

Draft BID Policy 2021 Attachment D

BID Policy (2021) REQUIREMENTS schedule

Requirement 1: Auckland Council requires BID-operating business associations to fully comply with the Business Improvement District (BID) Policy (2021) (Kaupapa Hereā-Rohe Whakapiki Pakihi).

Requirement 2: BID programmes should aim to develop strategic economic activities that support and benefit their BID affiliates and provide value to the collective business community. The BID programme plans should focus on delivering clear economic benefits and outcomes.

Requirement 3: BID programmes must operate at a size (geographical) and scale (target rate collected amount) to ensure long-term independent financial sustainability.

Requirement 4: 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.

Requirement 5: The BID-operating business association must ensure the associations constitution is not inconsistent with the BID Policy 2021 and support documents.

Requirement 6: BID-operating business associations need to review, and amend if required, their current constitutions in time to present for member approval at their 2022 AGM.

Requirement 7: BID affiliates must have unrestricted free access to the following:

- Information about the business association operating the BID programme:
 - How and what decision-making takes place
 - Information on the BID programme activities
 - How to become a member (membership form and membership process)
 - The information should be provided in appropriate languages for the business community
- BID programme strategic plan
- BID programme annual business plan, activities, and outcomes
- Draft BID programme income and expenditure budget
- AGM documents including the annual review documents and performance reports

Requirement 8: The executive committee must operate with the:

- Principles of trust, respect, and democracy.
- Values of transparency, accountability, and good faith

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

- directly (become a member of the association, voting on a decision)
- indirectly (through elected leaders who act on behalf of BID affiliates).

Requirement 9: The BID-operating business association executive committee must have written approaches that will support the achievement of Requirement 8, with regard to:

- The BID programme – the responsibility of the BID programme as per this policy
- Code of conduct – setting expected behaviours
- Conflict of interest – identification and response to real or perceived situations

- Financial governance – sustainability and oversight of Auckland Council provided funding

Requirement 10: The BID programme must have a clear differentiation between governance and management roles within the business association.

Requirement 11: This policy requires all BID-operating business association executive committees to operate with the following documents:

- Association constitution – Required under the Incorporated Societies Act (1908) and this policy, all BID-operating business associations must have a registered 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 a Board Charter signed and approved by the executive committee. The board charter must be current, be approved and adopted by the executive committee, by way of a meeting resolution or each member signing/dating the document.

Requirement 12: The rules of the BID-operating business association constitution and the board charter must not be inconsistent with this policy.

Requirement 13: Governance practises must include the following:

- Equity of representation – that the executive committee is made up of a majority of full members and nominated representative members (a full member who is an entity and has nominated representative to act on behalf of the entity¹) and associate members.
- Minimum quorum – compliance relating to the size and scale for a minimum quorum for executive committee, and general meetings.

Requirement 14: Financial and reporting: All BID-operating business association must operate to the same financial year as Auckland Council, 1 July – 30 June. AGM date – must be held within 4 months of the end of the financial year, no later than 31 October.

Requirement 15: Where BID-operating business associations receive funding from Auckland Council, local boards or CCO's, in addition to the BID targeted rate grant, council processes require the receiver of funds to be compliant with all accountability requirements associated with the funding. See section 3.1, requirement 22.

Requirement 16: BID-operating business associations are required to identify and interact with the following BID programme stakeholders:

- BID affiliates
- Business association members
- Have a suitable online platform where BID programme information is freely available

Requirement 17: BID-operating business associations are required to, as a minimum, one meeting with their local board/s per year scheduled for after the AGM.

¹ Visit: <https://bid.aucklandcouncil.govt.nz/> - BID-operating business association constitution (template 2021), Chapter III, rule 5.9.

Requirement 18: BID-operating business associations must sign the BID programme funding agreement prior to the first quarter payment of funding being released. Section 4 Support Documents, Attachment B.

Requirement 19: The BID targeted rate grant spend must focus on delivering value to those paying the BID targeted rate either directly or indirectly.

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

The grant must not be used for services that are otherwise provided by Auckland Council via its general rate.

Requirement 20: The BID targeted rate grant cannot be used under any circumstances:

- For any political purpose or promotion of an individual or group of elected member/s or party.
- Used to endorse or support a particular candidate or political party.

Requirement 21: BID operating business associations must complete all reporting and accountability requirements of the BID Policy (2021).

Requirement 22: Type of audit:

Each BID-operating business association must undertake an annual audit. The type of audit applies as follows:

- BID targeted rate grant amount under \$200,000 per annum must commission a review audit of the organisation.
- BID targeted rate grant amount over \$200,000 per annum must commission a full audit² of the organisation. If appropriate Auckland Council may require the audit to include all other council funding.

Requirement 23: Establishing a new BID programme, or amendment to an existing BID programme (boundary, rating mechanism or continuation), requires the business association to complete the BID programme proposal requirements as set out in Attachment A.

Requirement 24: The BID-operating business association must advise Auckland Council when and where there is an issue.
