



**Heart of Manchester BID Proposal
October 6th 2022**

This proposal provides responses to Schedule 1 1. (1) of the BID Regulations (2004).

1. (1)a

“a statement of the works or services to be provided, the name of who will provide them (the name of the BID body or local authority BID body) and the type of body the provider is (whether a local authority, a company under the control of the authority, a limited company or a partnership)”

The BID body (Heart of Manchester BID Ltd, an independent company limited by guarantee) will provide the following services:

- Events: developing and producing events within the footprint of the BID area, aimed to attract footfall to the city centre.
- Marketing: promote the city centre as a place to work, visit and shop.
- Hosting Team: manage a team of city centre ambassadors providing a 360+ day service to visitors to the city centre.
- Cleansing and operational support: provide a programme of cleansing services *additional* to those provided by statutory bodies. This is to include litter-picking, street cleaning and ‘greening’ (flower planting and maintenance)
- Intelligence: maintain a range of data collection services, including on footfall, sales, and dwell time within the city centre.
- Environmental and Social projects: work with levy-payers to support charitable and supportive work in the city centre and to respond effectively to the climate emergency.



1. (1)b

“a statement of the existing baseline services (if any) provided by the relevant billing authority or other public authority”

Baseline services are delivered by the local authority according to performance indicators agreed with clients and contractors.

1. (1)c

“a description of the geographical area¹ (including a map showing that area) in which the proposed BID arrangements are to have effect.”

2023-2028 Heart of Manchester BID Area: the dotted line on this map shows the boundary of the BID area. The shaded buildings show the CURRENT location of hereditaments within that area. For the avoidance of doubt a full, inclusive, list of streets (with relevant numbers where only partial streets are to be included in the BID area) follows.



2023-28 BID List of Relevant Streets:

| <u>BID Streets 2023-2028</u> | <u>Even numbers</u> | <u>Odd numbers</u> |
|-------------------------------------|----------------------------|---------------------------|
| Back Pool Fold | | |
| Barton Arcade | | |
| Barton Square | | |
| Brown Street | 2 - 46 | 1 - 43A |
| Chapel Walks | | |
| Cheapside | | |
| Concert Lane | | |
| Corporation Street | | 15 - 15A |
| Corporation Street | | Unit GG |
| Cross Street | 2 - 62 | 1 - 35 |
| Deansgate | 48 - 58 | 1 - 95 |
| Deansgate | 98 - 116 | |
| Exchange Square | | |
| Exchange Street | | |
| Fountain Street | 2 - 52 | 1 - 53 |
| Half Moon Street | | |
| Kent Street | | |
| King Street | | |
| Marble Street | | |
| Market Street | | |
| Marriott's Court | | |
| Meal Street | | |
| Marsden Street | | |
| Milk Street | | |
| Mosley Street | 2 - 56 | |
| New Cathedral Street | | |
| New Market Lane | | |
| New Market | | |
| Norfolk Street | | |
| Old Bank Street | | |
| Pall Mall | | |
| Pall Mall Court | | |
| Phoenix Street | | |
| Piccadilly | | 1 - 17 |
| Police Street | | |
| Ridgefield | | |
| Royal Exchange | | |
| Royal Exchange Arcade | | |
| Sickle Street | | |
| Spring Gardens | 2 - 56 | 1 - 57 |
| St Ann's Alley | | |
| St Ann Street | | |
| St Ann's Churchyard | | |

St Ann's Passage
St Ann's Place
St Ann's Square
St Mary's Gate
Sussex Street
West Mosley Street
York Street

1. (1)d&e

“a statement of whether all non-domestic ratepayers in the geographical area or a specified class of them are to be liable to the BID levy, an explanation of how the amount of the BID levy to be levied is to be calculated and an explanation of whether any of the costs incurred in developing the BID proposals, holding of the ballot or implementing the BID are to be recovered through the BID levy”

“a statement of the specified class of non-domestic ratepayer (if any) for which and the level at which any relief from the BID levy is to apply”

Subject to the rules that follow, those hereditaments (rateable commercial units) within the proposed BID area that will be subject to the BID levy will be limited to the following VOA Classifications:

Bank and Premises
Betting Shop and premises
Café and Premises
Café Bar and Premises
Car Park and premises
Food Court and Premises
Kiosk
Kiosk and Premises
Hairdressing salons and premises
Leisure Centre and Premises
Offices
Offices and Premises
Office, workshop, and premises
Public House and Premises
Restaurant and Premises
Shop and Premises
Wine bar and premises

1. The levy rate to be paid by each hereditament is to be calculated as 1.7% of its rateable value. The levy will be charged in line with the NNDR system. The levy charged for the five-year period of the BID will be based on the rateable value as of 1st April 2023.
2. Thereafter, and throughout the duration of the BID Term, no further account will be taken of national rating revaluations.
3. The exception to the above is where a revised rateable value is applied because of any change of use or a physical change to a hereditament including, inter alia, new

construction, merger, subdivision, extension, and refurbishment. In such circumstances, the revised rateable value will be used from the date of the change.

4. If a hereditament is shown in the ratings list for the first time, the rateable value shown in that list will be used for the remainder of the term from the date of entry.
5. Hereditaments in Manchester Arndale without external frontages and all office premises (i.e., those within the classes 'Offices, Offices and Premises, Offices, workshop, and premises') will pay a levy rate of 1.5 % of their rateable value. Charitable organisations, which receive mandatory relief on their business rates, will have their levy reduced to 1% of rateable value. No other discounts or reductions shall apply.
6. Only properties or hereditaments with a rateable value of £40,000 or more will be eligible for payment of the BID levy. The maximum amount payable (the 'cap') in respect of any single hereditament will be £32,000 per annum
7. After the full second year of operation, and annually for the remainder of the BID term, a flat rate increase of 2% per year will be applied to all levy rates, and to the cap. So, for example in year three the levy rates would be 1.72%, and 1.52% and 1.02% and the cap would be £32,640.
8. The number of properties or hereditaments liable for the levy has been calculated at approximately 600.
9. The ratepayer of untenanted hereditaments will be liable for payment of the levy.

1.(1)f

“a statement of whether the BID arrangements may be altered without an alteration ballot and, if so, which aspects of the BID arrangements may be altered in this way.”

Apart from as noted above (the annual inflationary increase to the BID levy due from Year 3 onwards), no elements of the BID arrangements may be altered without an alteration ballot.

1.(1)g&h

“a statement of the duration of the BID arrangements; and

a statement of the commencement date of the BID arrangements (and the BID proposals shall specify how many days after the notice of the result is published pursuant to paragraph 17 of Schedule 2, the BID arrangements will commence, and such commencement date shall be no later than a year after the date of that notice)”

The term of the BID will commence on 1st April 2023 and last for five years.

Regarding Section 4 of the BID Regulations:

4.2. (a) i (aa)

We started the formal consultation process for the new BID at the beginning of 2022, with a survey returned by just under 50% of levy-payers. Throughout the year we have run shadow boards (on and off-line), consultation workshops and open meetings to discuss potential objectives and the future business plan.

Feedback from these meetings and discussions has shaped this business plan and directed us to focus much more heavily on operational delivery and on the ESG agenda.

By the end of the consultation process around two-thirds of businesses liable for the levy will have attended one of these sessions, been talked to individually or received a mailing about the BID and the process.

In the period leading up the ballot, we will continue to provide regular updates and chances to feed into the final plans. During September, there will be a mailing of office tenants, and further mailings of retail and hospitality businesses.

4.2 (a) i (bb)

The proposed business plan (including the estimated cashflow, an estimate of the predicted revenue to be generated and the predicted expenditure to be spent under the BID arrangements, the predicted budget over the duration of the BID arrangements and the contingency margin included in the budget).

The financial statements are below: this includes cashflow, revenue and projections, and contingency.

4.2. (a) i (cc)

“financial management arrangements for the BID body, and the arrangements for periodically providing [the relevant billing authority] [the lead authority] with information on the finances of the BID body”

An Operating Agreement is in place between MCC and Heart of Manchester (BID) Ltd to cover the management of financial information between the two bodies, the transfer of funds, etc.

Financial Statements

Heart of Manchester Budgets 2023-2027

2023 - Year
1

2027 - Year
5

Income

Levy Income
Additional Income

1,700,000.00 1,795,000.00

*Based on 97% collection rate plus
2% inflationary increase Y3 - Y5*

Total Income

1,700,000.00 1,795,000.00

Events, Support and Marketing

530,000.00 543,000.00

*Based on 6 events per year plus
campaigns plus staff*

Operational Support

350,000.00 354,000.00

*Based on operational support,
cleaning of BID area plus staff*

PR and Marketing

100,000.00 100,000.00

*Based on PR/Comms, provision
of sales data, mystery shopping
event and working closely with
MM*

Hosting Team and Core Staff

360,000.00 382,000.00

*Based on hosting presence 363
days per year
BID Manager and support staff*

ESG and campaigns

60,000.00 60,000.00

Developing range of campaigns

Admin and core costs

250,000.00 250,000.00

*Office and management costs
shared with CityCo*

Total costs

1,650,000.00 1,689,000.00

*Staffing costs based on 2%
annual pay increase*

Reballot

0.00 65,000.00

Provision for reballot 2027

Contingency

50,000.00 40,000.00

Surplus

0.00 1,000.00