British BIDs

- British “BIDs”
- Differences between US & British BIDs
- Context (Historic, Political, Economic)
- BID Legislation
- Coventry’s Example
- Closing Remarks
TCMs to Pilot BIDs

- In Britain Town Centre Management organizations or TCMs are locally funded organizations that typically provide clean and safe activities for the town’s city center.

- Most TCM’s are funded almost entirely from the local government.

- The Benefit of BIDs in Britain:
  - “BIDs provide sustainable funding for an agreed period of time. There is no ‘freeloading’ - those who vote have a voice, pay the levy and will benefit. It is a transparent, clear and democratic process. It allows self-management and self-funding with no red tape or bureaucracy. It provides practical services to ensure a clean, safe, well marketed, attractive environment. In the long term it will deliver significant economic and quality of life benefits.” – Association of Town Centre Management (ATCM)
British Pilot BIDs

- Current legislation will allow for the creation of Business Improvement Districts (BIDs) in select British Cities and Towns (2004)

- 22 British TCMs have been chosen to be part of the PILOT BID program

- An additional 5 are part of a London based “Circle Initiative” to begin the BID process.

- Funding Differences:
  - Assessments:
    - owner based in US vs. tenant based in Britain

- Because they are tenant based, retailer concerns are their first priority
Coventry, Warwickshire

**Local Information**

- **Location:** 1 ½ hours northwest of London
- **Population:** 300,000 people
- Experienced steady decline since the 1960s due to gradual deindustrialization
- A traditional manufacturing city which grew on the back of Jaguar and other automobile related industries
- Efforts underway to diversify the city’s employment base – high tech initiative
- **PHOENIX INITIATIVE:**
  - Effort to rebuild the built environment of the city centre, emphasizing streetscape and pedestrian orientation
- Currently engaged in the
  - largest physical revitalization campaign since the immediate post-war years
CV ONE Ltd. – Coventry

- In April 2002, CV One was created when Coventry City Centre and Coventry & Warwickshire Promotions (CWP) merged.

**City Centre Company**

- City Centre Management
- Parking Management
- Environmental Maintenance
- Events
- City Centre Marketing
- Commercial Development

**CWP**

- Destination Marketing
- Tourism and Tourist Information
- Sales
- Events Programming
  - 18 events including a jazz festival and a Godiva festival
- Marketing
- Regional and National Image
CV ONE Ltd. – Coventry

- Independent private company
- Public / private sector board
- Not for profit
- £7.7 million operating budget
  - City Council £5.7 million
  - Commercial income £1.0 million
  - Grant Funding £0.8 million
  - Sponsorship/Other £0.13 million
- Operational role
  - 80+ staff
CV ONE Ltd. – Coventry

Six Strategic Priorities

- Understanding and addressing customer needs
- Achieving excellence through people
- Changing PERCEPTIONS
- Changing REALITY
- Generating sustainable funding
- Generating third party investment
CV ONE Ltd. – Coventry

**Operational Responsibilities**

- Customer service
  - Car parks
  - City centre
- Operations support
  - Cleansing & maintenance
  - CCTV monitoring
  - Crime Reduction Package
- Marketing & Promotions
- Commercial Development
- Project Liaison
## CV ONE Ltd. – Coventry

### Retail Membership (2002)

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<th>Level</th>
<th>Total Retail Establishments</th>
<th>Member Retail Establishments</th>
<th>Membership Cost per Year</th>
<th>% of Total Retail Establishments that are CV One Members</th>
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CV ONE Ltd. – Coventry

Why Coventry’s existing format is perfect for a transition to a BID

- CV One’s autonomy is unique among British Pilot BIDs
- Value of membership attracts members
- Large membership percentage existing
- All large retailers are members
- In general there is a ‘disincentive’ not to belong to CV One – overcoming “Free Rider” problem
- Benefits are specific to members
  - Some of the services that CV One provides cannot be enjoyed by non-members (i.e. security provisions). Security provision through a CCTV system is the most important membership incentive.
- The pricing has been calculated to maximize the greatest number of members ~50%, predicting a successful BID vote in the future.
- Government support has been crucial.
- CV One is a not-for-profit, unlike other public TCMs.
- The company is already delivering benefits to stakeholders of the type that a BID will need to deliver
Lighting Fixtures, right?
Right?
Security and CCTV

- 400 Camera’s stationed throughout city centre
- 24 hour monitoring
- Monitoring station has radio connection with member organizations
- CCTV viewers alert member organizations and police if suspicious activities are viewed
- Members have to sign
- Crime is mostly theft or drug related in Coventry
- Not much violent crime
Security Chain of Command

POLICE – overall accountability
• Public servants

Evening Ambassadors
• Early evening to morning
• Eyes and Ears
• Customer Service

Customer Service
• Uniformed CV One Employees

Street Crime Warden (Nationally Funded)
• “Robust Role” – according to CV One
  • Will reduce the need for regular police
  • Ability to hold suspect for up to 30 minutes
Concluding Thoughts

- British Pilot BIDs fund most of their operations from the public sector.
- The tenant assessment provides for a different set of objectives and responsibilities.
- Primary impetus for forming a BID is escaping bureaucracy and achieving sustainable funding and administration.
- Coventry is the model for BIDs in Britain.
- Most Pilot-BIDs are not private non-profit companies like CV One.