



**Canterbury
Connected**

BUSINESS IMPROVEMENT DISTRICT

Canterbury City Business Improvement District

2014 – 2019

Full Proposal Document

Contents

Introduction

- Section 1: The Case for a Business Improvement District (BID)
- 1.0 Why we need a BID in Canterbury
 - 1.1 How businesses have been consulted
 - 1.2 BID mission statement
 - 1.3 BID strategic objectives
 - 1.4 Proposed BID area
 - 1.5 Proposed BID period
 - 1.6 BID membership
 - 1.7 The proposed BID levy
 - 1.8 The BID ballot
 - 1.9 BID levy liability and collection
 - 1.10 How the BID will work with existing service providers

- Section 2: What the Business Improvement District will do
- 2.0 Strong brand
 - 2.1 Superb destination
 - 2.2 A great centre for business
 - 2.3 A Connected city: better for everyone

- Section 3: Governance and finance
- 3.0 Transparency and performance measures
 - 3.2 Governance
 - 3.3 Finance & financial reporting

Section 4: Appendices

- 1. BID Area
- 2. Baseline statements
- 3. Voluntary contributors
- 4. Canterbury destination management plan
- 5. District Watch memorandum of understanding
- 6. StartmyBiz annual report 2013
- 7. Canterbury City Council service level agreement

Introduction

Canterbury is an ancient city, with a unique place within England, Britain, Europe and beyond as the home of the global Anglican Communion. Designated as a World Heritage Site in 1988, the Cathedral, St Augustine's Abbey and St Martin's Church attract worldwide attention and represent an asset that has sustained the city for centuries as a centre for faith, knowledge, education, pilgrimage, commerce, cultural development, tourism and investment.

This distinct heritage attracts 7 million visitors a year and has also given rise to an unparalleled education sector, comprising public and state schools, language schools, colleges and universities. With 30,000 students, Higher Education is especially important to the city.

The city centre/proposed Business Improvement District (BID) area is home to some 650 businesses and is the largest business centre in east Kent, with a high proportion of independent businesses (the BID Area Map is at Appendix 1). It has traditionally been a sub-regional centre for retail and a key element of the south east visitor economy as Canterbury Cathedral, with over 1 million visitors in 2013, is the 27th most visited attraction in the United Kingdom and the 7th most visited of those outside London.

However, the demands placed on diminishing public resources and the difficulties businesses and locations face in a changing and challenging competitive economic environment mean that the city needs to consider how it faces the future to ensure the continuing prosperity of all our businesses.

Following extensive consultation across the proposed BID area, this Proposal will be put to a Ballot on 18th June 2014, with the Ballot Day on 17th July 2014, of all businesses in the proposed BID area, administered by Canterbury City Council Electoral Services Department.

The development of the BID Proposal has been funded from CCP reserves and also using a £12,000 interest free loan from Canterbury City Council, repayable over 2 years in the event of a successful ballot.

If successful, the BID will be delivered by Canterbury City Partnership Community Interest Company (CCP), a not-for-profit company that has worked to support businesses in the city in its present form since 2007 and which has a Board made up of business people from within the proposed BID area. CCP has 156 members and associate members, including the Kings Mile Association of small independent businesses, and sponsors include Canterbury Cathedral, Stagecoach, Fenwick, Whitefriars, Canterbury City Council, Boots, Think Agency, the Abode Hotel and Visit Kent.

In the event of a successful Ballot, CCP governance will be amended and new Memorandum and Articles of Association drawn up to reflect that the BID is the sole focus of the organisation and that all other CCP activity will cease.

The proposed start date for a BID is Monday 13th October 2014.

The BID will work in partnership with all statutory organisations: Canterbury City Council (CCC), Kent County Council (KCC), Kent Police, Kent Fire & Rescue and other public and community organisations. Baseline statements have been received from CCC, KCC and Kent Police in order to

ensure that the BID only invests levy payers' funds in activity that is **additional** to that which the statutory organisations already have a responsibility to deliver (see Appendix 2).

The BID will deliver operational and marketing activity for the BID area and levy payers for a five year period until September 2019 funded by the levy described in this document.

Section 1: The case for a BID

1.0 Why we need a BID in Canterbury

Canterbury is a city under pressure.

We have the highest proportion of students to residents (1:1.4) in Europe and the second highest number of visitors to residents (155:1).

On the one hand, by generating year round footfall, that has helped Canterbury survive the recession better than most, with a premises vacancy rate at below 6%; and on the other it places real stress on the city and upon its ability to manage the fabric and infrastructure.

Maintaining standards is a real issue and improving them an absolute priority.

The establishment of a new way of working together in the city, through a Business Improvement District, will provide new solutions to old problems, such as collaborative marketing; restore elements that are no longer affordable for the local authority, like Christmas lights; and tackle challenges that will enable our businesses to compete in the future, like on-line commerce and broadband connectivity.

Here are the key issues:

- Economic growth is difficult and businesses increasingly need to work together to reduce costs, increase promotion and share risk to sustain and improve turnover and profitability.
- The development of on-line trading activity has challenged traditional models of retail, commerce and place management. New ways of delivering what the customer and client want need to be developed.
- The reduction in Local Authority (LA) funding (projected at -45% in Canterbury 2010 – 2017) will decrease the ability of the LA to deliver certain discretionary services in the city; for example, the city had no Council funded decorations during Christmas 2013 for the first time in a number of years.
- The increasing expectations of customers and clients (including shoppers, tourists, residents, students, investors) mean that cities and towns, and businesses, have to improve standards continuously to thrive. What is 'satisfactory' today is often 'unacceptable' tomorrow. It doesn't have to be bad to be better.
- Growing competition from other centres locally, regionally and nationally. For instance Bluewater, whose customer base also includes the Canterbury area, has an application to expand by a further 20%, and already offers 320 brands, 60 restaurants, free Wi-Fi and 13,000 free car parking spaces.

Against this background, Canterbury has a number of areas that have either not been addressed or not been resolved and which a BID, working with and on behalf of levy payers, can make a positive, significant and sustainable difference to:

Canterbury's brand development and marketing

The issues:

- Poor co-ordination of marketing and brand development between partner organisations
- Lack of a city external marketing programme means that the city's brand lacks penetration in key markets e.g. north and west of London and near Europe
- Lack of a year round 'Festival offer': current activity is concentrated in September and October and often fails to increase footfall and sales for city businesses
- The city attracts 7 million visits annually, but lack of pre planning, coordination and management can lead to a poor experience for both the visitor and for the city; there is no central database for marketing materials, visitor contacts or future opportunities
- Overnight stays especially from European visitors are high value but there is no strategy in place to increase this important market
- City signage and way-finding is fragmented, disparate and in need of investment to enable visitors to navigate and appreciate the city to its fullest extent

Canterbury as a destination

The issues:

- Cleaning standards can be poor: subways, graffiti, chewing gum and areas outside the Council contract like the river all require attention
- 'Dressing' the city is important throughout the year, however, Canterbury's is of a very low standard: there are no floral displays beyond the public parks in the summer or city wide Christmas decorations
- The evening and night time economy has grown substantially in recent years, especially with the increase in student numbers since 2000 (from 20,000 to 30,000). Achievement and retention of the Purple Flag Accreditation has been successful; the city now needs to build upon this for the future.
- Businesses in the city are often unaware of what is happening and lack knowledge of the support that is available to them. Nor do they know how to resolve issues that impact on their businesses or have the time to follow them up in a satisfactory manner
- The city has no designated 'welcome programme' or resource to manage events that may occur within the city beyond the Police and Council enforcement teams; there is also scope for a volunteering programme utilising the city's large student population

- The city is a safe environment and is ranked second only to Bath in the Complete Universities Guide for safest student city 2014. However, with a burgeoning late night economy, the mix of residential property 'cheek by jowl' with late night venues and poor lighting in some areas it can feel unsettling at times. Additionally, with the presence of beggars in subways and approaches to the city centre, of 'lifestyle' rough sleepers/drinkers in public areas at times as well as low level anti-social behaviour, there is a need for a regular presence on the streets to manage this perception and occasional reality. The District Watch radio security scheme operates well but does not impact on many of these issues.

Canterbury as a centre for business

The issues:

- Retail is under pressure nationally with the growth of on-line and the rise of discounting in a number of retail sectors. Space is expensive and so both national and local independent retailers have to ensure that the experience of shopping with them is a key positive point of difference for customers.
- Non customer facing businesses locate in the city for a number of reasons: they have 'always been here'; it is central, easy to access and an attractive environment for staff; they are adjacent to other businesses in their sector and related sectors; it is a prestigious location that appeals to their client and investment base. However, the constraints of operating in a city centre location for a number of these businesses can appear to make the city less attractive: reducing car parking spaces for business and customers/clients, congestion, accommodation that is no longer easy for modern business practice, higher operating costs compared to alternative out of city locations.
- All businesses face rising costs and in addition to Businesses Rates which are perceived as high, utility and other costs are seen as a burden and inhibitor to growth, employment and investment by city businesses.
- New businesses want to start in the city but often find this difficult through lack of support. While the StartmyBiz (SMB) programme and the Canterbury Student Makers Market (SMM) initiative have both proved successful in bridging many of the gaps that prevent people 'taking the plunge' and starting their own enterprise, there is a need to continue this support and extend it where possible. Additionally the city lacks substantial space for start-ups that is available and affordable.

Canterbury as a connected city

Canterbury is a great city but we don't always communicate or work together as well as we could. The BID would make sure that everything it delivers is as 'joined up' as possible and that city wide communication is at the heart of everything that happens. Key issues that need to be addressed are:

- The local authority has a two tier structure with both Canterbury City Council and Kent County Council having responsibility for various parts of the city's operation. Making sure that issues that involve both these and other partners are resolved requires an investment of time and understanding.

- The term ‘business community’ does not reflect the situation in Canterbury. Businesses tend to work in isolation and while organisations like Canterbury 4 Business (C4B), Canterbury City Partnership (CCP) and the King’s Mile Association have made efforts to engage with businesses, the majority do not do so. This leads to a lack of representation from the business community and frustration when decisions are made that do not take the business view into sufficient consideration. Engagement with, and the capacity of, the Canterbury business community needs to be strengthened.
- Internet access and Wi-Fi availability is poor in the city centre. However internet usage is relatively high in Canterbury. In 2010 Experian claimed that 1.44% of the UK’s internet usage stemmed from the city and in 2014, Postcode Anywhere revealed that people in the city purchased more Valentine’s product on-line per head than anywhere else in the UK.

With the presence of a major student population, 7 million visitors a year and the growth of tech businesses in the city, poor levels of connectivity are unacceptable. The importance of good internet connectivity is now paramount in cities like Canterbury; indeed, the city has recently been identified as a growth hub for creative businesses in east Kent by the ‘Grow for It East Kent’ team.

- Transport is a vital issue for the city. Congestion, availability and price of car parking and the challenges presented by significant housing growth in the District are all issues that impact on city businesses and about which they have concerns.

1.1 How businesses have been consulted

2012 Canterbury City Partnership first raised the concept of a BID at the autumn Conference in November 2012. This was followed up by a programme of workshops across the city explicitly explaining what a BID is and asking businesses whether they would support one in the city: 30 workshops were held and all the city’s businesses were invited, with around 50 attending at various times.

2013 In January 2013, the BID concept and initial plans were presented at the Canterbury Area Members Panel (CAMP) to local elected representatives including CCC and KCC.

CCP has consistently written about a potential BID for the city in the monthly The Word on the Streets Newsletter that is emailed to over 600 recipients in the city, with an ‘open rate’ of around 30%. A video has also been produced which is available on the CCP website informing on the idea of a BID for the city and asking for businesses’ views on this.

The Local Economy Newsletter from the Council has also informed businesses about the potential of a BID for the city.

Canterbury 4 Business (C4B) is the District’s public/private economic partnership and a presentation and frequent updates have been made to the C4B Board. C4B is explicitly supportive of a BID for Canterbury city centre. Updates on the BID have been included in the monthly C4B newsletter which is sent electronically to businesses in the city and beyond.

The CCP Spring Conference 2013 was focussed on the BID and with more than 60 businesses present the development of a BID was supported by more than 70% of those attending.

Following the Conference, the Chief Executive of Winchester BID, who spoke at the event, was interviewed by the Canterbury Gazette and the report of this was given significant positive coverage in the paper.

Subsequently, 679 copies of a questionnaire asking for feedback on the BID Proposal were sent out by post to businesses in the city in October 2013 and 75 have been returned with 70% answering 'yes' or 'maybe' to the question: "Would you consider agreeing to a reasonable levy on your business rates to secure some of these services?"

The first draft of the Proposal and Business Plan were presented for consultation at the CCP November 2013 Conference to which over 100 organisations and businesses were invited. 49 businesses attended and again all of them were supportive both of a BID in the city and of the suggested content of the Proposal to be drawn up.

2014

In February 2014, 16 local business people agreed to act as Ambassadors for the BID, representing local and national businesses, and they also supported the creation of a BID and the proposed BID Business Plan. They are in turn presenting the BID draft Proposal to colleague businesses across the city, seeking feedback and support, with over 100 businesses being contacted.

In March 2014 a BID information leaflet was sent by post to all businesses in the proposed BID area which also notified them about BID Open Clinic sessions on 1st, 2nd and 3rd April, 10am – 7pm, which took place at the Abode Hotel in the heart of the city, giving businesses the opportunity to find out more.

Presentations have been made to the local Chamber of Commerce, Kent Invicta, both to their local Economic development Group and also to the Chief Executive, and to the local Management Committee of the Federation for Small Business (FSB).

The Head Offices of a number of national retailers have been contacted both to inform them of our intention to develop a BID in Canterbury and to ask them for any feedback on what we are proposing.

A presentation was made to three local Ward Councillors in March on the BID Proposal to ensure that their views are represented in the final BID Proposal and that on-going communication, in the event of a successful BID, is established effectively.

The BID outline Proposal was presented to the local civic society, The Canterbury Society, to the St Peter's Residents' Association and to the St Mildred's Area Community Society. All have provided feedback about the BID from the resident's perspective and have also expressed broad support for it.

Finally the BID outline Proposal was presented to our local Member of Parliament, Julian Brazier and he is supportive of the BID in principle as a positive way forward for the city.

The content of the final Proposal and Business Plan is a summary of the enormous amount of feedback we received as a result of this process.

1.2 Canterbury Connected BID mission statement

Canterbury city centre will be a vibrant, exciting, well connected and successful business community; an attractive, clean, green, safe and enjoyable destination for customers and clients, shoppers and staff, residents, students and visitors; a profitable place in which to do business.

1.3 BID Strategic Objectives

Canterbury Connected BID will focus on areas of activity that businesses have told us are important through the extensive consultation already undertaken since the CCP Autumn Conference in November 2012, endorsed at the CCP Spring Conference in June 2013, through the questionnaire sent out across the city in October 2013 and supported at the BID Conference in November 2013:

- A Strong Brand: marketing & events
- A Superb Destination: clean, green, safe and enjoyable
- A Great Centre for Business
- A Connected City: better for everyone

Under-pinning the whole BID Proposal is transparency. Businesses have told us that the issues that concern them are:

- Who runs the BID
- How decisions are made
- How the money is spent
- What value the BID delivers for the levy payers
- Having a say about all these things

More information on transparency is to be found in section 3

1.4 The BID area

This Proposal is to develop a BID in the city centre covering the area within the city walls and St Dunstan's Street up to the railway line and Northgate up to High Street St Gregory's and St John's Place. See Appendix 1

The reason this is the proposed boundary is to establish the BID area as a clearly defined entity within which the BID can make a real and appreciable difference to and on behalf of the businesses. Where the BID area extends beyond the city's 'natural boundary' of the old city walls, a significant number of businesses in those areas have expressed a desire to be included and these areas act as key gateways.

1.5 The BID period

The BID will commence on 13th October 2014 for a period of 5 years. The 5 year period is in line with 98% of successful BID ballots nationally and has been part of our consultation with those already working in BIDs elsewhere in the UK, notably Winchester and Chichester. While the BID could be for less than 5 years, the view is that 5 years gives time to operate effectively for a substantial period, adjusting during that time if needed and still deliver successful outcomes for levy payers. It also enables full consideration of the way forward before a potential Renewal Ballot is necessary and decided upon.

The BID period has been the subject of consultation as part of the Proposal and has been endorsed on every occasion by those supporting a BID.

1.6 BID membership

Membership of the BID should be as wide as possible to ensure that as many businesses and organisations as possible are eligible to vote on the Proposal and to participate in the on-going work of the BID. However, only those who would have to pay a levy will be entitled to vote.

The BID will comprise all businesses/organisations within the BID area with a Rateable Value (RV) of £1,700 or more. This is 97% of all properties in the BID area.

The cost of collection of the levy payable for properties below £1,700 is financially unviable and this is the reason for their exclusion.

1.7 The BID levy

The proposal for the BID levy is based on the amount of money needed to make a positive and recognisable difference to a city of Canterbury's status and ambition. Again, we have consulted extensively across the city and with other BIDs with a similar size and profile to Canterbury.

The proposed levy is 1.5% of RV for all businesses in the proposed BID area with an RV of £1700 and above. The exceptions are:

- Businesses within Whitefriars who pay a significant Service Charge for many of the services which will be delivered by the BID in the wider city, where businesses will be required to pay 1%.
- Premises where non-commercial charitable activity is carried out will be subject to an 80% discount on their levy, in line with charity Business Rate relief; where this sets the levy at below £25 (equivalent to a levy below 1.5% of £1700 RV) then this will be waived and the organisation excluded from the Ballot. Premises where commercial charity activity e.g. retail, coffee shop etc. is carried out will pay the full levy.

The RV of the proposed BID area is £39,672,000, it currently comprises 707 hereditaments and at 1.5% of RV taking the exceptions into account (detailed below) a current projected annual levy of £513,595. The highest single levy will be £10,700, the lowest £26 with a median level of £296 per annum, half of businesses paying this amount or less. The mean figure is £731.

VAT will not be paid on the BID levy and there will be no increase in the levy for inflation during the 5 year BID period.

The cost to each business

At a 1.5% levy, the indicative costs to a business are:

Rateable Value (RV)	Annual Levy @ 1.5%	Weekly Cost	Daily Cost
£2,000	£30	£0.58	£0.08
£5,000	£75	£1.44	£0.21
£10,000	£150	£2.88	£0.41
£20,000	£300	£5.77	£0.82
£50,000	£750	£14.42	£2.06
£100,000	£1,500	£28.85	£4.12
£250,000	£3,750	£72.12	£10.30
£500,000	£7,500	£144.23	£20.60
£750,000	£11,250	£216.35	£30.91
£1,000,000	£15,000	£288.46	£41.21

Voluntary contributions

In addition to businesses and organisations within the proposed BID area, a number of those outside may wish to participate in BID activity and pay a Voluntary Contribution.

If an organisation wishes to participate then this will be agreed with the BID Board and arrangements made on an individual basis.

Voluntary Contributors will have a say about how the BID is delivered by way of the BID Forum, the AGM and through the BID team. However, they will not have a vote in the Ballot or at the AGM unless they are also levy payers.

Organisations who have already agreed to pay a Voluntary Contribution are detailed in Appendix 3.

1.8 The BID ballot

The Ballot will be conducted by Canterbury City Council Electoral Services Department.

The person, registered company or organisation who is the ratepayer for non-domestic rates of a hereditament within the BID area as at the Notice of Ballot is entitled to vote, as per Section 1.6

Each person entitled to vote in the BID Ballot shall have one vote in respect of each hereditament in the geographical area of the BID on which non-domestic rates are payable.

The ballot will have to meet two criteria:

1. A simple majority of those voting must vote in favour.
2. The aggregate rateable value of hereditaments of those voting in favour must exceed the aggregate rateable value of those voting against.

Ballot papers will be sent to ratepayers on 18th June 2014 and must be returned no later than 5pm on 17th July 2014. The result will be announced after 18th July 2014.

1.9 The BID levy, liability and collection

The BID Levy will be collected by the City Council's collection agent East Kent Services (EKS), under an agreement with the BID company, Canterbury City Partnership CIC and a contract will be agreed to enable this. Every non domestic ratepayer with a RV above £1,700 (notwithstanding the exceptions in Section 1.7) within the BID area will be liable for the levy in the event of a successful ballot provided they are on the Non-Domestic Rates list provided by CCC

The levy will be on a Chargeable Day basis and due as a single annual payment collected by EKS in October each year. If a hereditament changes tenant during the course of a year no refund will be paid to the departing tenant who will have to seek an accommodation or otherwise with the new tenant.

The landlord will be liable for the levy on a vacant property. No charity relief will apply and the full levy will be due at 1% of RV for a Whitefriars property and 1.5% for all others.

BID levy collection costs 2014 - 2019

The collection costs for this service will be as follows:

Financial Year	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Total
Software & set up	£ 16,525					£ 16,525
Collection fee	£ 11,204	£ 12,804	£ 12,804	£ 12,804	£ 12,804	£ 62,420
Total	£ 27,729	£ 12,804	£ 12,804	£ 12,804	£ 12,804	£ 78,945

With 707 hereditaments in the proposed BID area, that is £22.33 per hereditament collection fee per annum (£17.66 pa ex Software set-up costs) which is not an additional cost to levy payers and will be paid from the total levy received as an on-going cost by the BID. This includes all collection, follow up and activity associated with ensuring that the levy is paid in full by all those liable for it.

The BID will adhere to the Rateable Value on the Rating List, and the levy placed upon it at 9th May 2014, and each year subsequently, for the life of the BID. Where a property is subject to change of use from business to residential then the levy will cease in the year after which the change takes place. No refund of levy or part levy will be payable in this instance.

The levy for new, extended or altered properties liable for the BID will be collected in the first year in which they appear on the Rating List.

The BID will not take any account of changes to the rating regime, proposed for 2017, and will collect the levy set at the date of the Ballot, in each year of the BID.

The BID will work closely with Canterbury City Council, who are the Billing Authority and will carry out the ballot through their Electoral Services Department. The BID will also have a Service Level Agreement (SLA) with Canterbury City Council for at least the first 3 years of the BID.

An Operating Agreement will be set in place to regulate the procedures for the transition of levy payer funds to the BID and the necessary banking arrangements.

There will be quarterly meetings with East Kent Shared Services and Canterbury City Council to monitor levy collection rates and other financial matters.

1.10 How the BID will work with existing service providers

The services provided by a BID are over and above those provided by local councils and other statutory providers. BIDs enter into baseline agreements with the local authority and other service providers which demonstrate the level of service provision in the area. These arrangements ensure that any services the BID provides are truly additional.

The BID has established Baseline Service Statements with Canterbury City Council, Kent County Council and Kent Police for the proposed BID area on the following:

- Policing
- Highways maintenance
- Street lighting
- Licensing & enforcement
- Markets
- Street cleansing
- Car & coach parking
- Tourism
- Theatre & museums
- Community safety & CCTV
- Transportation

Statutory services have to continue to be provided by the relevant authorities; however, both statutory and discretionary services are subject to resource constraints and the BID will work with the providers to minimise the impact of such pressures. These arrangements will be subject to annual review.

Details of the Baseline Statements from Canterbury City Council (including Visit Canterbury), Kent County Council and Kent Police can be found at Appendix 2

Section 2: What the BID will do

2.0 A strong brand

Canterbury is a popular tourist destination; consistently one of the most-visited cities in the United Kingdom, and its economy is heavily reliant upon tourism. The BID will aim to raise the profile of Canterbury as both a visitor destination and as an excellent location for business.

Working in partnership to promote Canterbury

Canterbury has a strong brand which is well known in many places such as London, the Home Counties and Northern Europe however, resource constraint has meant that it has not been possible to promote the city in other key markets in a sufficiently coordinated way. Individual organisations have represented the city well alongside their own offer but this now needs to be brought together as part of the Canterbury Destination Management Plan (DMP), facilitated by leading destination

management consultancy, Blue Sail. The full Destination Management Plan is at Appendix 4 Visit England describes a Destination Management Plan as follows:

A Destination Management Plan (DMP) is a shared statement of intent to manage, develop and promote a destination over a stated period of time.

The BID will lead a Destination Management Partnership comprising key destination management organisations and businesses across the city and in particular engage with those levy payers not involved in the initial Destination Management Planning process to gather their input and ideas. This Partnership will focus on the DMP priorities and, after consultation, agree the required actions. Resources will be invested in a coordinated way and ensure that 'best value' is delivered for levy payers.

A shared story

The DMP has created a 'shared story' for the city, which has been based on the views of many partners and organisations across the city. It provides strong themes and concepts to use in marketing communications to create a clear city identity. A clear city identity will help attract more visitors and clients and drive higher spend and investment. The Shared Story will be developed by the BID and utilised to further develop the city's branding and will be available for all the businesses in the city to utilise.

Events and festivals

Events are activities which visitors, and indeed businesses and residents, enjoy and benefit from, while festivals are those events which create a reason to visit the city.

Events and Festivals are already a key element of the city's marketing collateral, including the Canterbury Festival and The Food & Drink Festival as well as a number of other festivals that contribute to the vibrancy and prosperity of the city. However there are seasonal fluctuations of events and festivals with the majority of this activity taking place during September and October and so there are three key objectives:

1. To work with the existing festivals to ensure that the city is maximising the benefit from them, in particular, so that city centre businesses experience improved footfall and profitability.
2. An audit of events will identify gaps in the calendar, in types of event and then match the appeal of current activities to Canterbury's best prospect markets.
3. To develop additional festivals that take place throughout the year based on the city's cultural, historical and commercial calendar. For instance, the Jewellers' Festival that was trialled in May 2013 around St Dunstan's Day as the patron saint of gold and silver smiths and the Wise Words Valentine's Day event are good examples of this.

The Canterbury Christmas:

Christmas marketing and events will be a core focus of the BID to ensure that 'The Canterbury Christmas' becomes an event that in itself drives footfall and customer spend to the city at this critical time of year.

The re-introduction of Christmas illuminations and decorations will be integrated with The Canterbury Christmas theme and provide a clear 'story' for the city.

'The Canterbury Christmas' theme is based on a traditional English Christmas that will be established over time as a national benchmark for the Christmas experience in a heritage city. This is designed to appeal to local residents for whom this is an important issue, those living in the sub region and in Kent as a whole, and those from both London and the near continent for whom a traditional English Christmas experience is an attractive element of the festive season. The Cathedral, the retail community (especially Whitefriars, which has its own marketing and Christmas activity schedule), the hospitality sector, the Marlowe Theatre and others will be major partners in this promotional campaign and in delivering this experience across the city.

Communication

Utilising the Shared Story the BID will ensure that Canterbury communicates effectively the full offer of the city to all its target markets so that it reinforces the distinctive experiences that are special to Canterbury. The BID will utilise online, printed and outdoor media to attract both business and visitors to Canterbury so as to bring money into the local economy and support local jobs and services.

Improving entry points

The BID will review the physical welcome, way-finding and signage at key points in the city, in line with the DMP recommendations, and work with partners to improve the following:

- Park & Ride sites
- Railway stations
- Bus Station
- Car Parks
- Coach Park & Riverside Walk into the city
- Verges and Roundabouts at city 'gateways'
- Key pedestrian 'gateways': Westgate Towers/St Dunstons; St Georges Street; Riverside from the Coach Park; Dane John/Castle Street; Northgate/Kings Mile

A volunteer welcome programme

The BID will develop a volunteering programme to provide a professional welcome on the streets of the city, learning from both the 'Olympic Games Maker' scheme and the local Kent Greeters. This will concentrate on offering this opportunity to local young people to support their skills development and employability, although it will also be open to older people and those from disadvantaged circumstances as a means of furthering their own development.

Measuring the benefits

The BID will develop a programme of measurement for the city as a destination, in partnership with Visit Canterbury, Visit Kent, Canterbury Cathedral and others, which will include:

- Visitor numbers: this will include particular focus on priority segments
- Overnight stays

- Average spend
- Customer feedback

2.1 Superb destination

Canterbury experiences extremely heavy use throughout the year, especially given the relatively small population. This puts pressure on all infrastructure and makes demands on standards that the city is sometimes unable to meet. The BID will work with partners to help the city cope proactively with the different groups wishing to enjoy the city and to make Canterbury a truly superb destination to visit, live and study in, and within which to run a business.

Clean

The BID will provide additional resource for cleaning key parts of the city, notwithstanding the clear requirement to only invest in areas that are **additional** to that which is the accountability of either of the local councils. Here are the areas where the BID has a particular interest:

Chewing gum removal and street washing

Attractive clean streets are important for people using the city and create a good impression of the city beyond the immediate area. The BID will work in partnership with Canterbury City Council to support the regular 'gum removal programme' and also look at ways to discourage gum being dropped on the pavement and roadway learning from other towns and cities who have tackled this problem effectively.

The BID will also explore ways to deliver a year round street washing/deep clean programme.

Graffiti and fly poster removal

Graffiti and fly posting are a blight and if left encourage more to appear. The BID will work with Canterbury City Council and Kent County Council to eradicate graffiti and fly posting in the city as soon as possible once it is reported and to work together to apprehend those responsible where possible. The BID will also research initiatives to deter those who may be involved.

Street furniture

The BID will look at ways to ensure that street furniture, litter bins, telephone kiosks and communications boxes are cleaned and maintained regularly as they are often over-looked by their 'owners' and can be particularly unsightly. Ensuring those organisations responsible for the infrastructure maintains it to an acceptable standard is a key driver.

Subways

The city's subways are important entry points to the city centre, especially for the night time economy, but are neglected, disfigured with graffiti, used for street begging at various times and contribute to a fear of crime. For some users, they are a 'no go' route late at night.

The BID will work with Canterbury City Council and Kent County Council to develop a programme of regular cleansing and look at how to increase the 'sense of safety' for users at all times. The BID will

be clear not to invest resource in areas that are the accountability of the statutory agencies. However, if there is an area not covered by the Baseline Statements they have submitted and which is important to levy payers then the BID will consider investing in these.

Floral displays

The BID will supply floral displays across the city during the spring and summer season, which will be installed, maintained and watered by the BID's contractor, working with businesses in each location to ascertain how best to do this.

The BID will coordinate the city's annual entry in the South & South East in Bloom campaign, working with partners, and seek to win a Gold Medal within the period of the BID. The BID will also support Canterbury Community in Bloom to develop the Residents' Front Garden Competition and the Community Schools Competition across the city.

Link to District Watch and Kent Police

The BID will be aligned with District Watch, the local provider of the security radio scheme in the city and beyond. A Memorandum of Understanding (MOU) has been agreed with District Watch (Appendix 5) to ensure that the two organisations are complementary and effective in driving down retail crime, street crime and anti-social behaviour, both during the day and also in the important evening and night time economy.

Kent Police are voluntary levy payers in the BID and have observer status on the BID Board to ensure a completely coordinated approach to the city's safety and security.

Evening & night time economy

The BID will support initiatives to improve the operation of the evening and night time economy and will take the lead in the city to retain Purple Flag accreditation, which was first achieved in 2011 and retained in 2013. This accreditation is increasingly recognised as the industry standard for 'a great night out'. These initiatives will be developed in association with those operating businesses at these times, with the Police, City Council and District Watch, with the college and universities and their student representatives and with the resident community.

BID ambassadors

The BID will employ up to 3 Full Time BID Ambassadors, who will work with levy payers to ensure that they are gaining maximum value for their levy. The Ambassadors will not have any statutory powers but will be tasked with:

- Working to support, liaise with and communicate to levy payers to ensure they receive best value from the BID.
- Working with the statutory authorities on issues raised by levy payers e.g. communicating concerns, upcoming events or notifying of changes to the local environment, like utility or highways works. The Ambassadors will also be available to support the statutory authorities in the event of a security alert or emergency in the BID area.
- Providing a welcome to visitors at busy times and during events.

Street lighting

Lighting is a crucial component to perceptions of safety in the city and while the BID will never have resources available to invest in lighting, it will seek to review what is required and ways in which this can be provided during the life of the BID. The BID will lobby for improvements to city lighting in key areas.

2.2 A great centre for business

Canterbury is east Kent's premier centre for retail, the visitor economy, education, business services and the creative industries. Priorities are to support the development and growth of local independent businesses; to maintain and enhance the city as a place for national and international businesses to locate and do business; and as a place in which creative businesses thrive and grow.

Business support

Support and promote Canterbury's independent businesses by acting as an advocate and referral point for the business start-up programme StartmyBiz (Appendix 6), by helping to develop a new programme, GrowmyBiz and by joining the national Independent Retail campaign. The BID will actively work with the independent business sector and landlords to develop a broad based spectrum of business types in the city.

Business to business events

Deliver business to business (B2B) events to develop commercial opportunities for levy payers locally; the BID will also have a policy of local purchasing where possible.

Business cost reduction

Provide a free service to help reduce utility costs for relevant levy payer businesses. The BID will also look at other ways to reduce business cost like waste removal and broadband/Wi-Fi.

Business promotion

Develop the MyTown, MyCity (MTMC, see P24 for more details) deals and offers scheme as a marketing and loyalty opportunity for levy payers, providing this platform at a discount for levy payers.

Business project fund

As this would be the first BID in the city, it is important that funds are available to respond to new opportunities that may arise. For instance, developing local business associations is a healthy and important part of a vibrant business community. The BID seeks to support those already in place (e.g. Kings Mile Association) and develop new ones if the opportunity arises in areas that don't have them.

Business training

The BID will offer on-going training and support, free to levy payers, on a range of relevant topics such as, among others, developing and commercially exploiting IT and Digital Media, including social media; visual merchandising; customer service.

Landlord's forum

It is important that landlords are engaged in the BID as they own the property in the city centre. The BID will develop a Landlord's Forum to meet regularly and to discuss relevant issues, in particular, how the city can further develop and support the independent retail offer and release fallow space for new uses.

Measuring success

An understanding of how the city is performing commercially is important. The BID will build on the work already undertaken by CCP with the Council to create a 'dashboard' of relevant Key Performance Indicators (KPIs) which will help inform levy payers about various elements of the city's commercial success: visitor numbers/footfall, car park usage, bed occupancy, premises vacancy rates, start-up rates, turnover % increase/decrease.

2.3 A connected city: better for everyone

Canterbury is an ancient city with institutions that have evolved over centuries (the Cathedral, the King's School, Eastbridge Hospital) alongside those that have only recently developed (Whitefriars shopping Centre) and those established in the last half century (University of Kent, Canterbury Christ Church University).

The potential of this range of organisations in such a small city is enormous but we don't always communicate or work together as well as we could. The BID would make sure that everything it delivers is as 'joined up' as possible and that city wide communication is at the heart of everything that happens. In particular the BID Board will consult with levy payers and voluntary contributors to understand their concerns and to raise issues on their behalf. Key issues already identified as important are:

A digital strategy for Canterbury

The BID will work with key partners, CCC, KCC, University of Kent (UoK), Canterbury Christ Church University (CCCU), Canterbury College and others on developing this strategy which will include a focus on ensuring local independent businesses are able to compete digitally, on education and skills for the digital industry and on business start-up in the digital sector.

Wi-Fi and internet access in the city centre

This is increasingly important for businesses in all sectors and over the five years of the BID the provision must improve to 'market leading' for a city centre.

Transport and parking

This is a significant concern to levy payers and while the BID has limited ability to directly invest in improvements, it will influence arrangements for the future to ensure that they are appropriate for a major retail and visitor location as well as a centre for creative businesses and business services companies.

Co-ordination

Work with the City and County Councils and with Kent Police to ensure the city is coordinated and operates well for everyone. The BID will play an active part in all the various bodies that coordinate activity in the city (e.g. the City Centre Action Group, the Community Safety Partnership, the Destination Management Partnership) to make sure that the levy payers' interests are represented positively and that city centre businesses are included in vital decision making.

Canterbury Connected city conference

The BID will develop a bi-annual Canterbury Connected conference, bringing together the leaders from organisations across the city and with a focus on particular topics like "Growing the 'independent' economy". This Conference will become a highlight in the city's calendar and provide a focus to ensure that Canterbury is at the forefront of current thinking on the issues that will be critical for a successful city.

Section 3: Working arrangements

3.0 Transparency

Transparency is a critical success factor for the Canterbury Connected BID. This section sets out how that will be translated into effective working arrangements that show:

- The running of the BID
- How decisions are made
- How the money is spent
- What value the BID delivers to levy payers
- How levy payers can have a say about all these things

3.1 Governance: the running of the BID

Governance of the BID is vital to enable levy payers to participate and oversee the work of the BID and the way in which it spends their money. Here are the proposed governance arrangements:

In the initial stages of the BID, until February 2015, the BID 'shadow' Board (formed to support the BID campaign) will take up a role as 'interim' Board for a period of 6 months to oversee the launch of the BID.

In early spring 2015, the 'interim' Board will stand down and nominations for a permanent BID Board will be taken as per the composition below.

If there are more nominations than there are Board positions then elections will be held at a Special General Meeting which will be convened at that time.

Interim BID board

This Board is as follows:

- Clive Relf, Chair (non-voting*), Reeves Accountants
- David Lilford, Lilford Gallery & Lilford Framing
- Declan Kelly, The ABode Hotel, Canterbury
- Dan Grimwood, The Refectory
- Adam Bateman, Fenwick
- Therese Heslop, Canterbury Cathedral
- Georgia Lord, CJs & Brunch
- Peter Scutt, Whitefriars
- Jennifer Williamson, Reeves Accountants
- Marco Kier, Canterbury Christ Church University
- Jeremy Licence, Furley Page Solicitors
- Ian Blackmore, The Jolly Sailor
- Caroline Hicks, Canterbury City Council
- Tim Less, Canterbury Society (non-voting**)

*Reeves already have a BID Board Member, Jennifer Williamson, who is the Company Secretary for Canterbury City Partnership CIC; Reeves are also the CCP Accountants and so Clive Relf, the BID interim Chair, is non-voting to avoid any conflict of interest.

**Not a levy payer (see Community Representation)

In the event of a successful Ballot, additional members will be invited to join the Interim Board in accordance with the permanent Board composition outlined above, as follows:

- 2 additional business levy payers
- 1 representative from Kent County Council
- 1 x interim BID CEO/Manager (tba)
- 1 representative from Kent Police (non-voting Observer)
- 1 additional representative from the Canterbury Society (non-voting Observer)

The Canterbury Connected BID board composition

- 14 business levy payers
- 1 representative from Canterbury City Council
- 1 representative from Kent County Council
- 1 BID CEO
- 1 representative of Kent Police (non-voting Observer status)
- 2 representatives from the Canterbury Society (non-voting Observer status)

It is intended that Board places will be for a period of 3 years and this will be enabled by allocating initial periods of 1, 2 or 3 years to new Board members, subject to their agreement. In this way a cycle will be created so that the transition is managed appropriately.

Selection in the event of more than one nominee per place will be by ballot of those attending the BID AGM.

The recruitment of new Board members will be by nomination by designated organisations (CCC, KCC, Kent Police, and the Canterbury Society) and by self-nomination by local businesses/levy payers. A timetable for this process will be published later in autumn 2014.

An independent Chair will be appointed by the Board from among their number. This must be a person currently running a levy-paying business within the city's BID area.

The independent non-executive Board will run the BID on behalf of Levy Payers and only the BID CEO/Manager will receive payment as an employee of the BID.

Area and sector representation

Geographically, for levy payers it is important that the key areas of the city are represented on the BID Board to ensure that every levy payer can see that the area in which their business is located has a 'voice' and presence in the BID's governance. The areas are:

- St Georges Place/Rose Lane/Longmarket
- Whitefriars
- The Cathedral & Burgate (Inc. Mercery and Butchery Lanes)
- The Kings Mile and Northgate
- St Margarets Street/Castle Street/Stour Street
- The Parade/High Street
- St Peters Street
- St Dunstons

Each area will be represented by a BID Board Member.

Representation will be sought for retail, hospitality, business and financial services, visitor attractions, independent business and the education sector.

Community representation

The residents' community within the BID Area will be represented by two nominees from the Canterbury Society who will have non-voting Observer positions.

Reporting: how decisions are made

The Board will meet a minimum of 9 times a year for the life of the BID and will receive both written and verbal updates on the work of the BID, focused on the Proposal, the Business Plan and the KPIs as described. All Board papers, including agendas and supporting documents as well as Minutes will be published on the BID website in the Levy Payers area.

Reporting: how levy payers have a say

A BID Forum meeting will be held quarterly for BID levy payers to receive an update on the BID's progress and a BID Annual General Meeting (AGM) will also be held.

In addition, the work of the BID will mean that the BID Team will be meeting with levy payers frequently and will be available to update levy payers informally at these times.

BID staff structure

In the event of a successful Ballot, the shadow BID Board will become the interim BID Board and oversee the BID launch and first 5 months of the BID's operation, delivering the actions set out in this Proposal and the Business Plan.

Their first task will be to appoint the appropriate team in order to set up and deliver the first 8 months of the BID until May 2015.

The Interim BID Board will agree the staff structure, pay and conditions of the BID team. The permanent BID Board will be in place from 1st March 2015 and they will decide on the appointment of a permanent BID Chief Executive at that time, with a view to confirming this by 1st May 2015.

3.2 BID finances: 2014 – 2019

The allocation of resources is based on the delivery of the BID's four strategic goals.

- A Strong Brand: marketing & events
- A Superb Destination: clean, green, safe and enjoyable
- A Great Centre for Business
- A Connected City: better for everyone

Income

Financial Year	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Total
Levy	£ 488,000	£ 488,000	£ 488,000	£ 488,000	£ 488,000	£ 2,440,000*
Voluntary Contributions	£ 22,000	£ 22,000	£ 22,000	£ 22,000	£ 22,000	£ 110,000
CCC SLA	£ 22,500	£ 22,500	£ 22,500	£ 22,500**	£ 22,500**	£ 112,500
Additional Income#	£ 25,000	£ 30,000	£ 35,000	£ 40,000	£ 45,000	£ 175,000
Total	£ 557,500	£ 562,500	£ 567,500	£572,500	£ 577,500	£ 2,837,500

*Anticipated levy collection rate of 95%

**Years 4 & 5 subject to review

#Based on current MyTown, MyCity platform projections

The BID finances for the proposed 5 year period will comprise the following components over and above the Levy:

Voluntary contributions

A number of organisations have committed additional funds to the BID on a voluntary basis and these are detailed in Appendix 3. It is anticipated that more organisations will contribute in the event of a successful Ballot and we will encourage them to do so. However, we have only accounted for the known contributions in the BID Financial projections.

Service level agreement with Canterbury City Council

The BID will have a Service Level Agreement (SLA) in place in the event of a successful Ballot, whereby Canterbury City Council (CCC) will pay £22,500 each year for three years, reviewed annually, to the BID in return for the delivery of key actions set out in Appendix 7. The SLA will be reviewed after 3 years to discuss arrangements for the final two years of the BID period.

Additional income

The BID Plan is to raise additional income, with a target of 10% of total income in Year 5. This will also ensure that the impact of inflation does not have a detrimental effect on the BID's ability to deliver its Business Plan. However, we have only included income about which we can be reasonably confident in the Financial Plan.

There are a number of sources of additional income which have already been or will be developed:

- The MyTown, MyCity (MTMC) Platform is a mobile application (with a plastic card available) developed locally in which CCP is a partner and which will be part of the BID 'offer'. The business model is based on businesses paying to advertise deals and offers on a monthly basis with a free app download for customers.
 - It was launched in December 2013 and there are now 60+ businesses currently registered and which have paid for the service, including Fenwick in Canterbury, the Marlowe Theatre, the Abode Hotel and a large number of local independent businesses, which enables them to present their deals and offers locally via the MTMC Mobile Application and website. Current activity suggests a 1:5 ratio of deals taken to deals viewed.
 - There are 5,100 downloads (as at mid-May 2014) and a rate of increase weekly of 5 – 10%, with 2,000 cards also in circulation. Current income is predicted to be £10,000+ this year. We have used the commercial projections for income as of April 2014 based on current 'run rate' and growth predictions.
 - MTMC features in a successful bid to the Technology Strategy Board by Kent County Council in partnership with Microsoft, Canterbury City Council, Canterbury City Partnership and Think Agency, in order to develop initiatives for the 'Digital High street' which will enable investment in the platform to improve functionality and potential for further investment.
 - It is proposed to offer MTMC as a franchise to other locations in spring 2015 and that additional income will derive from this in future years.
 - The BID Additional Income projection is currently based solely on the MTMC achievements to date and the Business Plan.
- Matching BID Funds to draw down funding from external sources e.g. EU Interreg funds, Heritage Lottery. Not included in the income projections.
- Consultancy, especially if other locations in Kent are interested in developing BIDs. Not included in the income projections.

Costs and expenditure

While the BID will generate overhead, the commitment is that this will never exceed 20% of levy payer funds and every effort will be made to maintain them at a lower level during the life of the BID.

Expenditure: 2014 – 2019

Financial Year	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Total
Strong brand	£116,000	£127,000	£148,000	£155,000	£165,000	£711,000
Superb destination	£240,000	£220,000	£222,000	£204,000	£212,000	£1,098,000
Great centre for business	£54,000	£59,000	£59,000	£59,000	£59,000	£290,000
Connected city	£14,000	£50,000	£41,000	£51,000	£42,000	£198,000
Total	£424,000	£456,000	£470,000	£469,000	£478,000	£2,297,000
Levy collection	£11,204	£12,804	£12,804	£12,804	£12,804	£62,420
Overhead	£72,060	£77,339	£67,130	£72,940	£68,760	£358,230
Levy software	£16,525					£16,525
Legal fees	£5,000					£5,000
IT	£9,100					£9,100
Recruitment	£4,000					£4,000
Reserves	£15,611	£16,357	£17,566	£17,756	£17,936	£85,225
Total	£557,500	£562,500	£567,500	£572,500	£577,500	£2,837,500

***Years 1&2 include £6,000pa repayment of CCC £12,000 loan for BID development**

Contingency and reserves

The BID will allocate an average of 3% of income as contingency/reserves over the course of the BID period. Adjustments to this allocation will take place as each year's operation and any surplus accrued is evaluated by the BID Board.

Financial reporting

The BID Board will receive monthly financial reports from the BID Chief Executive, and provide Canterbury City Council, by way of the monthly Board meetings, with reports detailing monthly income, expenditure and a balance sheet.

There will be quarterly meetings with East Kent Shared Services and Canterbury City Council to monitor levy collection rates and other financial matters.

An independent accountant will report on the accounts each year, for submission to Companies' House.

Variation policy

The only elements of the BID that are **not** open to variation without reference to a Ballot during the life of the BID are the BID Area and the BID Levy.

The following are areas where the BID Board will have the discretion to alter arrangements during the BID to ensure operational and strategic advantage for the levy payers, as long as these alterations are in line with the overriding BID objectives set out in this Proposal and Business Plan:

- **Re-allocation of resources at any time:** the BID Board can authorise changes to the resources allocated to projects both within Business Plan activities (for example Superb Destination, where funds may be taken from cleaning and put into floral displays) and between activities (for example from Superb Destination into Strong Brand).
- **Management and operating structure:** the BID Board are responsible for ensuring that the management of the BID is effective and that the operating structure is fit for purpose at all times. The BID Board may make changes as they see fit at any stage of the BID in order to ensure that this is the case.

Measurement: the value the BID delivers

Return on Investment (ROI) is a key component of the BID and it is essential that the ROI is clear for levy payers. Measures will include:

- Footfall
- Sales
- Accommodation levels/occupancy
- Crime
- Residents, Student & Visitor Surveys
- Vacant properties
- Media Coverage
- Commercial rents
- Business start-up rates
- Graduate retention
- Employment rates
- BID Commercial income

The BID team will work to ensure that the information gathered is relevant, timely and able to be measured against national benchmarks to provide 'information for action' throughout the five years of the BID. Monthly reports will be presented to the BID Board to ensure that levy payers' funds are producing a substantial return on investment, using the Measuring Success (see section 2.2) KPIs.