

Kaupapa Here a-
Rohe Whakapiki
Pakihi

**Proposed
Business
Improvement
District (BID)
Policy 2025**

16 January 2025, Version 1.3



Version 1:3 Reviewed and refreshed 2025

Distribution to BIDs and BAs November 2024



Business Improvement District (BID) Policy
Kaupapa Here ā-Rohe Whakapiki Pakihi

Proposed changes to BID Policy 2022.

Summary of changes table can be found in green at the beginning of each policy section.

Key

Yellow – new wording

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Document Control

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Business Improvement District (BID) Policy

Kaupapa Here ā-Rohe Whakapiki Pakihi

Summary of changes proposed – Whole of document.

Section	Heading	Proposed change	Notes and commentary
Various places	All references to Incorporated Societies Act 1908	Replaced with ‘... 2022’	Updating to the Incorporated Societies Act 2022
	Table of contents	New section 2.6.3 Accumulated BID targeted rate grant/unspent grant funds	
		Other information relating to the Auckland Council BID programme	Updated

Key

Yellow – new wording

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Other information relating to the Auckland Council BID programme (outside of the Policy) - can be found on <https://bid.aucklandcouncil.govt.nz/>

Summary of changes proposed – Section One

Section	Heading	Proposed change	Notes and commentary
1	Requirement 1	New wording added – ‘ <i>at all times</i> ’	Adding clarity
1.2	The value of the BID programme to AC	Retained link to AC website Removed AC website links to CCOs, plans and policies	retain link to Auckland Council website www.aucklandcouncil.govt.nz
1.41	Establishing a new BID programme	Removed reference BID website reference no longer updated	Operational information no longer available
1.6	Relationship between AC and BID-operating business association	<u>New wording added</u> ‘... <i>section 2.9 Other council funding</i> ’	Adding reference

Key

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Section One: Auckland Council’s Business Improvement District (BID) programme

Introduction

Auckland Council and the council family share the common goal of promoting Auckland’s economic prosperity with business associations that operate a BID programme. Auckland Council’s BID programme sets a framework to provide BID-operating business associations with BID targeted rate funding, so those business associations can act for the benefit of their specified business area.

Business Improvement Districts (BIDs) are business areas within Auckland where local business and property owners have agreed to work together, with support from the council, to improve their business environment, promote innovation and attract new businesses and customers.

The terminology used in this policy is defined in the table below.

Terminology	Definitions
BIDs	BID-operating business associations - individual and collective
Policy	Business Improvement District (BID) Policy (Kaupapa Here ā-Rohe Whakapiki Pakihi). Includes governance, operational and accountability reporting for the BID programme and targeted rate/grants.

BID affiliates	BID affiliates are defined as those that pay the BID target rate directly (ratepayers/property owners) and indirectly (business owners/tenants) and who own or operate a business from a property located within a BID programme boundary area.
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The BID programme does not replicate services provided by the council but channels the capabilities and knowledge of the private sector to improve economic outcomes and achieve common goals.

The BID programme provides the opportunity for business associations to work with the council group and encourage collaboration to achieve greater local outcomes. It also provides a mechanism to enable local boards to engage with the business sector in local town centres and business areas in a co-ordinated way. It is a unique relationship where two-way communication and professional cooperation are valued.

Local BID programmes provide value to the collective business community by delivering a suite of economic activities that respond to local needs and opportunities and are agreed by the local business community.

The BID programme is a regional approach focused on supporting and benefiting those that pay the BID targeted rate. BID programmes are funded by a targeted rate applied to all business rated properties within a designated area around a town centre or commercial precinct.

Auckland Council supports business associations operating BID programmes by collecting the targeted rates and providing these funds, in their entirety, by way of a BID targeted rate grant to the relevant business association. The rate is paid directly by the ratepayer/property owner or indirectly by the business owner/tenant.

BID programmes focus on the collective good rather than individual benefit. The BID programme is made available to registered business associations (under the Incorporated Societies Act 2022) that have satisfied BID programme establishment processes and gained approval from the relevant local board(s) and Auckland Council Governing Body.

The role of the policy is to set out easy, accessible key information and requirements for BID-operating business associations, with the aim to sustain public trust and confidence with the Auckland Council BID programme. The policy recognises the balance between the Auckland Council and the independence of a BID-operating business association.

The BID Policy and executive committee must operate with the principles of trust, respect and democracy, and values of transparency, accountability, and good faith. Both should respect tikanga Māori and the values and principles of Te Tiriti o Waitangi – The Treaty of Waitangi.

For more information on the Auckland BID programme visit <https://bid.aucklandcouncil.govt.nz/>

1.1 The Policy

The Business Improvement District (BID) Policy (the policy) sets the framework for the governance, accountability, and management of BID programmes. The policy is supported by a three-year BID Targeted Rate Grant Agreement (Section 2.4/ Appendix A) that sets out the terms of the relationship between Auckland Council and a BID-operating business association.

The policy replaces the current Business Improvement District (BID) Policy and all previous supporting documents.

The policy sets out the minimum **requirements** for a BID programme/s governance, accountability, and management, numbering 1-23 (Appendix D). The policy empowers the BID-operating business associations which are responsible for ensuring BID programme delivery and success.

Requirement 1: Auckland Council requires BID-operating business associations to fully comply, at all times, with the Business Improvement District (BID) Policy (Kaupapa Hereā-Rohe Whakapiki Pakihi).

1.2. The value of the BID programme to Auckland Council

The BID programme provides a mechanism for council, council-controlled organisations (CCOs), and other stakeholders to:

- engage and communicate with a collective of businesses
- develop relationships with individual BID-operating business associations to identify:
 - opportunities to engage with the business and wider community
 - future growth opportunities to achieve greater local outcomes
 - opportunities that contribute to community values and wellbeing

There are many parts of Auckland Council, CCOs, advisory panels, plans etc that have an interest in local business communities, town centres and in BID programmes. To find out more, visit

<https://www.aucklandcouncil.govt.nz> ~~use the links below:~~

- ~~Auckland Council – <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/council-controlled-organisations/Pages/default.aspx>~~
- ~~Auckland Council plans, projects and policies – <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/Pages/default.aspx>~~
- ~~Eke Panuku – <https://www.panuku.co.nz/>~~
- ~~Auckland Transport – <https://at.govt.nz/>~~
- ~~Tātaki Auckland Unlimited – <https://aucklandunlimited.com/>~~
- ~~Ngā Mātārae (Māori Outcomes Directorate) – <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/kaupapa-maori/maori-outcomes/Pages/nga-matarae.aspx>~~
- ~~Auckland Emergency Management – <https://www.aucklandemergencymanagement.org.nz/>~~
- ~~Te Tāruke ā Tāwhiri: Auckland's Climate Plan – <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/Pages/te-taruke-a-tawhiri-ACP.aspx>~~

1.3. What contributes to a successful business association?

- **Effective governance** – The BID-operating business association is responsible for:
 - Setting the strategic direction of the BID programme and the association (working alongside the local board)
 - Full compliance with the policy including accountability for the BID programme and BID targeted rate grant
- **Sound operational management** – BID programme management is responsible for ensuring the delivery of the association's strategic and business plans.

- **Sufficient size and resources** - to achieve the association's BID programme goals and objectives. The provision of an annual BID targeted rate grant (via the BID targeted rate) gives the BID-operating business association a regular income source to implement the BID programme.
- **Effective relationships** – working with stakeholders to achieve goals and objectives.

In recognition of the BID-operating business association's independent status, the policy does not prescribe standards for the effectiveness of local BID programmes or delivery but does retain the ability to review the use of BID targeted rate funds (section 2.7.1).

Requirement 2: BID programmes should aim to develop economic activities that support and benefit their BID affiliates and provide value to the business community.

1.4. Size, scale and financial sustainability of a BID programme

BID-operating business associations must have sufficient annual income to cover all association expenditure, including the delivery of the BID programme and the requirements (administrative, accountability and reporting) set out in the policy.

All business associations who have made the decision to move towards establishing a new BID programme, under the policy, are responsible for ensuring the association has the capacity and capability to complete the BID establishment process (section 6).

1.4.1. Establishing a new BID programme

When considering the viability of a new BID programme, the executive committee must be mindful the proposed BID programme boundary area is of a size and scale to achieve its goals. The minimum BID targeted rate grant is \$120,000 per annum ongoing. Proposals for differing circumstances for new BID establishments will be considered on a case-by-case basis.

Auckland Council will provide information and guidance for new BID establishments and assist the executive committee with the BID establishment process.

~~A detailed income and expenditure budget template is available to provide guidance when investigating the cost of operating a BID programme under the policy, see <https://bid.aucklandcouncil.govt.nz/>~~

1.4.2. BID programmes established before 2010.

The policy requires all BID-operating business associations to maintain a total income to be able to implement an effective BID programme.

Requirement 3: BID programmes established before 2010 and currently receiving less than \$120,000 targeted rate grant per annum, are required to increase their total ongoing income received (including the BID targeted rate grant) to at least \$120,000 per annum by 1 July 2028.

Options to achieve this include:

- increase the annual BID targeted rate grant amount.
- undertake a BID expansion project/s to increase the BID programme boundary area. The expansion will increase the number of BID affiliates contributing via the BID targeted rate (section 6).

- review, and amend, the BID targeted rate mechanism (section 6).
- develop ongoing additional income streams i.e.: sponsorship, donations, associate membership, advertising, or service provision.
- seek funding or grant opportunities.
- work with another BID-operating business associations under a service delivery agreement/contract to manage another BID programme.

Note: Not all BID-operating business associations established prior to 2010 with less than a \$120,000 target rate per annum will be ready or able to consider these requirements in the immediate future. Auckland Council will provide guidance to the associations and local boards on a case-by-case basis.

Requirement 4: All establishing BID programmes must operate at a size (geographical) and scale of not less than \$120,000 per annum (BID target rate grant) to achieve:

- **A long-term focus for the BID programme**
- **Independent long-term financial sustainability of the business association, including securing additional income streams**
- **Adequate resourcing to complete all compliance costs under the policy**

1.5. BID programmes are operated by independent registered incorporated business associations

BID-operating business associations are independent membership-based organisations registered under the **Incorporated Societies Act 2022**.

All registered BID-operating business associations are governed by an elected executive committee. The executive committee are responsible for meeting all aspects of the:

- **Incorporated Societies Act 2022** and any subsequent amendments.
- the association's constitution and board charter.
- the Auckland Council BID Policy including:
 - BID Targeted Rate Grant Agreement – three-years – Appendix A
 - Mandatory Management summary – annual - Appendix B
 - Mandatory Governance declaration – annual - Appendix C

BID-operating business associations are expected to be financially sustainable. They are required to have additional revenue streams to fund their obligations and responsibilities. They must not rely on additional council funding to financially support the organisations administration costs and overheads.

Information on a registered business association, including the constitution, can be found on NZ Companies Office website: <https://is-register.companiesoffice.govt.nz/>

Auckland Council BID programme, including the BID Policy and support documents can be found on <https://bid.aucklandcouncil.govt.nz/>

1.6 Relationship between Auckland Council and BID-operating business associations

Business associations are encouraged to communicate and work together with local boards and other parts of the council group. Nothing in the policy prevents the BID-operating business association from forming a relationship or agreement with any other organisations or parts of the of Auckland Council.

Nothing in the policy infers a formal legal partnership between Auckland Council and an independent BID-operating business association. However, BID-operating business associations and Auckland Council share the common goal of promoting Auckland's economic prosperity. The BID programme helps business communities to communicate with council and facilitates collaboration to help achieve shared objectives.

Parts of Auckland Council may provide funding to a BID-operating business association for projects or services which are independent of the BID programme, BID targeted rate grant agreement and the policy, **section 2.9 Other council funding.**

Summary of changes proposed – Section Two

Section	Heading	Proposed change	Notes and commentary
2.6	Change to the BID targeted rate grant amount	<p><u>New Section 2.6.3</u> Section 2.6.3 Accumulated BID targeted rate grant/unspent BID targeted rate grant <i>BID targeted rate funds accumulated (unspent or saved) from the BID targeted rate grant must be clearly identified and recorded in the annual financial and treasurer’s reports presented to BID affiliates at a General Meeting (AGM/SGM). The report will include information on any proportion of accumulated funds allocated to a project/s, reserved for contingency purposed and or as part of a planned risk management process.</i></p>	To provide more clarity and transparency within the BID Treasurer report presented at the BID AGM to include information on any BID targeted rate grant accumulated or unspent.
2.7	What can the BID targeted rate grant be spent on?	<p><u>New wording to align with Three-year BID Targeted Rate Grant Agreement</u> <i>‘The BID targeted rate grant cannot be used to guarantee, secure, or repay borrowed or raised money, unless the guarantee, security or borrowing has been approved (via a resolution) by the associations membership at a General Meeting (AGM/SGM), Appendix A – BID Targeted Rate Grant Agreement.’</i></p>	<p>Update the policy to align with the Three-year BID targeted rate grant agreement.</p> <p>Additional transparency and member approval (resolution) if the BID is using the BID grant to guarantee, secure or repay borrowed or raised money.</p>
2.6.1	One-off and ongoing change	<p><u>New wording added to note.</u> <i>A notice shall be provided to each association member to draw particular attention to the special resolution. As a minimum the notice shall be given on a separate document headed ‘IMPORTANT NOTICE TO</i></p>	New wording to align with BID-operating business association constitutions.

		MEMBERS: NOTICE OF INTENDED SPECIAL RESOLUTION TO INCREASE the BID targeted rate grant BY MORE THAN 10% OR \$10,000.'	
2.6.2	Documenting and approving changing BID targeted rate grant	<u>New wording added</u> '... and business plan. ... business plan and'	Identify documents required
2.7.1	Auckland Council review	<u>Updated wording</u> Tidied up sentence structure	To provide clarity
	Auckland Council review, Requirement 8 Footnote 7	<u>Footnote 7</u> A full audit is an engagement that is designed and executed that results in opinion by the auditor as to whether they have obtained reasonable (high but not absolute) assurance that the financial statements of the BID-operating business association are free of material misstatements. The audit must be conducted with the professional audit standards as issued by the External Reporting Board (XRB)	
2.8	BID affiliates, Requirement 9	<u>Updated wording</u> Tidied up sentence structure, added '(refer to section 4, Requirement 18)'	Adding reference between Requirement 9 and 18
		<u>Updating wording</u> '... must be freely available via a suitable online platform. The information available must include:'	Adding reference
		<u>New item</u> 'Strategic plan – 3-5 years'	Identify documents required
		<u>New wording added</u> 'Post-AGM member approved documents must be uploaded following the AGM and remain on the website until the subsequent AGM'	Ensuring continued transparency for BID affiliates of BID programme information etc

2.9	Other council funding	<u>New wording added</u> '... by 10 March each year.'	Clarifying the deadline for accountability reporting.
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Key

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Section Two: BID targeted rate funding

BID-operating business associations receive a BID targeted rate grant. The grant is collected by a BID targeted rate applied to business rated properties located within a BID programme area.

Auckland Council signals its long-term commitment to the BID programme, and the collection of the BID targeted rates, through its 10-year budget. The Governing Body must agree to strike a BID target rate as part of its annual budget. The collection and payment apply within each financial year (1 July to 30 June)

2.1. Who pays the BID targeted rate?

BID affiliates are those who have a property, and/ or a business located within the BID programme area. BID affiliates pay the annual BID targeted rate directly (ratepayer/property owner) or indirectly (business owner/tenant).

BID affiliates can be an individual or an entity.

BID affiliates that are an entity may choose to nominate a person to represent their rights in all situations set out in the policy.

2.2. Auckland Council rating powers

BID targeted rates are set according to the procedure defined in the Local Government (Rating) Act 2002. The Governing Body must resolve to set BID rates each year as part of the council's annual budget process (Local Government (Rating) Act 2002 Section 23). The rating of specific properties is determined by the property's location (within or outside of a BID boundary), its land use (e.g., business, or residential) and its capital value.

Under Auckland Council's own procedures, it agrees to consider the insertion of the individual BID targeted rate grant amounts as part of its annual budget and consultation processes. The annual budget process will identify the revenue collected (BID targeted rate) and the amount of BID targeted rate grant to be paid to the BID-operating business association.

Each local board is asked to recommend that the Governing Body strike the BID targeted rate and BID targeted rate grant for the BIDs within their local board area.

2.3. Auckland Council rating mechanisms for the BID programme

2.3.1. How is the BID targeted rate collected?

The BID programme targeted rates are collected from individual business ratepayers located within the BID programme boundary area and includes GST. There are no exemptions from paying the BID targeted

rate, except those provided for in the Local Government (Rating) Act 2002 or in the Auckland Council's Rates Remission and Postponement Policy.

2.3.2 BID programme rating mechanisms

There are three rating mechanisms that can be applied to a property that qualifies and where the ratepayer is liable to pay the BID targeted rate:

- a) **Proportional value method** – Sharing the targeted rate liability based on the capital value of the properties within the BID programme boundary area. The targeted rate charge is calculated by taking the total BID targeted rate grant (to be paid to the BID-operating business association), incorporating any surpluses or deficits incurred in the previous rating year (section 2.5) and dividing it by the total capital value of the properties located within the BID programme area. Properties with higher capital values will pay a greater proportion of the BID target rate than less valuable properties.
- b) **Flat rate method** – is a flat amount applied to each property within the BID programme boundary area. The maximum flat rate amount can be up to \$900 + GST.
- c) **Hybrid method** – is a combination of a) and b) above - a flat rate (maximum flat rate amount can be up to \$900 + GST) plus the proportional rate. A hybrid rate flattens out the highest and lowest rates when there is a large variance between the higher and lower capital values.

2.3.3: Decision on which BID targeted rate mechanism is right for your BID programme boundary area. Council officers will provide advice and guidance to the business association and local board regarding which rating mechanism option is appropriate for each BID programme boundary area.

Recommendations as to which rating mechanism is applied is confirmed by the executive committee of the business association.

The executive committee is then required to present the BID mechanism and relevant information for member approval by way of a special resolution at a General Meeting (Annual General Meeting (AGM)/Special General Meeting (SGM)).

2.4. How is the BID targeted rate grant paid and who decides on the grant amount?

The BID targeted rate grant is paid to the BID-operating business association. There is no GST included in the BID targeted rate grant payment, as no service is provided to Auckland Council in this transaction.

The BID targeted rate grant is provided to the BID-operating business association upon receipt of a signed three-year BID Targeted Rate Grant Agreement (Appendix A).

The BID targeted rate grant is paid quarterly in July, October, January, and April.

Individual BID-operating business association annual compliance with this policy is acknowledged by local board resolution as part of the annual budget reporting process, see section 4.5.1.

Requirement 5: All BID-operating business associations must have a signed current three-year BID Targeted Rate Grant Agreement (Appendix A).

2.4.1 Who decides on the BID targeted rate grant amount?

The request for a BID targeted rate grant, approved by the association membership at the BID-operating business association AGM, is included in the Auckland Council annual (or 10-year) budget, and public engagement and consultation documents. Once adopted by Auckland Council, the BID targeted rate and grant will be included in Auckland Council's final annual (or 10-year) budget report for governing body approval in June each year.

2.5. Auckland Council - end of year variance

BID targeted rates are collected in instalments each year. There may occasionally be a discrepancy between the amount budgeted and the amount collected. To balance this out, an annual reconciliation takes place, and the result of which is used to calculate the following financial year's targeted rates collected.

Where fewer rates have been collected than budgeted, the difference will be added to the rates collected for the following year. This will increase the BID programme targeted rate collected accordingly. Conversely when more rates have been collected, this will result in a reduced targeted rate collected.

In both scenarios, the business association's actual BID targeted rate grant payment will still equal the amount approved by the association's membership at a General Meeting AGM/SGM and as outlined in Auckland Council's annual draft budget or 10-year budget.

Auckland Council will provide a reconciliation each year confirming the amount of BID targeted rate grant paid to the BID-operating business association, the amount to be collected via the BID targeted rate and advise of any surplus/deficit situation.

2.6. Change to the BID targeted rate grant amount

2.6.1 One-off and ongoing change

BID-operating business associations may consider increasing or decreasing, the annual BID programme targeted rate grant amount at a General Meeting AGM/SGM. The executive committee must be aware of requirement 4 when considering BID targeted rate grant amounts. There are two options available when considering changes to the BID targeted rate grant:

- A 'one off' arrangement to increase the BID targeted rate amount for a set period (one financial year).
- An ongoing, year-to-year increase or decrease to the BID targeted rate grant.

Note: Both options above require a special resolution if the proposed change is more than the higher of 10% of the current BID targeted rate grant or \$10,000. The special resolution must be included in the agenda of the General Meeting (AGM/SGM), clearly advising all BID affiliates/association members of the intention to change the BID targeted rate grant.

A notice shall be provided to each association member to draw particular attention to the special resolution. As a minimum the notice shall be given on a separate document headed '**IMPORTANT NOTICE TO MEMBERS: NOTICE OF INTENDED SPECIAL RESOLUTION TO INCREASE the BID targeted rate grant BY MORE THAN 10% OR \$10,000.**'

2.6.2. Documenting and approving changed BID targeted rate grant

The BID-operating business association must clearly record the intention and purpose of the increase/decrease, in the annual draft income and expenditure budget and business plan. These documents and information must be listed as separate items in the General Meeting (AGM/SGM) agenda in the year *prior to* the proposed budget coming into effect. The budget, business plan and BID targeted rate grant amount information must be presented at the General Meeting (AGM/SGM) for approval via resolution in the draft minutes.

2.6.3. Accumulated BID targeted rate grant/unused BID targeted rate grant

BID targeted rate funds accumulated (unused or saved) from the BID targeted rate grant must be clearly identified and recorded in the annual financial and treasurer's reports presented to BID affiliates at a General Meeting (AGM/SGM).

The reports will include information on any proportion of accumulated funds allocated to a project/s, reserved for contingency purposes and or as part of a planned risk management process.

2.7. What can the BID targeted rate grant be spent on?

The BID targeted rate grant must be applied to activities that contribute to the economic prosperity of BID affiliates within the BID programme boundary area map, agreed and approved by the members of the business association.

The BID targeted rate grant cannot be used to guarantee, secure, or repay borrowed or raised money, unless the guarantee, security or borrowing has been approved (via resolution) by members at a General Meeting (AGM/SGM), Appendix A - three year BID Targeted Rate Grant Agreement.

Requirement 6: The BID targeted rate grant spend must focus on delivering value to BID affiliates.

Under the Local Government (Rating) Act 2002, the grant must not be used for services that are otherwise provided by Auckland Council via its general rate¹.

Requirement 7: The BID targeted rate grant and BID programme resources (management, governance time or funds) cannot be used under any circumstances:

- 1. For any political purpose**
- 2. To endorse or support a particular candidate or political party.**

2.7.1 Auckland Council review

Auckland Council reserves the right to review the use of targeted rate funds (alignment of the purpose used against the documents presented and approved by members at a General Meeting (AGM/SGM), the need for an audit²; the financial viability/sustainability of a BID programme, any other BID

¹ It can, however, be used to provide a higher level of service than Auckland Council is currently providing, if desired.

² Audits must be undertaken by a qualified auditor under section 36 Financial Reporting Act 2013 and NZICA rules. The appointed auditor must not trade from within BID programme boundary and must not be a member or associate member of the business association. Refer to Requirement 14(d)

programme related information. If appropriate, the **review may** include all other council funding. This review process will be directed by Auckland Council.

Requirement 8: BID-operating business association must accept that Auckland Council reserves the right, at its sole discretion (to be exercised reasonably), to review the use of targeted rate grant funds and/or, the need for an audit and anticipates full cooperation from the BID-operating business association.

Note: Auckland Council may require the audit to include all other council funding.

2.8 BID affiliates

BID affiliates are those who have a property and/or business located within the BID programme boundary area. They pay the annual BID targeted rate directly (ratepayer/property owner) or indirectly (business owner/tenant).

BID affiliates can be an individual or an entity.

BID affiliates who are an entity may choose to nominate a person to represent their rights in all situations set out in the policy.

BID affiliates may, or may choose not, to be registered members of the BID-operating business association.

Note: BID affiliates are not automatic members of the business association. The BID affiliate must consent to membership of the association as required under the **Incorporated Societies Act 2022** and as per the business association constitution.

Requirement 9: BID affiliates must have at all times have access³ to BID programme information and BID targeted rate spend (refer also to section 4, Requirement 18).

Information about the business association operating the BID programme must be freely available via a suitable online platform. The information available must include:

- **How decision-making takes place**
- **How BID affiliates can provide feedback into the BID programme priorities and the BID targeted rate grant spend.**
- **How to become a business association member (membership information and consent process)**
- **BID affiliates and association members must have access to the following documents at least 14⁴ days prior to the General Meeting (AGM) date:**
 - **BID programme annual business plan, including:**
 - **Activities**
 - **Outcomes**
 - **Budget allocations**
 - **Strategic plan - 3-5 years**
 - **Draft BID programme income and expenditure budget (upcoming year)**

³ Access must be unrestricted, free of any barriers and available in appropriate languages to enhance understanding.

⁴ Special General Meeting (SGM) 21 days' notice.

- **General Meeting Agenda (AGM/SGM)**
- **General Meeting Notice (AGM/SGM)**
- **Post-AGM member-approved documents must be uploaded following the AGM and (including any amendments post AGM) remain freely available online until the next AGM.**

2.9 Other council funding

Parts of Auckland Council may provide funding to a BID-operating business association for projects or services which is independent of the BID programme, BID targeted rate grant agreement and the policy.

Requirement 10: Where BID-operating business associations receive funding from Auckland Council or council-controlled organisations in addition to the BID targeted rate grant, council processes require the BID-operating business association be compliant with all accountability requirements associated with the previous year's funding by 10 March each year.

Summary of changes proposed – Section Three

Section	Heading	Proposed change	Notes and commentary
Section 3, Table One	BID programme annual accountability reporting: <i>Document must be received by Auckland Council</i>	<p><u>Table One format updated and refreshed</u> <u>New heading</u> <i>‘Section B – after the completion of the AGM’</i> <u>Date changed from 10 March each year to - ‘1 December each year’</u> Removed bullet points and replace with new numbering to identify documents required 1-6</p>	<p>Changed from 10 March each year to the earlier date of 1 December. BIDs can wrap up the post AGM reporting within a shorter period of time while the AGM is fresher. Enabled council to confirm compliance with the policy annual accountability requirements in a timely manner to coincide with council annual draft budget/10year plan engagement process.</p>
Table One	BID programme annual accountability reporting: <i>Document must be received by Auckland Council</i>	<p><u>Table One includes Appendix D information, Appendix D removed</u> Remove bullet points, replace with new numbering to identify documents required 1-3 <u>New heading</u> <i>‘Section A – prior to AGM’</i> <u>New wording added to first bullet point</u> <ul style="list-style-type: none"> • <i>‘1. b) Include any special resolution required under the policy.’</i> <u>New wording added to second bullet point</u> <ul style="list-style-type: none"> • <i>‘2. a) Include any honorarium and non-executive adviser fee if any.’</i> <i>‘ ... for the current year, any proposed increase and the total amount of BID targeted rate grant expected in the following financial year.’</i> <u>New wording added to third bullet point</u> <ul style="list-style-type: none"> • <i>‘3. The business plan sets out the delivery and outcomes for the BID programme aligned with both the association’s strategic</i> </p>	<p>Table format updated, new headings and numbering. New wording to provide a better understanding of the minimum requirements and transparency of information reported.</p> <p>New wording has been transferred from Appendix D and amalgamated into Table One.</p>

		<p><i>plan and draft budget.'</i></p> <p><u>New wording under Document Description</u> <u>'<i>BID targeted rate grant amount resolution.</i></u></p>	
		<p><u>New wording added to align documents to 1 December deadline</u></p> <p><u>New wording added to second bullet point – Business plan</u></p> <ul style="list-style-type: none"> • <i>'2. '... setting out the delivery and outcomes for the BID programme aligned with both the association's strategic plan and draft budget including any proposed increase to the BID targeted rate grant amount.'</i> <p><u>New wording added to fourth bullet point – Treasurer's report</u></p> <p><i>'4. b. i. Includes conflict of interest register</i></p> <p><i>'4. b. ii. Confirmation of accounting policies and operating procedure documents.'</i></p> <p><i>'4. c. Treasurer's written report outlining the current and projected financial situation and include explanation and course of action for any:</i></p> <p><i>'4. c. i. Repay borrowed or raised money.'</i></p> <p><i>'4. c. ii. BID targeted rate grant accumulated funds – include information on any proportion of accumulated funds allocated or reserved for contingency purposed and or as part of a planned risk management process, section 2.6.3.'</i></p> <p><i>'4. c. iii. Projected surplus/deficit in the draft</i></p>	<p>New wording has been transferred from Appendix D and amalgamated into Table One.</p>

		<i>income and expenditure budget for the following financial year.'</i>	
Note 2		<p><u>New wording.</u> <i>Special Resolution 1:</i> <i>Special Resolution 2: 'Further if the BID targeted rate grant amount for the following financial year which is an increase or decrease by more than 10% or \$10,000 (whichever is greater) over the current year's budget (including a BID boundary area expansion or reduction) must obtain appropriate member approval via a special resolution at a General Meeting (AGM/SBM). A notice shall be provided to each association member to draw particular attention to the special resolution. As a minimum the notice shall be given on a separate document headed 'IMPORTANT NOTICE TO MEMBERS: NOTICE OF INTENDED SPECIAL RESOLUTION TO INCREASE the BID targeted rate grant BY MORE THAN 10% OR \$10,000.'</i></p>	New wording to align with BID-operating business association constitutions.

Key

Yellow – new wording

~~Strike through~~ – removed

Section Three – BID programme annual accountability reporting

Annual accountability reporting must be presented and approved by the membership at a General Meeting (AGM/ SGM), and must be provided to Auckland Council.

Accountability documents must be provided to a standard that meets commonly accepted good practice for an independent organisation.

These documents form the basis of the annual BID compliance reporting process to local boards.

Requirement 11: All BID operating business associations must complete the annual accountability reporting requirements to Auckland Council by the required dates as defined in Table One – ‘Summary of accountability documents and deadlines’.

Table One – Summary of accountability documents and deadlines

Please submit these documents as a set to Auckland Council		
Section A – prior to AGM		
Document deadline	Document/information required	Document description
<p>Four weeks prior to -date of the BID-operating business association General Meeting (AGM/SGM)</p> <p>And/or submitted on a date no later than 31 October each year.</p>	<p>1. General Meeting (AGM/SGM) final agenda and notice including the meeting date, time, and venue information.</p> <p>a) The agenda must include the BID targeted rate grant amount resolution</p> <p>b) Include any special resolution required under the policy</p>	<p>The agenda must include the BID targeted rate grant amount resolution written as follows:</p> <p style="text-align: center;"><u>BID targeted rate grant amount resolution.</u></p> <p>Move to approve the following financial year [insert year] draft budget which includes a BID targeted rate grant amount of \$ [insert amount], including a [insert number] % increase or \$ [insert amount] to the BID targeted rate grant for [insert year] financial year. Further ask the [insert local board name/s] Local Board recommend to the Governing Body the amount of \$ [insert amount] be included in the Auckland Council draft [insert years] annual budget consultation process.</p>
	<p>2. Draft detailed income and expenditure budget for the BID-operating business association for the following financial year.</p> <p>a) Include any honorarium and non-executive adviser fee, if any.</p>	<p>The budget document must include the BID targeted rate grant amount as per the agenda resolution above.</p> <p>The budget must show as separate line items:</p> <ul style="list-style-type: none"> • the BID targeted rate grant amount for the current year, • any proposed increase to the BID targeted rate grant, • the total amount of BID targeted rate grant expected in the following financial year.
	<p>3. Draft business plan for the following financial year</p> <p>The draft business plan must align with the draft income and expenditure budget.</p>	<p>The business plan sets out the delivery and outcomes for the BID programme aligned with both the association’s strategic plan and draft budget.</p>

No other documentation is required at this time, unless it's a requirement in the policy

The documents below must all have been presented to, and approved by members before sending to Auckland Council

Please submit these documents as a set to Auckland Council

Note: A copy of the signed mandatory Governance Declaration document (Appendix C) will be included in the annual BID programme compliance report to local boards.

Section B – after the completion of the AGM

Document deadline	List of documents required
December 1 each year	<p>ALL other BID-operating business association annual accountability documents including:</p> <ol style="list-style-type: none">1. Detailed draft income and expenditure budget for the following year.<ol style="list-style-type: none">a. Must show the BID targeted rate grant amount as per current financial year, any proposed increase or decrease (as a separate line item) and the total BID targeted rate grant amount expected for the following financial year.2. Business plan (12-18 months) for the following year – setting out the delivery and outcomes for the BID programme aligned with both the association's strategic plan and draft budget including any proposed increase to the BID targeted rate grant amount.3. Draft General Meeting (AGM/SGM) Minutes<ol style="list-style-type: none">a. Confirmation a quorum has been met.b. Minutes must align with the item numbering set out in the approved meeting agenda.c. The BID income and expenditure budget and BID targeted rate grant amount resolution, see Section A, item 1, a).4. Financial reporting including:<ol style="list-style-type: none">a. Financial report for previous yearb. Audit Reportc. Treasurer's written report<ul style="list-style-type: none">• Includes confirmation of a conflict-of-interest/register of interest.• Confirmation of accounting policies and operating procedure documents.• Include an outline of the current and projected financial situation and include explanation and course of action for any:<ol style="list-style-type: none">i. Repay borrowed or raised money,ii. BID targeted rate grant accumulated funds – <i>include information on any proportion of accumulated funds allocated or reserved for contingency purposed and or as part of a planned risk management process,</i> section 2.6.3.iii. Projected surplus/deficit in the draft income and expenditure budget for the following financial year.d. Audit Management Letter

Audit Review

	<p>5. Chair written report</p> <p>a. outlining a summary of governance and strategic achievements for the year</p> <p>6. Manager written report/ annual review</p> <p>a. outcomes and achievements delivered during previous year's, referencing the achievements against the objectives set out in the business plan/strategic plan.</p>
10 March each year	1. Signed mandatory Management Summary (Appendix B)
	2. Signed mandatory Governance Declaration (Appendix C)
	3. Other council funding - accountability reports (section 2.9, requirement 10)
If applicable	Agreement/contract - Management of a BID programme and BID targeted rate grant section 4.2.3
Upon request	Strategic plan
	Current Insurance Certificate

3.1. Other documentation to be available on request

The following documents are not included as requirements for annual accountability reporting but do need to be available to council upon request:

- Strategic Plan 3-5 years

Note 1: Strategic plans must always be current and cover the period up to and including the AGM. The plan sets out the vision for the BID programme and BID targeted rate grant. The development of the plan must involve opportunities for BID affiliates to be consulted, engaged, and provide feedback. For strategic plans under development, a resolution noting the development process and timeframes must be included in General Meeting (AGM/SGM) agenda.

- Insurance Certificates – covering current year.

Note 2:

Special Resolution 1: Where there is a proposal to **establish a new BID programme**, expand **or reduce** a BID target rate boundary area, discontinue a BID programme and BID target rate grant or change a BID target rate mechanism, the BID-operating business association must obtain appropriate member approval via a special resolution at a General Meeting (AGM/SGM). See section 6.7.

Special Resolution 2: Further, if the BID targeted rate grant amount for the following financial year which is an increase or decrease by more than 10% or \$10,000 (whichever is greater) over the current year's budget (including a BID boundary area expansion or reduction) must obtain appropriate member approval via a special resolution at a General Meeting (AGM/SBM). A notice shall be provided to each association member to draw particular attention to the special resolution. As a minimum the notice shall be given on a separate document headed **'IMPORTANT NOTICE TO MEMBERS: NOTICE OF INTENDED SPECIAL RESOLUTION TO INCREASE the BID targeted rate grant BY MORE THAN 10% OR \$10,000.'**

Note 3: Auckland Council will organise the annual presentation to the local board/s (November to February), section 4.3.3. The primary objective of this meeting is to develop and maintain a working relationship (board to board governance level) exploring how the business association, and relevant local board(s), can work together in the 12- to-24 months ahead.

The agenda will include:

- An overview of the next 12 months plans and deliverables.
- Share BID programme information and future opportunities.

Note 4: In the event the accountability reporting compliance requirements are not met and delivered to Auckland Council by the required deadlines, Auckland Council may choose to enact the issues resolution (section 5) of the policy.

Summary of changes proposed – Section Four

Section	Heading	Proposed change	Notes and commentary
4.1.2, Requirement 14	Audit review option removed	<u>Remove option of an</u> ‘Audit review’	Recommendation from Auckland Council Risk and Assurance Team to remove the option for an audit review. A review audit is not best practice.
4.1.2	Governance Practices	<u>New item b)</u> ‘Notice of General Meetings – <i>at a minimum the executive committee must give the following notice:</i> <i>i. Annual General Meeting (AGM) – minimum 14 days’ notice of the agenda and all support documents</i> <i>ii. Special General Meeting (SGM) – minimum 21 days’ notice of agenda and all support documents relating to the reason for calling the meeting.’</i>	The Incorporated Societies Act 2022 doesn’t state any minimum requirement relating the days’ notice of an AGM or SGM. Added a minimum notice required to ensure the meeting notice and the BID information to be presented is made available with sufficient notice to BID members.
		<u>Remove and add new wording Requirement 14</u> ‘... (or review) ...’ ‘... change the auditor every five years ...’ <u>Update Item d)</u> Remove ‘Type of audit’ Remove footnote 6	Recommendation from Auckland Council Risk and Assurance Team to remove the option for an audit review. A review audit is not best practice.
4.1.2, Requirement 14	Governance practices,	Footnote 5: A full audit is an engagement that is designed and executed that results in opinion by the auditor as to whether they have obtained reasonable (high but not absolute) assurance that the financial statements of the BID-operating business association are free of material	Updated Footnote 5

		misstatements. The audit must be conducted with the professional audit standards as issued by the External Reporting Board (XRB).	
4.1.3	Governance documents	<u>New bullet point</u> • <i>Risk register</i>	Best governance practice/risk management
		<u>New wording Requirement 17</u> <i>'... via a Special Resolution'</i>	Clarifying a special resolution, different to a standard resolution
4.2	Operational management practices	<u>New wording Requirement 18</u> <i>'... (also refer to section 2.8, Requirement 9):'</i>	Referencing Requirement 18 and 9 together.
4.2.2	BID-operating business association – member registration	<u>Removed reference to BID website</u> BID website reference no longer available	Operational information no longer on website
4.2.3	Management of another BID programme and BID targeted rate grant	<u>New wording</u> <i>'... whole of the ...'</i> <u>New bullet point</u> <i>'Each BID must attach the approved and signed agreement/contract to their three-year BID Targeted Rate Grant Agreement (section 2.4) and submit to Auckland Council.'</i>	Clarification Contract attached to individual BID three-year BID targeted rate grant agreement document.
4.3	Local boards	<u>Retained reference and updated wording</u> <i>'Volume 2, 3.5 Decision-making Responsibilities of Auckland Council, Governing Body, and Local Boards.'</i>	Updating reference
4.3.2	Local board BID programme represented	<u>New wording added</u> <i>'The local board representative assigned to the BID programme may at any time, and is strongly encouraged to, communicate any perceived issues within the programme to Council.'</i>	Enhance risk management

4.5.2	Auckland Council responsibilities to the BID-operating business association	<p><u>New bullet point added</u> <i>'annual BID reporting to local boards on BID policy (Requirement 1) and annual accountability reporting (Requirement 11).</i> <i>'Review the use of targeted rate funds (alignment of the purpose used) the need for a full audit; the financial viability/sustainability of a BID programme (section 2.7.1).'</i></p>	Enhance risk management.

Key

Yellow – new wording

~~Strike through~~ – removed

Section Four: BID programme participants in the operation of the BID programme

There are a range of participants involved in the operation of the BID programme including:

- BID affiliates– those who pay the BID targeted rate directly (ratepayer/property owner) and indirectly (business owner/tenant) (section 2.8)
- The BID-operating business association
- Business association executive committee – association members elected to serve on the committee (section 4)
- Business association registered members (section 4)
- Local board BID representative (section 4)
- Local boards – including multiple boards if the BID programme area covers more than one local board area (section 4)
- Governing Body (section 4)
- Auckland Council (section 4)

4.1. BID-operating business association executive committee

4.1.1. Governance role

The executive committee is responsible for the governance, strategic direction and goal setting, financial performance, and management oversight of the BID-operating business association and the BID programme.

The executive committee is responsible to ensure the business association has the appropriate governance and risk management oversight for the level of BID targeted rate grant monies received each year. The responsibilities of the committee are to:

- govern the association in terms of advancing its objectives relating to the BID programme
- ensure compliance with the association's constitution and any other applicable law
- fulfill the obligations and compliance set out in the policy, including policies and procedures relating to 4.1.3 Governance documents
- oversee the management, operations and affairs of the association
- ensure the long-term financial sustainability of the BID-operating business association including sufficient ongoing cashflow to cover the associations' responsibilities and commitments
- maintain a risk register and actively manage and minimise risk in relation to the BIDs financial position
- ensure all parties (including BID affiliates) have an opportunity to be involved in the governance, management, and/or to participate in the BID programme
- encourage BID affiliates to become registered full members of the association
- ensure Auckland Council is made aware of any perceived or real/current or potential issue that could impact on the BID programme

Executive committees are charged to ensure that every BID affiliate can participate in making decisions either:

1. directly through being a registered member of the association, voting on a decision e.g., AGM/SGM
2. indirectly by engaging/speaking with an elected executive committee member or the BID manager.

4.1.2 Governance practices

This policy requires executive committees to ensure appropriate governance practices are in place for the association and its operation. Executive committees should consider whether their practices are appropriate for the BID targeted rate grant received. This policy outlines the minimum standards required.

Requirement 12: All BID-operating business associations must have a clear delineation between the governance and management of a BID programme

Requirement 13: All BID-operating business associations must include the following governance practices:

b) Executive committee representation – at a minimum, the executive committee should consist of a majority of full members. It may also contain non-voting members and/ or associate members, subject to individual constitutional clauses.

c) Notice of General Meetings – at a minimum the executive committee must give the following notice:

- i. **Annual General Meeting (AGM)** – minimum 14 days' notice of the agenda and all support documents
- ii. **Special General Meeting (SGM)** – minimum 21 days' notice of agenda and all support documents relating to the reason for calling the meeting.

d) **Minimum quorum** – the minimum quorum for executive committee and General Meetings must be reflective of the size and scale of the BID programme and BID targeted rate grant annual amount (See Table Two ‘Minimum quorum at meetings’).

Table Two - Minimum quorum at meetings

BID-operating business association with:	Executive committee - minimum quorum	General meeting (AGM/SGM) - minimum quorum
BID targeted rate grant more than \$250,000	5 full members	10 full members
BID targeted rate grant less than \$250,000	3 full members	6 full members

Note: Under the policy there is no maximum number of executive committee members. Auckland Council recommend the size of the executive committee should reflect the size and scale of the BID programme and the BID targeted rate grant annual amount.

Requirement 14: All BID-operating business associations must have an annual full audit⁵, ~~(or review)~~ change the auditor every five years (maximum) and comply with the following:

e) Auditor qualification and type of audit:

~~The auditor (or reviewer) appointed to perform the audit or review of the BID operating business association must:~~

- Be a current CA member of Chartered Accountants Australia and New Zealand (CAANZ)
- Have a current Certificate of Public Practice issued by CAANZ

The appointed auditor must not trade from within the BID programme boundary and must not be a member or associate member of the BID-operating business association.

Changing auditors

All BIDs need to review and change auditors every five years which they need to perform a full procurement process for an external auditor.

Type of audit

~~All BID operating business associations must undertake an annual audit. The type of audit required:~~

- ~~BID targeted rate grant amount is under \$200,000 per annum must commission, as a minimum, a review audit of the organisation.~~

⁵ **A full audit** is an engagement that is designed and executed that results in opinion by the auditor as to whether they have obtained reasonable (high but not absolute) assurance that the financial statements of the BID-operating business association are free of material misstatements. The audit must be conducted with the professional audit standards as issued by the External Reporting Board (XRB)

- ~~BID targeted rate grant amount is over \$200,000 per annum must commission a full audit of the organisation.~~

Foot note 6 deleted

- ~~An audit review is an engagement that is designed and executed that results in an opinion by the reviewer that nothing has come to their attention through the course of the engagement that would~~
- ~~An Audit review is indicate that the financial statements of the BID operating business association contain a material error. The review must be conducted with the professional review standards as issued by the External Reporting Board (XRB).~~

f) Insurance

All BID-operating business associations must have adequate insurance in relation to their operation and amount of BID target rate grant. Insurance certificates must be available upon request.

4.1.3. Governance documents

Requirement 15: All BID-operating business association must have written approaches to both governance and management.

Governance documents include but are not limited to:

- Business Association constitution
- Business Association executive committee board charter
- Financial and governance policy documents
- Management policy and procedure documents
- Risk register
- Conflicts of interest/interest register
- Formal agreement/contracts entered with any other BID-operating business association (section 4.2.3).

Requirement 16: The BID-operating business association constitution and the executive committee board charter must not be inconsistent with the policy.

Association constitution

Required under the **Incorporated Societies Act 2022** and the policy, all BID-operating business associations must have a constitution approved by the association membership and registered with the New Zealand Companies Office website: <https://is-register.companiesoffice.govt.nz/> Executive committee board charter

- all BID-operating business associations must have an executive committee board charter approved and adopted by the current executive committee and include:
 - how the organisation will implement requirement 12, delineating the role of governance and management
 - conflicts of interest
 - code of conduct

Requirement 17: All proposed amendments to the constitution concerning the BID programme and BID targeted rate grant funding will require written approval by Auckland Council prior to membership approval via a Special Resolution at a General Meeting (AGM/SGM).

4.2. Operational management practices

4.2.1. Management role

Managers, or other agents utilised by the BID-operating business association, are responsible for regular reporting to the executive committee concerning goals and their achievement.

The policy acknowledges in some smaller BID-operating business associations, the executive committee may be involved in practical activities that contribute to the achievement of the organisation's goals.

In both situations described above, it is important that the integrity of the BID programme and associated decision-making is maintained and recorded to ensure there is a clear delineation between governance and management.

BID-operating business associations are expected to communicate proactively with BID affiliates and association members throughout the year and formally through a General Meeting (AGM/SGM) process, utilising online platforms as appropriate (section 2.8).

Requirement 18: All BID-operating business associations are required to identify, engage, and communicate with (also refer to section 2.8, Requirement 9):

- **BID affiliates**
- **Business association members**
- **Local Board BID representative**
- **Local Board/s**
- **A suitable online platform should be used for BID programme information to be freely available.**

4.2.2 BID-operating business association – member registration

Any person/entity that wants to become a full member of the business association must:

- a) be a BID affiliate
- b) consent to becoming a registered member of the business association as required under the **Incorporated Societies Act 2022**. See <https://is-register.companiesoffice.govt.nz/>

Requirement 19: Only BID affiliates qualify as a full member of a BID-operating business association.

~~A guide to assist with BID affiliate and BID operating business association membership can be found at: <https://bid.aucklandcouncil.govt.nz/>~~

4.2.3 Management of another BID Programme and BID targeted rate grant

This section refers to situations where a BID-operating business association agrees to take on the full responsibility of providing services to manage or implement the entire BID programme and **whole of the** annual BID targeted rate grant spend on behalf of another BID-operating business association.

The two BID-operating executive committees must:

- Continue to operate according to their respective BID-operating business association constitutions.
- Continue to meet all requirements of the BID Policy

- Have a written agreement/contract outlining the arrangement and services being provided. This agreement/contact must include:
 - term of the agreement/contract
 - detailed service provided
 - contract fee and payment process
 - how performance will be managed and reported including accountability of monies spent
 - mediation process
 - process for terminating the agreement/contract.
- The agreement/contract, the contract fee and the performance report must be:
 - noted and documented in each BID-operating business associations annual BID programme accountability reporting process that form part of each association annual General Meeting (AGM)
- Each BID must attach the approved and signed agreement/contract to their three-year BID Targeted Rate Grant Agreement (section 2.4, Appendix A) and submit to Auckland Council.

Requirement 20 – Auckland Council must be provided with a signed copy of the agreement/contract when a BID-operating business association provides overall management and services to deliver the total BID programme on behalf of another BID-operating business association. Both BID-operating business association executive committees continue to be responsible for their association and to their association members.

Auckland Council will continue to view the parties as separate BID-operating business associations under the BID Policy. Auckland Council will continue to pay the BID targeted rate grant to the separate BID-operating business associations, as per their individual BID targeted rate grant agreements.

4.3. Local boards

4.3.1 Local board decision-making responsibilities

Local boards are allocated several decision-making responsibilities in relation to BID programmes including:

1. approval of the establishment of a new BID programme and boundary area
2. approval of any changes or amendments to an existing BID programme boundary area
3. annually recommending BID programme targeted rate grant amounts to the Governing Body.
4. recommending to the Governing Body proposed changes to a BID targeted rate mechanism.

Local boards may provide support to BID-operating business associations and BID programme delivery through their local board annual work programmes and budgets.

The policy recognises that within Auckland Council, local boards are the primary relationship lead with BID-operating business associations. Therefore, local boards receive communications and advice from council staff as part of the decision-making regarding issue resolution as per section 5 of the policy.

Reference: Local Government (Auckland Council) Act 2009, s17; Long-term Plan 2024-2034, **Volume 2, 3.5 Decision-making Responsibilities of Auckland Council, Governing Body, and Local Boards.**

4.3.2 Local board BID programme representative

Local boards will appoint, under resolution, a local board member to represent the local board and liaise on their behalf. This local board member acts as the direct relationship liaison between the local board and the BID-operating business association executive committee.

The local board representative assigned to the BID programme may at any time, and is strongly encouraged to, communicate any perceived issues within the programme to Council. This reinforces and supports the governance-to-governance relationship between the two organisations. The local board representative role is not operationally focused nor responsible for operational issues.

The BID-operating business association executive committee should invite the local board representative to its executive committee and general meetings to support the relationship. Dependent on the association's constitution, the local board representative may, or may not be appointed to the executive committee and have, or not, voting rights.

Note: It is recommended that the local board representative is not given voting rights to avoid any conflicts of interest (real or perceived) or disputes between the local board and the BID-operating business association executive committee. However, if the local board representative and the business association are comfortable that these risks can be managed and consider that voting rights will add to creating a collaborative relationship, the policy does not prevent this from happening.

Only the local board BID representative/s appointed by a local board resolution may represent the local board at BID-operating business association executive committee and General Meetings.

Note: This does not prohibit the BID-operating business association executive committee members and or the BID Manager from engaging with other local board members.

4.3.3 Local boards engaging with BID-operating business associations

Local boards can choose how often (annual, six monthly, quarterly for example) and in what format (workshop, delegation, or public forum), they wish to engage with the BID-operating business association executive committee and or the BID Manager.

Requirement 21: BID-operating business associations are required to engage in at least one meeting per year with the local board/s. This meeting should be scheduled for a date between the completion of the General Meeting (AGM/SGM) and 10 March.

These conversations should focus on governance, accountability, and opportunities relating to the BID programme and surrounding business community, rather than discussing operational matters.

4.3.4 Other roles – local board members

There is no blanket prohibition on elected members, in their private capacity, undertaking roles with a BID-operating business association. Consideration of the Auckland Council Elected Member Code of Conduct (2021) apply. For further information, contact the Auckland Council Governance Services Team or visit: <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/elected-members-remuneration-declarations-interest/Pages/elected-members-code-conduct.aspx>

4.4. Governing Body

Under Auckland Council's shared governance arrangements, the Governing Body has decision-making for:

1. approval of the BID Policy
2. setting the targeted rates as part of the council annual budget process.

In accordance with the provisions of the Local Government (Auckland Council) Act 2009 and the Local Government (Rating) Act 2002, the Governing Body has the power to make the final decisions on what BID programme targeted rates, if any, to set in any particular year or in relation to any property (in terms of the amount and the geographic area to be rated).

4.4.1 Other roles – elected members

There is no blanket prohibition on elected members, in their private capacity, undertaking roles with a BID-operating business association. Consideration of the Auckland Council Elected Member Code of Conduct (2021) apply. For further information visit: <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/elected-members-remuneration-declarations-interest/Pages/elected-members-code-conduct.aspx>

4.5 Auckland Council Organisation

4.5.1 Provision of annual BID-operating business association compliance reporting to local boards

Auckland Council monitors compliance with the BID Policy. Council staff provide an annual compliance report for local boards reviewing the compliance of individual BID programmes utilising the available information.

The review and reporting are part of an active risk management programme to identify and minimise any inappropriate use of BID targeted rate grant monies. The compliance report is focused on governance and accountability of each BID-operating business association, their BID programme and BID targeted rate grant.

4.5.2 Auckland Council responsibilities to the BID-operating business association

As independent incorporated societies, BID-operating business associations are autonomous from Auckland Council. Their programmes and services are provided according to their members' stated priorities. Council base their compliance reporting on the requirements set in this policy only.

Under the policy Auckland Council will:

- provide the three-year BID targeted rate grant agreement (Appendix A)
- arrange the BID targeted rate grant quarterly payments for July, October, December/January, and April each year (section 2)
- provide to each BID-operating business association an annual BID targeted rate modelling spreadsheet and BID ratepayer data, subject to Auckland Council policies and the Local Government (Rating) Act 2002

- arrange the annual BID-operating business association and local board meeting (section 4)
- provide annual BID report to local boards on compliance with the BID policy (Requirement 1) and annual accountability reporting (Requirement 11).
- provide guidance, advice and assist business associations with establishing new BID programmes, any proposed changes to existing or discontinuation of an existing BID programme, BID boundary area map, changes to the BID targeted rate mechanism, and BID targeted rate grant.
- undertake reviews in relation to the use of targeted rate funds (alignment of the purpose used) the need for an audit; the financial viability/sustainability of a BID programme. Section 2.7.1, Requirement 8.

Summary of changes proposed – Section Five

Section	Heading	Proposed change	Notes and commentary
5	Issue Resolution	<p><u>New numbering a-f</u> <u>Additional option</u> <i>‘... or where council becomes aware that the association is involved in any act or thing which council deems a significant risk to the funding or the obligations under the BID targeted rate grant agreement’</i></p> <p><u>New wording added to Requirement 22</u> <i>‘... or if Auckland Council becomes aware of any act or thing that is a significant risk to the funding or the obligations under the BID targeted rate grant agreement’</i></p> <p><u>New item ‘e’.</u> <i>‘To stop and end (terminate) the Three-year BID Targeted Rate Agreement, and/or not set the BID targeted rate for the subsequent rating years.’</i></p> <p><u>New wording third bullet point</u></p> <ul style="list-style-type: none"> ○ <i>‘iii. ... by Auckland Council, ...’</i> 	<p>Additional option aim to strengthen this section relating to issue resolution.</p> <p>New wording added to resolution.</p> <p>Clarifying what would be deemed an ‘issue’ in addition to non-compliance with the policy.</p> <p>Last case’ option for BIDs regarding noncompliance and or with significant risk to the funding or the obligations under the BID targeted rate grant agreement.</p>
	Footnote 6	<p><u>Wording removed</u> Discontinued BID programmes and targeted rate will take away the right for the business association to have a BID targeted rate for future years. This would not affect the registration of the incorporated society (business association). The business association</p>	Remaining words unchanged.

		continues to operation as an incorporated society.	
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Key

Yellow – new wording

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Section Five - Issue resolution

It is an expectation of the policy that all BID programme participants will act with integrity, good faith, and professionalism. **A BID-operating business association is deemed noncompliant with the policy when there is an issue.**

An issue is any situation where a BID-operating business association is not complying with the BID Policy.

An issue is also where council becomes aware that the association is involved in any act or thing which council deems a significant risk to the BID funding or the obligations under the BID targeted rate grant agreement.

The intent of the issue resolution process set out below, is to assist the BID-operating business associations to comply with the BID Policy and be able to continue to govern and operate the BID programme.

Requirement 22: The BID-operating business association must advise Auckland Council if they become aware that they are not compliant with the BID Policy, or if the association becomes aware of any act or thing that is a significant risk to the funding or the obligations under the BID targeted rate grant agreement.

Where an issue is identified, council staff will work alongside the BID-operating business association to achieve compliance.

At any time during an issue resolution process either party can request mediation. Either party (Auckland Council or the BID-operating business association) as a tool to resolve the identified issue. Both parties involved in the dispute will bear their own costs in the mediation and will equally share the mediator's costs.

Council staff will communicate and ensure the local board/s are advised as required, via workshops, reports, updates, and the provision of advice.

Options to assist with an issue will be considered on a case-by-case basis and resolution achieved within a maximum timeframe of six months. Auckland Council may choose to utilise one of more of the options (in no particular order) from the list below:

- a. Investigate and report the issue
- b. Engage with ongoing communications with the parties to confirm what is required to comply with the BID Policy and/or expectations of good practice
- c. Offer assistance and support
- d. Identify if specialist services are required (could include mediation, advocacy, research survey, mentoring, financial, communication skills etc)

- e. To stop and end (terminate) the Three-year BID Targeted Rate Agreement, and/or not set the BID targeted rate for the subsequent rating years⁶.
- f. Delaying BID target rate grant payment/s – The delay of payments (whole or part) can be actioned at any time during the issue resolution process. A notification will be sent to the BID-operating business association advising the delay in payment of the upcoming target rate grant quarterly payment. See Appendix A BID Targeted Rate Grant Agreement

The BID targeted rate funds will be held by Auckland Council and the funds held may be made available to:

- i. Meet any BID-operating business association contractual expenditure obligations as advised by the executive committee
- ii. Engage independent interim management of a BID programme as required and or to pay for activities identified by the interim management
- iii. Initiate a BID ballot, as required **by Auckland Council**, to provide a mandate to continue or discontinue a BID programme and BID targeted rate (section 6.4).
- iv. To complete the annual BID accountability compliance reporting in regard to a ~~Auckland Council initiated~~ discontinuation of a BID programme or **BID targeted rate or when the BID targeted is not set by the governing body.**
- v. The BID-operating business association upon resolution of the issues identified and to the satisfaction of Auckland Council. The remaining balance of the delayed payments will be paid to the BID-operating business association by Auckland Council, at its discretion and on a case-by-case basis.

⁶ **This would not affect the registration of the incorporated society (business association).**

Summary of changes proposed – Section Six

Section	Heading	Proposed change	Notes and commentary
6	Establishing, discontinuing or changing a BID boundary area map and BID targeted rate mechanism	<u>New wording added</u> <i>‘... an existing BID-operating business association ...’</i>	Clarification
6.3	BID boundary area map – creating or changing	<u>New bullet point</u> <i>‘undertake a discussion and obtain written confirmation from neighbouring business associations, BID-operating business associations or business groups.’</i>	Addition engagement with neighbouring associations.
6.4	BID Ballot process	<u>New wording added</u> <i>‘The BID ballot process focuses on informing BID affiliates. BID affiliates are those that will pay the BID target rate directly (ratepayer) or indirectly (business or tenant), as prescribed in section 2.8. The BID ballot process mirrors what council require when consulting and engaging with the public on rating or the setting rates. Auckland Council will advise and assist the business association to meet the requirements of the BID ballot. The ballot must be conducted by an independent polling agent. The ballot will identify the level of support for the proposal set out in the ballot pack.’</i>	To provide additional detail and overview on the process required.
		<u>Table Three - format updated and refreshed</u> <u>Table Three - information divided between two new tables, table 3 and 4</u>	To provide additional detail and overview on the process required.

		<p><u>New Table 3 and 4 headings</u> Table Three – Eligible BID voter list, remove bullet points, replace with new numbering to identify process 1-7 Table Four – BID ballot process and mandate, remove bullet points, replace with new numbering to identify process 1-9</p> <p><u>New item added to third bullet point</u></p> <ul style="list-style-type: none"> • <i>‘Item 3. The business association is to report to Auckland Council any business and property information identified under b) and d) above. Auckland Council will review the information and forward to the polling agent for their consideration.’</i> <p><u>New wording added to fifth bullet point</u></p> <ul style="list-style-type: none"> • <i>Item 7 ‘...(business or ratepayer) ...’</i> 	
	Footnote 8	<p><u>New wording</u> ‘... for the business association, ...’</p>	To provide additional detail and overview on the process required.
	Footnote 9	<p><u>New wording</u> ‘... for the business association, ...’</p>	To provide additional detail and overview on the process required.
	Footnote 10	<p>Remove wording Discontinued BID programmes and targeted rate will take away the right for the business association to have a BID targeted rate for future years.</p>	No longer required

6.7	Other BID programme reporting	<p><u>New wording added</u> <i>The report from the business association must verify compliance with the policy and include:</i></p> <ol style="list-style-type: none"> 1. <i>Overview of the proposed project showing alignment with existing association plans etc</i> 2. <i>Project planning process.</i> 3. <i>Development of the BID boundary area map.</i> 4. <i>Business association membership approval of the initial proposal, including the BID boundary area map.</i> 5. <i>Neighbouring business association/s confirmation</i> 6. <i>BID eligible voter database - verifying all eligible voters identified on eligible voter list.</i> 7. <i>Communications strategy, delivery, and public meetings – outcomes, feedback, and meeting attendance</i> 8. <i>Survey and insights collected to support the proposal.</i> 9. <i>Development of the proposed business plan, budget, and the BID targeted rate grant amount.</i> 10. <i>Ballot pack information and contents</i> 11. <i>Voter engagement and feedback</i> 12. <i>Ballot result</i> 13. <i>Examples of media and communications</i> 14. <i>Copy of the business association meeting minutes including the Special Resolution passed at the General</i> 	To provide clarity, additional detail and overview on the reporting required.
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		<p><i>Meeting (AGM/SGM) approving the following documents and information:</i></p> <ul style="list-style-type: none"> <i>a. ballot result,</i> <i>b. business plan,</i> <i>c. budget,</i> <i>d. BID targeted rate mechanism,</i> <i>e. BID targeted rate grant amount for the following financial year.</i> 	
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Key

Yellow – new wording

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Section Six – Establishing, discontinuing, or changing a BID boundary area map and BID targeted rate mechanism

This section outlines the process relating to establishing a new BID programme or **an existing BID-operating business association** changing aspects of a BID programme (including changing the BID boundary area, discontinuing a BID programme, or changing the BID targeted rate mechanism).

All proposals to establish, discontinue or change a BID programme or BID targeted rating mechanism must:

- be supported by a project plan and identified within the association’s planning documents
- have adequate budget and resources
- have sufficient time to complete the project
- complete the reporting requirements associated with establishing a new BID programme and BID targeted rate, discontinuing, or changing a BID boundary area map and BID targeted rate mechanism. **Section 6.7.**

Any proposal must align with the Auckland Council work programme, budget, and reporting timeframes, including making sure the proposal is identified within Auckland Council budget planning and consultation processes for:

- Local board three-year plans – BID establishing a new BID programme
- Local board annual budget consultation process
- Council staff reporting timeframes for local board, council committees and the governing body
- Auckland Council annual budget reporting and processes
- Auckland Council annual and 10-year budget engagement and consultation processes

Note: Business associations are required to give notice to Auckland Council of their intention to investigate establishing or discontinuing a BID programme or changing a BID boundary area map or BID targeted rate mechanism.

6.1 Changing a BID boundary

Auckland Council encourages BID-operating business associations to continually review their BID programmes by expanding the BID programme boundary area as the local business community changes to ensure the BID programme remains relevant and representative of the business community.

Increasing a BID boundary area provides the BID-operating business association an opportunity to continue to add value to their changing business community in and around the current BID programme and boundary area.

The BID-operating business association must align the proposed BID change project (timing and resources) with their BID-operating business association strategic plan and income and expenditure budgets.

6.2 BID programme establishment

Developing a new BID programme can take time, energy, and resourcing. BID programme establishment must be led and implemented by the business community in the form of a registered business association and elected executive committee.

A new BID programme established under the policy must achieve a minimum BID targeted rate grant of \$120,000 per annum, see section 1.4.1. BID establishments achieving less than the minimum annual BID targeted rate grant amount of \$120,000 will be considered on a case-by-case basis.

6.3 BID boundary area map - creating or changing

Auckland Council will advise and assist the business association to identify the proposed BID boundary area map which defines the BID programme and BID targeted rate area. The business association must also undertake a discussion and obtain via an executive committee resolution, confirmation supporting the BID boundary area map from neighboring business associations, BID-operating business associations or business groups.

The purpose of the BID boundary area map is to capture:

1. the geographical area for the delivery of the BID programme
 2. the business rated properties for the collection of the BID targeted rate. These are the ratable properties paying a business rate at the time of the BID ballot and identified as a BID affiliate
 3. the area boundary map is the baseline of who are the BID affiliates. (BID affiliates are those who have a property and/or business located within the BID programme boundary area. They pay the annual BID targeted rate directly (ratepayer/property owner) or indirectly (business owner/tenant)
 4. the BID affiliates eligible to vote in the process
 5. the BID affiliates form the BID “eligible voter list” of those who will qualify to take part in the BID ballot.
- The map must clearly identify the BID boundary area using roads or property boundary lines with no gaps, islands, or ‘donuts’.

- The boundary area map must be contiguous and needs to identify businesses that align or have a relationship with the business area. BID boundary area map must only include the current properties/business ratepayers at the time of the BID ballot vote.

6.4 BID Ballot process

The BID ballot process focuses on informing BID affiliates. BID affiliates are those that will pay the BID target rate directly (ratepayer) or indirectly (business or tenant), as prescribed in section 2.8. The BID ballot process mirrors what council requires when consulting and engaging with the public on rating or to set the rates.

Auckland Council will advise and assist the business association to meet the requirements of the BID ballot. The ballot must be conducted by an independent polling agent. The ballot will identify the level of support for the proposal set out in the ballot pack.

The BID ballot process is set out in Table three.

Table Three – Eligible BID voter list

Eligible BID voter list (BID affiliates)	
Must include both business ratepayers and business occupiers/tenants (BID affiliates) and is sourced as follows:	
1.	Auckland Council provides a database of business ratepayers in the proposed BID programme area once the BID programme boundary area has been identified.
2.	The business association is required to identify and develop a database of all businesses. This includes all businesses or sole traders operating as a business within the BID programme boundary area and located on: <ol style="list-style-type: none"> a) business-zoned property or business-rated property address b) residential properties but operating a business (as the predominant use) from that property address c) a commercial business/tenant leasing premises within an Auckland Council-owned property d) any other business activities operating on any property.
3.	The business association is to report to Auckland Council any business and property information identified under b) and d) above. Auckland Council will review the information and forward to the polling agent for their consideration.
4.	The business association must undertake any voting campaign in a democratic manner and must not interfere with or unfairly influence voters. Refer to Section 122 and 124 of the Local Electoral Act 2001 ⁷ for guidance.

⁷ Refer to Section 122, 124 and 128 of the Local Electoral Act 2001, relating to:

- Interfere in any way with any person who is about to vote with the intention of influencing or advising that person as to how they should vote
- Print, publish or distribute a document, notice or message that is an imitation of any voting document used in the poll and that indicates, directs or suggests how a person should vote
- Vote or attempt to vote more than once or by more than one method
- Vote in the name of another person, or of a fictitious person

Eligible BID voter list (BID affiliates)

5. The business association is required to engage with all BID eligible voters utilising a range of consultation approaches, including hosting three free public meetings to share information on the BID programme and ballot/voting process.
6. The business association is required to make publicly available the eligible BID voter list (business name and property address only) at least one month before the ballot begins. This is to enable transparency of the ballot process and ensure businesses are aware of whether they will receive voting information.
7. Any last-minute eligible voters (business or ratepayer) can be added subject to verification by the independent election agent.

Note: The polling agent will have the final say regarding who is entitled to vote.

Note: **Section 2.2 (Auckland Council rating powers).**

Table Four – BID ballot process and mandate

BID ballot and mandate

BID Ballots:

- 1. The process for a BID ballot is the same as for an establishment, amendment or continuation/discontinuation of a BID programme and BID targeted rate, change to a BID target rate mechanism.**
- 2. BID ballots are coordinated by a polling agent independent from Auckland Council and the business association.**
- 3. The polling agent will combine the eligible business voter list and Auckland Council ratepayer data to form the BID eligible voting list.**
- 4. Voting is based on the principle of ‘one entity - one vote’, an entity being a business ratepayer and/or a business/tenant.**
- 5. Voting papers and voting: the delivery of the voting pack and voting papers can be by post, courier, electronic or hand delivered by the polling agent. Options depend on the needs of the voting group and are at the discretion of the polling agent.**

Note: The polling agent will have the final say regarding the ballot delivery/voting options.

- 6. Ballots must be at least four weeks (20 working days) and completed by the end of March in any year.**
- 7. Ballots are to be undertaken in a democratic manner and must not be interfered with or voters unfairly influenced.**
- 8. The ballot pack must include a range of material⁸ signed off by Auckland Council before sending to the polling agent.**
- 9. Continuation/discontinuation of a BID, material for the ballot pack⁹.**

The minimum mandate for a ballot to be valid is:

- 1. A valid ballot must achieve a threshold of at least 25% of the total voting forms being returned.**
- 2. Of the returned voting forms, a minimum of 51% of the votes must be in favour of the proposition raised on the ballot form to achieve a mandate.**

Note: A ballot that fails to meet the required mandate will result in a two-year stand down period before another ballot can be held.

⁸ This includes the proposed BID programme map (where relevant), purpose of the ballot, BID programme targeted rate grant amount, BID detailed draft income and expenditure budget for following two years, business association’s relevant objectives and goals, BID rating mechanism, business association membership form and key contact details **for the business association**, the independent polling agent and Auckland Council staff.

⁹This includes the BID programme map, purpose of the ballot, BID programme targeted rate grant amount, BID detailed draft income and expenditure budget, key contact details **for the business association**, the independent polling agent and Auckland Council staff.

Requirement 23: Completion of Table Three ‘Eligible BID voter list’ and Four – ‘BID ballot process and mandate.

- a) Establishing a new BID programme
- b) Amendments to an existing BID programme (boundary, rating mechanism or discontinuation).

6.5 BID programme ballot results next steps

Table four details the next steps once the ballot has been completed and the results notified.

Table Four - BID ballot results, next steps, and impact on BID targeted rate.

Proposal	Next step	Impact on BID targeted rate
Establishment of a BID programme and targeted rate - <u>successful ballot</u> and BID policy requirements met.	Report to local board and complete Governing Body processes approving the final annual or 10-year budget. See section 6.7	BID target rate struck 1 July. First quarter BID payment set up to commence from 1 July.
Establishment of a BID programme and targeted rate - <u>unsuccessful ballot</u> and BID policy requirements not met.	BID ballot results notified, no further progress.	No BID target rate considered or approved.
Amending an existing BID programme and targeted rate - <u>successful ballot</u> and BID policy requirements met.	Report to local board and complete Governing Body processes approving the final annual or 10-year budget. See section 6.7	Amended BID targeted rate struck 1 July. Amended first quarter BID payment set up to commence from 1 July.
Amending an existing BID programme and targeted rate - <u>unsuccessful ballot</u> and BID policy requirements not met.	BID ballot results notified, no further progress.	Current BID target rate continues to be struck from 1 July.
Continuation with an existing BID programme and targeted rate - <u>successful ballot</u> BID policy requirements met.	Report to local board and complete Governing Body processes approving the final annual or 10-year budget. See section 6.7	Current BID target rate continues to be struck from 1 July.
Continuation with an existing BID programme and targeted rate - <u>unsuccessful ballot</u> and BID policy requirements not met.	Report to local board and complete Governing Body processes approving the final annual or 10-year budget.	Current BID target rate will discontinue and stop 30 June ¹⁰ .

¹⁰ Discontinued BID programmes and targeted rate will take away the right for the business association to have a BID targeted rate for future years. The discontinuation of the BID programme and targeted rate does not affect the registered incorporated society (business association). The business association continues to operate as an incorporated societies and members can decide to continue the association or use the provisions set out in the associations constitution to wind up the organisation.

6.6 Exceptional or unexpected circumstances affecting a BID ballot

There may be exceptional and unexpected circumstances that have an impact on a ballot result.

Examples of some circumstances include, (but are not limited to) natural disaster, pandemic or a major event that causes extended business disruption or lockdowns.

If feasible, and on the advice of the polling agent, the council staff recommends the ballot be postponed (if voting has not commenced) or the ballot period extended (if voting has commenced).

When deciding whether to give effect to a ballot result, council may, at its discretion, depart from the requirement set out in section 6.4 that 25% of total voting forms must be returned for the ballot to be valid, if the following requirements are met:

1. the ballot has closed and voting results are known
2. evidence provided by the polling agent and the business association show the ballot is affected by exceptional or unexpected circumstances
3. a postponement or extension of the ballot has not occurred.

When considering this discretion, Auckland Council will consider evidence of support to date, what is fair and any impact from amending the voting threshold mandate.

6.7 Other BID programme reporting

Auckland Council requires the business associations to provide a detailed report for the following successful BID ballots when:

- Establishing a BID
- Changing the BID boundary area
- Discontinuing a BID programme
- Changing a BID targeted rate mechanism

The report from the business association must verify compliance with the policy and include:

1. Overview of the proposed project showing alignment with the existing association plans etc.
2. Project planning process
3. Development of the BID boundary area map
4. Business association membership approval of the initial proposal, including the BID boundary area map.
5. Neighbouring business association/s confirmation
6. BID eligible voter database - verifying all eligible voters identified on eligible voter list
7. Communications strategy, delivery, and public meetings – outcomes, feedback, and meeting attendance
8. Survey and insights collected to support the proposal.
9. Development of the proposed business plan, budget, and the BID targeted rate grant amount.
10. Ballot pack information and contents
11. Voter engagement and feedback
12. Ballot result
13. Examples of media and communications
14. Copy of the business association meeting minutes including the Special Resolution passed at the General Meeting (AGM/SGM) approving the following documents and information:

- a. ballot result,
- b. business plan,
- c. budget,
- d. BID targeted rate mechanism,
- e. BID targeted rate grant amount for the following financial year.

The business association report along with the independent polling agent report will form part of the Auckland Council staff report to the local board seeking a resolution approving changes to, or the establishment of a BID programme and BID targeted rate mechanism (section 2).

The report will further request the local board recommend to the governing body the setting of the BID targeted rate for the following financial year, starting 1 July.

Summary of changes proposed – Appendix A.

Appendix	Heading	Proposed change	Notes and commentary
A	Business Improvement District (BID) Targeted Rate Grant Agreement	<u>New wording added to:</u> <u>Delay of grant payment/s.</u> Removed '... section 5' '... with 30 days notice'	Risk management approach
		<u>New wording added</u> <i>'insert schedule here or delete if not applicable.'</i>	Noting any attachments to the BID three-year BID targeted rate grant agreement if any.

Key

Yellow – new wording

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Appendix A – Business Improvement District Policy

Business Improvement District (BID) Targeted Rate Grant Agreement [insert date]

Business Association name & Te Kaunihera o Tāmaki Makaurau (Auckland Council)

Background

This three (3) year agreement for the period 1 July [insert dates], defines the BID targeted rate grant funding relationship between the BID-operating business association and Auckland Council under the Business Improvement District programme & BID Policy.

This Agreement sets out the conditions of the BID Targeted Rate Grant Funding.

Purpose

You will use the funding to deliver the BID programme/business plan as agreed at your annual general meeting, and in accordance with the BID Policy, for the benefit of all BID affiliates/members.

The BID targeted grant cannot be used to guarantee, secure or repay borrowed or raised money, unless the guarantee, security or borrowing has been approved (via resolution) by your membership at a General Meeting (AGM/SGM).

BID targeted rate grant funding

Payment is subject to Auckland Council:

1. Receiving a completed Mandatory Governance Declaration, which confirms, via member resolution, your agreed amount of BID targeted rate grant for the following financial year. This agreement must be signed by your Chair and returned to us by 10 March each year.
2. Being satisfied that you are compliant with the BID Policy.
3. Governing Body approval to set strike the BID Targeted Rate.

How we will pay you

Payment will be made electronically to your nominated bank account quarterly (4 times) within each financial year (July, October, December/January and April).

There is no GST on the BID Targeted Rate Grant payments.

Your job

You can use the funding only for the Purpose. It is your job to take responsibility for this use of the funding.

You also need to:

- Comply with the law and all necessary permits, consents and licenses.
- Meet your own costs (including tax).
- Comply with the BID Policy as amended by Auckland Council from time to time.

You can't transfer this agreement to anyone else.

How we keep track of progress

You will provide annual accountability compliance reporting as set out in the BID Policy.

Other Funding

It is up to you to arrange any additional funding or income that you may need. We don't have to provide top-up funding if you run out.

During the agreement

This agreement doesn't affect any regulatory powers or role of the Auckland Council group. If you need consents or regulatory approvals, then that's a separate matter from this agreement.

Delay of grant payment/s

While there is every intention to resolve issues, should a resolution (as defined in the policy **section 5**) not be achieved, if you are non-compliant with the BID Policy or this agreement, we can delay whole or part of the BID targeted rate grant quarterly payment/s ~~with 30 days notice~~.

If we become aware that you are involved in any act or thing which we deem a significant risk to the funding or your obligations under this agreement, we may choose to withhold payment/s effective immediately, until the issue is resolved.

Termination

This agreement can be terminated by Auckland Council if it decides not to **set** ~~strike~~ a targeted rate to support your BID programme.

Parties

BID-operating business association Chair to initial each page and sign before returning.

<p>Business Association</p> <p>address address address]</p> <p>Key contact</p> <p>[name mobile email]</p> <p>Signed for [business association] by:</p> <p></p> <hr/> <p>Name: [] Position: [] Date: []</p>
--

<p>Auckland Council</p> <p>135 Albert Street, Auckland 0101 Private bag 12334, Victoria St West. Auckland 1112</p> <p>Key contact</p> <p>name mobile email]</p> <p>Signed for Auckland Council by:</p> <p></p> <hr/> <p>Name: [] Position: [] Date: []</p>

Schedule 1 (See section 2.4)

[insert schedule here or delete if not applicable]

Schedule 2

[insert schedule here or delete if not applicable]

Schedule 3

[insert schedule here or delete if not applicable]

Summary of changes proposed – Appendix B.

Appendix	Heading	Proposed change	Notes and commentary
B	Mandatory Management Summary	<u>Updated summary document</u> Tidied up wording, layout and sentence structure, added new numbering 1-12 to identify individual reporting documents	Document design and layout improvement.


Key

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Appendix B - BID-operating business association annual accountability document, page 1:

Mandatory Management Summary – signed by BID manager – download from <https://bid.aucklandcouncil.govt.nz/>

BID-operating business association name:		
Incorporated Society number:		
Contact details:	Name	Email
Manager:		
Chair:		
Treasurer:		
Purpose	This document confirms the BID programme annual accountability reporting as required by the BID Policy	
BID programme accountability	Year ending 30 June [insert date] - please send to Auckland Council attach a PDF file to this containing all documents required as listed below.	 completed and attached
Required Document		Description/note
1. Draft detailed income and expenditure budget for the BID-operating business association for the following financial year		<ul style="list-style-type: none"> the BID targeted rate grant amount as per current financial year, any proposed increase or decrease (as a separate line item),

<p>and aligning with the business plan (item 2 below above).</p> <p>The copy of the draft budget document must include:</p>	<p>total BID targeted rate grant amount expected for the following financial year</p>	
<p>2. Draft Business plan for the following financial year.</p>	<p>The draft business plan must align with the draft budget (item 1) for the following financial year.</p> <p>Contain information on the intention and purpose of the proposed increase/decrease in the annual BID targeted rate grant amount.</p>	
<p>3 Draft General Meeting (AGM/SGM) minutes</p>		
<p>4. Strategic plan 3-5 years</p> <p>Note: The strategic plan does not need to be provided but available on request, see section 3.1</p>	<p>Confirm there is a current plan with a time period of: [insert dates] or</p> <p>The plan is under development and expected competition date: [insert dates].</p>	
<p>Annual financial reporting to 30 June including:</p>		
<p>5. Treasurer written report</p> <p>A copy of the report including a summary of the financial performance and position of the BID-operating business association, including commentary on:</p>	<ul style="list-style-type: none"> • Confirmation of a conflict of interest register • Confirmation of accounting policies and operating procedure documents. • Financial viability of the organisation including any surplus/deficit, financial impacts or risks. • Projected surplus/deficit in the draft income and expenditure budget for the following financial year (item 2 above). • Repay borrowed or raised money, • Accounting policies and operating procedures. • BID targeted rate grant accumulated funds – include information on any proportion of accumulated funds allocated or reserved for contingency purposed and or as part of a planned risk management process, section 2.6.3. 	
<p>6. Financial reports.</p>	<p>Copy of signed annual financial report</p>	
	<p>Audit report</p>	

7. Signed audit management letter	Copy of auditor management letter, signed and dated by the auditor (the person) who carried out the audit.	
8. Chair written report		
9. Manager written report/annual review		
10. Draft AGM/SGM meeting minutes		
11. Confirmation of BID affiliate and member register. The association has a database of:	<ul style="list-style-type: none"> • BID affiliates – as best as possible. • Registered association members as required under the Incorporated Societies Act 2022 	
Manager's confirmation	Name: Date:	Signature:

Summary of changes proposed – Appendix C.

Appendix	Heading	Proposed change	Notes and commentary
C	Mandatory Governance Summary	<u>Updated summary document</u> Tidied up wording, layout and sentence structure, added new numbering 1-5 to identify individual reporting documents	Document design and layout improvement.

Key

Yellow – new wording

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Appendix C - BID-operating business association annual accountability document, page 2:

Mandatory Governance Declaration – signed by the BID-operating business association chair – download from <https://bid.aucklandcouncil.govt.nz/>

BID-operating business association name: [insert name]	
Incorporated Society number: [insert number]	
Purpose	<p>This document (page 2) confirms the BID programme annual accountability reporting as required by the Auckland Council and the BID Policy.</p> <p>This governance declaration will be included in the annual BID compliance report prepared by Auckland Council for the [insert name] Local Board/s.</p>
BID programme accountability	Year ending 30 June [insert date] - please attach a PDF document to this report containing all required documents as listed below.
Confirmation and Declaration	
1.	<p>I confirm that all documents as listed in the Mandatory Management Summary, (Appendix B).</p> <ul style="list-style-type: none"> comply with the BID Policy, and supporting documents provided to Auckland Council for the year ending 30 June [insert date].
2.	<p>I confirm that the [insert business association name] at their General Meeting AGM/SGM dated [insert date], approved via a resolution/s the draft income and expenditure budget and the BID targeted rate grant amount as follows:</p> <p>(Cut and paste the draft AGM minutes resolution/s in full here)</p>

	<p>Note: Auckland Council agrees to consider the incorporation of the BID targeted rate amounts into the Auckland Council Annual Budget or 10-year budget.</p>	
3.	<p>I confirm that members received all required notice about General Meetings (AGM/SGM) held either 14 days or 21 days prior to the date of the meeting (s)</p>	
4.	<p>I confirm that all Incorporated Societies Act 2022 requirements have been met.</p>	
5.	<p>As chair of the [insert name] business association I confirm the association is, to the best of my awareness, is compliant with the BID Policy.</p> <p>I will advise Auckland Council if I become aware of any known perceived or real/current or potential issues that can affect compliance with the BID Policy.</p>	
Chair confirmation	<p>Name:</p> <p>Date:</p>	<p>Signature:</p>

Summary of changes proposed – Appendix D.

Appendix	Heading	Proposed change	Notes and commentary
D	BID programme annual accountability reporting	<u>Document removed</u>	Information transferred and included in Section 3, Table One.

Key

Yellow – new wording

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~~Appendix D~~ – BID programme annual accountability reporting

Table One (section 3) defines the accountability and reporting processes that form part of a BID programme under the Auckland Council BID policy.

Download from <https://bid.aucklandcouncil.govt.nz/>

Deadline	Description of document required
<p>4 weeks prior to date of the General Meeting (AGM/SGM).</p> <p>And/or submitted to Auckland Council no later than 31 October each year.</p>	<p>General Meeting (AGM/SGM) Agenda (final version)</p> <p>12. Lists the business being transacted and member decision making at the General Meeting with each item requiring a decision/standard resolution clearly separated, numbered, and documented in the agenda.</p> <p>13. The BID targeted rate grant amount resolution is set out as follows: Resolution: Move to approve the draft income and expenditure budget for the following financial year [insert year] draft budget which includes a BID targeted rate grant amount of \$ [insert amount], including a [insert number] % increase or \$ [insert amount] to the BID targeted rate grant for [insert year] financial year. Further ask the [insert local board name/s] Local Board recommend to the Governing Body the amount of \$ [insert amount] be included in the Auckland Council draft [insert year] annual budget consultation process.</p> <p>Moved: _____ Second: _____ CARRIED</p> <p>1. Include any special resolutions required under the policy.</p> <p>Note: if there is a special resolution the notice and agenda will need to be made available 21 days prior to the General Meeting (AGM/SGM) date.</p>
	<p>Draft detailed income and expenditure budget</p> <p>2. Details income and expenditure for the upcoming year. The format for the expenditure should align with the annual financial reporting to 30 June.</p> <p>3. The budget must show the BID targeted rate grant amount as per current financial year, any proposed increase or decrease (as a separate line item) and the total BID targeted rate grant amount expected for the following financial year</p> <p>4. Honorary and non-executive adviser fees, if any, must be identified included.</p>
	<p>Business plan: 12-18 months – final version</p> <p>6. Sets out the delivery and outcomes for the BID programme aligned with both the association's strategic plan and draft budget for the following financial year.</p>
1-December	Draft minutes of General Meeting (AGM/SGM)

	<p>Set out the following:</p> <ul style="list-style-type: none"> ● Clearly note that a quorum has been achieved ● BID targeted rate grant amount – standard resolution ● Any other resolution relating to section 6.
	<p><u>Approved income and expenditure budget</u></p> <p>8. Detailed income and expenditure for the upcoming year.</p> <p>9. The budget must show the BID targeted rate grant amount as per current financial year, any proposed increase or decrease (as a separate line item) and the total BID targeted rate grant amount expected for the following financial year.</p> <p><u>Approval process:</u> Resolution captured in the draft General Meeting (AGM/SGM) minutes.</p>
	<p><u>Approved business plan: 12 – 18 months</u></p> <p>10. Sets out the delivery and outcomes for the BID programme aligned with both the association’s strategic plan and draft budget for the following financial year.</p> <p><u>Approval process:</u> Resolution captured in the draft General Meeting (AGM/SGM) minutes.</p>
	<p><u>Approved annual financial reporting to 30 June:</u></p> <p>The standard, and process, which the BID operating business association prepares the annual financial report must include generally accepted accounting practice as defined by the Financial Reporting framework issued by the External Reporting Board (XRB) relevant to the particular circumstances of the BID operating business association, BID programme delivery and BID targeted rate grant.</p> <p>The Annual Financial Report contains:</p> <ol style="list-style-type: none"> 1. <u>Treasurer’s Report (written)</u> – summarising: <ul style="list-style-type: none"> ● the financial performance and position of the BID operating business association, including a commentary on any surplus/deficit, financial impacts or risks to income, financial decisions considered by the executive committee, allocation and projects tagged against accumulated funds. 2. Repay borrowed or raised money, 3. Accounting policies and operating procedures. 4. BID targeted rate grant accumulated funds allocated or reserved for contingency purposed and or as part of a planned risk management process, section 2.6.3. 5. <u>Accounting policies and operating procedures.</u> 6. <u>Statement of Financial Performance/Financial Reporting,</u> and Statement of Cashflows and accompanying notes to 30 June. 7. <u>Audit report/review</u> to 30 June. 8. <u>Audit management letter</u> signed by the auditor undertaking the audit. <p><u>Approval process:</u> Resolution captured in the draft General Meeting (AGM/SGM) minutes.</p>
	<p><u>Chair Report (written):</u> outlining a summary of governance and strategic achievements for the year</p> <p><u>Approval process:</u> Resolution captured in the draft General Meeting (AGM/SGM) minutes.</p>
	<p><u>Manager Report/Annual Review:</u></p> <p>A written report reviewing the BID Programme – outcomes and achievements delivered during previous year’s, referencing the achievements against the objectives set out in the business plan/strategic plan.</p>

	<u>Approval process:</u> Resolution captured in the draft General Meeting (AGM/SGM) minutes.
	<u>Mandatory Management Summary to 30 June</u> Must be completed signed and dated. Appendix B
	<u>Mandatory Governance Summary to 30 June</u> Must be completed signed and dated. Appendix C
If applicable	<u>Agreement/contract</u> — Management of a BID programme and BID targeted rate grant section 4.2.3
—	<u>Please have available upon request</u>
—	Strategic Plan
—	Current Insurance Certificate
—	

Summary of changes proposed – New Appendix D.

Appendix	Heading	Proposed change	Notes and commentary
New Appendix D	BID Policy Requirements Summary	Updated to align with new policy wording	Update wording

Key

Yellow – new wording

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Appendix D BID Policy Requirements Summary

Requirement number	Requirement	Section
1:	Auckland Council requires BID-operating business associations to fully comply, at all times , with the Business Improvement District (BID) Policy (Kaupapa Hereā-Rohe Whakapiki Pakihi).	1.1 The Policy
2:	BID programmes should aim to develop economic activities that support and benefit their BID affiliates and provide value to the business community.	1.3 What contributes to a successful business association?
3:	BID programmes established before 2010 and currently receiving, receiving less than \$120,000 targeted rate grant per annum, are required to increase their <u>total</u> ongoing income received (including the BID targeted rate grant) to at least \$120,000 per annum by 1 July 2028.	1.4.2 BID programmes established before 2010
4:	All establishing BID programmes must operate at a size (geographical) and scale of not less than \$120,000 per annum (BID target rate grant) to achieve: <ul style="list-style-type: none"> • A long-term focus for the BID programme • Independent long-term financial sustainability of the business association, including securing additional income streams • Adequate resourcing to complete all compliance costs under the policy 	1.4.2 BID programmes established before 2010
5:	All BID-operating business associations must have a signed current three-year BID Targeted Rate Grant Agreement (Appendix A).	2.4 How is the BID targeted rate grant paid and who decides on the grant amount?

6:	The BID targeted rate grant spend must focus on delivering value to BID affiliates.	2.7 What can the BID targeted rate grant be spent on?
7:	The BID targeted rate grant and BID programme resources (management, governance time or funds) cannot be used under any circumstances: <ul style="list-style-type: none"> • For any political purpose • and or to endorse or support a particular candidate or political party. 	2.7 What can the BID targeted rate grant be spent on?
8:	BID-operating business association must accept that Auckland Council reserves the right, at its sole discretion (to be exercised reasonably), to review the use of targeted rate grant funds and the need for an audit and anticipates full cooperation from the BID-operating business association.	2.7.1 Auckland Council review
9:	BID affiliates must have at all times, access ¹¹ to BID programme information and BID targeted rate spend (refer also to section 4, Requirement 18). Information about the business association operating the BID programme including: <ul style="list-style-type: none"> ○ How decision-making takes place ○ How BID affiliates can provide feedback into the BID programme priorities and the BID targeted rate grant spend. ○ How to become a business association member (membership information and consent process) • BID affiliates and association members must have access to the following documents at least 14¹² days prior to the General Meeting (AGM) date: <ul style="list-style-type: none"> ○ BID programme annual business plan, including: <ul style="list-style-type: none"> ▪ Activities ▪ Outcomes ▪ Budget allocations ▪ Strategic plan 3-5 years ○ Draft BID programme income and expenditure budget (upcoming year) ○ General Meeting Agenda (AGM/SGM) 	2.8 BID affiliates
10:	Where BID-operating business associations receive funding from Auckland Council or council-controlled organisations in addition to the BID targeted rate grant, council processes require the BID-operating business association be compliant with all accountability requirements associated with that funding.	2.9 Other council funding

¹¹ Access must be unrestricted, free of any barriers and available in appropriate languages to enhance understanding.

¹² Special General Meeting (SGM) 21 days notice.

11:	All BID operating business associations must complete the annual accountability reporting requirement to Auckland Council by the required dates as defined in Table One – ‘Summary of accountability documents and deadlines’.	3 BID programme annual accountability reporting
12:	All BID-operating business associations must have a clear delineation between the governance and management of a BID programme.	4.1.2 Governance practices
13:	All BID-operating business associations must include the following governance practices: a) Executive Committee representation b) Minimum quorum	4.1.2. Governance practices
14:	All BID-operating business associations must have an annual full audit (or review), change the auditor every three to five years (maximum) and comply with the following: ⇒ Auditor qualification and type of audit – Auditor qualification and Type of Audit d) Insurance	4.1.2. Governance practices
15:	All BID-operating business association must have written approaches to both governance and management.	4.1.2 Governance practices
16:	The BID-operating business association constitution and the executive committee board charter must not be inconsistent with the policy.	4.1.2 Governance practices
17:	All proposed amendments to the constitution concerning the BID programme and BID targeted rate grant funding will require written approval by Auckland Council prior to membership approval via a Special Resolution at a General Meeting (AGM/SGM).	4.1.3 Governance documents
18:	All BID-operating business associations are required to identify, engage, and communicate with (also refer to section 2.8, Requirement 9): <ul style="list-style-type: none"> • BID affiliates • Business association members • Local Board BID representative • Local Board/s • A suitable online platform should be used for BID programme information to be freely available. 	4.2.1 Management role
19:	Only BID affiliates qualify as a full member of a BID-operating business association.	4.2.2 BID-operating business association – member registration

20:	Auckland Council must be provided with a signed copy of the agreement/contract when a BID-operating business association provides overall management and services to deliver the total BID programme on behalf of another BID-operating business association. Both BID-operating business association executive committees continue to be responsible for their association and to their association members.	4.2.2 BID-operating business association – member registration
21:	BID-operating business associations are required to engage in at least one meeting per year with the local board/s. This meeting should be scheduled for a date between the completion of the General Meeting (AGM/SGM) and 10 March.	4.3.3 Local boards engaging with BID-operating business associations
22:	The BID-operating business association must advise Auckland Council if they become aware that they are not compliant with the BID Policy.	Five – Issue resolution
23:	Completion of Table Three - 'Eligible BID voter list' and Table Four - 'BID Ballot Processes' is a requirement for: <ul style="list-style-type: none"> a) Establishing a new BID programme b) Amendments to an existing BID programme (boundary, rating mechanism or discontinuation). 	6.4 BID Ballot process

Summary of changes proposed – New Appendix E.

Appendix	Heading	Proposed change	Notes and commentary
New appendix E	Document design and improvement.	New item <i>'Incorporated Societies Act 2022 – Incorporated Societies Act 2022 as amended or replaced from time to time.'</i>	

Key

Yellow – new wording

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Appendix E BID Policy abbreviation and definitions

Abbreviation/Definitions	Description
Auckland BID Programme or BID programme	The Auckland Council Business Improvement District (BID) programme is offered to registered business associations. A BID programme operates over a defined area over which council will strike a BID Targeted Rate to collect the BID targeted rate grant on 1 July each year.
Auckland Council	The unitary authority established under the Local Government (Auckland Council) Act 2009. The Auckland Council organisation is led by the chief executive. It is comprised of council employees who provide advice to the local boards and governing body and carry out their decisions.
Auckland Council - Annual budget	An annual budget is produced for each year aligning with the 10-year budget. Auckland Council 10-year budget is reviewed every three years. This sets out the direction, priorities, and funding for the following ten years. The annual budget provides an opportunity to refresh the information for the coming year and consult with the community on any changes that are proposed. Each year Auckland Council is required to have a document in place that outlines its: <ol style="list-style-type: none"> 1. prioritised activities and projects 2. intended service levels 3. funding information 4. financial policies for the coming year Information on all individual BID targeted rate grant amounts is set out in this annual document.
Auckland Transport	Auckland Transport (AT) – Council Controlled Organisation (CCO) – responsible for transportation across Auckland, includes roads (not state highways), footpaths, cycleways, lighting, and public transport.
Auckland Unitary Plan (AUP)	AUP guides the use of Auckland's natural and physical resources, including land development. Visit https://www.aucklandcouncil.govt.nz
BID affiliates	BID affiliates are those who have a property and/or business located within the BID programme boundary area and BID affiliates pay the annual BID targeted rate directly (ratepayer/property owner) or indirectly (business owner/tenant). BID affiliates can be an individual or an entity. Note: BID affiliates who are an entity may choose to nominate a person to represent their rights in all situations set out in the policy. BID affiliates form the BID eligible voter list of those who will qualify to take part in a BID ballot.

Abbreviation/Definitions	Description
	<p>BID affiliates may, or may choose not, to be registered members of the BID-operating business association.</p> <p>Note: <i>BID affiliates are not automatic members of the business association. The BID affiliate must consent to membership as required under the Incorporated Societies Act 2022.</i></p>
Business association member	BID affiliates who have completed the processes required for membership of the BID-operating business association.
BID ballot	<p>The process where BID affiliates cast their vote in a ballot to determine support or not to:</p> <ul style="list-style-type: none"> • establish a new BID programme • change a BID boundary • change a BID rate mechanism • discontinue a BID programme and BID targeted rate.
BID programme boundary area map	BID programmes operate within a clearly defined geographic boundary. All business-rated properties within this boundary will be charged the BID programme targeted rate. BID programme boundary area maps use roads or property boundaries to define the geographic area for delivering the BID programme.
BID manager, contractor, or agent	The practical day-to-day management of the business association operating a BID programme usually sits with a manager, contractor, or other agency. The role of the manager (contractor or other agency) is to progress projects and initiatives, as per the strategic and business plans, and other executive committee direction.
BID-operating business association	Independent registered membership-based organisation responsible for the governance, management, and operation of the local BID programme. Business associations are governed by the Incorporated Societies Act 2022 (as amended or replaced from time to time) and future updates.
BID Policy	The policy establishes the governance, accountability, roles, rules, responsibilities, and reporting for the Auckland BID Programme.
BID Targeted Rate Grant Agreement	Three-year BID Targeted Rate Grant Agreement signed by both Auckland and the BID-operating business association.
Business association - Board Charter	A mandatory document which sets out the authority, responsibility, policy, processes, and operation of the BID-operating business association executive committee.
Business plan	Sets out the delivery and outcomes for the BID programme aligned with both the association's strategic plan and draft detailed income and expenditure budget.
Business Rated Property	A type of property rated as business for the purposes of calculating rates.
BID targeted rate (collected)	A BID targeted rate applied to business rated properties located within the BID programme boundary area. These rates are applied for the purposes of funding the delivery of the BID programme. BID targeted rates applied include GST.
BID targeted rate grant (paid)	The BID targeted rate grant paid to the BID-operating business association. There is no GST included in the grant, as no service is provided to Auckland Council in this transaction.
CCO	Council Controlled Organisation – CCOs are organisations in which the council has the responsibility to appoint at least 50 percent of the board of directors or trustees.
Chair	The person who is elected by the business association membership to chair the executive committee and lead the BID programme.
Conflicts of interest	A situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and professional interest or public interest. In terms of BID programmes, there are a number of conflict-of-interest situations that could arise (either real or perceived) that, if not addressed, have the potential to become a issue.
Council	Auckland Council
Deficit	Where less targeted rates have been collected than budgeted, this is referred to as a deficit.

Abbreviation/Definitions	Description
Detailed draft income and expenditure budget for the BID-operating business association	<p>Details the draft income and expenditure for the upcoming year. The format for expenditure should align with the annual financial reporting to 30 June. The budget must include:</p> <ul style="list-style-type: none"> The BID targeted rate grant amount as per current financial year, any proposed increase or decrease (as a separate line item) and the total BID targeted rate grant amount expected for the following financial year.
“Eligible voter list”	<p>BID affiliates form the BID eligible voter list of those who will qualify to take part in a BID ballot.</p> <p>Note: the independent polling agent has the final say on eligibility that forms the final list.</p>
Executive Committee	<p>A committee established under the association’s constitution (rules), which has the authority and responsibility to make decisions regarding the governance, development, delivery, accountability, and reporting on BID programme and ensure that these decisions are carried out.</p>
Financial year – Auckland Council	<p>For the council and this policy the financial year is 1 July to 30 June.</p>
Full Audit	<p>A full audit is an engagement that is designed and executed that results in opinion by the auditor as to whether they have obtained reasonable (high but not absolute) assurance that the financial statements of the BID-operating business association are free of material misstatements. The audit must be conducted with the professional audit standards as issued by the External Reporting Board (XRB).</p>
General Meetings	<p>General meeting of the BID-operating business association can be either:</p> <ul style="list-style-type: none"> Annual General Meeting (AGM) – notice of an AGM requires a minimum of 14 days’ notice of the agenda and support documents. Special General Meetings (SGM) – notice of a SGM requires a minimum of 21 days’ notice of the agenda and support documents.
Governance	<p>The act of governing an organisation. For BID programmes it entails setting the strategic direction and the development of defining documents (for example, strategic and annual plans), the ability to devolve powers (for example, to a manager) and the responsibility for verifying performance.</p>
Governing Body	<p>Part of Auckland Council governance - consists of the mayor, elected by all Auckland voters, and 20 Governing Body members (councillors) elected by voters from the ward they represent.</p> <p>The governing body focuses on the big picture and on region-wide strategic political decision-making. This includes the development of regional strategies and plans, governance of CCOs, setting rates and regional policies and bylaws, including the policy.</p>
Issue	<p>For the purposes of the policy, an issue is defined when the BID-operating business association is not compliant with the Auckland Council BID Policy.</p>
Incorporated Societies Act 2022	<p>Incorporated Societies Act 2022 (including the 1908 Act) as amended or replaced from time to time.</p>
Local boards	<p>Part of Auckland Council governance – each of the 21 local boards has between five and nine members, elected by voters from the area they represent.</p> <p>Local boards represent the communities in their area and make decisions on local issues, activities, and facilities.</p> <p>They support local groups and provide local advocacy.</p> <p>Local boards have allocated decision-making responsibilities for BID programmes and the primary relationship for BID programmes in their area.</p>
Management	<p>The practice of using available resources (including time, funds, skills) to deliver the BID programme as outlined in a strategic or annual plan in the most efficient and effective way.</p>
Management delegation (BID programme and BID targeted rate grant)	<p>This is the assignment of responsibility or authority to another person to carry out specific activities. Delegation is about entrusting someone else to undertake your tasks. It is often necessary to delegate to achieve effective results and is one of the core concepts of leadership.</p>

Abbreviation/Definitions	Description
Mandate	Demonstrating that the democratic process indicates a show of support for the proposition put before the eligible voters.
Membership of the business association/registered member	A BID affiliate (an entity or person) who qualifies to apply for membership of the BID-operating business association. The process of member registration set out in the association's constitution and as required under the Incorporated Societies Act 2022 . Listed on the association's member register.
Requirement 1-23	Minimum governance, accountability, and management requirements of the policy.
Special resolution	Special resolution – requires a 21 days notice to members. A special resolution is for important decisions affecting/changing the constitution or is to decide on a major transaction affecting the organisation. See constitutions for more information.
Strategic Plan	A set of strategic activities, approved by the BID-operating business association executive committee and association membership, which are planned over a period of three to five years, and sets out the strategic direction of the BID programme and local business community. The annual business plan aligns with the strategic plan and sets out a breakdown of objectives, outcomes and budget allocations.
Set Strike a rate	Auckland Council strikes the rates each year on 1 July. Setting Striking the rate is applying a rate across properties across the Auckland region.
Surplus	Where more targeted rates have been collected than budgeted.
Targeted rate	A targeted rate funds a specific council activity or group of activities, rather than general council services. The council can choose to apply a targeted rate to ratepayers it identifies as benefiting from a specific service, such as the business improvement district (BID) targeted rate grant.
Tātaki Auckland Unlimited	Tātaki Auckland Unlimited (AUL) – Council Controlled Organisation (CCO). AUL's mission is to improve New Zealand's economic prosperity by leading the successful transformation of the Auckland economy.
The Auckland Plan	The Auckland Plan provides the city's long-term blueprint for how the region will grow in a way that will meet the opportunities and challenges of the future visit: https://www.aucklandcouncil.govt.nz