

# BID Policy Refresh 2025

## Proposed changes to BID Policy



NEW WORDING PROPOSED					
BID Policy 2022			BID Policy 2025 - Proposed changes	Notes and commentary	Feedback
SECTION	HEADING	PAGE #			
5	Issue Resolution	25	<p><u>New numbering a-f</u>  <u>Additional option</u>  <i>'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 funding or the obligations under the BID targeted rate grant agreement.'</i>  <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>  <u>New wording third bullet point</u>  <ul style="list-style-type: none"> <li>o <i>'iii. ... by Auckland Council, ...'</i></li> </ul> </p>	<p>Additional clarification and option aim to strengthen this section relating to issue resolution.                      New wording added to resolution.                      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>	
2.6	Change to the BID targeted rate grant amount	11	<p><u>New Section 2.6.3</u>  <b>Section 2.6.3 Accumulated BID targeted rate grant/unspent BID targeted rate grant</b> <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).</i>  <i>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>	<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.</p>	
2.7	What can the BID targeted rate grant be spent on?	11 and 12	<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</i></p>	<p>Update the policy to align with the Three-year BID targeted rate grant agreement.</p>	

			<i>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>	Additional transparency and member approval (resolution) if the BID is using the BID grant to guarantee, secure or replay borrowed or raised money.	
Section 3, Table One	BID programme annual accountability reporting: <i>Document must be received by Auckland Council</i>	14, 15 and 16	Table One format updated and refreshed New heading <i>'Section B – after the completion of the AGM'</i> Date changed from 10 March each year to - <i>'1 December each year'</i> Removed bullet points and replace with new numbering to identify documents required 1-6	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.	
4.1.2, Requirement 14	Audit review option removed		Remove option <del>'Audit review'</del>	Recommendation from Auckland Council Risk and Assurance Team that a review audit is not best practice.	

## MINOR CHANGES PROPOSED

BID Policy 2022			BID Policy 2025 - Proposed changes	Notes and commentary	Feedback
SECTION	HEADING	PAGE #			
Whole of document	Various places	All pages	<u>All references to Incorporated Societies Act 1908</u> Replaced with '... 2022'	Updating to the Incorporated Societies Act 2022	
			<u>Removal of council website references</u>	Information has been replaced or is no longer relevant, retain link to Auckland Council website <a href="http://www.aucklandcouncil.govt.nz">www.aucklandcouncil.govt.nz</a>	
1	Requirement 1	5	<u>New wording added</u> '... at all times, ...'	Adding clarity	
1.2	The value of a BID programme to AC	5 and 6	<u>Retained link to AC website</u> Removed AC website links to CCOs, plans and policies	retain link to Auckland Council website <a href="http://www.aucklandcouncil.govt.nz">www.aucklandcouncil.govt.nz</a>	
1.4.1	Establishing a new BID programme	6	<u>Removed reference</u> BID website reference no longer updated	Operational information no longer available	
1.6	Relationship between AC and BID-operating business association	8	<u>New wording added</u> '... section 2.9 Other council funding'	Adding reference	
2.6.1	One-off and ongoing change	13	<u>New wording added to Note:</u> 'A notice shall be provided to each association member to draw particular attention to the special resolution. At 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.'	New wording to align with BID-operating business association constitutions.	

2.6.2	Documenting and approving changing BID targeted rate grant	11	<u>New wording added</u> '... and business plan. ... business plan and .....	Identify documents required	
2.7.1	Auckland Council review	12	<u>Updated wording</u> Tidied up sentence structure	To provide clarity	
2.8	BID affiliates, Requirement 9	12	<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 (including any amendments post AGM) on the website until the subsequent AGM'	Ensuring continued transparency for BID affiliates of BID programme information etc	
2.9	Other council funding	13	<u>New wording added</u> '... by 10 March each year'	Clarifying the deadline for accountability reporting	
Section 3, Table One	BID programme annual accountability reporting: <i>Document must be received by Auckland Council</i>	14, 15 and 16	<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> 'Section A - prior to AGM' <u>New wording</u> '... and notice ...' <u>New wording added to first bullet point</u> <ul style="list-style-type: none"> <li>'1. b) Include any special resolution required under the policy.'</li> </ul> <u>New wording added to second bullet point</u> <ul style="list-style-type: none"> <li>'2. a) Include any honorarium and non-executive adviser fee if any.'</li> </ul> '... for the current year, any proposed increase and the total amount of BID targeted rate grant expected in the following financial year.' <u>New wording added to third bullet point</u> <ul style="list-style-type: none"> <li>'3. The business plan sets out the delivery and outcomes for the BID programme aligned with both the association's strategic plan and draft budget.'</li> </ul> <u>New wording under Document Description</u> <b>'BID targeted rate grant amount resolution.'</b>	Table format updated, new headings and numbering. New wording to provide a better understanding of the minimum requirements and transparency of information reported.  New wording has been transferred from Appendix D and amalgamated into Table One.	
			<u>New wording added to align documents to 1 December deadline</u> <u>New wording added to second bullet point - Business plan</u>	New wording has been transferred from Appendix D and amalgamated into Table One.	

			<ul style="list-style-type: none"> <li>• ‘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.’</li> </ul> <p><u>New wording added to fourth bullet point – Treasurer’s report</u></p> <p>‘4. b. i. Includes conflict of interest register</p> <p>‘4. b. ii. Confirmation of accounting policies and operating procedure documents.’</p> <p>‘4. c. Treasurer’s written report outlining the current and projected financial situation and include explanation and course of action for any:</p> <p>‘4. c. i. Repay borrowed or raised money.’</p> <p>‘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.’</p> <p>‘4. c. iii. Projected surplus/deficit in the draft income and expenditure budget for the following financial year.’</p>		
Note 2		17	<p><u>New wording added</u></p> <p>Special Resolution 1:</p> <p>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 ‘<b>IMPORTANT NOTICE TO MEMBERS: NOTICE OF INTENEDED SPECIAL RESOLUTION TO INCREASE the BID targeted rate grant BY MORE THAN 10% OR \$10,000.</b>’</p>	New wording to align with BID-operating business association constitutions.	
4.1.2	Governance practices	18 and 19	<p><u>New item b)</u></p> <p><b>‘Notice of General Meetings</b> – at a minimum the executive committee must give the following notice:</p> <ol style="list-style-type: none"> <li><b>Annual General Meeting (AGM)</b> – minimum 14 days’ notice of the agenda and all support documents</li> <li><b>Special General Meeting (SGM)</b> – minimum 21 days’ notice of agenda and all support documents relating to the reason for calling the meeting.’</li> </ol>	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.	

			Remove and add new wording Requirement 14 '... <del>(or review)</del> ...' '... change the auditor every five years ...' <u>Update Item d)</u> Remove 'Type of audit' Remove footnote 5	Recommendation Auckland Council Risk and Assurance Team as best risk management practice	
4.1.3	Governance documents	19	<u>New bullet point</u> • Risk register	Best governance practice/risk management	
		20	<u>New wording Requirement 17</u> '... via a Special Resolution'	Clarifying a special resolution, different to a standard resolution	
4.2	Operational management practices	20	<u>New wording Requirement 18</u> '... (also refer to section 2.8, Requirement 9):'	Referencing Requirement 18 and 9 together.	
4.2.2	BID-operating business association – member registration	20	<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	20 and 21	<u>New wording</u> '... whole of the ...' <u>New bullet point</u> '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.'	Clarification  Contract attached to individual BID three-year BID targeted rate grant agreement document.	
4.3	Local boards	21 and 22	<u>Retained reference and updated wording</u> 'Volume 2, 3.5 Decision-making Responsibilities of Auckland Council, Governing Body, and Local Boards.'	Updating reference	
4.3.2	Local board BID programme represented		<u>New wording added</u> '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.'	Enhance risk management	
4.5.2	Auckland Council responsibilities to the BID-operating business association	23 and 24	<u>New bullet point added</u> 'provide an annual BID reporting to local boards on BID policy (Requirement 1) and annual accountability reporting (Requirement 11). 'undertake reviews in relation to the use of targeted rate funds (alignment of the purpose used) the need for audit; the financial viability/sustainability of a BID programme. Section 2.7.1, Requirement 8.'	Enhance risk management.	
6	Establishing, discontinuing or changing a BID boundary area map and BID targeted rate mechanism	26	<u>New wording added</u> '... an existing BID-operating business association ...'	Clarification	

6.3	BID boundary area map – creating or changing	27	<u>New bullet point</u> <i>‘undertake a discussion and obtain written confirmation from neighboring business associations, BID-operating business associations or business groups.’</i>	Addition engagement with neighbouring associations.	
6.4	BID Ballot process	28 and 29	<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 requires 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> <u>New Table 3 and 4 headings</u> <b>Table Three – Eligible BID voter list, remove bullet points, replace with new numbering to identify process 1-7</b> <b>Table Four – BID ballot process and mandate, remove bullet points, replace with new numbering to identify process 1-9</b> <u>New item added to third bullet point</u> <ul style="list-style-type: none"> <li><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></li> </ul> <u>New wording added to fifth bullet point</u> <ul style="list-style-type: none"> <li><i>Item 7 ‘...(business or ratepayer) ...’</i></li> </ul>	To provide additional detail and overview on the process required.	
	Footnote 8	29	<u>New wording</u> <i>‘... for the business association, ...’</i>	To provide additional detail and overview on the process required.	
	Footnote 9	29	<u>New wording</u> <i>‘... for the business association, ...’</i>	To provide additional detail and overview on the process required.	
	Footnote 10	29	<u>Remove wording</u> <del>Discontinued BID programmes and targeted rate will take away the right for the business association to have a BID targeted rate for future years.</del>	No longer required	

6.7	Other BID programme reporting	30	<p><u>New wording</u>  <i>'The report from the business association must verify compliance with the policy and include:</i></p> <ol style="list-style-type: none"> <li>1. <i>Overview of the proposed project showing alignment with existing association plans etc</i></li> <li>2. <i>Project planning process.</i></li> <li>3. <i>Development of the BID boundary area map.</i></li> <li>4. <i>Business association membership approval of the initial proposal, including the BID boundary area map.</i></li> <li>5. <i>Neighbouring business association/s confirmation</i></li> <li>6. <i>BID eligible voter database - verifying all eligible voters identified on eligible voter list.</i></li> <li>7. <i>Communications strategy, delivery, and public meetings – outcomes, feedback, and meeting attendance</i></li> <li>8. <i>Survey and insights collected to support the proposal.</i></li> <li>9. <i>Development of the proposed business plan, budget, and the BID targeted rate grant amount.</i></li> <li>10. <i>Ballot pack information and contents</i></li> <li>11. <i>Voter engagement and feedback</i></li> <li>12. <i>Ballot result</i></li> <li>13. <i>Examples of media and communications</i></li> <li>14. <i>Copy of the business association meeting minutes including the Special Resolution passed at the General Meeting (AGM/SGM) approving the following documents and information:</i> <ol style="list-style-type: none"> <li>a. <i>ballot result,</i></li> <li>b. <i>business plan,</i></li> <li>c. <i>budget,</i></li> <li>d. <i>BID targeted rate mechanism,</i></li> <li>e. <i>BID targeted rate grant amount for the following financial year.'</i></li> </ol> </li> </ol>	To provide clarity, additional detail, and overview on the reporting required.	
Appendix A	Business Improvement District (BID) Targeted Rate Grant Agreement	32 and 33	<p><u>New wording added to: Delay of grant payment/s.</u>  <u>Removed</u>  '<del>... section 5</del>'  '<del>... with 30 days notice</del>'</p>	Risk management approach	
		33	<p><u>New wording added</u>  '<i>insert schedule here or delete if not applicable.'</i></p>	Noting any attachments to the BID three-year BID targeted rate grant agreement if any.	
Appendix B	Mandatory Management Summary	34 and 35	<p><u>Updated summary document</u>  Tidied up wording, layout and sentence structure, added new numbering 1-11 to identify individual reporting documents</p>	Document design and improvement.	
Appendix C	Mandatory Governance Summary	36	<p><u>Updated summary document</u>  Tidied up wording, layout and sentence structure</p>	Document design and improvement.	
Appendix D	BID programme annual	37	<p><u>Removed appendix D</u>  Information transferred into Section 3, Table one</p>	Document design and improvement.	

	accountability reporting				
Appendix E	BID Policy Requirements Summary	39	<p><u>Updated to new Appendix D</u> Tidied up wording and sentence structure</p>	Document design and improvement.	
Appendix F	BID Policy abbreviation and definitions	41, 42 and 43	<p><u>Updated to new Appendix E</u> Tidied up wording and sentence structure <u>New item</u> <i>'Full audit'</i> <i>'General Meetings – minimum required notice of the agenda and supporting documents.'</i> <i>'Incorporated Societies Act 2022 – Incorporated Societies Act 2022 as amended or replaced from time to time.'</i></p>	<p>Document design and improvement. To provide additional information and definitions on what is required under the policy.</p>	