

Proposal for a Business Improvement District (BID) in Caernarfon

DRAFT 29/6/2015

AGB Caernarfon BID (BID Proposer)
June 2015

1 Introduction

“Ardal Gwella Busnes Caernarfon Business Improvement District”, also known as “AGB Caernarfon BID”, which will be established as a not for profit company limited by guarantee.

Foreword by the Chair of Caernarfon BID

Caernarfon is a unique town for many reasons such as its culture, the Welsh language, heritage, history and its diverse shopping offer. But while it has many advantages and strengths, more can be made to take advantage of what Caernarfon has to offer to local residents and visitors. The proposed Business Improvement District will bring together Caernarfon’s business community as one voice to improve the town’s economic prospects.

A Business Improvement District or BID is an organisation led and funded by the business community. If established, it will work to deliver new and additional improvements and activities within Caernarfon which will seek to improve the prosperity of the business community and the profile of the town centre. BIDs are funded by a levy raised against the rateable value of each business unit within a defined area.

We have consulted with many members of the business community over the last year and their feedback and views have been included and used as the foundation to this BID proposal. As a result the pledges within this BID proposal respond to the themes identified from listening to the business community of Caernarfon.

If established, the BID will be led by a board made up of elected members of the business community, representative of the rich cross section of businesses within Caernarfon, along with representatives from the third and public sectors. The actions and spending will be totally transparent throughout the five-year BID period.

Although relatively new to Wales, BIDs are not new in the UK. With over 180 BIDs across the UK, they have proven to be an effective way of giving business communities the means to implement change in order to improve the profitability of a BID area, increase its competitiveness and reduce costs for businesses.

In August, you will be asked to cast your vote on the Caernarfon BID proposal. If the majority of businesses vote in favour then a Business Improvement District will be established in Caernarfon and will be launched on April 1st 2016. This is a unique opportunity for the business community in Caernarfon to generate funding through a levy and lead on improvements which will make a real difference to Caernarfon and its businesses.

Chris Stuhlfelder
Caernarfon BID Steering Group

A BID for Caernarfon

What is a Business Improvement District (BID)?

A BID is a specific area where businesses work together and invest in agreed services, projects and special events.

The remit of Caernarfon's BID has been determined and will be controlled by you, the businesses involved. As you control the BID, you play a key role in deciding which projects and initiatives go ahead for the BID's five-year term. The BID is financed by a levy of 1.5% made on the basis of your rateable value and the agreement to set up a BID is made on the basis of a postal ballot. You must vote to have your say. A BID cannot replace core public sector services and must offer clear return on investment for the levy payers.

Website: www.agbcaernarfonbid.com

Email address: bid@gwynedd.gov.uk

Caernarfon BID is led by the BID Board that includes volunteer representatives from the different business sectors and organisations in the town. After consultation the group has created a five-year business plan across three key areas of activity.

The vote

Approximately 340 businesses in Caernarfon are being asked to vote on paying a 1.5% additional levy on business rates into a fund that will be used for activities and initiatives to deliver a more vibrant and economically successful town. The time is right for all businesses and the public sector to come together in order to provide a busier and more attractive town centre. The YES vote is supported by Gwynedd Council whose commitment to the Caernarfon BID is demonstrated both as a major rate payer and by supporting the development and set-up of the BID.

The businesses will have the ownership, as well as the responsibility, to ensure that money is well spent and the BID will be overseen by its Board and evaluated independently. Every penny will count. We know Caernarfon is a fantastic town that offers much to do, see and experience. We also know there is much that needs to continually improve, especially in the town centre. Caernarfon BID can make this happen.

The BID: Why?

The BID's purpose is to enable collaboration and working together to create improvement. We will work together to make our vision possible, and with Caernarfon BID over the next five years, the town centre will receive an investment of £430,000 as well as benefits from guaranteed levels of service delivered by Gwynedd Council.

- Over £86,000 will be raised by the BID through its levy per year.
- That's almost half-a-million of additional investment in the town centre over five years.

Picture what our future could look like:

By 2020, Caernarfon Town Centre will have gone from strength to strength. Visitor numbers will have gone up. Our businesses will be thriving and the town centre will be positioned as one of the best centres for visitors, local and neighbouring communities alike.

A key part of making this happen is a “Yes” vote for Caernarfon BID.

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2 BID pledges

Caernarfon, with its impressive UNESCO designated 13th century Castle and town walls attracts visitors from all over the world. Set impressively on the Menai Strait, the regenerated waterfront walkway, Doc Fictoria marina and Galeri Caernarfon theatre, cinema and arts centre build on the leisure offer for local people also. The regeneration and preservation of the historic Slate Quay and the Welsh Highland Railway terminus add to the depth and significance of Caernarfon's history, heritage and culture through the ages, which is highlighted through the ubiquitous use of the Welsh language.

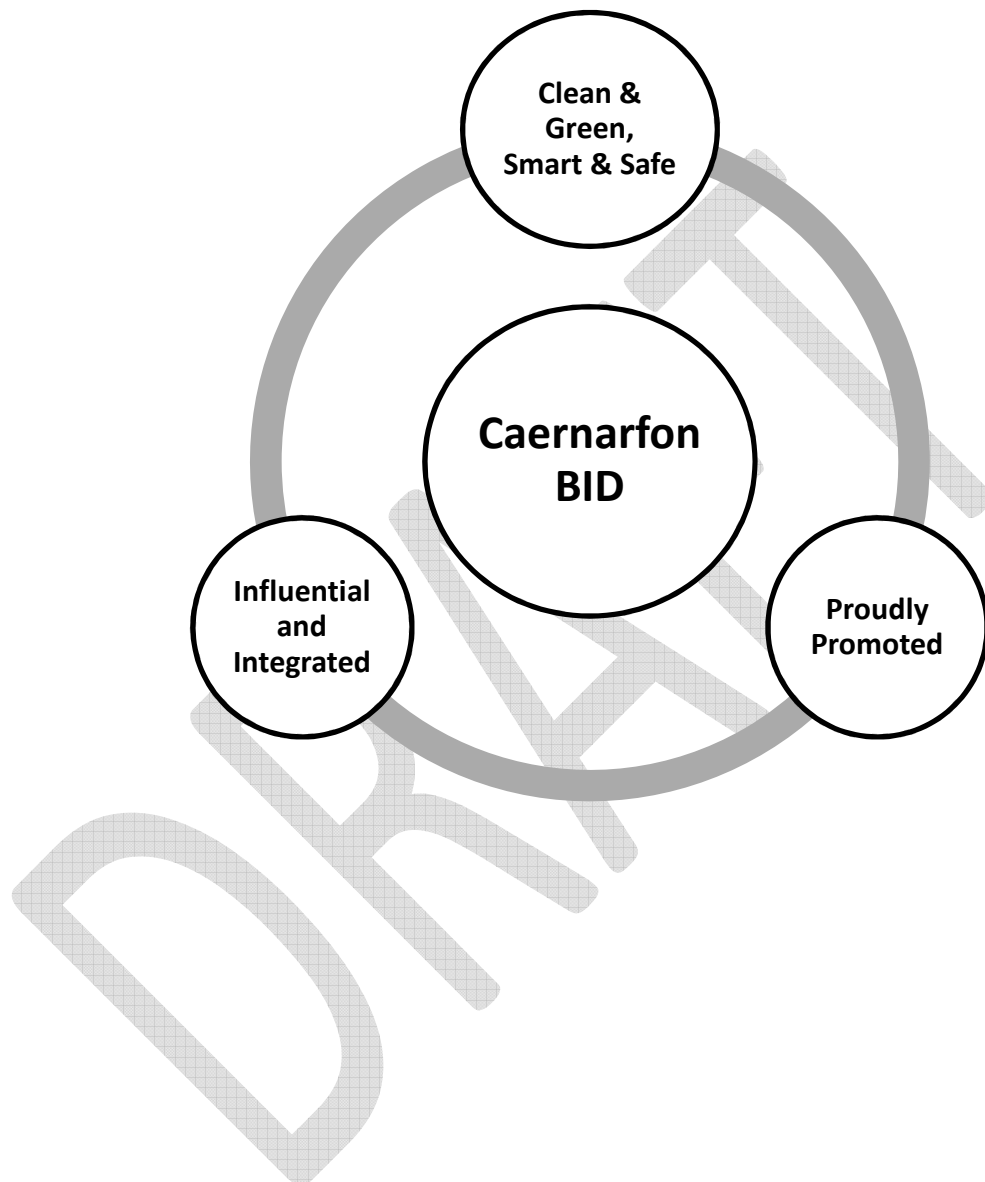
In winter 2014, 83 Caernarfon businesses were surveyed about the town centre and a BID¹. Key issues and priorities voiced by businesses during consultation included reducing the price of parking, improving the look of the town centre, and increasing footfall through events and promotion by leveraging and maximising the value of town assets to extend the visitor season.

Therefore the BID's vision for Caernarfon as a place for **visiting, working, living and enjoying**, is for the town to be:

- **Influential and Integrated:** Raising the voice of Caernarfon's business community so that businesses have a real say in the development of the town and the region. This will include working with Gwynedd Council to address parking and traffic management issues raised by BID members. The BID will develop mutually beneficial relationships between businesses, local communities and heritage establishments to deliver what's best for Caernarfon and grow opportunities for new and established businesses.
- **Proudly Promoted:** Promoting Caernarfon as a great place to visit and invest in. With such significant heritage and cultural assets, including its strong Welsh language identity, Caernarfon can draw on new and existing visitors and communities to promote the town as an excellent place to shop, spend time, and invest in and to do business.
- **Clean & Green, Smart & Safe:** Enhancing Caernarfon's image by making it a more attractive and welcoming town. The BID area will be significantly cleaner and flowers and greenery will bring colour to the streets. The BID area will enhance the physical connections between the town's significant attractions, building on assets such as the Castle, the vastly improved waterfront area, Doc Fictoria, Galeri, Y Maes and the Welsh Highland Railway terminus. The BID will also make Caernarfon town centre a more welcoming place by addressing anti-social behaviour, littering and nuisances in the day and night.

¹ See section 11 for more information on the research with businesses.

The BID proposes to **focus on these three areas of activity**. It will produce a detailed action plan with quarterly milestones and monitoring and an annual evaluation of progress towards its targets. Once the BID is established members will be able to influence the focus of the BID in order to deliver projects under these themes that best suit the changing needs of the town centre.



3 Influential and Integrated

Projected BID investment over 5 years: £128,600

The BID will seek to work with partners on both a local and regional level to represent the interests of the Caernarfon business community for the benefit of its members.

Town Centre Liaison

Caernarfon BID will have an active and visible BID manager that will act on behalf of BID members to ensure that it is serving their needs. The BID manager will be the key point of contact for BID member businesses. He or she will be appointed and employed by Caernarfon BID and will be contracted to work 18.5 hours a week which ensures a greater degree of flexibility and value for money for Caernarfon businesses than other part-time arrangements which could result in no BID manager presence for consecutive days. The successful candidate will be a self-motivated individual with a high level of initiative and experience and effective skills in PR, social media, management and relationship building. The BID manager will coordinate the delivery of projects across all three themed areas as well as manage its day-to-day activities, which will include the following:

- **Project Management:** The manager will also lead on projects as well as a longer-term strategic development plan for the town. The manager's work will be overseen by the BID board.
- **Additional funding generation:** The manager will be responsible for attracting additional sources of income for the BID, over and above the BID levy, including negotiating sponsorship and preparing funding bids.
- **Parking:** The BID manager will be responsible for working with Gwynedd Council to address the parking and traffic management issues that are of great concern to many BID area businesses. This will include identifying root causes, exploring potential actions and piloting innovative solutions to mitigate the impact of these issues on trade in the town, e.g. flexible charging during key events.
- **Dealing with empty shops:** The manager will explore options and opportunities to make positive use of empty properties in the town. This is likely to include installing window vinyls for destination marketing spaces, business advertising, local community exhibitions and displays, as well as facilitating pop-up opportunities for schools and other groups.
- **Liaison:** The manager will liaise with the Local Authority, Town Council, Welsh Government, community organisations and other bodies, to lobby on the BID's behalf and exploit partnership opportunities. This includes, in particular, working with Cadw in order to exploit opportunities, to link in with events and activities at the Castle and enhance the visitor experience.

- **Advocate:** The manager will represent and be an advocate for BID area businesses. Engaging with external stakeholders and partners in and around the BID area, always promoting the interests of the BID and its business members

Growing Business

Caernarfon businesses and organisations have a wealth of knowledge and experience in trading and operating in the town. The BID aims to develop this and bring new knowledge and experience that is pertinent for the needs of businesses in Caernarfon.

- **Helping existing businesses grow and improve:** The BID will host skills and training events, including business development and training and information seminars, on topics such as law, finance, digital and social media, PR and marketing, customer insights, local supply chains and sustainability. Through its network of businesses the BID will be able to signpost members and help them access support via relevant agencies, including Business Wales.
- **New Businesses and Start-up Mentoring:** The BID will help attract and establish new businesses to complement the existing offer of the BID area. This will enhance Caernarfon's offer to locals and visitors and avoid duplicating the offer from existing businesses. There will be a mentoring scheme for retail start-ups that will be coordinated by the BID. The mentoring scheme will offer individual support to BID area start-ups with the relevant information that they need to run their business effectively, from IT support to managing accounts.
- **Collective Purchasing:** The BID will investigate opportunities for helping businesses get better deals, by purchasing commonly bought goods and services together in order to save time and money. This could include things such as purchasing stationery and equipment, or procuring cleaning, advertising or shop improvement services. This approach has been very successful in other BIDs and will benefit BID businesses.
- **Awards:** The BID will host an awards programme. The awards will celebrate successful BID area businesses in a variety of categories such as small business of the year, entrepreneur of the year to best customer service of the year. Promotion of the awards will raise awareness of the high-quality businesses operating in Caernarfon. There will also be awards for local schools for pupils with the best ideas for the town that will be part of an annual outreach project with schools and colleges in the Caernarfon area.

4 Proudly Promoted

Projected BID investment over 5 years: £67,500

Events and Activities

The BID will support an events programme for the town. Events and activities will be run in partnership with local community groups and others who will work together to engage residents and visitors, animate the streets and encourage everyone to spend time in the town.

Caernarfon Castle is a huge asset for the town but the potential positive impact on town businesses has not been realised. The BID will forge stronger links between businesses and the Castle to reap mutual benefits. This will include fringe events to music, arts, comedy events at the Castle being held at different locations around the town such as pubs, cafes, shops and squares.

The BID will look to support groups within Caernarfon which are organising events and provide support to enhance existing events and bring them out into the streets of the BID area. New events and activities proposed by the BID, for support and delivery by partners, include the following:

- **Cadw Events:** The BID will integrate with and build on opportunities created by Caernarfon Castle. It will promote castle events and activities and support fringe events around the BID area in order to maximise their impact on the town.
- **Caernarfon Food Festival:** Caernarfon BID will support the group that are developing a food festival in the town by offering the required support for it to be a success.
- **Medieval Fayre:** A full weekend of celebrations engaging the whole community featuring plenty of medieval music, dancing, entertainment and food and drink. There will be extravagant medieval costumes too that will bring the walled town to life.
- **St. Dwynwen's Day:** The week leading up to St. Dwynwen's Day will see Caernarfon getting all romantic with businesses being encouraged to decorate their shop fronts and putting on special offers to celebrate and encourage customers to purchase gifts for their lovers.
- **Cwrw Cofi Real Ale Trail:** With an array of historic inns that serve a range of often local real ales there is an opportunity to celebrate the pubs of Caernarfon. Several of these pubs have featured in Welsh poetry and music and have exceptionally interesting histories. The trail will be advertised and marketed and maps will be available at all the participating BID area pubs.

Other ideas proposed through the consultation also included:

- Classic Cars on Y Maes
- Christmas Market
- Easter Parade
- Outdoor Theatre
- Food and Drink Week
- Seafood Festival
- Street Music Festival

The BID will also establish a **“Town Centre Challenge”** to engage school, college and university students from a variety of disciplines, from geography to business, music to mathematics, with their local High Street. This will include shopping and economic studies, consumer behaviour projects and supplying entrepreneurship opportunities through pop-up shops, bringing education and skills to the town centre. The BID will sponsor awards, work experience and training opportunities for all ages.

Marketing and PR

The BID will design and implement marketing and promotional activities according to plans tailored to the BID area’s various audiences. It will promote Caernarfon’s businesses by emphasising their complementary offer to the existing historical, heritage and cultural offer to both local residents and visitors. Where possible the BID will work with local partners to support and add value to existing marketing and PR activities and deliver new initiatives. It will also look to engage with empty property owners to explore occupancy opportunities for businesses.

- **Visitor Welcome Plan “Warm Welcome / Croeso Cynnes”**

Caernarfon has a unique offer as a World Heritage Site with a rich historical and industrial heritage and a strong identity as a vibrant centre for the Welsh language. It is situated in a location that is on the doorstep of an array of sites in north west Wales with Anglesey to the north, Pen Llŷn to the west and Snowdonia National Park, Porthmadog and Criccieth to the south.

A Caernarfon Visitor Welcome Plan led by the BID will exploit the town’s unique offer to attract additional visitors to strengthen and lengthen the tourism seasons. A Visitor Welcome Plan will include a Visit Caernarfon website, with an accommodation and dining directory.

- **A BID website with a local business directory “I Love Caernarfon / Rwy’n Caru Caernarfon”**

For local audiences the BID will manage a dedicated town website, with a shopping, leisure and services directory, deals and vouchers, job vacancies noticeboard, news and events listings. The website will also provide information and updates on the progress of the BID in the town.

For BID businesses there will be a members section, including a noticeboard and forum for BID businesses. The members section will allow all businesses to discuss and raise topics and the BID manager will moderate this forum, responding to any questions, suggestions and problems.

The reach of the BID website will be maximised by exposure on social media such as Facebook, Twitter and Instagram where regular posts will build and develop interest in the Caernarfon BID and the town itself by informing people of news, activities and promotions via links to the website.

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5 Clean & Green, Smart & Safe

Projected BID investment over 5 years: £105,000

Improving the first impressions that shoppers, visitors and residents have of Caernarfon was a common theme that was raised in the consultation with businesses. With attractive alternatives such as Llandudno and Chester as well as Bangor's Caernarfon Road out of town shops being popular destinations for shoppers several commented that there is a need for Caernarfon to better compete with such towns and cities to attract shoppers and visitors from across Gwynedd, Anglesey, Conwy and further afield. With ongoing heritage and regeneration developments in Caernarfon it is time that the town centre better capitalises on the visitors and surrounding communities that come to the town.

The BID manager as part of their responsibility to explore for match funding possibilities will explore the opportunity presented by Vibrant and Viable Places funding to assist in the work under the Clean & Green, Smart & Safe theme.

The BID will focus on the following activities under the Clean & Green, Smart & Safe theme:

- **New and additional cleaning**

Providing more effective street cleaning to what is being undertaken at present e.g. more and regular cleaning, deep cleaning, addressing the bird mess that plights parts of the town and reviewing the positioning of litter bins to optimise locations. Gwynedd Council have provided a baseline schedule of cleaning services and will sign a Baseline Agreement with the BID to ensure that BID activities are *in addition* to existing services.

- **New and additional greening**

We will develop and improve the hanging baskets, planters and other green areas of Caernarfon in order to make the town a more attractive place to visit, live and work.

- **Discover Caernarfon information points and Gateway Areas**

The BID will concentrate on establishing attractive and welcoming entry and gateway points to the town by focusing on landing areas and key routes into the town e.g. the Welsh Highland Railway train station, bus station, Galeri, taxi ranks and car parks. This will be via branded signage, high-quality maps and interactive Apps to direct visitors to local sites and services. We will create a comprehensive shopping and sites map (and App) of Caernarfon that will make it much clearer to find everything that the town has to offer from hidden boutiques, historic pubs, high street names and those places for a bite to eat.

- **Shop Fronts**

We will seek to leverage in additional funding to boost the allocated BID funding to improve shop fronts, both occupied and empty. Caernarfon has recently attracted town centre funding for tackling poverty and with the BID will continue to work with partners to attract further investment. Improvement projects will include maintenance and cleaning as well as installing window vinyls for destination marketing spaces, business advertising, local community exhibitions and displays.

- **A safe environment**

The BID will endeavour to make Caernarfon Town Centre more welcoming for visitors and residents alike by partnering with the Caernarfon and District PubWatch Scheme and the police to tackle anti-social behaviour, littering and nuisances in the day and night.

The proposed BID will work with Gwynedd Council to support the delivery of its standard services as efficient and effectively as possible. Working with the Authority, the BID will seek to deliver the complementary services and activities as noted above.

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6 How will the BID deliver these changes?

Since the project to develop a BID in Caernarfon started over a year ago businesses have been consulted regarding the fundamental issues that are affecting Caernarfon Town Centre.

A programme of ambitious improvements has been developed with the key aims being to make Caernarfon a more prosperous trading environment and to boost footfall by better competing against other successful commercial centres. Creating a BID will provide the most effective way of delivering these aims as well as to develop a united business voice.

A BID is business-led, business-funded and offers businesses the opportunity to take control of the commercial centre that they are situated in and to drive positive change in the area. BIDs are not-for-profit enterprises that are funded by businesses through a levy. The levy amount that we propose is 1.5% of the rateable value of a business unit (known as a hereditament). The aim is to match the levy income with additional and alternative sources of income, including grant funding.

In order for a BID to be established, a ballot must be held whereby businesses in the BID area are given the opportunity to vote for or against the proposal. If successful at ballot the BID term lasts for a period of five years, when a re-ballot is required, and the process starts again. Since the UK's first BID was established in 2005, over 180 BIDs have now been formed. Currently there are three BIDs in Wales in Swansea, Merthyr Tydfil and most recently in Newport with a further 11 Welsh BIDs in development.

Success of the BID model is perhaps best illustrated by the success rate at ballot: 85% at first term, and higher still at renewal ballots. Now is the opportunity for change. Support Caernarfon BID.

6.1 The BID Area

The map below shows the boundary for the town centre BID. All hereditaments (properties) within the boundary are included in the BID. Addresses are taken from the National Non-Domestic Rates Database.



Streets included in full or in part within the proposed BID area where services are provided are as follows:

Caernarfon	
Castle Square / Y Maes	Castle Ditch / Pendeitsh
Pool Street / Stryd Llyn	Castle Hill / Allt y Castell
Greengate Street / Tan y Bont	Bridge Street / Bont Bridd
Hole in the Wall Street / Stryd Twll yn y Wal	Pool Side / Penllyn
Palace Street / Stryd y Plas	Bank Quay / Cei Banc
Shirehall Street / Stryd y Jêl	Glan Môr / Crown Street
Bangor Road / Stryd Bangor	Doc Fictoria
Pool Hill / Penllyn	Balaclava Road / Balaclafa
St Helens Road / Ffordd Santes Helen	Church Street / Stryd yr Eglwys
Church Lane / Lôn yr Eglwys	Market Street / Stryd y Farchnad
Northgate Street / Stryd Pedwar a Chwech	Pretoria Terrace / Rhes Pretoria
High Street / Stryd Fawr	Castle Street / Stryd y Castell
Lôn Crwyn	Mill Lane / Lôn y Felin
North Penrallt / Penrallt Uchaf	South Penrallt / Penrallt Isaf
Lôn Twthill	Pool Lane / Pen y Graig
Slate Quay / Cei Llechi	Allt Pafiliwn

6.2 Projected BID Budget

Caernarfon BID will be financed through an additional, annual levy of 1.5% of the rateable value of the business. The levy will apply to all business rate payers with a rateable value of over £2,000.

Through its levy Caernarfon BID would generate an income of **£86,000 per year**, or **£430,000 over the five-year term** of the BID to invest in projects and services to benefit businesses.

This would also help to leverage in additional funds from other sources including: securing grant funding and sponsorship, voluntary contributions from businesses outside the boundary and landlords. Businesses with rateable values below £2,000 may contribute voluntarily in order to be included as voluntary members of the BID.

As a levy payer you will be required to pay one annual payment towards the BID each year for five years. This annual payment will be calculated at 1.5% of the rateable value for your individual property (hereditament). So if you own a business that has a rateable value of £20,000 you will pay £300 a year to the BID.

Business Rates 2015/16	Rateable Value	Annual Levy	Daily Equivalent Cost
£2,410	£5,000	£75	21p
£4,820	£10,000	£150	41p
£9,640	£20,000	£300	£2.05
£24,100	£50,000	£750	£4.10
£48,200	£100,000	£1,500	£8.22

The levy is an investment. In return for their investment, businesses will benefit from projects that they would not get without the BID. The BID company will be accountable for all monies received or generated and will be able to tell businesses what they are receiving for their investment.

- Only 12% of businesses will contribute more than £1 per day
- Only half of businesses will pay more than 25p per day.

This is a **draft** budget. Furthermore, this budget is based only on income from the levy on businesses and does not account for **additional sources of funding** that will be sought to boost the BID's income.

		Year 1	Year 2	Year 3	Year 4	Year 5
Levy income at 1.5% of rateable value (based on 95% collection rate)		£ 86,000	£ 86,000	£ 86,000	£ 86,000	£ 86,000
Core costs	Levy collection	8,322	8,322	8,322	8,322	8,322
	Management and coordination	5,443	5,443	5,443	5,443	5,443
	Administrative costs	3,550	3,550	3,550	3,550	3,550
		17,315	17,315	17,315	17,315	17,315
Clean & Green, Smart & Safe	New and additional cleaning	4,000	4,000	4,000	4,000	4,000
	New and additional greening	4,000	4,000	4,000	4,000	4,000
	Wayfinding and Landing Areas	6,000	6,000	6,000	6,000	6,000
	Shop fronts	4,500	4,500	4,500	4,500	4,500
	A safe environment	2,500	2,500	2,500	2,500	2,500
		21,000	21,000	21,000	21,000	21,000
Proudly Promoted	Events and activities	8,000	8,000	8,000	8,000	8,000
	Visitor Welcome Plan	3,000	2,000	2,000	2,000	1,500
	Local Directory	3,500	4,000	3,500	3,000	3,000
		14,500	14,000	13,500	13,000	12,500
Influential and Integrated	BID manager costs	14,225	14,725	15,225	15,725	16,225
	Capacity building	3,000	3,000	3,000	3,000	3,000
	New businesses & start-up mentoring	3,000	3,000	3,000	3,000	3,000
	Collective purchasing	1,500	1,500	1,500	1,500	1,500
	Awards	3,000	3,000	3,000	3,000	3,000
		24,725	25,225	25,725	26,225	26,725
Total Expenditure		77,540	77,540	77,540	77,540	77,540
Total Income		86,000	86,000	86,000	86,000	86,000
Surplus / Contingency / Bad Debt		8,460	8,460	8,460	8,460	8,460
Surplus / Contingency / Bad Debt (%)		10%	10%	10%	10%	10%

The core costs include the purchase and maintenance of levy collection software, levy collection costs, BID manager line management and office overheads.

BID income

The above budget is based on the income from the BID levy only. It is anticipated that additional income will come from voluntary contributions from smaller businesses and businesses outside the BID boundary wishing to become members of the BID, possible landlord contributions, accessing grant funding and through seeking match funding from both the public and private sector.

Projected levy collection rate and budget contingency

Gwynedd Council has a business rates collection rate of 97.7% based on the last three financial years. It is recognised however that the following sources state that a lower collection rate is more prudent. The British Retail Consortium advises budgeting to be based on a 95% collection rate with a contingency of no less than 5% on all items of expenditure. For this reason, the BID levy income in the table above is based upon a levy collection rate of 95%, close to the actual Gwynedd Council rate, but still prudent. A contingency for bad debt or surplus is included at 10%, as recommended by the Association of Town Centre Management.

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7 Your Questions Answered

Why are we running a BID ballot?

To create a BID, we need to run a ballot of eligible businesses. The ballot will ask a simple question: 'Are you in favour of the proposals for the Caernarfon Business Improvement District?' In order for the BID to come into existence, a simple majority of those voting must vote in favour. But their votes must also represent a majority of the aggregate rateable value of the properties that vote.

Am I eligible to vote in the BID ballot?

If your business premises falls within the proposed BID area and has a rateable value above £2,000 you are eligible to vote in the BID ballot

How will Caernarfon BID be funded?

If the ballot is successful, Caernarfon BID will be funded by an annual levy of 1.5% of the rateable value of all eligible business units situated in the BID area, regardless of whether a business voted for or against the BID. For example, if the rateable value on your premises is £10,000 you will pay £150 per annum. Once a ballot is successful the BID levy is mandatory for all eligible businesses and other bodies, such as the local authority.

Levy collection

The BID levy will be collected on an annual basis and will be collected by the local authority with the business rates. Caernarfon BID will be clear and transparent about how it is spending the money. There will be regularly updated information about income and expenditure available to all members of the BID.

Ensuring that any BID services are additional

A BID in Caernarfon town centre will be a business-led initiative with funds that will be collected and managed by you. It must provide services over and above those offered by the local authority and other statutory agencies. The Caernarfon BID will sign a Baseline Agreement with Gwynedd Council that will establish what the local authority already delivers and will monitor this agreement.

How long will the BID last?

The BID will last for five years, meaning guaranteed investment over that period. If businesses want the BID to continue beyond five years you will make this decision through a further ballot process.

How can I be represented?

If the BID ballot is successful, Caernarfon BID will be reconstituted as a new not-for-profit company limited by guarantee. The first AGM is proposed to take place in September 2016 after the BID starts its work on 1st April 2016. All businesses that pay the levy can become members of the company in order to be eligible to vote. Any member can stand for election to the board. Business premises with rateable values below £2,000 may contribute voluntarily on the basis of £30/annum minimum in order to be included as voluntary members of the BID, however only members who are mandatory levy payers will have full voting rights.

How is this proposal funded?

Funding was received from the Welsh Government, Caernarfon Town Council, through the Caernarfon Chamber of Trade and Gwynedd Council. Consultants were appointed to conduct a feasibility study on whether a BID for Caernarfon would be feasible and, if found to be feasible, to develop a proposal to be put to ballot. The costs that will be incurred in holding the ballot will be covered by Gwynedd Council.

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8 BID Governance

The development of our proposed BID in Caernarfon has been led by an enthusiastic group of representatives from Caernarfon Town Council and Caernarfon Chamber of Trade. If the BID receives a 'yes' vote these individuals have agreed to take the newly formed BID company forward to the first AGM. Directors will be elected at the first AGM which will be held in September 2016.

All businesses who with a rateable value of £2000 or above will be eligible to be members of the BID and can stand as a director. Those businesses who fall within the BID boundary but with a lower rateable value can make a voluntary contribution of £30 per annum in order to become voluntary members of the BID, however only members who are mandatory levy payers will have full voting rights. We will establish a not-for-profit company limited by guarantee.

The proposed AGB Caernarfon BID Cyf. Board seek representation across sectors and from businesses from within and outside of the Castle walls. It will include, for example, the following representation:

- Small Business
- Medium Business
- Large Business
- Night Time Economy Business
- Caernarfon Chamber of Trade
- Community Organisation
- Gwynedd Council (non-executive board member)

Board directors will serve voluntarily. All BID levy payers will be entitled to become members of the company and may stand to be elected as members of the BID board at its AGM. All levy payers will be asked to apply to become members of the BID company.

All levy payers will have a **stake in the BID company**, and can hold the BID company to account. The BID will also employ a **manager** to ensure projects are delivered effectively and efficiently, seek additional funding and be the main point of contact between levy payers and the Board.

The **levy** will be collected by Gwynedd Council on behalf of the BID.

Alterations to BID Arrangements

Only minor amendments can be made to the BID arrangements without seeking formal approval from the BID members. BID arrangements may be altered without an alteration ballot, as long as there is no proposal to alter:

- The geographical area of the BID
- The BID levy in such a way that would:
 - cause any person to be liable to pay the BID levy, who was not previously liable to pay; or
 - increase the BID levy for any person other than for inflation purposes as set out above.

Where BID arrangements may be altered without an alteration ballot, the alteration will be made by a decision of the full Caernarfon BID board.

Performance measurement

The Caernarfon BID will be transparent and accountable to its members. The BID manager, in conjunction with the management board, will develop a monitoring and evaluation framework with annual targets against key performance indicators. Performance against these targets and the impact of the BID's improvement programme will be regularly monitored and reports regarding progress will be communicated to levy payers and the wider business community. There will be a clear focus on performance management, visible impacts and the ability to show excellent value for money.

9 Caernarfon BID Timeline

There are a number of stages to establishing a BID. Below are proposed timescales for the next steps, however the website will be kept updated with more precise dates.

Notification of the postal ballot	31 st July 2015
Receive voting pack	By 27 th August 2015
Postal ballot closes	5pm Thursday 24 th September 2015
Ballot results announced	Friday 25 th September 2015
Establish the BID company	October 2015 – March 2016
BID company goes live & first levy collected	April 2016
BID AGM	September 2016
Year 2 AGM	September 2017
Year 3 AGM	September 2018
Year 4 AGM	September 2019
Year 5 AGM	September 2020
BID renewal ballot	December 2020

Caernarfon BID will run for 5 years from 1st April 2016 until 31st March 2021.

Ballot rules

Each business rate payer will have a vote provided they are listed on the Non-Domestic Ratings List when notice of ballot is given by Gwynedd Council and sit within the BID boundary with a rateable value over and inclusive of £2,000.

- In August 2015 the voting pack will be sent to the address of the hereditament (property).
- All votes must be returned by Thursday 24th September 2015 by 5pm.
- For the BID to go ahead two conditions must be met:
 - More than 50% of businesses that vote must vote in favour.
 - The aggregate of the rateable values of the “yes” votes must represent more than 50% of the total rateable value of all votes cast.
- Under the legislation, if these conditions are fulfilled payment of the 1.5% levy becomes mandatory for all eligible businesses, regardless of how they voted.
- A “yes” vote for Caernarfon BID will mean that the additional activities promised will start happening in April 2016. The first invoices will be sent in March 2016 in order to prepare for this.
- The BID area, the BID levy percentage and the criteria of businesses eligible cannot be altered at any stage during the five-year lifetime of the BID without a full Alteration Ballot. This is to protect ratepayers and provide certainty of BID levy costs.
- It is the intention of the BID company to trade as a not-for-profit company who will run the BID.

10 Your vote counts!

Over the past year town centre businesses have shown a great deal of enthusiasm for a Business Improvement District in Caernarfon. Now is the time to create a sustainable and successful approach to managing our town centre for years to come. **BACK THE BID - VOTE FOR CAERNARFON**

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11 Research and Feasibility

The research and development of Caernarfon BID has been funded by the Welsh Government, Caernarfon Town Council, through the Caernarfon Chamber of Trade and Gwynedd Council. A feasibility study was produced in December 2014 to ascertain whether BIDs would be an effective mechanism to address current town centre issues with a focus on improving trading conditions.

Based on an analysis of rateable values and a survey of businesses within the proposed BID boundary, the feasibility study concluded that establishing a successful BID is not only an exciting and valuable prospect for businesses and the wider community of Caernarfon, but it also concluded that it is a feasible reality. There is support and demand for the BID, it will be financially viable, it can act on the specific needs of BID businesses over the long-term and it can add value to the levy on businesses through integration, partnerships, leverage and influence.

Surveys were completed by 83 businesses, of which 69 (83%) stated that they thought a Business BID for Caernarfon was a good idea in principle and should be tested in a ballot. Only one person answered no and the remainder were not sure.

The 83 completed surveys represent a response rate of 24% of business premises within the BID boundaries. By disregarding duplicate owners, town and county council buildings, car parks, banks and ATMs, police stations, libraries, bus depots and other premises without a direct phone number or invalid contact details, the response rate was 42%. Two-thirds of those surveyed represented independent businesses.

12 Supporting Documents

Other documents related to the BID can be found on the BID website www.caernarfonbid.co.uk.

These include:

- The draft Baseline Agreement between the BID and Gwynedd Council, including a statement of the existing baseline services provided by Gwynedd Council.
- The draft Operating Agreement between the BID and Gwynedd Council, stating the terms how Gwynedd Council will operate as the billing and ballot authority on behalf of the BID.

Other resources include:

- The Welsh Government's BIDs Handbook
- Case studies and links to other UK BIDs

For more information on Caernarfon BID and to find out how you can get involved, please contact the BID chairman:

(name and contact details here)

Appendix 1: Essential Information

Who is involved?

1. The liable person to pay the BID levy is the ratepayer responsible for non-domestic rates in respect of the hereditament.
2. The BID levy will apply to all hereditaments with an NNDR (National Non-Domestic Rates) address located within the Caernarfon BID boundary area.
3. Businesses with a rateable value that is below £2,000 will not be eligible to pay the BID levy but may contribute voluntarily in order to become voluntary members of the BID.

Key Dates

1. The proposed BID will last five consecutive financial years from April 2016.
2. All eligible businesses will be entitled to vote for the BID proposal in a 28 day postal ballot which will commence on 27th August 2015 and voting will close on Thursday 24th September 2015 at 5pm with the results announced on Friday 25th September on the BID website.

The Levy

1. The BID levy will be 1.5% of each hereditament's rateable value for the full five years as detailed in the NNDR list 2010.
2. There is no distinction to be made between occupied or unoccupied hereditaments.
3. The BID levy will not be affected by the small business rate relief scheme.
4. The local authority shall collect the BID levy and hold such sums in the BID Revenue Account.
5. The levy will be calculated for each hereditament on an annual basis and billed in time for the start of each year of the BID.
6. The levy will be charged according to chargeable day procedures. It will be based on the 2010 ratings list records for each hereditament in the BID area taken at the date when notice of ballot is given. This will ensure the completeness and accuracy of the rateable value listing used for generating bills each year.
7. The Operating Agreement will be made available on request by a potential levy payer.
8. Businesses may become liable to pay the levy where they were not previously, for example where a hereditament in the BID area that was absent from the ratings list is subsequently added.
9. The chargeable period will be the BID term of five years from 1st April 2016. No account will be taken of the rating revaluation in 2017, unless a hereditament is shown in that list for the first time, in which case the rateable value shown in that list will be used. The exception will be any change of use or a physical change to a property or hereditament.
10. The non-payment of the BID levy will be pursued via all available mechanisms.