

**BID SANDWELL BUSINESS IMPROVEMENT DISTRICT
EMERGENCY BUDGET YEAR 5 – 2020 - 2021**



Revised due to COVID-19 IMPACT

	Original	Revised	Saving
PROPOSED EXPENDITURE 2020/2021*	395,000	257,000	138,000
SAFER SECURE	166,000	155,000	11,000
Out of hours CCTV Monitoring - under contract	80,000	80,000	0
Out of hours Patrols - under contract	22,000	22,000	0
Equipment Maintenance - under contract	15,000	15,000	0
Key holding Service - under contract	2,000	1,000	1,000
Business Alarm Response - under contract	2,000	1,000	1,000
Misc Security Projects and Project Management	45,000	36,000	9,000
BETTER PLACE - all projects cancelled	52,000	0	50,000
Environmental Team (Sandwell MBC Contract)	40,000	0	40,000
Other Projects and Project Management	12,000	2,000	10,000
Openreach Project balance			
MANAGEMENT AND OVERHEADS	67,000	60,000	7,000
Overhead costs	27,000	20,000	7,000
Audit, governance and management	40,000	40,000	0
Contingency removed	45,000	0	45,000
BID Development - balance to be carried over to next financial year if necessary	65,000	40,000	25,000
NOTES			

(i) Reduced spend calculated on 65% of Sandwell MBC invoiced collection which is the minimum financial commitment required to retain current projects without further investment. BID Development reduced with contract costs carried forward.

***Figures are estimates only**

Revised 30 April 2020



Having revisited the 2020/2021 budgets we have made cost savings where possible in order to manage our short and medium term cash flow during the financial year. These cost savings are calculated on the BID operating on 65% of invoiced collection.

Due to contractual obligations and the increase in recent crime due to lack of business activity, only a minimum saving can be made on our **Safer Secure Theme** projects without impacting on the ability to keep our business environment secure. Our CCTV cameras are subject to a maintenance contract and legal licence obligations.

Major savings have been made in our **Better Place Theme** by postponing our Environmental Teams project delivered by Sandwell MBC under a Service Level Agreement however due to the increase in fly-tipping due to council sites being closed, we have included a small budget for ad-hoc removal.

Albion BID is now in its fifth year of a five year term and is due to commence the 10 month legal process for renewal, the voting is expected to take place February 2021. This is a time consuming process however we are able to manage the process under a two stage payment programme, the second payment being in the final quarter, or if necessary carried over to the next BID term.

These cost savings, whilst not ideal, are the maximum that the BID can sustain without seriously impacting on the business environment and subsequently the recovery of the business community.

Our businesses, due to the sectors they trade within (e.g. manufacturing, construction and steel supplies) fall outside of any business rates support, offered only to Retail, Hospitality and Leisure with only the furlough scheme and business loans available to them. As a consequence, their short term overheads will not have been reduced but income impacted drastically and whilst a package of levy payment terms will be offered, we anticipate that it will be some time before many of our businesses will be in a position to pay the levy invoice in full.

To date 25% of invoices raised by Sandwell MBC have been paid (which equates to the first two quarter payments). With the Resilience Fund granted by the Government of £20,476, the issue of cash flow may only become an issue by Albion BID in quarters 3 and 4 of the financial year at which point assistance may be required to financially support us to maintain a minimum level of service. All monies will be repaid automatically and immediately on receipt of levy payments from the BID members which is collected under the regulations by Sandwell MBC. Any unpaid debts can then be recovered by Sandwell MBC under the usual procedures in court.

Albion BID is requesting that Sandwell MBC adopts the same approach as other Local Authorities and makes available four quarterly payments as follows. PLEASE NOTE WE DO NOT REQUIRE A PAYMENT FOR QUARTERS ONE AND TWO, HENSE THE £0 AMOUNT SHOWN, HOWEVER WE ENVISAGE THERE MAY BE A REQUIREMENT OF EITHER OR BOTH OF THE SUBSEQUENT TWO QUARTERS.

30 th May 2020 - £0	30 th August 2020 - £0
30 th November 2020 - £64,250	28 th February 2020 - £64,250

We will review the income received on a month by month basis and if it becomes apparent that a significantly higher amount of levy than expected has been paid to the council by our business community then the 3rd and 4th quarter payments will be reduced accordingly. This option whilst it will guarantee the least amount needed to deliver a minimum service will hopefully go some way to reducing budget pressures within Sandwell MBC when many organisations are requesting financial support.

We hope that Sandwell Council will support this proposal as it is vital that we retain our positive image for the current BID as failure to deliver less than a basic programme will impact negatively on the next vote. It is also vital that we continue to support our local business community to retain local employment and the subsequent local economic benefits that brings.

Pat Parkes and Geraldine Thomas
BID Management Team

