

SCHEDULE 3
The Operating Agreement

OPERATING AGREEMENT
IN CONNECTION WITH BID LEVY COLLECTION ARRANGEMENTS

Contents

- 1. Definitions**
- 2. Statutory authorities and interpretation**
- 3. Commencement**
- 4. Setting the BID levy**
- 5. The BID Revenue Account**
- 6. Debits from the BID Revenue Account**
- 7. Collecting the BID levy**
- 8. Procedures available to the Council for enforcing payment of the BID levy**
- 9. Payment to the BID Company and reconciliation**
- 10. Accounting procedures and monitoring**
- 11. Termination**
- 12. Confidentiality**
- 13. Notices**
- 14. Miscellaneous**
- 15. Exercise of the Council's powers**
- 16. Contracts (Right of Third Parties)**
- 17. Dispute resolution**

Appendix 1 – BID levy rules

OPERATING AGREEMENT

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 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 the BID term.
- D The purpose of this Agreement is to:
- establish the procedure for setting the BID levy
 - confirm the basis upon which the Council will be responsible for collecting the BID levy
 - set out the enforcement mechanisms available for collection of the BID levy
 - set out the procedures for accounting and transference of the BID levy
 - provide for the monitoring and review of the collection of the BID levy
 - confirm the manner in which the Council's expenses incurred in collecting the BID levy shall be paid

It is agreed

1. DEFINITIONS

The words and expressions below shall mean as follows:-

Act shall mean the Local Government Act 2003

Annual Report shall mean a report to be prepared by the Council which details the following:-

- (i) The total amount of BID levy collected during the relevant Financial Year;
- (ii) Details of the percentage collection rate for the BID levy;
- (iii) The Council's proposals (if any) to help improve any efficiency measures in the collection and enforcement of the BID levy; and
- (iv) Details of those BID levy payers who have paid the BID levy and those who have not paid the BID levy;
- (v) The Council's proposals for bad or doubtful debts

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

Ballot Result Date shall mean the date upon which a successful ballot result has been declared in favour of putting in place the BID Arrangements.

BID shall mean the Business Improvement District which operates within the BID Area.

BID area shall mean the area of Keighley town centre edged red on the plan at schedule 2.

BID Arrangements shall mean those arrangements to be put in place pursuant to the regulations for the operation of the BID.

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

- i. The total income and expenditure of the BID levy
- ii. Other income and expenditure of the BID Company not being the BID levy
- iii. A statement of actual and pending deficits; and
- iv. The various initiatives and schemes upon which the BID levy has been expended by the BID Company

BID levy shall mean the charge to be levied and collected within the BID area pursuant to the Regulations.

BID levy payer(s) shall mean the non-domestic rate payer(s) responsible for paying the BID levy

BID levy rules shall mean the rules set out in Schedule 1 which sets out how the BID levy will be calculated and other requirements related to the BID levy (as may be amended by a successful alteration ballot)

BID revenue account shall mean the account to be set up in accordance with Regulation 14 and operated in accordance with Schedule 3 of the Regulations

BID Term shall mean the period of 5 years commencing on the operational date

Contingency Sum means the sum that will be retained by the Council during each year the BID for payment to the BID Company with the first payment of the following BID year

Contributors shall mean the BID levy payers or other contributors making voluntary contributions to the BID Company

Demand notice shall have the same meaning ascribed to it as further set out in paragraph 3 of Schedule 4 of the Regulations

Enforcement action shall mean all reasonable costs incurred in relation to the undertaking of action to recover outstanding BID levy and related costs including costs of the issue of the Magistrates' Court summons and any subsequent enforcement costs.

Exempt Properties shall mean those Hereditaments as mentioned in Schedule 1.

Financial Year December 2015 to November 2016
December 2016 to November 2017
December 2017 to November 2018
December 2018 to November 2019
December 2019 to November 2020

Hereditament shall have the same meaning as defined in the Regulations

Liability Order shall mean an order obtained from the Magistrates' Court

Operational Date shall mean 4th January 2016 being the date upon which the BID Arrangements come into force

Public Meeting shall mean the meeting to be held of all BID levy payers pursuant to regulation 18(1) (a) (ii) of the Regulations

Regulations shall mean the Business Improvement Districts (England) Regulations 2004 (S.I. 2004/2443) and such amendments made by the Secretary of State pursuant to Section 48 of the Act (from time to time)

Reminder Notice shall mean the notice to be served pursuant to Clause 8.1

Termination shall be pursuant to Clause 11

Working Day shall have the same meaning pursuant to the Regulations

2. Statutory authorities and Interpretation

2.1 This Agreement is made pursuant to Part 4 of the Act and Section 111 of the Local Government Act 1972 and all other enabling powers

2.2 This Agreement shall be interpreted according to the following provisions unless the context requires a different meaning:

2.2.1 Words importing persons shall where the context so requires or admits include individuals, firms, partnerships, trusts, corporations, governments, governmental bodies, authorities, agencies, unincorporated bodies of persons or associations and any organisations having legal capacity

2.2.2 References to any statutes and statutory instruments are to be construed as references to those statutes and statutory instruments as from time to time amended or to any statutes and statutory instruments from time to time replacing extending consolidating or amending the same

3. Commencement

This agreement is conditional upon the declaration of a successful ballot result on the ballot result date and this Agreement will be executed on or before 4th January 2016

4. Setting the BID levy

4.1 Within 28 days of the ballot result date the Council shall:

- i) Calculate the BID levy due from each BID levy payer in accordance with the BID levy rules; and
- ii) Confirm in writing to the BID Company the BID levy payable annually by each BID levy payer

5. The BID Revenue Account

5.1 Within 28 days from the ballot result date the Council shall set up the BID revenue account and provide written confirmation to the BID Company once this has been carried out.

5.2 Within 28 days from the ballot result date the BID Company shall provide the Council with details of its own bank account into which payments shall be made under Clause 9 and/or the BID levy shall be transferred into from the BID Revenue Account.

6. Debits from the BID Revenue Account

6.1 The Council shall debit from the Revenue Account the following:

6.1.1 Bad or Doubtful Debts;

6.1.2 The Council's business rates section will receive £12k annually as a contribution to a half time post within the Business Rates section to process collection. £2k of this will relate to maintenance of the software specific to the levy collection. This contribution is less than the full economic cost of the half-time post and contributes to the Council's support of the BID

6.1.3 All costs incurred by the Council through the use of enforcement action to recover any BID levy due to the BID Company where those costs have subsequently been paid by the BID levy payer.

7. Collecting the BID levy

Bradford Council will collect the business rate levy for the Keighley BID Company (if the BID is approved). Software for this purpose has already been acquired.

The Council will be a dedicated participant in the BID Company through 1 Board Member (a councillor), which the Council will nominate, for the life of the BID. This member will represent the Council's interests and be a voting Member. They will be required to act and demonstrate the behaviours of a director.

The BID levy will be based on the 'chargeable day' principle that imposes the full year levy charge on the incumbent on a fixed day of the year and then makes no refunds within the year as a result of any changes

7.1 Within 28 days of the ballot result date the Council shall confirm in writing to the BID Company:-

- i) The means by which the BID levy payer shall be billed for the BID levy; and

- ii) The date when the BID levy shall first be collected (such date to be on or after the operational date 4th January 2016)
- 7.2 Pursuant to Clause 7.1(ii) the Council shall serve the Demand Notices on each BID levy payer and thereafter shall continue to calculate the BID levy and serve the Demand Notices throughout the BID Term
- 7.3 The Council shall maintain a list which identifies payment and/or non-payment of the BID levy and shall make this available to the BID Company upon its reasonable request
- 7.4 Where a Hereditament is split or merged the BID levy should be made on the revised entries shown in the 2015 local rating list. If the said Hereditament is split or merged under the 2015 list those rateable values will be used in the calculation. However, if the said Hereditament is split or merged only under the subsequent list those rateable values in that list will be used instead. The BID levy will be calculated on the basis of a chargeable period liability at the next yearly charging period rating list
- 7.5 The Council shall use all reasonable endeavours to collect the BID levy on the date specified (pursuant to Clause 7.1(ii) above) and thereafter in respect of each Financial Year and in accordance with the procedure set out in Schedule 4 of the Regulations
- 7.6 The Council shall use all reasonable endeavours to take all reasonable steps for collecting the BID levy, which are consistent with its usual procedures for the collection of non-domestic rates.

8. Procedures available to the Council for enforcing payment of the BID levy

8.1 In the event that the BID levy is not paid by any BID levy payer within 28 days from the date that it becomes payable then (subject to the exceptions or as may otherwise be agreed in writing between the parties) the Council shall serve a Reminder Notice on such BID levy payer which shall:

- i) Identify the sum payable;
- ii) Provide a further 7 days for payment to be made;
- iii) Confirm that the Council will make an application to the Magistrates' Court for a Liability Order to recover the unpaid sum (together with costs)

8.2 If after a further 7 days from the payment date stated in the Reminder Notice (as extended pursuant to clause 8.1.ii) the outstanding sum of the BID levy has not been paid the Council may make an application to the Magistrates' Court for a Liability Order to recover the outstanding sum of the BID levy as is permitted by the Regulations and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) (as amended).

8.3 Before making any such application as referred to in paragraph 8.2 above, the Council shall notify the BID Company and, if so requested, will discuss the case with the BID Company. Any decision to make an application shall remain with the Council.

9. Payment to or from the BID Company

9.1 To facilitate the activity of the BID company, the Council has agreed to provide cash flow in advance of receipts from the BID levy. This will be equal to 25% of the anticipated amount expected within the year but may be negotiated upward in the light of experience from elsewhere, to ensure adequate cash flow.

9.2 10% of the anticipated Levy income will be retained by the Council for bad debt until it becomes plain if there has been 10%, or less, bad debt. If payments received demonstrate that the amount of contingency for bad debt was too large, then the difference should be paid. It is not the intention of the Council to retain bid revenue unnecessarily. Amounts due should be paid to the BID company at the earliest possible opportunity, and on the production of an appropriate invoice inclusive of VAT. Any reconciliation of this that is outstanding can be made within 6 weeks of the end of the financial year.

The BID Company will comply with VAT regulations and be registered for VAT.

The BID company will recover any VAT it incurs in delivering the BID services and pay over any VAT due, subject to the normal rules.

There may be certain circumstances where exempt supplies are made, although this is considered to be highly unlikely. Where such supplies are made any VAT incurred by the BID will be unrecoverable.

9.3 Special arrangements in the final year

The final year of the BID Term will be important in terms of future planning. An "intention" meeting between the BID Company and

the Council will be held at the mid point of the final year (June 2020), to plan arrangements for either a ballot for a second term or close down of the activity at the end of the term. Either scenario will involve all the funds due to the BID Company being paid in advance of the closure of business in the first BID Term - the BID company should have the means to conclude its business, with the money due from the levy within the BID term before dissolution of the Company. Similarly if there is to be a campaign for a second BID Term, the finance for the campaign and associated costs needs to be known and available.

9.4 The final quarter of the BID Term

The final quarter of the BID Term is unusual in that it will be either:

- The final quarter before a new BID term, dependent on a ballot of business levy payers

Or

- The close down quarter for the BID programme and potentially the BID Company. The Council will make every effort to accurately assess any retention and pay this amount to the BID Company at the start of the final quarter.

9.5 Table for payments in year 1

Year 1 refers to January 2016 – December 2016

Ballot successful Nov 2015	Company established Nov 15	Council advances 25% of expected levy for period Jan 2016 to Dec 2016	Bills become payable January 2016	Any resolution of issues arising to be completed within 6 weeks of bills deadline	Council financial year end April 2016
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And in years 2 to 4 of the BID term

Year 2 refers to January 2017 – December 2017

Year 3 refers to January 2018 – December 2018

Year 4 refers to January 2019 – December 2019

BID financial year end December each year			
Council advances 25% of expected levy for period as above	Bills become payable January	Any resolution of issues arising to be completed within 6 weeks of bills deadline	Council financial year end April

Special arrangements for 5th year of the BID term

Year 5 refers to January 2020 – December 2020

BID financial year end December each year					
Council advances 25% of expected levy for period Jan 2020 to Dec 2020	Bills become payable January	Any resolution of issues arising to be completed within 6 weeks of bills deadline	Council financial year end April	Intention meeting June 2020	Payment of all funds due to end of BID term by end of June 2020

10. Accounting Procedures and Monitoring

10.1 At the time the Council issues the levy bills there will be a statement of the previous years financial summary and the forecast for the forthcoming year on the BID company and the Council's websites.

10.2 Every 12 months (for the duration of BID Term) the Council shall provide the BID Company with a breakdown of:

- i) The amount of BID levy for each individual BID levy payer;
- ii) The BID levy collected in relation to each BID levy payer;
- iii) Details (together with the outstanding unpaid sum) of those BID levy payers who have not paid the BID levy during those 12 months;
- iv) Details of the reminder notices issued throughout that period;
and
- v) Details of any liability orders obtained or applied for by the Council

10.3 Every 12 months (for the BID Term) the BID Company shall provide the Council with the following details:

- i) The total amount of income received from the Contributors (excluding the BID levy); and
- ii) The total expenditure during that 12 month period.

10.4 The parties shall annually review the operation of this Agreement and shall meet from time to time to:

- i) Review the effectiveness of the collection and enforcement of the BID levy; and
- ii) If required, review and assess the information provided by the Council and the BID Company pursuant to Clauses 10.1 and 10.2 above and make any recommendations for implementation as may be agreed in writing (and which are permitted by the Regulations and the terms of this Agreement).

10.5 Within 3 months after the date of the end of the Financial Year the Council shall provide the Annual Report to the BID Company.

10.6 Within 3 months from the date of receipt of the Annual Report the BID Company shall provide the BID Company's Report to the Council.

11. Termination

11.1 Where the Council is contemplating terminating the BID Arrangements under Regulation 18(1)(a) of the Regulations it shall serve written notice on the BID Company and in addition to its obligation to hold a Public Meeting shall meet with the BID Company as soon as is reasonably practicable to discuss and review the following:

- i) The basis of the Council's concerns that the BID Company has insufficient finances to meet its liabilities for that period;
- ii) The level of insufficient funds;
- iii) Alternative means by which the insufficiency of the funds can be remedied in accordance with Regulation 18(1) (a) (ii); and
- iv) An appropriate time frame to resolve the issue.

11.2 Where the Council is contemplating terminating the BID Arrangements under Regulation 18(1)(b) of the Regulations it shall serve written notice on the BID Company and shall meet with the BID Company as soon as is reasonably practicable to discuss and review the following:

- i) The services or works which it is no longer able to provide together with confirmation and details as to why such works or services cannot be provided;
- ii) A review by both parties as to whether such works or services are of material importance to the BID so that termination of the BID Arrangements is the only option;
- iii) Alternative means of procuring the said services or works by third parties or increased financial funding from the BID Company;
- iv) Alternative replacement services or works which will be acceptable to the BID Company
- v) An appropriate time frame to resolve this issue.

11.3 In the event that the parties cannot reach agreement in relation to the above and subject to consideration of representations made by any BID levy payer at the public meeting the Council shall be permitted to terminate the BID Arrangements provided that notice by the Council to terminate the BID shall be provided to the BID Company no less than 28 days prior to termination taking place

11.4 Upon termination of the BID Arrangements the Council shall review whether there is a credit in the BID Revenue Account and in the event that there are sufficient funds in the BID Revenue Account

amounting to a refund of at least £5.00 for each BID levy payer (having already deducted a reasonable sum for the administration of such refund) to:

- i) calculate the amount to be refunded to each BID levy payer;
- ii) Ensure that the amount to be refunded is calculated by reference to the amount payable by each BID levy payer for the last chargeable period; and
- iii) Make arrangements for the amount calculated to be credited against any outstanding liabilities of each BID levy payer or where there are no such liabilities refunded to the BID levy payer.
- iv) Where there are insufficient funds in the BID revenue account to allow for the payment of a refund as described above, the Council shall credit the credit balance in the BID revenue account to the credit of its general fund

11.5 Upon termination of the BID the Council shall notify the BID levy payers of such termination in accordance with Regulation 18(6) of the Regulations together with confirmation as to whether any part of the BID levy is to be repaid to BID levy payers in accordance with Clause 11.4.

11.6 The BID Company shall not be permitted to terminate the BID Arrangements where:

- i) The works or services under the BID Arrangements are no longer required; or

- ii) The BID Company is unable due to any cause beyond its control to provide works and services which are necessary for the BID to continue;
- iii) Unless and until it has served a written notice on the Council and thereafter carried out a proper consultation with all relevant representatives of the BID area as considered appropriate by the Council

11.7 Upon termination of the BID Arrangements the BID Company shall notify the Council of such termination in accordance with Regulation 18(5) and the Council shall notify the BID levy payers pursuant to Regulation 18(6) together with confirmation as to whether any part of the BID Levy is to be repaid to BID levy payers in accordance with Clause 11.4

11.8 For the avoidance of doubt in the event of the BID Arrangements terminating for whatever reason no new liabilities or obligations will accrue to either party thereafter

12 Confidentiality

12.1 Both the Council and the BID Company agree to keep confidential and not to divulge to any person without the prior written consent of the other party all information (written or oral) concerning the business affairs of the other nor any information which has been exchanged about the BID levy payers or about other third parties which it shall have obtained or received as a result of operating the BID. This obligation shall survive the termination or lapse of the BID Arrangements.

13 Notices

13.1 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

13.2 A Notice may be served by:

13.2.1 Delivery to the City Solicitor of the Council at its address specified above; or

13.2.2 Delivery to the Chair of the BID Company at its address specified above and by;

13.2.3 Registered or recorded delivery post.

13.3 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.

14. Miscellaneous

14.1 For the avoidance of doubt where any part of this Agreement is incompatible with the Regulations or any other regulations which the Secretary of State may issue pursuant to Part 4 of the Act then such part shall be struck out and the balance of this Agreement shall remain

14.2 The headings appearing in this Agreement are for ease of reference only and shall not affect the construction of this Agreement

- 14.3 For the avoidance of doubt the provisions of this Agreement (other than those contained in this Clause) shall not have any effect until this document has been dated.
- 14.4 Where reference is made to a Clause Part Plan or Recital such reference (unless the context requires otherwise) is a reference to a clause part plan or recital attached to this Agreement
- 14.5 References to the Council include any successors to its functions as local authority
- 14.6 References to statutes bye laws regulations orders delegated legislation shall include any such instrument re-enacting or made pursuant to the same power

15. Exercise of the Council's powers

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.

16. Contracts (Rights of Third Parties)

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

17. Dispute Resolution

- 17.1 The parties shall attempt in good faith to negotiate a settlement to any dispute (a "Dispute") between them arising out of or in connection with the Agreement within ten (10) working days of either party informing the other of the Dispute

17.2 In the event that the Dispute cannot be resolved within ten (10) working days of notification being provided in accordance with clause 17.1 the parties shall escalate the Dispute to the Chair of the BID Company and the Service Director for Regeneration at the Council

17.3 If the Dispute cannot be resolved by the parties pursuant to clauses 17.1 and 17.2 within twenty (20) working days of notification being provided in accordance with clause 17.1 the Dispute shall be referred to mediation pursuant to the procedure set out in clause 17.4 unless:

17.3.1 The Council considers that the Dispute is not suitable for resolution by mediation; or

17.3.2 The BID Company does not agree to mediation;

In which case the provisions of 17.4.4 will apply

17.4 The procedure for mediation and consequential provisions relating to mediation are as follows:

17.4.1 a neutral advisor or mediator (“the Mediator”) shall be chosen by agreement between the parties or, if they are unable to agree upon a Mediator within ten (10) working days after a request by one party to the other or if the Mediator agreed upon is unable or unwilling to act, either party shall within ten (10) working days from the date of the proposal to appoint a Mediator or within ten (10) working days of notice to either party that he is unable or unwilling to act, apply to the Centre for Effective Dispute Resolution (“CEDR”) to appoint a Mediator.

17.4.2 Unless otherwise agreed, all negotiations connected with the Dispute and any settlement agreement relating to it shall be

conducted in confidence and without prejudice to the rights of the parties in any future proceedings.

17.4.3 If the parties reach agreement on the resolution of the Dispute, the agreement shall be reduced to writing and shall be binding on the parties once it is executed by their duly authorised representatives.

17.4.4 If:

(a) the parties fail to reach agreement in the negotiations within sixty (60) working days of the Mediator being appointed, or such longer period as may be agreed by the parties; or

(b) The provisions of clauses 17.3.1 or 17.3.2 apply then the dispute between the parties may be referred to the courts.

17.4.5 The performance of the Agreement shall not be suspended, cease or be delayed by the application of the procedures set out in this clause 17 and both parties shall comply fully with the requirements of the Agreement at all times.

APPENDIX 1
The BID Levy Rules

The commencement date of the BID Agreement will be 4th January 2016 and will apply for a period of 5 years thereafter unless terminated in accordance with Clause 11.

General

- 1.0 In accordance with the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) as amended and the Non-Domestic Rating (Collection and Enforcement) (Miscellaneous Provisions) Regulations 1989 (S.I. 1989/1060) as amended, the Business Improvement Districts (England) Regulations 2004 (S.I. 2004/2443) and the Act the Council will be responsible for the imposition, administration, collection and recovery of the BID Levy
- 1.1 The BID levy will be charged on all Hereditaments listed in the local Non-Domestic Rating List located within the BID Area entered into the local rating list except where described as: Advertising rights, ATMS's, Car Parks and Communications Stations
- 1.2 The liable person to pay the BID levy is the ratepayer liable for non-domestic rates in respect of the Hereditament. The chargeable period will be the BID Term as defined in this Agreement.
- 1.3 The Act enables the local authority to issue a Demand Notice for a BID levy. The BID levy is collected by the Council and is accounted for in the BID Revenue Account specifically set up by the Council.
- 1.4 The BID levy rate will be charged at 1.5% of the rateable value of the premises, as effective on 5th October 2015 for the full term of the BID (using the local rating list published 1st September 2015 and where no entry exists on that list the subsequent list shall be used in its place) and will not be subject to inflation or alterations.

- 1.5 Businesses that already pay a service charge for some elements that would be covered by the BID e.g. within the Airedale Shopping Centre will be charged at 1%. Businesses within the shopping centre, that already pay a service charge but that have a door that faces onto the street will be charged 1.25% as this factor introduces more “on-street” issues. This makes them more similar to circumstances affecting other trade within the town.
- 1.6 The BID levy will be applied to all businesses within the defined area with a rateable value exceeding £6,000, provided they are listed on the National Non-Domestic Rates list as provided by Bradford Council. Any charity receiving 100% business rate reduction will also be exempt from paying the levy
- 1.7 Vacant properties, undergoing refurbishment or being demolished will be liable to pay the BID levy by the property owner or registered business ratepayer.
- 1.8 The levy will apply to charity shops.
- 1.9 Bradford Council will be liable to pay the BID levy on it’s properties.
- 1.10 VAT will not be charged on the BID levy.

New properties, deletions and changes in rateable value

- 2.0 Any new premises or new streets in the BID area raised after the BID is in force will be liable to pay a BID levy based on any new rateable value as shown in the 2015 local rating List. If the said Hereditament is raised under the 2015 list this rateable value will be used in the calculation. However, if the said Hereditament is raised only under the subsequent list the rateable value in that list will be used instead. The BID levy will be calculated on the basis of a chargeable period liability at the next yearly charging period rating list.

- 2.1 Where a Hereditament is split or merged the BID levy should be made on the revised entries shown in the 2015 local rating list. If the said Hereditament is split or merged under the 2015 list those rateable values will be used in the calculation. However, if the said Hereditament is split or merged only under the subsequent list those rateable values in that list will be used instead. The BID levy will be calculated on the basis of a chargeable period liability at the next yearly charging period rating list
- 2.2 There will be no adjustments to the BID levy during the BID term for changes in rateable value. For the avoidance of doubt this includes any subsequent increases or reductions in rateable values entered in the local rating list with an effective date prior to or after the 1st September 2015 respectively.
- 2.3 If a business' rateable value rises above £6,000 per annum, the business will be liable to pay the levy from the next year's charging period after the date the rise appears on the rating list.
- 2.4 Equally if a business rateable value falls below £6,000 or the business is removed from the rating list, then the levy will cease to be payable from the next year's charging period when the business disappears from the list.

Reliefs and Exemptions

- 3.0 The BID levy will not be affected by small business rate relief scheme, exemption relief or discount periods in the non-domestic rate regulations 1989 made under the Local government Finance act 1988.
- 3.1 There is no distinction to be made between occupied or unoccupied Hereditaments. Both occupancy statuses will attract the full BID levy.

- 3.2 Hereditaments where the BID levy payer would be in receipt of either mandatory or discretionary rate relief in respect of their non-domestic rate liability shall not be entitled to the same level of relief from any BID levy.
- 3.3 The following classes of ratepayer will be exempt from the BID levy:
- (i) Hereditaments which are entered into the local rating list where the rateable value is less than £6,000 as at the 1st September 2015
 - (ii) Hereditaments where the occupier is a charity in receipt of 100% relief.
- 3.4 This will apply to all businesses regardless of any temporary business rate subsidy in place.

Billing and Enforcement

- 4.0 The BID levy is a 'chargeable day' rate based on rateable value that imposes the full year levy charge on the incumbent on a fixed day of the year and then makes no refunds within the year as a result of any changes. It is to be paid in full in advance the payment date being first day of the relevant Financial Year or within 14 days of a Demand Notice being served or as otherwise agreed in writing by the Council. For the purposes of the BID, a Financial Year is either:
- 4.1 A period 365 days (366 in a leap year); or
 - 4.2 The period commencing on the BID commencement date until December; or
 - 4.3 The period commencing November until the end of the BID term inclusive commencing and ending on the first and last days of the relevant Financial Year.

- 4.4 The BID levy for each individual ratepayer is to be calculated by multiplying the rateable value of the applicable Hereditament by the percentage referred to in paragraph 2 above and apportioned accordingly.
- 4.5 The non-payment of the BID levy will be vigorously pursued via all available enforcement options. This will include: the preparation, issuing and serving of summonses; the use of enforcement agents; committal action and insolvency. All of these actions may incur additional costs for which the BID levy payer will be liable.