



LUTONBID

Our Town – Our Future

Luton Business Improvement District

BID Proposal and Business Plan

2020 – 2025



www.lutonbid.org

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Luton Business Improvement District (BID) Proposal and Business Plan 2020 – 2025

1. Forward

Message from the Chair of the Luton BID Board

I am proud to be writing the introduction to this Proposal and Business Plan for the second term of the Luton Business Improvement District (BID). Over the last five years we have achieved a considerable amount in terms of making the town look more attractive, driving footfall through an improved and more coordinated calendar of events which has had an impact on improving overall perceptions of the town. We have also acted as a collective voice for the businesses of Luton town centre representing a diverse range of interests and business sectors which ultimately all want the best for Luton.

Over the last few months we have been working hard conducting surveys, consultations and workshops to assess the views of as many businesses and stakeholders as possible. Based on this work we have identified a set of initiatives that we believe will build on the work we have done to date, address the new challenges we all face and take advantage of the new opportunities which are presenting themselves. The aim is to make a real difference to the success and prosperity of the Luton business community.

Businesses and organisations in Luton's town centre and surrounding area are not alone in facing challenges of economic uncertainty, the pressures from changing lifestyles, increased mobility, new competition, greater customer choice and changes in working practises. However it will be those towns which are able to offer a great experience and an attractive environment which are going to thrive in the future.

One of the biggest challenges Luton town centre still has to overcome is the negative perception by many who have never even visited the town and from those who live in and around the town. Luton as a whole has a lot to be proud of including a vibrant enterprise zone and a rapidly expanding airport, not to mention a football team which has just seen promotion. We aim to re-build pride in the town centre by working with others to make radical differences to the place itself, but this can only be achieved by working collaboratively together.

The Board have given their time freely because they believe in the future of Luton and are willing to play their part in helping to shape it. This plan sets out projects and initiatives which will support businesses and complement the programme of investment in the town centre and which, we believe, will make a positive difference to your business.

Our cumulative investment will provide a business-driven focus to ensure essential improvements to Luton, a means of promoting its businesses and organisations and changing those negative perceptions. This investment will also set standards in the town centre which reflect our own aspirations as businesses and organisations, with a budget, over the five-year BID lifetime of around £2 million.

This is a realistic plan with realistic targets at a realistic cost. It is a chance for us to come together and help drive the way in which the town presents itself and is perceived. The only way in which the Luton can realise its full potential is to work effectively and together as a single community of businesses and organisations who share the same vision and goal for the town. Let's not allow this opportunity to slip away. We urge you to look carefully at the proposal and to give it your full support at the formal BID vote in October.

Chair and Director of Luton BID Ltd
CEO of Clearhead Media

2. Luton BID Ltd

BID Board Members

The BID Company, the Luton BID Limited is limited by guarantee, is the body which has proposed the BID for the purposes of the BID Statutory Provisions and is responsible for the implementation of the BID plan. The membership of the board of the company is open to all business levy payers in the BID area.

The members of the BID Board are as follows:

Name	Business Name
Gavin O'Brien (Chair of the Board)	Clearhead
Sophie Allen	Starbucks
Roy Biggs	White House - J D Wetherspoons
Martin Blower	A Plan Insurance
Roy Greening	The Mall
Marie Kirbyshaw	The Culture Trust, Luton
Diane Quick	Galaxy Centre
Stuart Sadler	Stuart Sadler Ltd
Abbas Shaffi	Shaffi and Sons Ltd
Gary Sweet	Luton Town Football Club
Sian Timoney	Luton Borough Council

3. Executive Summary

BID background

Business Improvement Districts are driven by participating businesses – who work together to draw up a business plan which is voted on and, if agreed, is then funded through a levy based on business rateable values, as well as trying to lever in additional funding where possible for investment into the delivery of projects for the benefit of businesses.

This levy is collected by the Luton Borough Council and paid directly to the Business Improvement District Company, Luton BID Ltd (the BID Company for Luton town centre). Luton BID Ltd is a not-for-profit company which is and will be accountable to the businesses in the Luton BID area to manage the business improvement district business plan

There are a number of BID areas which have been operating for more than five years and have gone through a renewal ballot. In many cases, those BIDs seeking renewal have received an even greater endorsement in the second vote than they did in the initial vote, demonstrating the ability of the process to deliver on promises and contribute to improved business performance and profitability. BIDs have brought significant benefits to the trading environment of the businesses based in these locations.

The benefits of the Luton Business Improvement District

After a deep recession, the economic uncertainty of 'Brexit' and the dynamic change of the retail world impacting on all town and city centres, the need for businesses to work together for a better future has never been greater.

The benefits of a BID do not just come from the ability to deliver projects and services from a guaranteed budget but come from the collective influence of the businesses in the BID area. Influence to change perceptions about a place, of potential visitors to the town that it has something different, of new businesses that they will get a return on their investment if they come to the town and of residents that they have pride in the place once again.

The influence of the collective voice of businesses working together also translates into productive relationships and outcomes when working with other organisations such as the local authority and the Police to meet business needs.

Although Luton as a whole has many global brands based here and is an important international gateway with a cosmopolitan population, external perceptions have still yet to catch up with the changing face of Luton town centre.

The research and consultation with businesses undertaken in preparing this plan reflects the clearly stated view that Luton has a lot to offer as a town and the potential to re-invent itself to meet the needs of its residents, visitors and its businesses as they are today. Businesses have recognised that this is an important opportunity to build on what we have achieved to date, to develop Luton's identity and raise its profile for the benefit of all businesses.

This new business plan has been developed to ensure that it:

- is balanced to cover all business sectors

- clearly defines the role of the BID
- seeks to create and take advantage of new opportunities
- has focussed activity but remains relevant for next five years
- has deliverable and achievable objectives

It has been prepared in line with best practice and guidelines issued by the MHCLG and the 'Industry Criteria and Guidance' prepared for Revo in association with; ATCM, ACS, BRC, Intu and BPF. A set of definitions for terms used throughout this document is contained in Appendix 1.

It clearly lays out a business-led programme of investment to tackle issues identified by businesses with the aim of creating a positive and more profitable trading environment to potentially benefit all business sectors. To achieve this, the BID levy will be 1.75% of rateable value in the town centre and 0.85% for the shopping malls with all charges rising in line with inflation each year for five years. More detailed levy criteria is identified in Section 15.

In addition to receiving the broad benefits that BID offers your business in terms of driving local business investment and growth, you will gain direct access to collective promotional campaigns and have the opportunity to link into social and digital media activities. You will have access to collective business security initiatives, the opportunity to participate in seminars and workshops offering business support and advice, invitations to regular BID networking events to develop greater local business community collaboration and much more.

As a business who pays into the BID this is an investment. The aim of the BID is to deliver as much value back in benefits, if not more, than the money you pay in.

The Area

The Luton town centre Business Improvement District covers the commercial core. The boundary follows the inner ring road for much of the area and includes Power Court to the east and the Railway Station to the north.

The aim of the BID area is to bring the Luton town centre business community together to act with one voice with an open policy to encourage dialogue and involvement from other businesses and organisations which may not be in the area but have a direct stake in the town centre.

The Vision

Through this business-led programme of investment the vision is:

'Support business growth and investment in the town centre and build pride, loyalty and positive perceptions of Luton as a whole.'

Strategic Objectives and Projects

The programme of investment will be delivered through the four strategic objectives and their related projects.

Promotion

1. **Identify, develop and promote the strengths, characteristics and the business offer** of Luton town centre to increase positive perceptions and loyalty of the town, locally regionally and nationally.

Environment

2. To ensure that the town centre and all its different areas present a **distinctive, accessible and appealing environment** which attracts business investment, encourages visitors to stay longer and fosters a pride in the town.

Experience

3. To provide a **safe and enjoyable experience** for visitors and workers in Luton town centre to enjoy.

Growth and Investment

4. To build on the strengths of the business community to **support and promote growth, development and investment**.

Costs and funding

The budgeted income over the five-year period of the BID is approximately £1.9 million. The yearly income will be made up of some £380,000 from the levy revenues and a sum averaging around £15,000 from voluntary, private and public-sector contributions.

Subject to a successful vote in October 2019, the new BID will start the day after the current one finishes, on 1st January 2020.

4. How a BID works

A Business Improvement District (BID) is a precisely defined geographical area within which the businesses have voted to invest collectively in local improvements to enhance their trading environment.

BIDs were enabled by parliament through the Business Improvement Districts (England) Regulations 2004. This legislation was based on the experience of some twenty years of successful BID activity in America and Canada. Since 2004, over 300 BIDs have been proposed and approved by business communities in England and Wales. These include Bedford, Northampton, St Albans, Welwyn Garden City, Letchworth, Birmingham and many London boroughs.

There are a more than 120 BID areas which have been operating for more than five years and have gone through a renewal ballot and more than 30 have now entered their third term having gone through a third ballot. In many cases BIDs going on to a second term have received an even greater endorsement in the vote than they did the first time. BIDs have brought significant improvements to the trading environment of the businesses based in these locations. Further details are available on the Association of Town and City Management web site: www.atcm.org.

The lifetime of the BID is prescribed by the Regulations and is set at no more than 5 years. It is possible for a BID to be extended by proposing a new Business Plan at the end of the BID lifetime for a fresh formal vote by the businesses.

The purposes of a BID are to provide new or expanded works and services or environmental enhancements within the prescribed BID area, funded via a BID Levy charge. All services/improvements will be additional to those already provided by Luton Borough Council. This charge is payable by non-domestic rate payers and is collected by the council in much the same way as business rates. The manner in which the BID Levy charge is calculated is defined in Section 15.

All works and services will be contracted by the Luton BID Company, the BID body for the BID area. The objectives and aspirations of the Luton BID are set out in this BID Proposal and Business Plan.

The vote

The mandate for the BID Company to deliver the BID Proposal and Business Plan is required from those companies that trade within the BID boundary and are likely to have to pay a levy to pay for it. This takes the form of a 28 day postal ballot.

In order for the proposals set out in this Business Plan to go ahead, more than 50 per cent of business ratepayers who vote have to vote 'yes'. Those in favour also have to represent at least 50 per cent of the combined 'rateable values' of those who vote. If these two criteria are met, the Business Plan is activated and all businesses in the area concerned will be required to pay the levy, regardless of whether or not they voted or how they voted if they did.

The persons entitled to vote, and be liable for the levy, are the ratepayers of non-domestic premises in the Business Improvement District. Properties with a rateable value of less than £12,001 will be excluded from the vote and levy.

Luton Borough Council's Returning Officer, Robin Porter, will be the returning officer for the Ballot Holder for the Business Improvement District. Details of voting procedures and how you can confirm persons entitled to vote can be found by contacting Luton Borough Council's Electoral Services Manager on 01582 546088 or by e-mail electoralservices@luton.gov.uk.

Alteration of arrangements

The Business Improvement District, its boundaries, business plan and the levy percentage cannot be altered without an alteration ballot, although its board can adjust projects and spend as they feel appropriate, provided the basic tenets and budgets are not compromised. This is explained in more detail in Section 14.

The levy

Businesses outside a shopping mall with a rateable value (RV) of £12,001 or more a levy of 1.75% of rateable value (RV) is proposed. Businesses which fall under the management of a shopping mall operator and/or who pay a service charge to the shopping mall operator with an RV of £12,001 or more, a levy of 0.85% of rateable value (RV) is proposed. The detail of the levy criteria is laid down in Section 15.

This levy arrangement will generate around £1.9 million of ring-fenced funding over the five year life of the BID and will also be used to lever in additional funds where possible adding a further £78,000 over the life of the BID. This will be used to fund the projects identified in this Business Plan

Duration and commencement date of BID Arrangements

Subject to the successful ballot in October 2019 our proposal is for the Arrangements for the Luton Business Improvement District Proposal and Business Plan to operate for five years and to commence, on the 1st January 2020, the day after the current BID term ceases. Before the BID term comes to an end after five years, it can be extended or renewed – but only after being subject to a renewal ballot.

Timescales

Action Point	Action	Day and Date
1	Establish Register of Businesses as specified in BID proposal	Mon 26 August 2019
2	Notice by BID Proposer to Billing Authority & Secretary of State of intention to hold ballot (at least 84 days before Ballot Holder requested to hold ballot Action Point 4)	Fri 24 May 2019
3	BID Proposer requests Billing Authority to instruct Ballot Holder to hold a Ballot (BID proposals need to be completed)	Target Date: Thu 29 August 2019
	BID Proposer mail out copies of the BID Prospectus to potential levy payers	<u>Latest</u> Date: Thu 19 September 2019
4	Billing Authority formally requests Ballot Holder to hold ballot	Thu 05 September 2019
		Target Date: Mon 09 September 2019
		<u>Latest</u> Date: Thu 19 September 2019
		Target Date:
5	Ballot Holder issues Letter to Business Ratepayers to give information about the ballot and identify named person to receive ballot paper (latest date is 42 days before Ballot Day)	Thu 12 September 2019
		<u>Latest</u> Date: Thu 19 September 2019
		Target Date:
6	Ballot Holder publishes Notice of Ballot (latest date = 42 days before ballot day) also to send copy to Secretary of State, a copy of the published notice of ballot, as per Schedule 2 3(d) of the 2004 Business Improvement Districts (England) Regulations	Thu 12 September 2019
		<u>Latest</u> Date: Thu 19 September 2019
7	Ballot Holder Issues ballot papers (at least 28 days before Ballot Day)	Thu 03 October 2019
8	Last day to appoint a proxy (tenth day before Ballot Day)	Mon 21 October 2019
9	Replacement of lost and spoilt ballot papers (from the fourth working day before the Ballot Day)	Fri 25 October 2019
10	Ballot Day (up to 5pm)	Thu 31 October 2019
11	Count and announcement of result	Fri 01 November 2019

5. The Luton BID – the first five years

Five years ago the Luton Business Improvement District was established by businesses in the town to help address the perception of Luton as a place to do business, live and work

Having battled with the recession, many businesses were still fearing for their future with increasing competition from neighbouring towns and the internet and businesses feeling that they had no role to play in the development of the town.

Over the last five years Luton BID has invested in projects and activities which you, the businesses, have identified as your priorities and that have had a direct impact on improving perception of the town environment. Below are just some of the initiatives undertaken during the first BID term; without businesses working together and providing funding via the BID levy none of these activities would have been possible.

Some of the highlights and activities over the first five years

Promotion

- Produced a digital professional services directory to showcase businesses based in Luton
- Celebrated and profiled businesses for their customer service excellence through award schemes.
- Annual campaigns to celebrate national and independent retailers, including Independents day, small business Saturday, Health Hair and Beauty, Evening economy, Food and Drink
- Christmas Campaigns to include Children's Meet and Greet characters, entertainment each weekend leading up to Christmas and activities to encourage customer loyalty, driving footfall and creating an even better shopping experience.
- Created an evening economy guide promoting businesses working in the evening in Luton town centre. More than 5,000 copies were printed, featuring over 70 businesses.

Environment

- Provided a dedicated street cleaning machine to work daily in the town centre and monthly targeted deep cleans of individual streets. In one year alone it collected 93,840 litres of cigarette butts, chewing gum and other items of hard-to-reach litter.
- Tidy mornings involving volunteers from businesses across the town centre - these even won the "Environmental Achievement" award.
- Made the place look more attractive by installing floral displays, tiered planters and baskets across the town each summer
- Created a festive atmosphere, brightened up the streets, encouraging footfall at a key retail period with a 30ft Christmas Tree and additional and improved Christmas lights across the town centre.
- Introduced a visible welcome on the streets, extra eyes and ears for the police, and support for businesses through the BID Ambassadors

Experience

- Helped to create a safer environment with the support for the Public Space Protection Order,

provision of Safer Neighbourhood Days, supporting Business Crime Radio schemes (LBAC and Luton Safe) and providing tabards and metal detecting wands for the evening venues.

- Increased visibility of Police in Luton town centre by match funding officers resulting in the police re-establishing a reporting centre in the mall.
- The BID introduced Ambassadors whose role is to engage with the business community, work with the police and to help address anti-social behaviour issues, work on the street events organised or sponsored by the BID and to promote Luton to its visitors through their ambassadorial work in the street
- Provided and supported events to drive footfall and promote the diversity of the leisure and cultural offer of Luton, including 'Luton Live' events, Divali, Polonia, Imagine Luton and Celebrate Luton Street Fest.
- Worked with partners including Luton Borough Council, Bedfordshire Police, Luton Safe, The Fire Brigade, The Mall and The Galaxy Centre to put in a 'Purple Flag' application in early 2018 and the accreditation for safe evening offer was achieved in May 2018.
- Completed funding of the 'As You Change, So Do I' programme, which brought contemporary arts to the town centre.
- Leveraged in additional £20,000 for Divali events in the town centre.
- Installed a new gate on a yard entrance from Chapel Street to deter anti-social behaviour and fly tipping which were affecting a number of businesses.
- Partnered with The Mall Luton and Luton Town Football Club to create two reduced rate car parking schemes for people working for town centre businesses helping to make working in Luton cheaper and reduce overheads for businesses.

Businesses working together

- Supported Luton Investment Fund to attract £375,000 of funding for the 'As You Change so do I' project.
- Best Bar None Award - Bars, pubs, restaurants and venues in Luton town centre have received top awards all part of a national scheme designed to reduce alcohol-related crime, tackle anti-social behaviour and create a safe, night-time economy.
- Luton Culture (The Culture Trust, Luton) and the BID supported the programme with a £10,000 a year contribution for three years and helped lever in £350,000 for events in the town centre.
- Held BID Business Group Meetings giving businesses the chance to have their say on existing and future BID projects and initiatives throughout the BID.
- Monitored sales, footfall and vacancy rates on a weekly basis to help attract investment and provide businesses with important KPI data to benchmark business performance.

Through the BID all levy paying businesses, regardless of size, have had access to these projects and initiatives, whilst the BID has provided businesses in the BID area with a collective voice which has significantly influenced key decisions and agendas impacting on the future of the Luton town centre and its businesses.

6. Luton BID - Working together makes a difference

With 'Brexit' remaining un-resolved, the national economy is in uncertain times and what-ever happens, many challenges lie ahead and the commercial world continues to change at an ever-increasing pace. Besides the challenges of the economy, lifestyles are changing and influencing the way in which we use our time and spend our money. Technology continues to develop and change the way we live and work as individuals and operate as businesses

As of 2015, roughly 80 percent of UK internet users did online shopping, the highest online shopping penetration rate in Europe. In 2018 nationally, e-commerce already accounted for 22% of all retail sales and will continue to increase. In the UK sales via mobile phone are rising dramatically, last year sales via mobile devices represented 40% of all e commerce transactions.

We need to think about ways in which we can work together to create multi- media opportunities for smaller businesses and create an experience in Luton town centre which makes people want to come to the town to shop as well as simply clicking and buying online.

Over the last ten years volume of alcohol purchased per person in the UK from the off-trade increased by 38% while the volume of alcohol purchased on-site fell by nearly half. The future of a town's night life will not rely on an offer of drink-only establishments and provides new opportunities for businesses and organisations to develop their offer and encourage a wide range of people to enjoy the town in the evening and at night.

The UK professional services sector is by far the largest part of the economy, accounting for about three quarters of economic activity. It is also the sector which showed the first signs of recovery after the recession and yet this sector has diminished in the town centre. There has already been a significant loss of office stock in the town centre and there have been no new office proposals for a long period and no new quality office development in the town centre for many years. Although it is limited within the commercial core of the town centre, it is an essential part of the local economy of Luton. This sector provides Luton as a whole, with an opportunity to shape its identity and to promote itself as a centre of quality and internationally acclaimed professional service businesses.

In October 2018 'Centre for Cities' wrote a report called 'Building Blocks'¹ which identified that stronger town and city centres had a higher proportion of good quality office space and a lower proportion of retail space than weaker town and city centres. The relaxation of planning regulations through permitted development rights has not helped towns and cities address this issue. In many places, including Luton, there has been an erosion of office space turning it into residential to such an extent that the prospect of retaining and upgrading office space and achieving the right balance has been made more difficult.

The roles of heritage and culture in town and city centres are also growing as important sources of economic prosperity and growth with heritage alone contributing around 2% of GVA to the UK economy.

¹ 'Building Blocks The role of commercial space in Local Industrial Strategies' Anthony Breach and Rebecca McDonald June 2018

Bill Grimsey wrote his first review² about the High Street 5 years ago and at that time he said that *“One thing is certain. The high street and town centre landscape has irrevocably changed and there is no point clinging on to a sentimental vision of the past. We have to start planning for a bold new world.”* But actually the change has been happening long before then. In fact 30 years ago we were talking about ‘shopping’ being a leisure ‘experience’.

In his most recent report ‘Grimsey Review 2’³ he talks about town and city centres becoming ‘community hubs’ providing a great experience facilitated by technology and made up of a mix of health, entertainment, education, leisure, business/office space and shops.

Luton town centre lacks a sense of identity, has a fragile hold on its heritage, has seen an erosion of its office space, has an over reliance on retail and has limited cultural and leisure facilities. However the area around the town centre has a vibrant enterprise zone and a rapidly expanding airport. The challenge is to avoid creating a doughnut effect where the area around town centre is vibrant but the centre itself is dead, ultimately having a detrimental impact upon the economic health of the surrounding area.

Based on the Town Centre Development Framework, the Council has set out a Vision for the town centre as part of Policy LLP3 of the adopted Local Plan, addressing what sort of place it will be into the future. The policy states:

“Luton Town Centre will be a location for positive change and a focus for economic and residential growth and an improved natural and built environment. Building on the town’s rich heritage, this mixed use area will provide a balanced offer of high quality residential development, offices and studios, creative industries, independent and national retail, education institutions and thriving public spaces with a vibrant café culture and nighttime economy.”

“Developments will complement and benefit from the town centre’s key strengths: a growing connectivity as a sustainable transport hub with strong links to London and the wider sub region, served by the Luton Dunstable Busway and further improvements to Luton railway station and inner ring road. Local pedestrian and cycling accessibility will also link the Town Centre with key regeneration sites and surrounding Neighbourhood Centres. Proposals for de-culverting and improving access to the River Lea, along with new greenspaces will be encouraged and supported by the Council where it is feasible to do so.”

The Luton Borough Council is pulling together its masterplan for Luton town centre and this is an opportune time for businesses and organisations of the town centre and the surrounding area to come together and think about Luton as a whole with the town centre becoming a focus for a vibrant Luton economy.

The BID acts for the business levy payers in the town centre and knows that the town centre has challenges which need to be addressed. However there are clearly opportunities to enhance and promote the town centre and its businesses which will serve to benefit the wider area and increase the attractiveness of Luton town centre as place to invest and grow.

² The Grimsey Review 1 ‘An Alternative Future of the High Street’ 2013

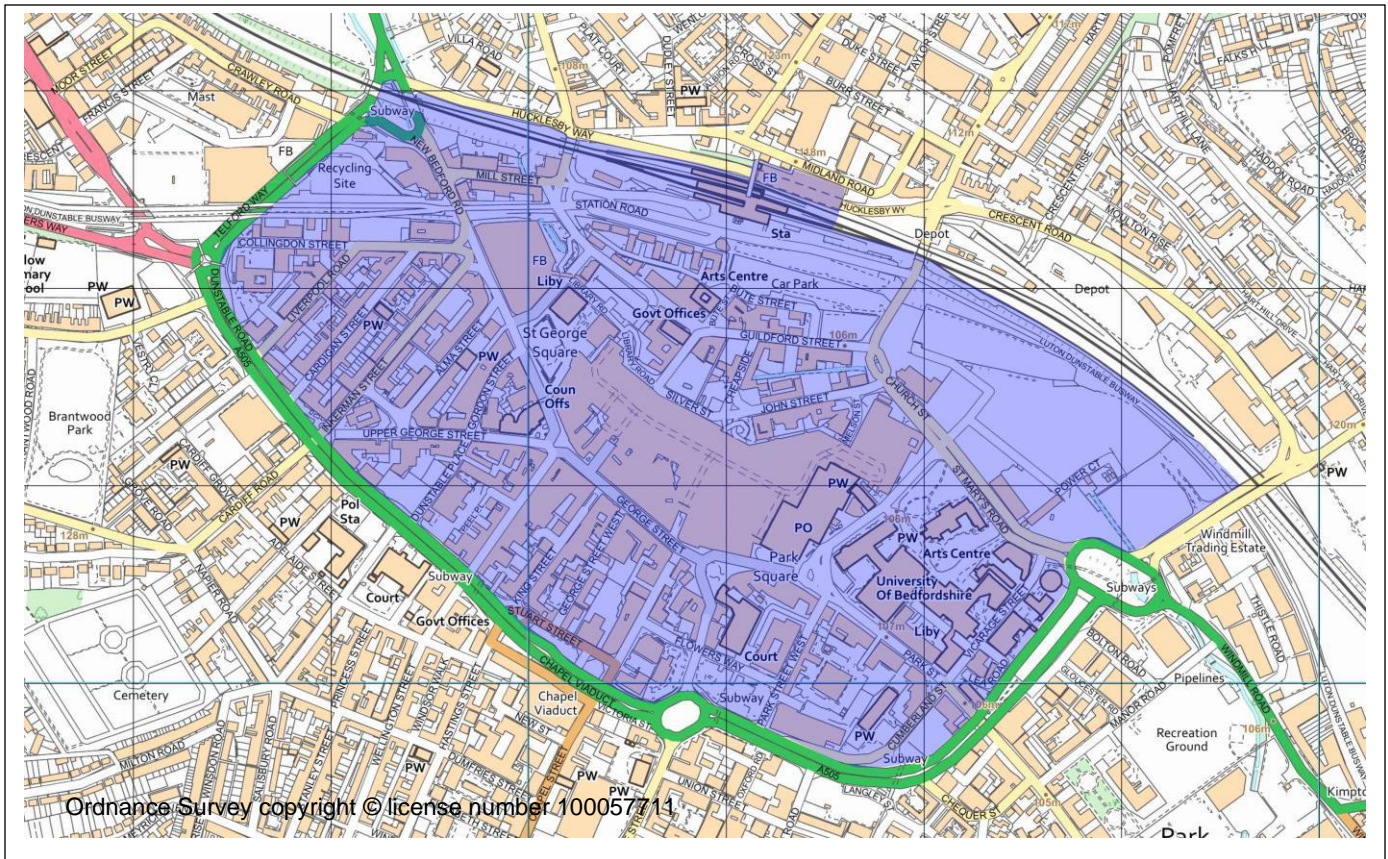
³ The Grimsey Review 2 2018

The extensive surveys, interviews and workshops undertaken to develop this BID Proposal identified a clear desire expressed by businesses from across Luton to work more closely together and with others to raise the town's profile and improve the appeal to visitors, skilled people and business investors. This collective and focused approach would serve to improve the trading and operating environment and allow existing businesses to flourish and grow and attract new business investment.

Luton is within easy reach of large audiences and business markets but it does not currently fully tap into the great potential of its own assets by working as a cohesive business community and promoting its collective strength.

Taking onboard all of the above, this Business Plan has identified opportunities and taken account of the needs and challenges faced by all business sectors across the BID area. By working together and with others through a Business Improvement District there is huge potential to make Luton a great place to visit, live, work, grow a business and invest.

7. Where the Luton BID will operate



The shaded area on the map above represents the full extent of the Luton Business Improvement District.

A full list of streets within the BID area is shown in Appendix 2. All non-domestic hereditaments within the BID area will, if the BID is approved, be liable for the BID levy (subject to the criteria in Section 15). The BID covers those businesses, whose rateable value is £12,001 or greater. Thus banks, building societies, car parks, council facilities, the university, restaurants, clubs and pubs, estate agents, leisure operators, recruitment agents, retail and health and beauty outlets, office based businesses and organisations, and transport and travel agents and all other non-domestic hereditaments are included within the BID and will, subject to the detailed levy criteria in Section 15, contribute to the BID's collective funding and activities flowing from the combined budget.

The BID area includes any smaller business areas located off these roads or streets that are located within the boundary of the BID area defined by the shaded area illustrated on the map and any other road or street, even if they are not listed in Appendix 2 and will include any new non-domestic property, road or street which is developed or created during the life of the BID which is within the BID area.

8. Services provided by the Luton Borough Council

Council's Support for the Luton BID

Luton Borough Council fully supports the Luton BID. In particular, it endorses the fundamental principle of additionality within the BID by agreeing to maintain the provision of existing services from the council to businesses at their current level (subject to budgetary constraints) across the Luton BID area. Thus, in line with BID legislation, BID services within the Luton will be additional to (not in substitution for) those provided by the council. If there is a need for any change in service levels provided by the council these will not be disproportionate to other parts of Luton Borough outside the BID area.

The council's commitment to the Luton BID and the working relationships between the council and the Luton BID Company are set out in complementary documents agreed between the council and the Luton BID Company.

- A Memorandum of Understanding and Operating Agreement which defines the working relationship between the council and Luton BID Company and sets out the council's operational support to the BID on a number of specific issues
- A set of Baseline Agreements, each defining the benchmark for a specific service provided by the council and other agencies to the businesses in the area

Council's Vision for the BID

Beyond its clear commitments set out in the Memorandum of Understanding, the council welcomes the opportunity to continue its productive relationship with the BID which provides a strong and dynamic partnership between the council itself and Luton's businesses. The council intends that this forward-looking relationship with businesses will continue to evolve over the next five year BID period:

- Continuing to develop a serious dialogue with Luton businesses on issues that can promote a stronger trading environment for them.
- Continuing to evolve even more effective means of delivering council services to businesses through collaboration and constant dialogue providing opportunities to tailor and deliver specific services to Luton town centre businesses.

Council Services for Business

Businesses will continue to benefit from all the standard council services provided for the benefit of all stakeholders in the town (cleaning, access, safety, maintenance and public amenities). In addition, the council delivers a wide range of services either directly or indirectly specifically for businesses, these include:

- Commercial Properties and Council land use
- Planning and Building Control
- Business start-up advice and signposting
- Licensing
- Commercial Waste and recycling
- Business Rates
- Tendering for council business

Individual Baseline Statements

In full support of the above commitments, Heads of Service within the council will continue to review their Baseline Statements on the specific services they are responsible for. These documents define the benchmarks for the provision of these services and the fact that any change will not disproportionately impact upon the BID area more than any other area outside the BID within the Borough's administrative boundary. They also cover how the services are measured. The council attaches particular importance to the incorporation of value for money principles and measures within all the Baseline Statements.

The Baseline Services include the following:

- Festive lighting
- Markets and street trading
- Marketing, events and tourism
- Highway Maintenance and Signage
- Highways parking on and off-street
- Town Centre Compliance (includes Environmental Health and licensing)
- Environmental Services (including Street Cleansing, waste collection, fountains and statutes)
- Grounds Maintenance and Arboricultural services
- Community Safety (including Wardens and public area CCTV)

The process of creating the baseline agreements proves valuable to both the service providers and the BID company. The development of these partnerships and the additional focus on the services provided in the area, gives tangible benefits over and above those derived from the projects outlined below.

Council's Operational Support for the Luton BID

The council's support for the BID will continue and include:

- Conducting, through the council's Democratic Services, the formal BID vote in accordance with current BID legislation and procedures
- Assuming a positive outcome to the BID vote, continuing to collect the BID levy defined in the BID Business Plan from Luton businesses and transferring the levy sums direct to the Luton BID Company. The council will pay the gross levy sums to the Luton BID Company within 30 days of collecting it.
- Nominate a Councillor to sit as a Director on the BID Company Board
- Provide a senior council officer to provide a business-focused dynamic link on all BID matters with senior council staff
- Paying the appropriate BID levy set out in the Business Plan in respect of all its own hereditaments within the Luton town centre BID area.

Monitoring and Review

The council is committed to the regular monitoring of the operation of the BID Operating Agreement and reviewing its effectiveness in conjunction with Luton BID Company. This will be carried out as follows:

- The council monitors performance of key services through the council's Business Plan with monitoring reported to the Cabinet. Where there is a specific issue with service delivery within the BID area the respective Head of Service will discuss this with the Luton BID Company.

- There will be annual reviews of each of the specific services for which a Baseline Statement is shown above. This will be led by the Luton Borough Council that will discuss with the Luton BID how the service commitments have been actually delivered during the period, and if necessary, update the service levels to reflect the services each will be provided in the following year. These reviews will be scheduled to best effect for the Luton Borough Council and Luton BID Company's yearly budgeting cycles.

9. The Research and Consultation Process

Background

The last few months has seen extensive research undertaken across a wide range of stakeholders to ensure that the plan which has emerged has an in depth understanding of the views and aspirations of the businesses in the area as well as an appreciation of the perceptions of those who visit and also work in the area.

The research encouraged participation from all businesses across the town centre:

- All potential levy paying businesses in the BID area were mailed survey forms and asked to complete them seeking their opinions on a variety of issues.
- All potential levy paying businesses were included in mail shots and publicity including BID newsletters and frequently asked questions and e-bulletins where e-mail addresses were available.
- 50% of all businesses which meet the levy criteria, had a personal visit to discuss the BID.
- The equivalent of 32% of all businesses which meet the levy criteria participated in detailed one-to-one interviews and completed detailed four-page surveys.
- All businesses were invited to a launch and information event at the start of the project.
- A series of three Vision and Objective Setting workshops where all businesses were invited and discussed their challenges, opportunities and vision for the future of the town centre.
- A series of three Budget Setting workshops, where businesses were invited to identify specific projects and tactics emerging from the research process.
- Businesses were invited to submit their views via letters, e-bulletins and the BID website.
- BID web site used to promote all the events and invite feedback and opportunities for businesses to contact the BID team to discuss renewal.
- Active participation and decision making by the business representatives from the Luton BID Board in the development of this plan.

What were the aims of the research?

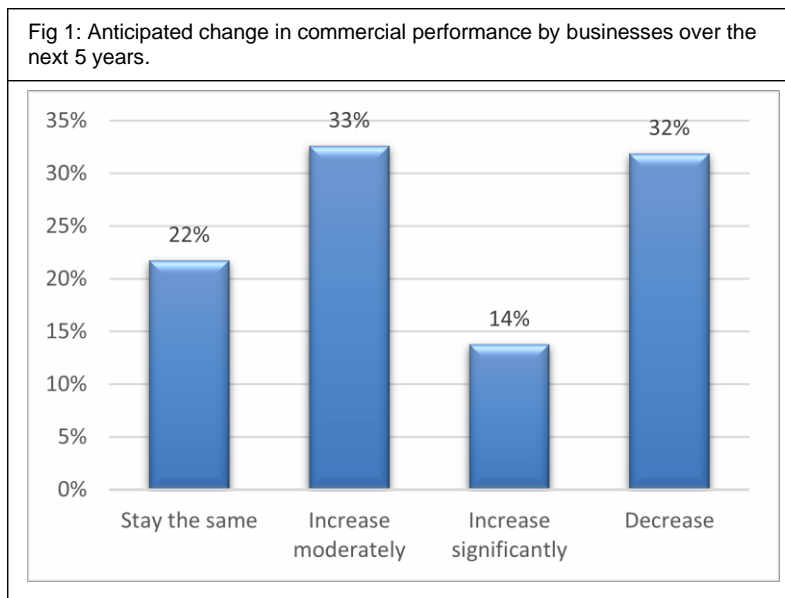
The objective of the research was to:

- Identify the key issues which impact upon all businesses in the area across all business sectors and to develop solutions to address the and which will help businesses achieve their own internal objectives
- Identify and assess the impact and the relative importance of different potential initiatives on businesses

10. Research results

Surveys, interviews and workshops were carried out across a range of businesses from all sectors and sizes of Luton town centre.

Despite the economic uncertainty and challenges of retail, the confidence for future trading performance in Luton town centre is quite strong. 47% anticipate growth, either moderately or significantly with 22% expecting to remain about the same as they are.



Experience - crime and safety and things to do

Although there had been improvements in addressing crime and safety during the BID, businesses felt that these are still the top issues to be addressed. This was the most discussed topic of concern in the workshops and the top concern when businesses were asked an open question about the biggest challenges, the BID should address.

In the surveys, the top five issues ranked as poor or very poor were all crime and safety related issues. Street begging and rough sleepers ranked as the worst issue with 93% followed by drug and drink issues on the streets with 91% of the businesses saying this was poor or very poor. These were followed by crime and security generally, personal safety in the evenings and business crime including shop theft.

This was also one of the key factors which affected the way in which people feel about Luton during the day, perceptions being influenced by anti-social behaviour, street drinking and the openness of drug dealing in the street. Some businesses even felt uncomfortable with sending young members of staff on errands for fear of them being intimidated.

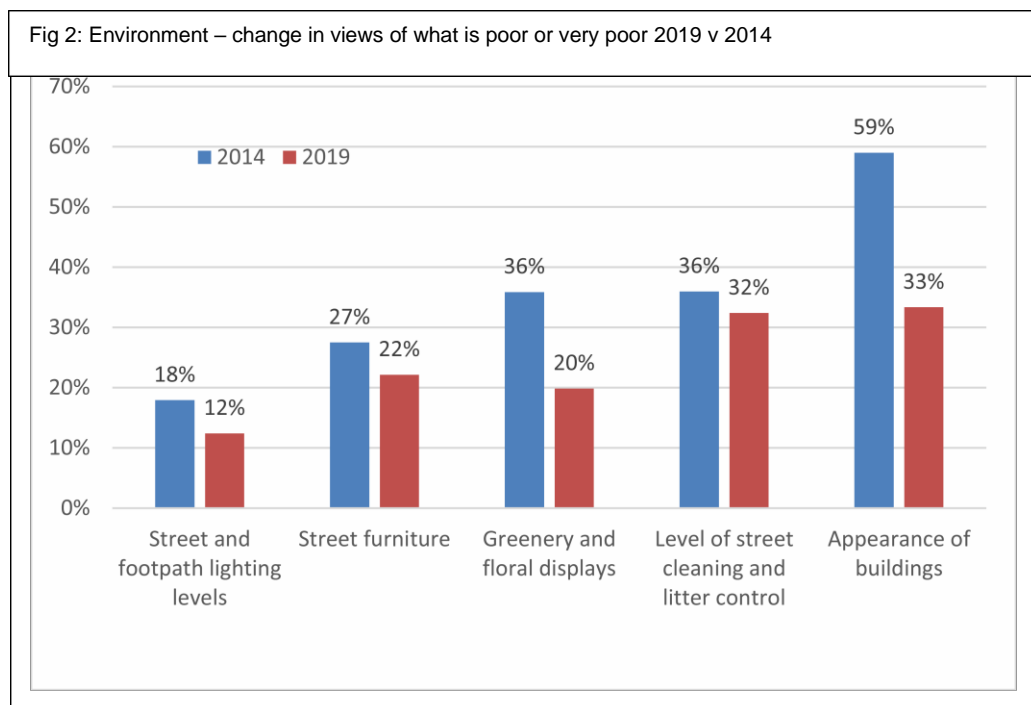
When considering the most beneficial initiatives for business the top two related to crime and safety with an improved business crime prevention scheme and an extension of current CCTV coverage being regarded as beneficial to many, ranked by 89% and 85% of businesses respectively.

As regards events and things to do, businesses considered this to be the fourth most improved aspect of the town centre since the BID started, ranked by 52% of businesses, with 96% of businesses saying that events were worthwhile for them, making it the fifth most worthwhile activity.

Although there were many comments from businesses saying how great the events have been, there was a feeling that the general night life in Luton town centre is poor (ranked by 50% of businesses as poor or very poor) and that leisure and cultural facilities in the town centre and things to do for the family generally were poor.

Environment

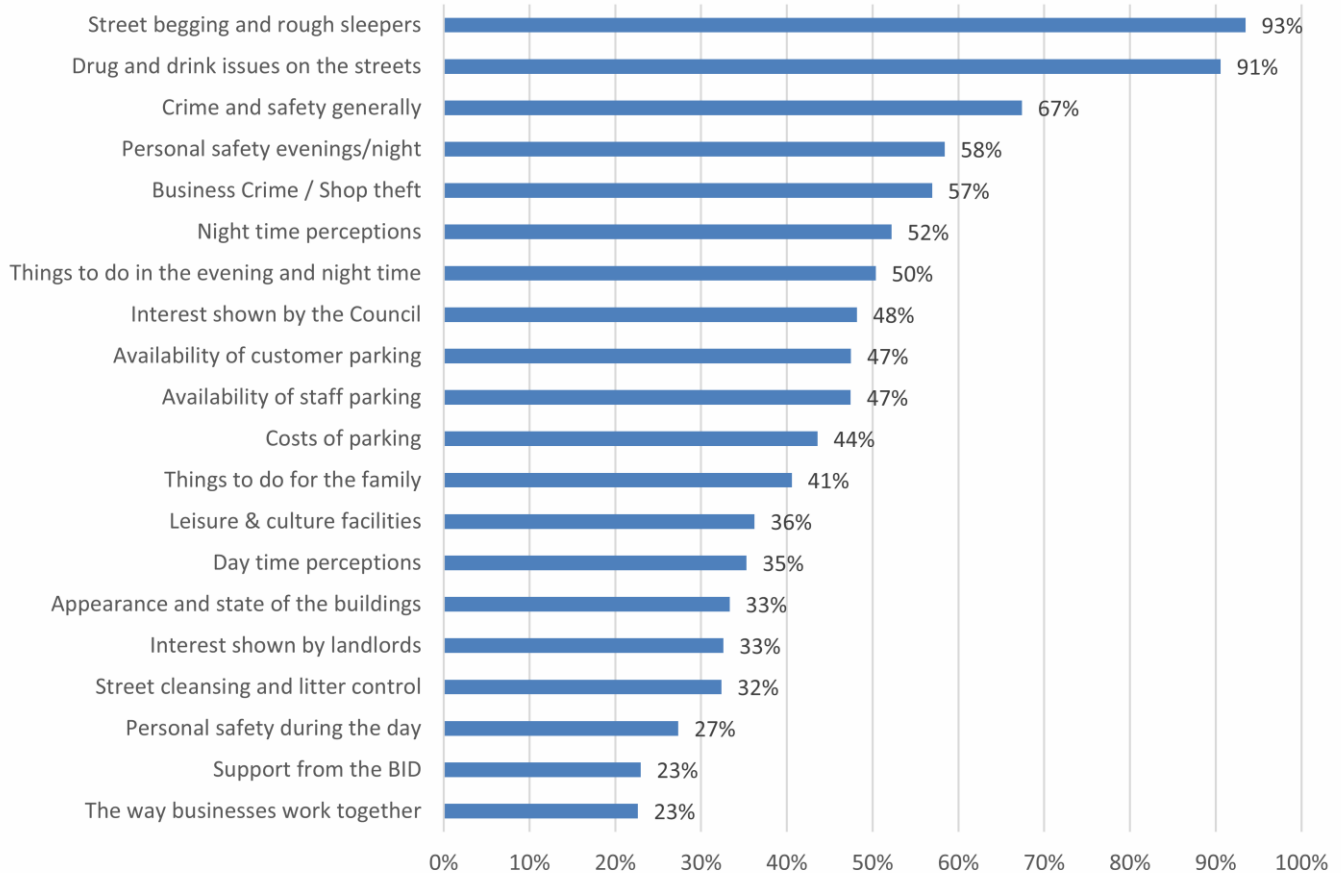
The biggest improvements recognised by businesses relate to environment being cleaner and more attractive. These featured as the two top improvements overall, street cleansing and floral schemes. When comparing views of businesses in 2019 about these factors in 2014, the improvement has been considerable (see Fig 6 below).



This improvement was also seen in the overall perception of the town centre both for the day and night. In 2014, 78% of businesses ranked the perception of the town centre at night as poor or very poor, in 2019 this had reduced to only 52%. The daytime perception was even better with a difference between 60% of businesses in 2014 perceiving the town centre to be poor or very poor and in 2019 this had fallen to only 35%.

Environmental factors featured as the second most discussed topic in the workshops (alongside marketing and promotion) with businesses ranking the improvement of landscaping, planting and greenery as the third most desirable initiative in a new BID with 69% of businesses saying it would benefit them.

Fig 3: Top twenty issues ranked by businesses as poor or very poor.



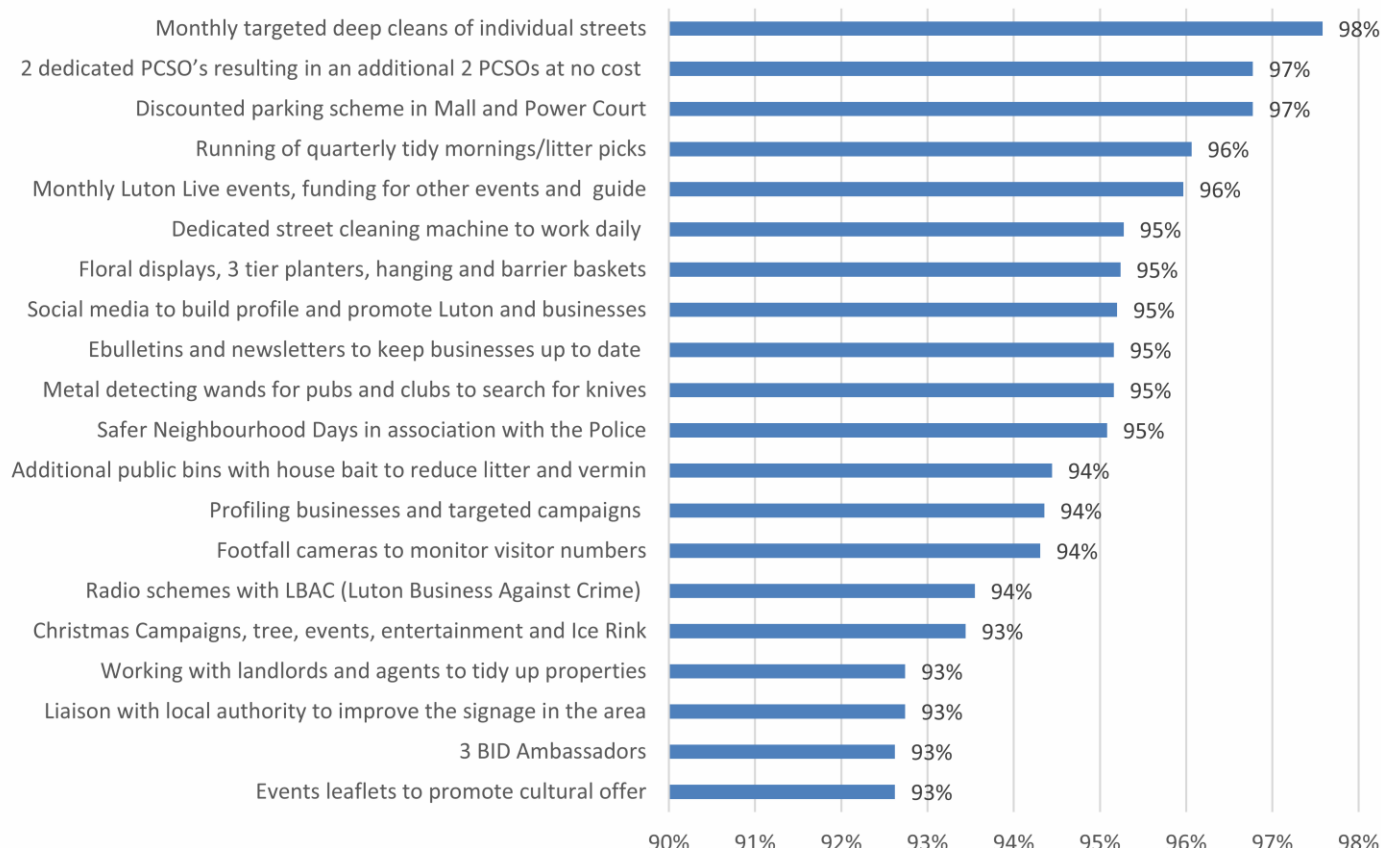
This was reflected in the survey results when asked about BID initiatives which were considered worthwhile. 4 out of the top 7 current initiatives ranked by businesses as being worthwhile were all associated with either cleaning or increasing the floral displays. The percentages ranking these initiatives ranged from 95% for the floral schemes delivered by the BID to 98% for monthly targeted deep cleans of individual streets.

Businesses in the workshops recognised noticeable improvements in the way the town looks, but still felt that the general look of the town centre was degraded and poor. This applied to poor public realm in certain streets and decaying and overgrown derelict sites and run-down vacant buildings in general. There was also discussion in workshops about different parts of the town not linking together very well and a number of people referring to 'this side of George Street' and 'that side of the mall' as distinct areas with poor connectivity between the two.

Promotion

Marketing and promotion was the second most discussed topic in the workshops and features as two initiatives out of the top five for the new BID. Businesses have valued the promotional activity undertaken by the current BID with 94% of businesses saying that it was worthwhile for them.

Fig 4: Top twenty current initiatives ranked by businesses as being beneficial



A common theme which ran through the workshops was the feeling that Luton town centre lacks a sense of identity and this makes it difficult to promote. There was a lot of discussion about developing a sense of pride which in turn would create a much more positive perception. The fabric of the town centre appears to be the underlying challenge as there is a lack of cohesion across the different parts which in themselves lack distinctive attributes.

Businesses believe promotion is important in the new BID, but particularly targeted at local residents and the University students. If these audiences start to feel more pride in the town through what it offers and the way it feels then these people will be more likely to champion the town which will start to change perceptions for those who live further away.

Growth and Investment

Businesses in the workshops talked about the need to look beyond retail and be creative in the way we look at the town centre. Questions were asked as to what extent the BID has any influence over the mix of businesses in the town centre. The University was discussed as a key opportunity for more engagement and involvement with town centre activity and its businesses.

The over-all consensus in workshops was that a good offering would attract people. However, the challenge of connectivity between the different parts of the town is a challenge which needs to be addressed.

The need to improve the cultural offer in the town centre was expressed on a number of occasions with suggestions such as the old cinema being opened up as an alternative arts cinema, or theatre. There were also views that the town centre should be used even more to celebrate the different communities of Luton and there should be stronger links and connections to the rest of Luton both of businesses and of residents.

11. The BID's response

Following our extensive research four key project areas of the Luton BID have emerged reflecting the key issues and opportunities identified by the businesses. The activities within each of the project areas have been specifically designed to address and take advantage of these.

It was evident from the comments and feedback that Luton is currently exposed to the changing dynamics of the way in which people use towns and city centres. It also suffers from poor perceptions even from those who live and work here.

Although the BID has made considerable progress in addressing some of the environmental issues there is a need to address some of the basic structural issues of the built environment in the town centre and the BID can only address these by influencing and working with others.

Crime and safety is an increasing issue in towns and city centres across the UK and Luton certainly has its fair share of challenges. Although it appears that progress was made initially in tackling some of the issues which impact upon the day to day experience in the town centre with additional police officers and ambassadors, these need to be addressed with more long-term solutions.

There is clearly an increasingly vibrant business economy in Luton outside the town centre and in particular towards the airport and the enterprise zone. However, the town centre office-based business sector which has been declining in number over the last five years, could benefit from support in making links with other businesses in and around Luton.

The BID recognises that doing more of the same as it did in the first term will not be enough to change the fortunes of town centre businesses. It needs to exert influence on initiatives which will create a radical change to the built environment of the town centre, re-balance the business mix and ensure that the town works effectively from a visitor, residents and business perspective.

The BID will act as a catalyst for businesses and organisations to come together and play a key role in this new and exciting era in the life of this town. This BID Proposal and Business Plan has been designed to ensure that the activities benefit as wide a range of businesses as possible. It will do this by 'Supporting business growth and investment in the town centre and building pride and positive perceptions of Luton as a whole '.

All businesses and organisations stand to benefit from these additional projects and activities which have been identified by businesses across Luton as being crucial to their future.

How will the delivery be monitored?

Monitoring and measuring the performance and effectiveness of the BID activities is an integral and essential part of the plan. Businesses need to be confident that their levy money is being invested as productively as possible to maximise results.

The effectiveness of the measures undertaken will be gauged by key performance indicators monitored and relevant for each project area, including footfall, customer surveys, business surveys, photographic evidence, vacant properties and footfall trends. These measures and key performance indicators are identified for each objective and need to be monitored on a regular basis throughout the life of the BID.

12. Vision and Objectives

Assuming a positive BID vote by a majority of businesses by both rateable value and number, BID operations for the new BID will start on 1st January 2020 and will continue for a total of 5 years.

The Vision

Support business growth and investment in the town centre and build pride, loyalty and positive perceptions of Luton as a whole.

Strategic Objectives and Projects

Promotion

1. **Identify, develop and promote the strengths, characteristics and the business offer** of Luton town centre to increase positive perceptions and loyalty of the town, locally regionally and nationally.

Environment

2. To ensure that the town centre and all its different areas present a **distinctive, accessible and appealing environment** which attracts business investment, encourages visitors to stay longer and fosters a pride in the town.

Experience

3. To provide a **safe and enjoyable experience** for visitors and workers in Luton town centre to enjoy.

Growth and Investment

4. To build on the strengths of the business community to **support and promote growth, development and investment.**

Objectives, Activities and Results

Objective 1 – Promotion

Identify, develop and promote the strengths, characteristics and the business offer of Luton town centre to increase positive perceptions and loyalty of the town, locally regionally and nationally.

Amount the BID will spend:

An initial budget of £58,000 pa, **increasing** to £60,000. by year 5 – a total of £208,000 over five years.

Activities

- a. Work with others to raise the profile of Luton and showcase the town centre and its successful businesses as a great place in which to invest, work and study.
- b. Develop specific campaigns to enable the professional service businesses in Luton town centre to raise their profile locally and regionally

- c. Support and promote the development and diversity of the arts, culture and leisure offer in Luton town centre to ensure that it becomes more important as a reason to visit and stay in and around Luton both day and night.
- d. Deliver a series of annual campaigns focusing on key retail and leisure trading periods to encourage customer loyalty and pedestrian flow around Luton town centre.
- e. Develop effective communications between businesses to promote awareness of BID activities and the issues which may affect trading conditions, opportunities and the local environment.
- f. Use all traditional and digital media forms as an integral part of communicating the brand, the events, offers and business opportunities for visitors and businesses alike

Measures:

- Footfall to the streets and the mall
- Levels of sales activity
- Media exposure locally, regionally and nationally measured through numbers of articles, publications, click-throughs on digital media and value through using advertising value equivalent. (a.v.e)
- Numbers of businesses and public engaged in BID activities

Objective 2 - Environment,

To ensure that the town centre and all its different areas present a distinctive, accessible and appealing environment which attracts business investment, encourages visitors to stay longer and fosters a pride in the town.

Amount the BID will spend:

An initial budget of £47,000 pa, **increasing** to £49,000. by year 5 – a total of £241,000 over five years.

Activities

- a. Support and encourage the development and implementation of initiatives which protect and enhance the public realm, the buildings and other physical attributes of Luton town centre, in ways which complement and develop the characteristics of its different areas.
- b. Support initiatives that make a positive contribution to improve the orientation, streetscape, views and vistas across the town centre that help visitors and users navigate their way safely and enjoyably around the town centre.
- c. Provide additional cleaning services with a focus on targeted street cleaning and deep cleaning in problem areas within the town centre and work with businesses and partners to reduce and control litter and waste in the public realm wherever possible.
- d. Improve the appearance and vibrancy of the streets and open spaces by adding colour and decoration when appropriate through the use of additional floral displays and festive and creative lighting.
- e. Work with landlords and agents to ensure that vacant premises or derelict plots of land are maintained and presented in a smart and tidy appearance and do not detract from appeal of the immediate environment.

- f. Work with partners to provide parking solutions to improve the parking experience.

Measures:

- Perception of physical attractiveness of the area measured through surveys of visitors and those who work in Luton
- Levels of vacant and derelict properties in Luton.

Objective 3 - Experience

To provide a safe and enjoyable experience for visitors and workers in Luton town centre to enjoy.

Amount the BID will spend:

An initial budget of £169,000 pa, **increasing** to £177,000. by year 5 – a total of £869,000 over five years.

Activities

- a. Work closely with the Police, Local Authority, CCTV, voluntary organisations and other agencies in tackling antisocial behaviour, street drinking and begging on the streets which impacts upon businesses and the visitor experience.
- b. Work with the Police, the Local Authority and other agencies to develop business crime intelligence sharing opportunities between businesses for both the evening and day time economies.
- c. An Ambassador / uniformed presence on the streets to:
 - support and work closely with all those who have a responsibility for the creation of a safe, attractive and welcoming town centre
 - help promote the area, to welcome visitors and provide support for the implementation of events and animation in the streets and open spaces
 - support businesses in tackling and communicating issues which affect their business on a day to day basis.
- d. Work with businesses and other partners including the Police and Local Authority to create a diverse town centre evening and night time leisure and cultural offer which appeals to people from all ages and backgrounds in a safe, clean and attractive environment.
- e. Work with businesses and organisations to develop and organise events which benefit businesses and creates interest, animation and a reason to visit and builds the reputation of Luton town centre as a great place to be.
- f. Work with partners to support an application for City of Culture 2025.

Measures:

- Regular flow of information and sharing of intelligence to support business crime prevention
- Number of events and street entertainment and perception of things happening measured through surveys of visitors
- Retention of the Purple Flag status for Luton town centre evening and night time economy
- Perceptions of personal safety in the early evening

- Day time perception of Luton as regards anti-social behaviour, begging and street drinking
- Achievement of City of Culture Status

Objective 4 – Growth and Investment

To build on the strengths of the businesses in Luton, to support and promote growth, development, investment and a sense of businesses community.

Amount the BID will spend:

An initial budget of £38,000 pa, **increasing** to £40,000. by year 5 – a total of £199,000 over five years.

Activities

- a) Work closely with the local authority, partner organisations and other businesses to encourage a coherent and planned approach to the use and development or refurbishment of properties, sites and the public realm in Luton town centre.
- b) Work with the local authority, partner organisations and other businesses to develop a commercial, retail, leisure, arts and cultural framework for the town centre and support its implementation with partners.
- c) Work with local authority, partner organisations and other businesses to encourage investment in the town centre which establishes distinctive areas and serves to develop a sense of identity and pride.
- d) Encourage and support relationships between the university, businesses and organisations which seek to develop skills and have a positive impact upon their current business performance and future business development.
- e) Work with others to develop links between businesses in the town centre and its surrounding area to encourage a town centre focused Luton economy.
- f) Work with other organisations to monitor footfall and foot-flow, commercial performance and customer perceptions across Luton town centre and provide regular reports and performance updates for businesses.

Measures:

- Monitoring of footfall and sales performances across Luton town centre with regular reports and feedback to businesses.
- Numbers of businesses actively engaged in award schemes for customer care and businesses performance.
- Numbers of businesses engaged in BID activities,
- Numbers of vacant units
- Securement of heritage initiative grants via partners

13. Organisation, Resources and Delivery

The preparation of this plan has been managed by the Board of the Luton BID Ltd which is made up of a cross section of businesses and organisations from across Luton town centre together with a representative from Local Authority.

Luton BID Ltd is a not for profit BID company, limited by guarantee. It is legally and operationally responsible to the businesses in the BID area for all BID activities and acts on their behalf.

The Board is elected by the members of the Luton BID Company, drawn predominantly from those paying a levy in the area and made up of a representative cross-section of the businesses and stakeholders of the area and key agencies associated with the successful delivery of the BID project. It will continue to be driven by the private sector and will include one Councillor from Luton Borough Council and one Council Officer who will act as a key operational link, but not as a Director.

The Board is responsible for the governance of the BID Company and for a management structure which encourages continuous business involvement in determining priorities and shaping and evolving activities within the terms of this BID Proposal and Business Plan. All businesses are encouraged to be actively involved in the BID and associated working groups to represent the levy payers.

The main role of the Board is to safeguard the interests of levy payers by ensuring that the business operates in line with the BID plan, is professional and offers consistent value for money in line with its targets. The Board will ensure that the implementation of the BID will be monitored and delivered cost-effectively, through keeping overheads to a minimum and using methods which will optimise the use of the revenue budget and add real value to the delivery of the plan. They will also assist in attracting additional income from external sources to build the BID's available budget beyond merely the income from the levy.

All businesses will be encouraged to be actively involved in the Board and associated working groups to represent the levy payers. Through specific working groups, the Board will be instrumental in prioritising the requirements of the levy payers into deliverable projects which address their needs, within the framework of the business plan.

The Board will provide a consistent, collective and effective voice for the businesses in Luton town centre.

All roles on the Board and specific working groups are voluntary and are undertaken with a commitment to represent the interests of all businesses in the area.

Collaborative working will be actively encouraged to build upon the sense of the business community in the area and ensure that the skills and resources available for delivery of the BID are enhanced and deliver best value.

There will also be hands-on project and contract management to support the initiatives from the working groups. This support will provide administrative support to the BID Company, coordinate activity with partner organisations and ensure cost-effective delivery of projects through tendering and careful project and contract management.

The Luton BID's financial accounts and governance arrangements will be audited annually and the effectiveness of the measures undertaken will be gauged by key performance indicators for each project area, including footfall, customer surveys, business surveys, photographic evidence and retail turnover movement full measures are identified in this plan with each objective.

Besides regular newsletters and other forms of bulletins, there will be an annual report providing details on activities and performance of the company against the objectives of the delivery plan for the previous year.

All levy payers shall be entitled to be members of the BID Company. There will be an annual general meeting at which all members are invited to attend and vote and at which Directors will be retired by rotation and new Directors elected in accordance with the articles of the company.

14. Luton Budget and Finances

An uncertain economy, changing lifestyles, rapidly changing technology and increased options for shopping, mean that the way in which towns and cities are used is changing dramatically and quickly. A BID provides the opportunity for businesses to have a real influence on their local environment to ensure that collectively we can take advantage of the new opportunities these changes will bring.

In the next five years we will strive to lever in additional cash funding and value in kind to support the delivery of this plan and add to the investment made by the Luton businesses through the BID.

We feel that the investment we are seeking from businesses in the BID is modest in relation to what can be achieved. For the smallest business in the Business Improvement District, the daily cost is less than a first-class postage stamp and even for a large business the daily cost is less than the price of a single cinema ticket.

With a 1.75 % levy, the indicative costs to a business are:

Rateable Value	Levy Rate	Annual	This equates to: Weekly	This equates to: Daily
£1 - £12000	Zero	Zero	Zero	Zero
£12,001	1.75%	£210	£4.04	£0.58
£25,000	1.75%	£438	£8.41	£1.20
£75,000	1.75%	£1,313	£25.24	£3.60
£150,000	1.75%	£2,625	£50.48	£7.19
£350,000	1.75%	£6,125	£117.79	£16.78

With a 0.85 % levy, the indicative costs to a business are:

Rateable Value	Levy Rate	Annual	This equates to: Weekly	This equates to: Daily
£1 - £12000	Zero	Zero	Zero	Zero
£12,001	0.85%	£102	£1.96	£0.28
£25,000	0.85%	£213	£4.09	£0.58
£75,000	0.85%	£638	£12.26	£1.75
£150,000	0.85%	£1,275	£24.52	£3.49
£350,000	0.85%	£2,975	£57.21	£8.15

Luton BID 5 year Budget: 2020 – 2025

	Year 1	Year 2	Year 3	Year 4	Year 5	Total	% to total
Income							
BID levy revenue (Note 1)	£ 362,647	£ 371,713	£ 381,006	£ 390,531	£ 400,294	£ 1,906,192	96%
Other Income (Note 2)	£ 15,000	£ 15,375	£ 15,759	£ 16,153	£ 16,557	£ 78,845	4%
Total Income	£ 377,647	£ 387,088	£ 396,765	£ 406,685	£ 416,852	£ 1,985,037	100%
Expenditure							
Objective 1 – Promotion	£ 58,251	£ 58,909	£ 59,584	£ 60,276	£ 60,985	£ 298,005	15%
Objective 2 - Environment	£ 47,160	£ 47,693	£ 48,239	£ 48,799	£ 49,373	£ 241,265	12%
Objective 3 - Experience	£ 169,974	£ 171,895	£ 173,864	£ 175,882	£ 177,951	£ 869,566	45%
Objective 4 - Growth and Investment	£ 38,990	£ 39,431	£ 39,882	£ 40,345	£ 40,820	£ 199,468	10%
Central Management Costs, Administration, Office (Note 3)	£ 34,140	£ 34,994	£ 35,868	£ 36,765	£ 37,684	£ 179,451	9%
Levy Collection costs	£ 11,000	£ 11,275	£ 11,557	£ 11,846	£ 12,142	£ 57,820	3%
Contingency (Note 4)	£ 18,132	£ 18,586	£ 19,050	£ 19,527	£ 20,015	£ 95,310	5%
Total Expenditure	£ 377,647	£ 382,782	£ 388,045	£ 393,440	£ 398,969	£ 1,940,884	100%
Accrual for Renewal (Note 5)	£ -	£ 4,306	£ 8,721	£ 13,245	£ 17,883	£ 44,154	

Notes

- 1 Assumes a 95% collection rate and 2.5% per annum inflation
- 2 Including income from landlords, associate members of the BID and other sources (including in-kind)
- 3 Central admin, office and fixed overheads
- 4 Calculated as 5% of total levy billed
- 5 Accrual retained from levy revenue to provide for costs of renewal of the BID for any additional term, otherwise they will be spent on additional projects in the final year

Cost of the BID Development

The costs incurred in undertaking the research and developing the new BID proposals have been built into the budget of the current BID. The costs for holding the renewal ballot, are being met by Luton Borough Council as required by the BID Regulations, for which we give sincere thanks.

Sources of Additional Funding

The BID Company is committed to seeking additional funding where possible to increase the benefits that can be delivered by the BID to businesses. Other possible income sources will include grants where the criteria matches the aims of the business plan, voluntary contributions from property owners, companies and organisations outside the BID area and those not liable for the levy. It is estimated that this could be around £80,000 over the five-year period.

Through discussion, developers, property owners and other stakeholders and businesses in the area will be invited to participate in the Business Improvement District and improve delivery against the business plan objectives even further.

Application of BID Funds

The BID funds will be ring-fenced and will be controlled by participating businesses. Details of the BID Company's accountability to businesses are given in Sections 13,14 and 16.

The budget headings and the project costs can be altered within the constraints of the revenue received through the levy. The BID Company will be empowered to move funds between budget headings and between financial years to provide the services which best meet the requirements of the BID area within the framework of the BID Proposal and Business Plan's objectives. Such adjustments will be fully accountable to the businesses through the performance monitoring arrangements set out in Sections 11,12 and 13.

Governance and management of the BID Budget

In order to ensure that the projects remain relevant and continue to address needs and priorities of the businesses in Luton during its five year life, the various working groups may from time to time make recommendations to the Board that budget allocations are modified for each of the main projects and the management and administration of the BID.

It will be the responsibility of the Board to assess these recommendations and make adjustments to the allocations of expenditure budget as and when they deem appropriate. It will be the responsibility of the Board to ensure that all the main aims of the BID, stated in Section 12, continue to be addressed and that all BID activity contributes towards the achievement of the vision. The Board will also monitor and gauge the effectiveness of the BID operations and activities.

15. BID Levy Criteria for the Luton BID

Every BID has to establish its own levy rules. Reference has been made to the technical guides prepared by MHCLG, business rates legislation and the 'Industry Criteria and Guidance' prepared for Revo in association with; ATCM, ACS, BRC, Intu and BPF in developing the rules which will apply to the Luton BID.

Business Improvement Districts use rateable values of businesses as a means of calculating levy and determining the associated criteria. This provides the basis for an equitable approach to charging to reflect the value which businesses will receive in services and support from the activities of the BID. The Board of the Luton BID Ltd has decided on a levy structure which takes account of the potential benefits of businesses dependent upon their size

The Board of Luton BID Ltd has tried to balance the ambitions of businesses in the BID plan against the affordability of the levy and the requirement to ensure that the BID is able to deliver best value.

1. Assuming a positive BID vote by a majority of businesses by number and rateable value of those who vote, the BID levy will be charged on all hereditaments listed in the local Non-Domestic Rating List located within the BID area. This applies irrespective of whether or how a business has voted in the formal BID ballot. Legislation within the Local Government Finance Act (2003) enables the local authority to issue a bill for the levy. The levy is collected by the billing authority, Luton Borough Council. The Luton BID Company will invoice the billing authority, Luton Borough Council, for the levy collected for exclusive use of the BID.
2. All businesses which will be subject to the BID who are shown on the Luton Borough Council Rating Database on the day before the postal ballots are printed and who should be shown as the liable party for the 19th September 2019, subject to final check and audit, will be entitled to vote for the BID proposal in a 28 day postal ballot which will commence on 3rd October 2019, with the close of ballot at 5pm on 31st October 2019. The result will be announced as soon as possible thereafter.
3. If successful at the ballot, the BID will be fixed for a term of 5 years. The BID will commence operation on 1st January 2020 and will run until 31st December 2024. Levy bills will be issued for the first payment due 1st January 2020 and thereafter on the 1st April each year with the first and last year's bills adjusted accordingly. (see paragraph 8 for more detail)
4. The levy amounts for ratepayers who have business premises which do not fall under the management of a shopping mall or a market and who do not pay service charges to the shopping mall operator or market operator will be applied as follows:
 - a. The BID levy will be 1.75% of the 2017 rateable value shown on Luton Borough Council's (the billing authority's) Capita's NNDR billing system as at 19th September 2019 for each defined business within the scope of the BID, with the exception of those premises with a rateable value of less than £12,001 showing on the billing authority's Capita system as at 19th September 2019.
 - b. Ratepayers with an RV of less than £12,001 will pay nothing for these properties and will not have a vote for these properties although they will enjoy the benefits that come with trading in the BID area.

5. The levy amount for ratepayers who have business premises which do fall under the management of a shopping mall operator and who do pay a service charge to the shopping mall operator will be applied as follows:
 - a. The BID levy will be 0.85% of the 2017 rateable value shown on Luton Borough Council's (the billing authority's) Capita's NNDR billing system as at 19th September 2019 for each defined business (including any premises used and owned by the shopping mall operator for purposes relating to the management of the shopping mall) within the scope of the BID, with the exception of those premises with a rateable value of less than £12,001 showing on the billing authority's Capita system as at 19th September 2019.
 - b. Ratepayers with a RV of less than £12,001 will pay nothing for these properties and will not have a vote for these properties although they will enjoy the benefits that come with trading in the BID area
6. The levy will be due from businesses who are liable to pay business rates, including empty properties other than those that are exempt within the criteria laid out in Section 12 of this business plan (this Section).
7. The liable person is the ratepayer liable for occupied or unoccupied premises. In accordance with the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (S.I. 1989/1058) and the Non-Domestic Rating (Collection and Enforcement) (Miscellaneous Provisions) Regulations 1989 (S.I. 1989/1060), Luton Borough Council will be responsible for the imposition, administration, collection, recovery and application of the BID levy. The Council will also be responsible for any enforcement action that may be appropriate in case of non-payment of the levy.
8. There will be an annual inflationary increase of all levy charges (including fixed band charges) year on year for the duration of the Business Improvement District. This will be a minimum of 2.5% increase year on year or the inflation percentage as determined by the Consumer Price Index as at the 1st December of the year before the next billing process, whichever is the greater, rounded to the nearest tenth of a penny. (e.g if a levy bill is £200 the inflation applied to this at a level of 2.5% would be 40p per annum). Negative inflation will not apply. Inflation will not apply for the first full billing cycle in 2020.
9. The BID financial year runs between 1st April and 31st March. The BID charge is a daily charge based on rateable value. It is to be paid in full in advance, the payment date being the first date of the billing period which is the 1st January in 2020 and then the 1st April for each year thereafter. The chargeable period will normally last for 365 days (366 in a leap year) or pro rata for the first and final billing periods of the BID term. The first billing period of the new BID will run from 1st January 2020 to 31st March 2020 and the last billing period will run from 1st April 2024 to 31st December 2024. In the first year of the new BID, the first levy charge of the new BID will fall due on the 1st January 2020, with the first full year levy charge being due on 1st April 2020. The only exception to the due date is where a proportional liability exists under paragraph 11, in which case, the levy charge will fall due one month after the demand is issued. The annual inflationary increase will be applied from the 1st April each year with effect from 2021. The daily BID levy charge for each individual ratepayer is to be calculated by multiplying its rateable value by the BID percentage levy and dividing the result by the number of days in the financial year.

10. The levy will be charged annually in advance upon service of a Demand Notice. Any business which ceases to become the liable party during the year must apply to the Luton Borough Council or the appropriate Billing Authority for a refund for the remainder of the period if an apportionment is required between the outgoing and incoming liable parties, and the new liable party will be charged on a pro-rata basis.
11. If a property is deleted from the Rating List revised bills will be issued provided that the amount due on charge or refund is £50 or more. The charge or refund amount will be calculated pro rata between the date of the change in occupation and the date of the financial year end.
12. The BID levy is payable in one instalment. This instalment date will be specified on the Demand Notice. The notice will be served as soon as practicable after the Billing Authority becomes aware of a BID levy liability and the liability will be calculated from the effective date of any of the following changes being recorded on the Rating List:
 - a. New premises, or properties which were not on the rate valuation list but become subject to rates in the BID area or new streets raised in the BID area after the BID is in force will be expected to pay a BID Levy based on the % appropriate to the date at which it is entered onto the rate valuation list in respect of its new/current rateable value
 - b. Where property is split, two or more BID levies should be made on the revised premises from the date of split on the basis of the revised new/current rateable values
 - c. Where premises are merged the BID Levy should be charged at the appropriate % of the revised properties new/current valuation from the date of the merger on the basis of the revised new/current rateable value.
 - d. Any change of use or ownership (or the creation of a new business within the BID (boundary) will be liable to the levy rate current at the time of the change.
 - e. Adjustments will be made for changes in occupation and if a property is deleted from the rating list and revised bills issued provided that the amount due on charge or refund is £50 or more. The charge or refund amount will be calculated pro rata between the date of the change in occupation and the date of the financial year end.
 - f. No amendments will be made to the RV of any property in the BID area as a result of any general or property specific re-valuation other than for the criteria listed above whether or not it is applied retrospectively to a point in time prior to the 19th September 2019.
13. No other relief will be given to any class of non-domestic ratepayer and there is no distinction made between occupied or unoccupied hereditaments, both occupancy status attracting the full BID levy, unless it is a hereditament: -
 - a. whose owner is prohibited by law from occupying it or allowing it to be occupied;
 - b. which is kept vacant by reason of action taken by or on behalf of the Crown or any local or public authority with a view to prohibiting the occupation of the hereditament or to acquiring it;
 - c. which is included in the Schedule of monuments compiled under Section 1 of the Ancient Monuments and Archaeological Areas Act 1979(b);
 - d. where, in respect of the owner's estate, there subsists a bankruptcy order within the meaning of Section 381(2) of the Insolvency Act 1986(c);
 - e. whose owner is entitled to possession of the hereditament in his capacity as trustee under a deed of arrangement to which the Deeds of Arrangement Act 1914(d) applies;
 - f. whose owner is a company which is subject to a winding-up order made under the Insolvency Act 1986 or which is being wound up voluntarily under that Act;

- g. whose owner is a company in administration within the meaning of paragraph 1 of Schedule B1 to the Insolvency Act 1986 or is subject to an administration order made under the former administration provisions within the meaning of article 3 of the Enterprise Act 2002 (Commencement No. 4 and Transitional Provisions and Savings) Order 2003(e);
- h. whose owner is entitled to possession of the hereditament in his capacity as liquidator by virtue of an order made under Section 112 or Section 145 of the Insolvency Act 1986.

in which case the hereditament will be exempt.

- 14. For clarity a hereditament which is the subject of a building preservation notice within the meaning of the Planning (Listed Buildings and Conservation Areas) Act 1990(a) or is included in a list compiled under Section 1 of that Act will be subject to levy unless its use is covered by any of the other exemptions listed in Section 15 of the business plan (this Section).
- 15. The levy will be due from businesses or individuals who are liable to pay business rates, from any hereditaments on any roads which have not yet been constructed or named at the time of the ballot and any new hereditaments built or created within the shaded area of the map shown in Section 7 in this Proposal and Business Plan which fall within the levy criteria of Section 15, from the 19th September 2019 at any time during the life of the BID but which are not specifically identified on the map in Section 7, with effect from the date at which their rateable value takes effect.
- 16. The BID levy contribution will not be reassessed if the rateable value is amended after the end of the BID. New or altered properties entered into the valuation list will become liable for the levy from the date they appear in the list
- 17. Businesses with a rateable value of less than £12,001 will be exempt from the levy and will not be permitted to vote in the ballot. Any business with an R.V which falls below this will be encouraged to enter into a voluntary arrangement direct with the BID Company so that they can benefit from the full range of services provided by the BID.
- 18. Charity shops, hostels, places of refuge or rehabilitation where the rates are paid by a charitable organisation will be exempt from the levy for that hereditament only and will not be permitted to vote for this hereditament in the ballot. Any other hereditament where rates are paid by a charitable organisation will be included. Places of religious worship will be excluded. Market stalls will also be excluded. No other discounts or reductions shall apply. Charity shops, will be permitted to enter into a voluntary arrangement with the BID company.
- 19. Subject to this criteria stated above and within the BID boundary as defined in this document, the BID levy is a statutorily compulsory payment regardless of whether the business exercised its vote or voted against the BID.

16. Risk analysis

The responsibilities of BID Company

The Luton BID Ltd is a legal entity and a significant business in its own right. It not only has all the attendant risks and responsibilities that go with this but also, subject to the vote in favour of the BID, has a mandate from the businesses in the area to deliver the BID Business Plan. This is a significant responsibility which has an influence over the commercial prosperity of the Luton town centre, the businesses in the area and the staff who rely upon these businesses for their living.

It is important therefore, to articulate some of the external and internal issues that have a direct bearing on the ability of the Company to trade successfully, as well as highlight the consequences of not adopting the principles of the BID and the benefits that accrue from the delivery of the plan.

BIDs in other places

BIDs have been proving their worth and commercial value across the UK over the last twelve years as effective mechanisms to improve trading environments for all sorts and types of businesses. Where BIDs have reached the end of their first term the majority have seen even greater votes in favour and larger turn-outs than the first time of voting. They are seen as providing businesses with very effective returns on investment.

There are other towns and cities in Hertfordshire and Bedfordshire which have Business Improvement Districts these include Welwyn Garden City and St Albans. Hitchin, Letchworth and Royston have been successfully renewed and Bedford has been through two renewal ballots.

Working with key partners

Luton Culture

In order to deliver exceptional value for money within the framework of the aims and objectives of the plan, the BID will work closely with other key stakeholders such as property owners Capital and Regional, developers such as 2020 Developments, cultural organisations including 'The Culture Trust Luton' (formally), the Borough Council and the Police. It will seek, wherever possible to influence and shape larger projects to the benefit of its own aims while supporting others to achieve their own objectives.

In working with others, the over-riding principle of the BID should not be compromised i.e that the BID is providing services and benefits additional to those which would have happened if the BID had not been in existence.

Sustainable mechanism for the development of Luton

The BID is a unique mechanism which combines solid business support with a compulsory payment scheme which creates benefit for all on an equitable basis. It also guarantees constant cash flow to deliver the projects and priorities identified by the businesses. It provides a solid platform for the BID Company to control costs, plan over the longer term and rise to the expectations of its stakeholders.

A contingency is contained within each of the project areas, meaning, that should the income from the additional voluntary contributions fall short of those budgeted for any period, costs can be adjusted accordingly.

In the unlikely event that circumstances beyond the control of the BID Company mean that it fails to bring about the benefits envisaged, the business electorate will have the final say. At the end of the 5 years, if no discernible difference is detected then a vote against renewal can simply “switch off” the BID and with it all business contributions.

There is no plan to rely upon bank or other financial support other than the levy and so there is no prospect of financial insecurity. In any event, the Company will produce monthly management accounts and financial forecasts for information for the Board, nominated by the levy payers. Appointed auditors will produce end-of-year accounts, made available to all contributors and the Luton Borough Council and these will be filed at Companies House in the normal way.

The Company is VAT registered to ensure that the tax can be reclaimed on expenditure.

The Importance of Voting ‘YES’

If you want the BID and its collective influence and all its associated benefits to continue and support your business you will need to vote for it. If the vote does not get sufficient votes in favour both by number and rateable value the BID and all its associated activities will stop as of 31st December 2019.

There will be no collective voice, no budget to deliver any priorities identified by businesses. Businesses will be left to face the challenges and uncertainties of the future alone.

17. Final thoughts

“A Business Improvement District provides us with collective business voice which not only enables us to deliver the projects within the BID budget but to influence and shape the delivery of larger more strategic initiatives such as new developments in the town centre.

The way in which we work and the nature of town centres is changing rapidly and in many respects Luton provides significant opportunity to lead the way in creating a new approach in creating a vibrant and successful town centre which is based the needs of the local business and residential community.

Without the BID there will be no real representative of the businesses in the town centre and everyone will left to face the challenges of the future alone. With a BID we can bring people together from across the town to work collectively for a great future.

If Luton town centre is to become the true centre of Luton with a vibrant economy and a place which attracts, feels safe and is a perceived to be a great place to live, work and do business, then we need to be brave and radical and work together collectively to ensure that we all benefit in the future.

This plan delivers a clear direction for this exciting new era. I urge you to get involved and work together for our town and our future by voting YES in the ballot in October.”

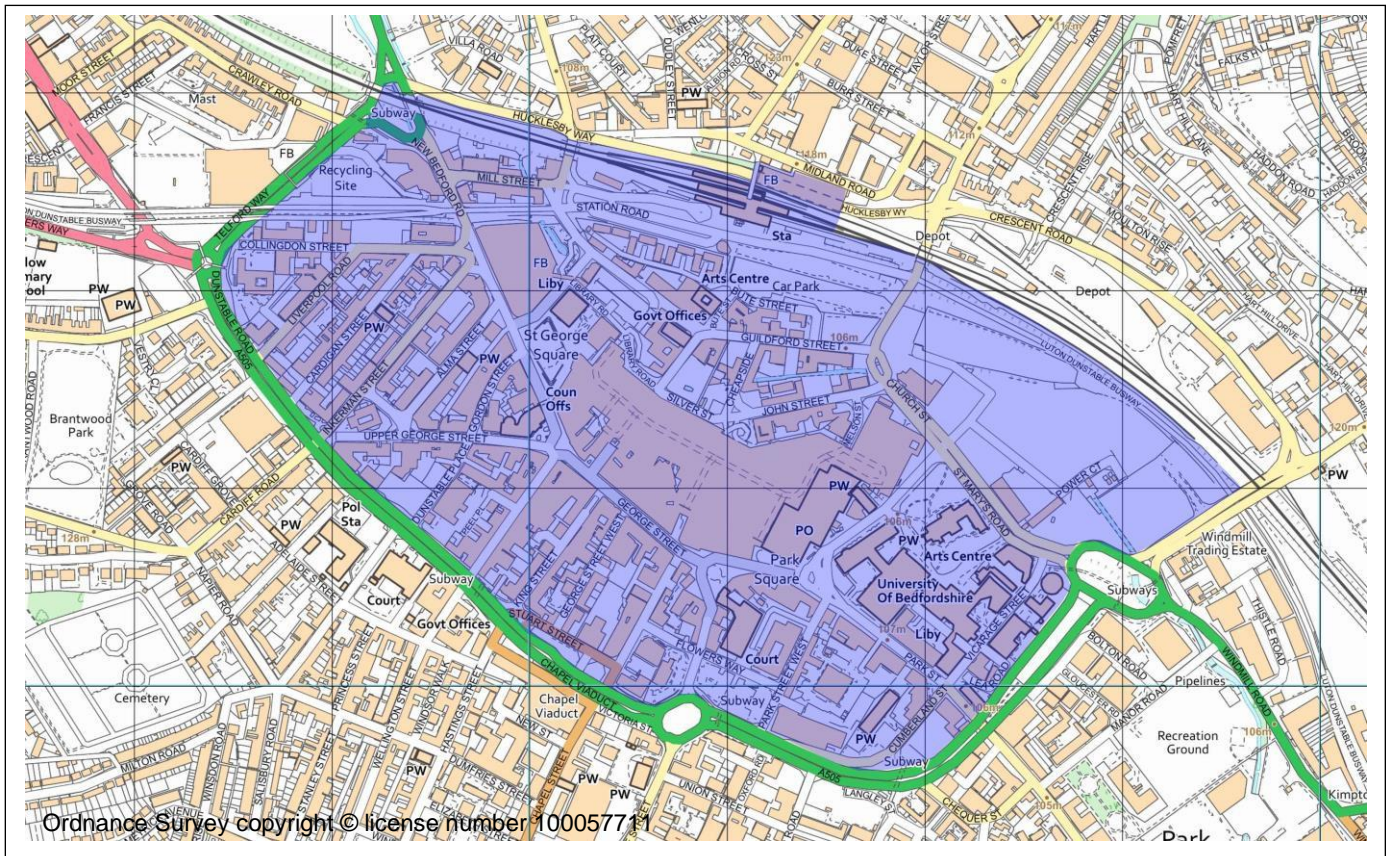
Chair and Director of the
Luton BID Ltd CEO of
Clearhead Media

Appendices

Appendix 1 – Definitions

- The following terms, used throughout this Proposal document, shall have the same meaning as provided in the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004.
- “BID” means Business Improvement District.
- This document is a BID proposal for the purposes of the Act. If approved it will become the BID arrangements which govern the way in which the BID levy can be used.
- “the 2003 Act” means the Local Government Act 2003.
- “the 1988 Act” means the Local Government Finance Act 1988.
- “BID ballot” means a ballot under Section 49(1) of the Local Government Act, 2003.
- “BID body” means, the body (whether corporate or not corporate) responsible for the implementation of the arrangements in this case defined in the plan as the ‘Luton BID Company’ whose final company name has yet to be determined.
- “BID proposer” means a person who draws up BID proposals in the plan the ‘Luton Town Centre Partnership’s BID Steering Group’
- “commencement date” subject to regulation 9(12) of the Business Improvement Districts (England) Regulations 2004, means the day, pursuant to Section 53 of the 2003 Act, the BID arrangements are to come into force.
- “hereditament” means anything which is or is treated as being a hereditament by virtue of the provisions of or any provisions made under Section 64 of the 1988 Act including any hereditament to which regulation 6 of the Non-Domestic Rating (Miscellaneous Provisions) Regulations 1989 applies but otherwise excluding any hereditament to which regulations made under Section 64(3)(b) of the 1988 Act apply.
- “renewal ballot” means a ballot under Section 54(2) of the 2003 Act.
- “BID Levy” means a charge imposed on the non-domestic ratepayers, or a class of such ratepayers in the district

Appendix 2 – Map and Streets included in the BID Area listed alphabetically



The BID area includes any road or street and all small business areas, courtyards and parks located off these roads that are located within the boundary of the defined BID area as per the shaded area on the map shown in Section 7 in this Proposal and Business Plan, even if they are not listed in the tables in Appendix 2.

Street List

Street Name	Limit if any from the town centre to:
Alma Street	
Bridge Street	
Bute Street	
Cardigan Street	
Castle Street	Up to Castle Street roundabout only
Chapel Street	Up to Chapel Viaduct only
Chapel Viaduct	Car parking only
Cheapside	
Church Street	
Collingdon Street	
Crawley Road	Up to junction with Telford Way only
Cumberland Street	
Dunstable Place	
Dunstable Road	Northern side of the road only
Flowers Way	
George Street	
George Street West	
Gordon Street	
Guildford Street	
Inkerman Street	
John Street	
King Street	
Library Road	
Liverpool Road	
Manchester Street	
Melson Street	
Mill Street	
New Bedford Road	Up to the roundabout with Hucklesby Way only
Park Street	Up to the border of the viaduct only
Park Street West	
Peel Street	
Power Court	
Silver Street	
St Marys Road	
Station Road	
Stuart Street	Northern side of the road only
The Mall	
Upper George Street	
Vicarage Street	
Wellington Street	Up to the junction with Stuart Street only

It will also include any roads yet to be constructed and named and any new development sites created within the shaded area of the map shown above and in Section 7 in this proposal and Business Plan and any building, land or property, which exists within the shaded area, which falls within the levy criteria of Section 15, but which is not specifically identified on the map in Section 7.

Acknowledgements

The Luton BID Board would like to acknowledge the support of the following in preparing this Business Plan:

Luton Borough Council
Partnerships for Better Business Ltd

Further information

For more information about the BID or to discuss any aspect of this business plan please contact the BID Manager Fergus McLardy on 01582 510657 or email info@lutonbid.org.

