

TOPIC: The BID Body

Abstract: -

It is a requirement of The Business Improvement District Regulations (Schedule 1, 1, (a)) that the BID Body is both named and its type (“whether a local authority, a company under the control of the authority, a limited company, or a partnership”) is given. These matters need to be included within the BID Proposal.

The BID Body is a defined term, being “...the body (whether corporate or not corporate) responsible for the implementation of the arrangements.

Guidance: -

It is evident that the BID Body has a distinct role (although it may be the same ‘body’ as the BID Proposer). Once the arrangements are confirmed by a successful ballot, the BID Body is the entity that will then deliver the arrangements and, as such, is the entity that will receive the collected levy monies from the local billing authority to fund those arrangements (being the services and projects as set out in the BID Proposal).

In some instances, the BID may be proposed by one body (the ‘BID Proposer’) and delivered by another (the ‘BID Body’). An example may be where an existing town centre management organisation decides to propose the creation of a BID as the BID Proposer but intends to establish a new body to then deliver the BID arrangements (the new ‘BID Body’).

A BID Body can be one of the following:

- a) A local authority
- b) A company under the control of a local authority
- c) A limited company
- d) A partnership

In the examples (b) and (c) above, it would be the intention that the company should be of ‘not for profit’ status, therefore unable to distribute its surpluses through dividend or similar.

TIPS

1. The name and the type of BID Body must be decided upon and included within the BID Proposals.
2. The BID Proposal must also include the “financial arrangements for the BID Body” (Regulation 4 (2) (a) (cc)*).

Note: * Regulation 4 (2) (a) (dd) for Wales