



Business Improvement Districts Bill – Response from Craigavon Borough Council

Further to correspondence received from the Committee for Social Development inviting written responses in relation to the Business Improvement Districts Bill which was formally introduced to the Northern Ireland Assembly on 25th June 2012 the following is a response from Craigavon Borough Council. The response incorporates feedback received from key stakeholders in Craigavon including Lurgan and Portadown Chambers of Commerce.

In general terms those consulted recognised that such legislation could prove useful for specific projects in areas where a levy in addition to rates would be financially manageable for those businesses contained within it however in today’s economic climate such groupings or business areas where this would be the case are few and far between.

THEME/CLAUSE	DETAIL OF CLAUSE	KEY ISSUES IDENTIFIED
THEME - PROCEDURE Clause 5 BID Proposals	5.(1) BID arrangements are not to come into force unless proposals for the arrangements (“BID proposals”) are approved by a ballot. (2) The Department may by regulations make provision: (a) as to the persons who may draw up BID proposals, (b) as to consultation on BID proposals, (c) as to other procedures to be followed in connection with the drawing up of BID proposals, (d) as to the matters to be included in BID proposals, (e) as to the date which may be provided under BID proposals for the coming into force of BID arrangements which give effect to the proposals, (f) as to: (i) the disclosure for the purposes of BID proposals of information held by the Department of Finance and Personnel in connection with its functions relating to rating of hereditaments, (ii) the use to which such information may be put, and (iii) the creation of offences and penalties in connection with any unauthorised disclosure of such information.	i)Has an economic appraisal to be carried out each BID proposal? ii)If an economic appraisal is to be carried out who is to carry it out – district Council’s or those who would benefit from the projects? iii) What is the specific role of district Council’s? iii)Will guidelines be provided as to what proposals would be acceptable - for example can a BID fund revenue or capital projects or both?
THEME -	Entitlement to vote in ballot	i)Are Charity Shops eligible

<p>PROCEDURE Clause 6 Entitlement to vote</p>	<p>6.(1) Entitlement to vote in a ballot held for the purposes of section 5(1) is to be determined in accordance with this section. (2) When submitting BID proposals to the district council, those who have drawn up the proposals are also to submit a statement as to which eligible ratepayers are to be entitled to vote in the ballot. (3) A person is an eligible ratepayer if on the prescribed date that person is chargeable to rates in respect of relevant property. (4) In this section and in section 12 “relevant property” means a hereditament which is— (a) within the business improvement district; and (b) included in the NAV list. (5) In this section and in section 7 “NAV list” has the same meaning as in the Rates Order.</p>	<p>to vote considering they don’t pay rates? ii)What about Landlords who are paying reduced rates because of subsidies/special circumstances? iii) In summary - if for whatever reason the eligible ratepayer is paying reduced rates do they get reduced voting capacity in a BID ballot?</p>
<p>THEME – PROCEDURE Clause 9 Power of veto</p>	<p>Power of veto 9.(1) This section applies where a ballot is to be held for the purposes of section 5(1). (2) By such date prior to the date of the ballot as may be prescribed, the district council to which the BID proposals relate is to give to— (a) the persons who have drawn up the proposals, and (b) the Department, notice that the council is or is not vetoing the proposals. (3) The council may veto proposals only in prescribed circumstances and is not entitled to do so after the date prescribed for the purposes of subsection (2). (4) Where the district council has vetoed the BID proposals, no ballot may be held. (5) In deciding whether to exercise the veto, the district council is to have regard to such matters as may be prescribed. (6) A notice under subsection (2) vetoing the BID proposals must— (a) set out the reasons for the exercise of the veto, and (b) give details of the right of appeal under section 10. (7) Any other notice under subsection (2) must</p>	<p>i)For clause 9 (3) what are the prescribed circumstances and who prescribes them?</p>

	set out the reasons for not exercising the veto.	
THEME – BID LEVY Clause 12 Imposition and amount of BID levy	Imposition and amount of BID levy 12. (1) A BID levy is to be imposed only for periods falling within the period in which the BID arrangements are in force and any references in this section and section 13 to “chargeable periods” are to those periods. (2) The length of any chargeable period, and the day on which it begins, must be specified in the BID proposals. (3) The calculation of BID levy for any chargeable period must be specified in the BID proposals and the amount of the BID levy for such chargeable period is to be calculated in such manner as provided for in the BID arrangements. (4) BID levy provided for in BID proposals may be different for different classes of: (a) eligible ratepayer; (b) geographical area within the business improvement district; or (c) relevant property (within the meaning of section 6(4)), or any combination of these different classes. (5) The provision in BID proposals for calculation of BID levy for any chargeable period must include a statement of whether any of the costs incurred in developing the BID proposals, or holding of the ballot are to be recovered through BID levy.	i)In relation to 12 (4)what if the BID area encompasses various different classes of ratepayer who then each have a different BID levy? In a BID including different classes does each eligible voter have the same voting rights irrespective of the levy that would be applied should the vote be positive?
THEME – BID LEVY Clause 13 Liability and accounting for BID levy	Liability and accounting for BID levy 13. (1) BID proposals must specify the description of eligible ratepayers in the business improvement district who are to be liable for BID levy for a chargeable period. (2) An eligible ratepayer is to pay a levy for a chargeable period if that ratepayer falls within that description at any time within the period. (3) The amount of an eligible ratepayer’s liability for BID levy for any chargeable period is to be determined in accordance with the BID arrangements. (4) Any amount of BID levy for which an eligible ratepayer is liable is to be paid to the district council which made the arrangements.	i)In relation to 13 (2), if during the period of a BID a property becomes vacant does the landlord of that property then become liable for the levy? ii)In relation to 13 (2), if during the period of a BID a property becomes occupied does liability for the levy transfer to the new tenant?

<p>THEME - ADMINISTRATION Clause 14 BID Revenue Account</p>	<p>BID Revenue Account 14.(1) A district council which has made BID arrangements must, in accordance with proper practices, keep an account, to be called the BID Revenue Account. (2) Amounts paid to the council for the purpose of enabling the projects specified in the BID arrangements to be carried out must be credited to the BID Revenue Account. (3) Amounts are to be debited to the BID Revenue Account only in accordance with BID arrangements. (4) The Department may by regulations make further provision in relation to the BID Revenue Account.</p>	<p>i)Is BID levy to be collected together with rates or separate to rates? ii)Who is responsible for claw back of unpaid levy's during period of a BID arrangement? iii) Will Land and Property Services play any role in the recoupment of BID levy? iii)Are there plans to make provisions for reimbursement to businesses within a BID should a BID fail?</p>
<p>THEME - MISCELLANEOUS Clause 16 Duration of BID arrangement etc</p>	<p>Duration of BID arrangements etc. 16.(1) BID arrangements are to have effect for such period (not exceeding 5 years) as may be specified in the arrangements. (2) BID arrangements may be renewed for one or more periods each of which must not exceed 5 years, but only if the renewal of the arrangements on that or each occasion is approved by a ballot. (3) The renewal of BID arrangements is not to be regarded as approved by a ballot held for the purposes of subsection (2) unless the conditions which applied to the approval of the BID proposals (by virtue of section 7 and, where relevant, section 8) are satisfied in relation to the renewal of the arrangements. (4) The Department may by regulations make provision— (a) as to the alteration of BID arrangements, and (b) as to the termination of BID arrangements. (5) The provision which may be made by virtue of subsection (4)(a) or (b) includes provision preventing or restricting the alteration or early termination of BID arrangements. (6) Nothing in subsection (5) is to be taken as limiting the power conferred by subsection (4).</p>	<p>i)How are individual BID's to be evaluated? ii)In relation to 16 (2), will there be a stipulation that BID arrangements come back to the district Council to review and approve renewal before a further ballot?</p>