

## **South Wimbledon Business Area**

### **Detailed BID Arrangements**

This document is an appendix to the South Wimbledon Business Area (SWBA) BID Proposal document for the 2022-2027 BID term.

It contains additional detail regarding the levy, budget and governance processes of the BID and, together with the BID Proposal, comprises the full BID Arrangements for the new BID term.

Any questions about the contents of this document should be referred to the Estate Coordinator, Claire Morris, at [claire.morris@swbaltd.co.uk](mailto:claire.morris@swbaltd.co.uk)

### **YOUR CONTRIBUTION TO THE BID**

In order for the BID to be renewed, SWBA needs to receive a 'YES' vote from a majority of businesses voting in the ballot. The majority must be both by number of businesses as well as the total rateable value that they represent.

#### **The BID area**

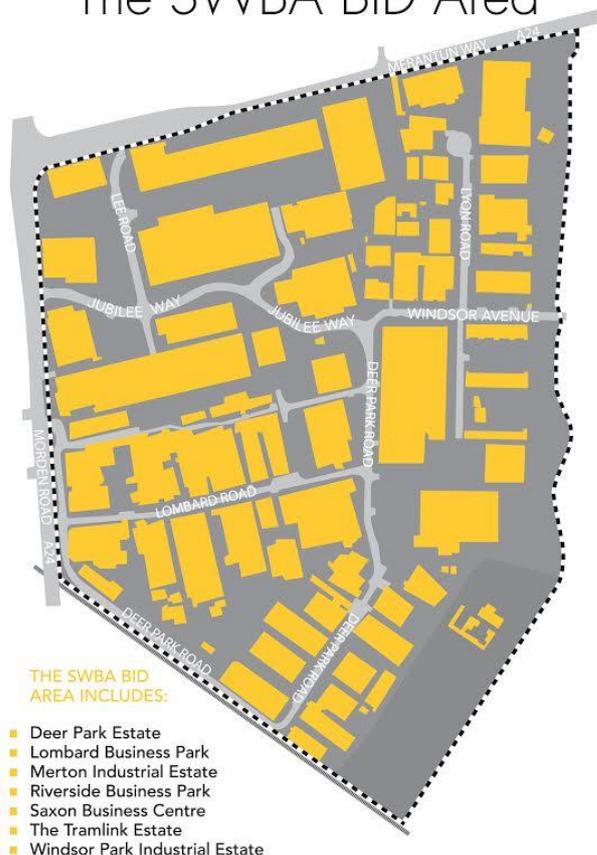
The BID area comprises the following roads:

Deer Park Road  
Jubilee Way  
Lee Road  
Lombard Road  
Lyon Road  
Windsor Avenue  
61 Morden Road

The entire length of each road is included, apart from Windsor Avenue where the eastern boundary of the BID area is at the River Wandle. The properties on Windsor Avenue that are included in the BID area run upwards from No 39 (Deen City Farm) on the left side of the road heading from east to west and No 50 upwards on the right hand side. The only property included on Morden Road is at No 61 (Big Yellow).

The BID area is shown as follows:

## The SWBA BID Area



### The ballot

The ballot will be conducted by the Electoral Services team at Merton Council to ensure an independent process. If renewed, the BID will be financed by a mandatory annual levy, which is then ring-fenced for the delivery of the BID's business plan.

The ballot is a postal ballot. Each rated property (hereditament) in the BID area receives a single ballot paper. Businesses with multiple properties in the BID area will receive one ballot paper for each property.

### The BID levy

The BID levy for each property (hereditament) is calculated at 0.75% of its rateable value on the 2017 ratings list ([voa.gov.uk](http://voa.gov.uk)) or the first rateable value for properties built or valued after this time. In order to account for inflation, the percentage may be increased annually by up to 3% should the BID Board decide that this would be appropriate.

All businesses with a rateable value of £8,000 or more will be liable to pay the BID levy.

There is an upper cap of £3,000, which is the maximum amount the largest businesses would have to pay, regardless of their rateable value or how many hereditaments they have.

Business occupiers are responsible for paying the BID levy. However, in the case of empty properties the property owner becomes liable for the BID levy. The levy is a mandatory levy and is collected much like business rates.

Businesses that begin to occupy a property in the BID area during the BID term, will be liable to pay the levy for the period of their occupation.

Charities receive an 80% reduction.

The BID levy will generate c.£82,500 per annum to be spent directly for the benefit of the businesses in the SWBA area. Over the course of the 5 year BID term, it is anticipated that £416,000 will be generated by the BID for the area.

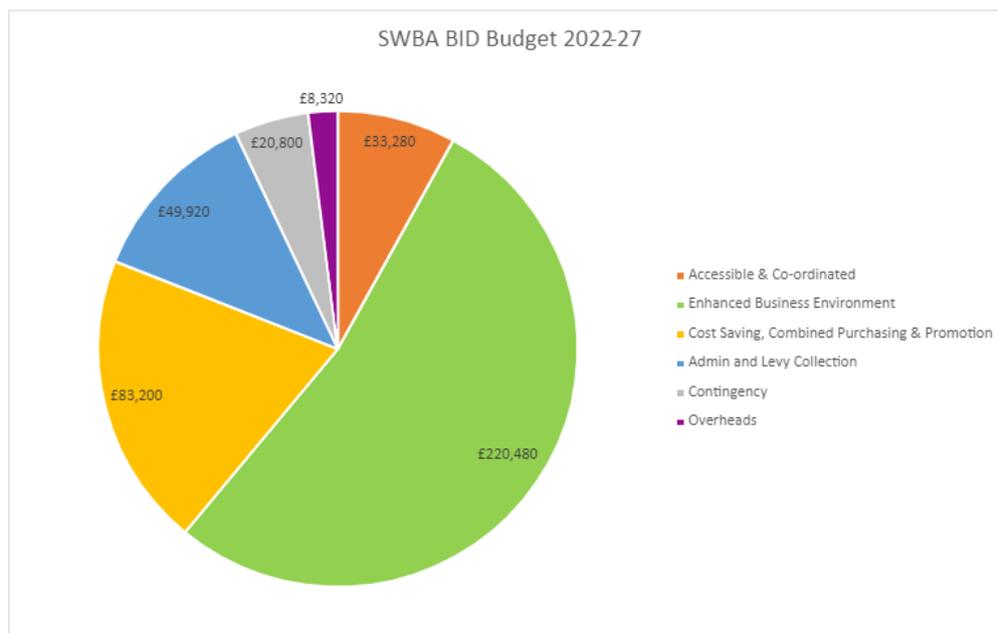
SWBA raises additional funds through grant applications to supplement this investment.

### Levy Collection

The BID levy is collected by Merton Council on behalf of the BID. The Council then transfers the money directly to SWBA. Bills are raised at the start of each BID year which begins on 1 July.

### BUDGET

The budget for the new BID term is as follows:



The budget assumes an annual income of £82,500 and a collection rate of 95%. A contingency budget of 5% has been allowed for each year, as well as a projects fund of £9,000 per year. This will provide a flexible pot of funding for capital improvements, as well as to respond to issues that arise during the course of the BID term.

The expenditure for subsequent years of the BID term will broadly follow the percentage allocations in Year 1. The Board will have discretion to vary the allocations year-on-year in response to new opportunities or changing priorities of the members.

### GOVERNANCE

The BID operates as a company limited by guarantee with a voluntary board of directors.

The BID is based in the London Borough of Merton. It enters into two agreements with Merton Council as follows:

- **Operating Agreement.** Covers arrangements for the collection of the BID levy by the Council (the levy is then transferred to the BID)
- **Baseline Agreement.** An appendix to the Operating Agreement, which sets out the core Council-run services in the BID area. The BID only delivers services that are *additional* to these.

The Directors meet every two months to review BID activities, finances and progress against the business plan. The Board approves the BID's annual expenditure plan.

The BID also holds quarterly meetings for Company Members. BID Company Membership is open to representatives of eligible businesses within the BID area.

We welcome approaches from businesses wishing to join the BID Board or to offer their support and advice in other ways.

Please contact Claire Morris, SWBA Estate Coordinator, if you would like to become involved in the running of the BID.

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