

WRITTEN QUESTIONS RECEIVED FROM MR FABRICIO PEREIRA, FRAMES & ART, BROMLEY RELATING TO ITEM 7d: FUTURE OF TOWN CENTRE MANAGEMENT AND BIDS DEVELOPMENT STRATEGY

Question 1

The Bromley BID Business Plan states that 'An Operating Agreement, which includes the Council's baseline service commitments, has been agreed with Bromley borough Council' and indicates that this Agreement is available on the Bromley BID website. What are the baseline standards and where can this document be found?

Answer to Question 1

A draft Operating Agreement, in accordance with the BID Regulations, was made available for public inspection alongside the BID Business Plan during the Ballot period. However the Agreement is now awaiting ratification by the Council and the BID company, which must happen before the BID becomes operational (i.e. by 1 April 2016). Once the Operating Agreement has been ratified we will require the BID Company to publish it on their website for the 5 year term of the BID. The Agreement defines the relationship between the BID and the Council, especially about how the BID levy will be collected and accounted for. In addition it includes a baseline services agreement. This includes a summary of the Council services which would be relevant to the operating of Bromley Town Centre and the BID and which will continue in some form (albeit with some variations) during the BID term.

Question 2

Concerns were raised by the BID Working Group about conflicts of interest between the ex-BID Chair (Director of British BIDs) and CMS (Owner of British BIDs). What actions were taken by LBB to resolve these concerns?

Answer to Question 2

I am aware that there were allegations of a conflict of interest between the role of the former Chairman of the Bromley BID (Mr Marc Myers), and his role with British BIDs (which is run by Central Management Solutions Ltd). However these were never substantiated, and there is no evidence that Mr Myers is or has ever been a Director or Shareholder of British BIDs or Central Management Solutions Ltd. Therefore no action was felt necessary. I understand Mr Myers has now resigned as a Director of Bromley BID Ltd.

Question 3

The Working Group agreed that at least two other companies should be considered for this consultancy work however, no other company beyond CMS was ever considered. What was done by Bromley Council to ensure standard protocols for procurement of consultants was followed, especially given the conflicts of interest raised?

Answer to Question 3

With the agreement of Councillors, a Council grant was provided to Bromley BID Ltd on the understanding that they complete a number of work packages necessary to the establishment of the BID - to ballot stage. These were all completed satisfactorily, and the proposed BID was successful at ballot. There was no stipulation within the grant agreement as to what company Bromley BID Ltd should use to undertake this work on their behalf or how this work should be procured. It was entirely a matter for the BID Board and members of the then BID Working Group (a group of businesses representative of businesses across the town centre) to decide this matter. With regards to allegations of a conflict of interest, I refer to my previous answer.

I am very pleased that the Bromley BID has now received endorsement from the business community through the ballot. There is now a unique opportunity for the businesses in the town to pull together and make a real difference with this new level of investment through the BID. I look forward to the Council working in partnership with the BID Board for the benefit of Bromley town centre. I hope you and your business will also play a part in its success.

WRITTEN QUESTIONS RECEIVED FROM MR ATILLA RATIP, DINERS INN, BROMLEY RELATING TO ITEM 7d: FUTURE OF TOWN CENTRE MANAGEMENT AND BIDS DEVELOPMENT STRATEGY

Question 1

BID ballot turnout was 33% by hereditament which businesses believe represents poor value for money and a poor performance by CMS who were paid using public funds. If CMS has done such a poor job for Bromley pre-ballot, why were they then allowed further work post-ballot?

Answer to Question 1

Thank you for your written question dated 19th January. My responses are below:

Whilst I agree the turnout for the Bromley BID ballot was disappointingly low, it should be noted that CMS were not contracted by the Council to undertake the pre-ballot work but were engaged by Bromley BID Ltd - which was guided by the deliberations of the then BID Working Group (a group of businesses representative of business across the town centre). A Council grant was provided to Bromley BID Ltd on the understanding that they complete a number of work packages necessary to the establishment of the BID. These were all completed satisfactorily, and the proposed BID was successful at ballot. The grant agreement did not stipulate a minimum turnout for the ballot. With regards to the contract for establishing and managing the BID post ballot, this does not involve the expenditure of public money (the Council's grant was for expenses related to activity up to ballot stage only) and a decision as to what company is awarded this work is entirely within the remit of Bromley BID Ltd - a decision which I understand was endorsed by the BID Working Group.

Question 2

To ensure accountability, the BID Manager was to be employed by Bromley BID. Businesses voted for the BID on this understanding. Once the Working Group was dissolved, the Board decided the BID Manager would be employed by CMS. Should action be taken against Bromley BID to ensure agreements with businesses are honoured?

Answer to Question 2

As an independent organisation, the Bromley BID Ltd is at liberty to make decisions independent of the Council on how it organises its staffing. Whilst the Bromley BID Business Plan, which is the key document upon which Bromley business ratepayers were invited to vote, does have a section related to governance, there is no mention anywhere in the document about which organisation would be employing the BID Manager or any other BID staff. Therefore it cannot be construed that the voters or the BID Board were entering into any sort of 'agreement' on this matter - hence there is no action for the Council to take.

I am very pleased that the Bromley BID has now received endorsement from the business community through the ballot. There is now a unique opportunity for the businesses in the town to pull together and make a real difference with this new level of investment through the BID. I look forward to the Council working in partnership with the BID Board for the benefit of Bromley town centre. I hope you and your business will also play a part in its success.

WRITTEN QUESTIONS RECEIVED FROM MR BOB GREGORY, BROMLEY NORTH TRADERS ASSOCIATION RELATING TO ITEM 7d; FUTURE OF TOWN CENTRE MANAGEMENT AND BIDS DEVELOPMENT STRATEGY

Question 1

In a reversal from previous communications, the current BID Chair has now stated that no elections will be held for the currently held BID Board positions. Given that the Working Group has now been dissolved, businesses have therefore effectively been excluded from any say in the running of the BID. What is LBB going to do now to ensure that the BID remains accountable to businesses and delivers BID activities in line with the identified needs of Bromley's businesses and community?

Answer to Question 1

I am aware of recent communications from the BID Chairman which state, in line with the BID Business Plan, that an Advisory Group of BID levy payers, and other key stakeholders such as the Council, will be formed to guide the actions of the BID Board, which has primary responsibility for the running of the BID and the delivery of the programme set out in the BID Business Plan. I understand that subsequent to a call from the Chairman, a number of expressions of interest in taking part in the Advisory Group have been received, and a meeting of this Group will be convened shortly. Once this is operational, businesses representative of all types and

locations present in the town centre, will have a say in the running of the BID, which I should remind you, will not be operational until 1 April 2016.

With regards to the Council's role, it should first of all be stated that Bromley BID Ltd is an independent organisation and the Council is not proposing to fund this body during the BID term apart from under its normal obligations as a levy payer. There will be a formal partnership between the Council and the BID, and this will be defined by the Operating Agreement, a copy of which will be viewable on the Bromley BID website once it is ratified by both parties (which must happen before the BID becomes operational on 1 April) Primarily this Agreement is about how the BID levy will be collected and accounted for. There will be provisions within the Operating Agreement (as allowed within the BID Regulations) for the Council to take action to terminate a BID – but these are limited to situations where the BID is unable to meet its financial obligations or continue to deliver the programme set out in the BID Business Plan. However, there is certainly no suggestion at this early stage that this will be case. Note that due to its position as both a levy payer and levy Billing Authority the Council have been invited to take 2 places on the BID Advisory Group, so will be in a position to guide decision making alongside other levy payers and stakeholders, and of course challenge the Board, where necessary.

Question 2

The proposed format of three Directors plus one Chair is inadequate to represent the 542 businesses in the Bromley BID zone. Currently, none of the Directors run a retail or licensed establishment. No open discussion has ever been held with businesses about the most appropriate format for Board, Officers, Committees and Advisors. How is LBB ensuring that the governance format is appropriate to the number and mix of businesses within the BID zone?

Answer to Question 2

With regards to the governance structure of the BID, I re-iterate that Bromley BID Ltd is an independent organisation. Whilst it is to be hoped that the make-up of the Board and the Advisory Group will be as representative as possible of the town as a whole (and I understand that this is the current Board's intention) – it is not for the Council to interfere in the governance arrangements of an independent organisation. If you have an issue with regards to these arrangements (or proposed arrangements) it would be advisable for you to address your comments to the BID Chairman, if you have not done so already.

Question 3

A lot of the work for the setup of the BID was delegated by LBB to the third party supplier CMS. How is LBB holding this supplier accountable?

Answer to Question 3

With the agreement of Councillors, a Council grant was provided to Bromley BID Ltd on the understanding that they complete a number of work packages necessary to the establishment of the BID - to ballot stage. These were all completed satisfactorily, and the proposed BID was successful at ballot. There was no stipulation within the grant agreement as to what company Bromley BID Ltd should

use to undertake this work on their behalf or how this work should be procured. It was entirely a matter for the BID Board and members of the then BID Working Group (a group of businesses representative of business across the town centre) to decide this matter. As this work is now complete and the full grant paid over to the Bromley BID Ltd in accordance with the terms of the grant agreement, there is no longer any requirement for the Council to hold the BID to account as to its execution. Post ballot, any contracts awarded by Bromley BID Ltd are entirely within the remit of the BID Board (as advised by the Working Group or the Advisory Group) without reference to the Council.

I am very pleased that the Bromley BID has now received endorsement from the business community through the ballot. There is now a unique opportunity for the businesses in the town to pull together and make a real difference with this new level of investment through the BID. I look forward to the Council working in partnership with the BID Board for the benefit of Bromley town centre. I hope you and your business will also play a part in its success.