is also required by the December 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. If this was the case KIPPA could continue collecting voluntary contributions.

#### d) Consultation with businesses

The consultation process will continue up to the closing date of the ballot. Consultations with 43 businesses as to the improvements required on the Estate up to the end of November 08 have formed the basis for the improvements proposed in the BID business plan. However the plan is flexible enough to accommodate improvement projects which meet the criteria laid down in the BID proposal

KIPPA has already achieved a number of improvements, including:

- KIPPA Established In 2004 to look after the interests of the estate
- Attending the monthly Kimpton Liaison meetings
- Review of crime issues with police at these meetings
- Feeding back to companies on the estate about the current issues and the new developments
- Following the petition Kimpton Road gate is now open for a trial period of 6 months
- Kimpton Parkway will now have 2 exit lanes onto the A217
- Improved signage along the A217 giving better directions onto the estate.

#### e) The BID process at KIP

Against the current background of representation by KIPPA on behalf of the businesses, we have successfully influenced the decisions taken by LBS that impact on the estate; to date all this has been supported by voluntary contributions. Because of this history of successful engagement with the LBS over the past 4 years, SOLOMAN on behalf of the London Development Agency has funded the estate worker for 60 days as part of the Estates Excellence Programme to work towards

securing and establishing KIPPA as a permanent feature to represent the estates interests.

To maximise the benefit of this the Estate committee have decided that they should go for a BID. At a committee meeting 22 August 2007 the vote in favour of aiming to achieve BID status for the estate was unanimous.

The local authority, LB Sutton is committed to support the proposal. It is the responsibility of the local authority to collect the BID contributions due on behalf of the estate and they have agreed to do this without charge. All of the funds collected will go directly to the estate. At a meeting with the Estate Committee, LBS and SOLOMAN, it was agreed to go ahead with the BID vote, with a closing ballot date of 4th February 09.

#### f) The BID levy rules

##### Calculation of the BID Levy

The BID Levy for 1 April 2009 to 31 March 2010 will be a fixed sum calculated according to the following table of BID Levy bands. The bands apply to the rateable value for each hereditament using the 2005 Valuation list, as compiled by the Valuation Office Agency, and using any amended values shown on the schedules as at 1 April 2009.

There will be a minimum levy of £320 per hereditament and a maximum levy of £3,000 per hereditament. No VAT will be charged to the businesses.

Table of BID Levy Bands based on rateable value	Annual BID Levy
Up to £20,000	£ 320
20,001 - 35,000	£ 500
35,001 - 70,000	£ 800
70,001 -100,000	£1200
100,001-170,000	£2000
Over £170,000	£3000

Subsequent BID Levies will 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 1 April in all subsequent years during the BID Term.

Rateable values shown on the Valuation Office Agency List following the 2010 revaluation will be used instead on those shown on the 2005 List.

The Annual BID Levy figures in the table will be increased in BID year 2 and in subsequent BID years by two (2) per cent each year cumulatively in order to cover inflation. The minimum and maximum BID levy will also rise by the same percentage each year.

##### Exemptions

The following exemptions will apply:

Type of property	National Non-domestic rates	BID Levy charged on rateable value
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 and subject to the minimum charge.

All other properties exempt from the National Non-domestic rates	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 and subject to the minimum charge
Registered charities and other organisations receiving the mandatory reductions of business rates.	Part exempt	To follow the National Non-domestic rates arrangements

## Appeals

Adjustments to the Rateable Value of a property on appeal or for any other reason will 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 will be frozen for that financial year and will 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 will 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, will be the ratepayer subject to the BID Levy for the whole of that Financial Year, regardless of any change in occupation.

## New Property Developments

New property developments within the BID area will become liable for the BID Levy from the date on which they are added to the Valuation List.

## BID Levy Liabilities of the Parties

Where the Council and KIPPA Ltd have BID Levy liabilities within the BID area, each will pay the BID Levy in the same way as other BID Levy payers.

## Instalments

The BID Levy will be payable within twenty eight (28) days from the date of invoice. The BID Levy may be paid in quarterly instalments where the BID Levy payer enters into a direct debit arrangement with the Council.

## g) Map of the BID district

The BID area (as defined by the map) will automatically be included as part of the BID and liable for the BID levy. When the buildings and businesses on the new development are completed and are assessed for business rates they will also be included in the BID and liable for the BID levy.

## Map to follow

## 3. The BID Proposal

5 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 April 2014. The aim is to continue this programme of representation to ensure that the voice of the businesses is heard and continue to lobby for more improvements to the estate

## Security

Introduce a security company to regularly patrol the estate at of f peak times to address the incidence of crime and vandalism concerns from the survey.

Install more CCTV cameras around the estate (Partially funded by EESLP Grant).

### **Business support**

Regular attendance at the Kimpton Liaison Meetings to represent the views of the estate. Regular communication on the estates new developments

### **Estate access**

Install internal estate signage to improve the location and information on the businesses.

Lobby to get Kimpton Rd six month opening trial lifted and the road fully reopened.

### **Management**

Estate worker employed 1 day a week to coordinate and support the management committee.

### **Transport and Green initiatives**

Lobby to get a bus service for the estate.

Green Projects; Green Travel, waste control, recycling initiatives

## **b) Income and expenditure projections**

	Year ending 31 <sup>st</sup> March £k					
	2010	2011	2012	2013	2014	
Business contributions	40	40	40	40	40	200
Business Grants	15					15
Total projected income	15					215
Expenditure on Projects						
Expenditure on Security	12,5	13	13.	13,5	13,5	65.5
Expenditure on CCTV	10					10
Estate coordinator	12	13	13	13.5	13,5	65
Contingency	4	4	4	4	4.5	20.5
BID costs	1				8	9
Small projects and other running costs	6	6	6	6	6	30
Total	45.5	36	36	37	45.5	200
Business grant for CCTV	15					15
Total expenditure						215

## **4. BID Management**

### **a) BID Proposer**

The BID Proposer is Kimpton Industrial Park Proprietors Association (KIPPA),

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

A separate BID company is being formed to administer the BID from April 1<sup>st</sup> 2009 to 31<sup>st</sup> 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 of the estate businesses and one representative from LBS. The estate members will be as far as possible from different areas of the estate. 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<sup>st</sup> 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.

The board will be responsible for all legal and statutory matters. In addition they will approve annual budgets, major projects etc for presentation to General meetings but the preparation of this work is delegated to the Estate coordinator.

### **c) Management**

The board of directors will have overall responsibility for the BID and carrying out the BID business plan. However they will delegate the work leading up to the ballot to the Estate coordinator in conjunction with the SOLOMAN and Sutton Council.

The Estate Co-ordinator 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 KIPPA committee and estate coordinator have demonstrated their capability to manage projects. See the list of achievements under section 3.

Currently there are around 56 businesses spanning a wide range of manufacturing and service industries and this number will increase as the estate develops

## **5. The London Borough of Sutton and other agreements**

If the BID succeeds KIPPA and the London Borough of Sutton will enter into two agreements

### **A) Baseline Services Agreement**

This will define the services provided to the Kimpton Industrial Park by the London Borough of Sutton prior to the formation of the BID and the circumstances in which service levels might be amended.

### **b) Operating agreement**

This will define the arrangements whereby the London Borough of Sutton collects the BID levy on behalf of KIPPA

## **6. Agencies, services and BID contacts**

### **KIPPA**

Michael Cumper, Designplan, Wealdstone Rd, Sutton 020 8254 2000  
Colin Newton, ABC Hire, Wealdstone Rd, Sutton 0208 641 6700  
Estate coordinator, Maurice O'Connell 01732 845421  
mauriceoconnell\_5@hotmail.com

### **a) LDA**

The LDA has been very supportive to the Estate and has provided some funding for the Estate coordinator through Soloman.  
Contact Diane Burrige, [dianeurrige@lda.gov.uk](mailto:dianeurrige@lda.gov.uk)

### **b) Soloman**

SOLOMAN has provided the Estate coordinator to facilitate the activities resulting in rapid progress and planning for the BID. Soloman are likely to be able to supply a BID coordinator and other services for the 5-year period.  
Contacts, Ian Andrews, email [ian@soloman.co.uk](mailto:ian@soloman.co.uk) tel 0845 055 1551

### c) Smarter Travel Sutton

STS have worked with the Estate coordinator and the committee giving companies the options of cycle stands, lockers and promotional goods to promote green alternatives to travelling to work by car. KIP wants to have an Estate wide travel plan and intends to continue this into the BID period

### d) Police

The committee are to meet with the local crime prevention officer to build on the security improvements

### e) London Borough of Sutton

Graham Willins, Economic Renewal And Regeneration Manager  
Alex Fitzgerald, Civic Offices, St Nicholas Way, Sutton, SM1 1EA. 0208 770 4015

## 7. Monitoring the BID

### a) Before the ballot

BID committee meetings will be arranged 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.

### b) Post Ballot

Joint meetings with Soloman and Sutton Council up to the time of the BID and thereafter to be discussed at the established regular meeting with Sutton Council when the BID period is in place.

Until March 2010 the Estates Excellence South London Steering group will monitor performance on a quarterly basis

### c) BID monitoring and output measures

A BID review committee comprising a representative from Sutton Council and Soloman together with the Estate committee will be set up to monitor and review progress on a twice yearly basis.

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

The following will be considered:

- Completion of the programme of projects included in section 3
- Business satisfaction surveys
- Maintenance audits
- Levy collection percentages
- Crime statistics