

Heart of London Operating Procedures

Introduction

The purpose of this document is to define the operating procedures for Heart of London Business Alliance.

The procedures will be approved by Heart of London board and as such future changes will not be made without consideration and approval by this board. As a matter of course the contents of this document will be reviewed to ensure continued relevance.

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1. The Company

1.1. Company Constitution

1.1.1. The company is a company limited by guarantee.

1.2. Company Membership

1.2.1. As at 1 April 2012, there are approximately 400 BID levy payers across two legal BID areas. This number will change annually as new hereditaments enter the ratings list and become liable for the BID levy or are removed from the ratings list. All of these levypayers have the right to become members of the company.

1.2.2. There are two categories of voluntary members – voluntary member (owner) and voluntary member (occupier). There is no restriction on the number of voluntary members of the company although acceptance of membership is at the discretion of the Board.

1.3. The Board

1.3.1. From the Company membership there will be a Board of Directors. The number of directors will be a minimum of three and there is no maximum number set. The minimum membership must be two BID levy payers (one from each BID area) plus one voluntary member (owner).

1.3.2. BID levy payers and voluntary contributors with a place on the board are voting members and have full voting rights to vote at the Board.

1.3.3. There may also be public sector members on the Board, who will not have voting rights and as such will have observer status.

1.3.4. All voting members must become Company members to take a place on the board and executive groups.

1.3.5. The BID Board and its Executive groups may invite others to attend meetings and/or to contribute to discussions and activities of the company. This may include local residents, businesses close to but outside the BID areas and other interested parties that are deemed to be of relevance to the company. The Management Team will be responsible for ensuring that the communications strategy incorporates liaison with all relevant parties within the area as required.

1.4. The AGM

1.4.1. All Company members have a right to vote at the AGM.

1.4.2. The meeting should be held once per year.

1.4.3. The papers should include a report on all activities of Heart of London including project progress, finances, staffing and overheads.

1.4.4. The papers should be sent/made available to all company members.

1.4.5. The quorum for AGMs should be four members, of which two must be Directors (one from each BID area).

1.5. Board meetings

1.5.1. The meeting should be held at least four times per year.

1.5.2. The papers should include project progress and finances and these will be produced by the Heart of London team.

1.5.3. The papers should be sent to all BID Board members at least one week in advance.

1.5.4. The quorum for Board meetings should be three Directors, one from each BID area and one voluntary (owner) member.

1.6. Executive group meetings

1.6.1. Executive groups will exist and operate as sub groups to the Board. These will be set up and disbanded at the discretion of the board. As a minimum at all times a Finance and Governance group will exist.

1.6.2. Membership of the Executive groups should be drawn from Directors.

1.6.3. Chairs of Executive groups will be drawn from the senior management team.

1.6.4. The meetings should be held as and when required, but probably four times per year.

1.6.5. The papers should be sent to all Executive group members at least one week in advance.

1.6.6. A summary of the decisions should be sent to all Executive group members and presented to the BID Board at its next available meeting.

- 1.6.7. Annual project approval should be carried out by the Executive groups based on the priorities and budget set by the Board.
- 1.6.8. A quorum of two voting members (one from each BID area) is required for project approval purposes. This can be done, ideally at a meeting, or by email if required.
- 1.6.9. The Executive groups may from time to time establish special task groups for a particular project or issue and these may be open to a wider membership at the discretion of the Directors involved on the relevant Executive group.

1.7. Annual Report

- 1.7.1. A summary of BID activity should be published and made available to all company members and BID levy payers at least once per year.
- 1.7.2. This summary should include all planned activities, activities achieved, those not achieved and financial statement of accounts.

1.8. Communication with the Chairman of the Board

- 1.8.1. A pre-board meeting should take place between the BID Chief Executive and the Chairman.
- 1.8.2. A meeting should take place at least every 6 months between the Chairman of the Board and the BID senior management team.
- 1.8.3. A Deputy Chairman should be nominated and should deputise for the Chairman as and when required.

1.9. Behaviour of Board Members

- 1.9.1. In all cases where Board members act for the BID, they do so under the auspices of the BID and not in a personal or corporate capacity.
- 1.9.2. Where a Board member has a business, political or planning-related interest, either direct or indirect, in a BID project, that interest should be declared at the outset of an agenda item and it will be at the discretion of the Board whether their right to vote/attend will be withdrawn.
- 1.9.3. All members are required to adhere to the regulations as set out by Companies House.

1.10. Other communication

- 1.10.1. Any significant issues that arise between normal meetings should be reported to the Chair and then on to the Finance & Governance Group or to the Board, whichever is the sooner. If further communication is required this will be agreed by the Board.

2. Staffing

This section defines the procedures for recruitment, management and performance measurement of staff.

The Heart of London team comprises the following:
(insert staff structure here once approved)

2.1 Recruitment of staff

- 2.1.1. The responsibility of staff recruitment lies with the Chief Executive following final approval from the Board.
- 2.1.2. Creation of new posts must be approved through the Board.
- 2.1.3. Recruitment to existing posts need not be approved through the Board but should be reported to the next available Board meeting.

2.2. Management of staff

- 2.2.1. Day to day management will be carried out by the Chief Executive, who will report to the Chair on behalf of the Board.
- 2.2.2. All employer responsibilities including employment legislation, equal opportunities, and disciplinary/grievance procedures are the responsibility of the Chief Executive in consultation with the Board and should be set out within the Staff Handbook.

2.3. Performance review

- 2.3.1. Staff one to one meetings should be carried out at least once per year to focus on company behaviours and personal development plans.
- 2.3.2. One to one sessions of the staff should be carried out by the relevant Line Manager and reported to the Chief Executive.
- 2.3.3. The one to one session of the Chief Executive should be carried out by the Chair of the Board, and one nominated Director of the Board if required.
- 2.3.4. Any concerns associated with the performance of staff members should be directed to the Chief Executive in the first instance and then reported on to the Chair of the Board.
- 2.3.5. If a disciplinary or grievance occurs, a panel should be set up comprising a minimum of two nominated Directors of the BID Board.

2.4. Termination of staff contracts

- 2.4.1. The termination of all staff contracts is the responsibility of Chief Executive in consultation with at least one nominated Director of the BID Board. A final decision will only be made following a fair disciplinary process.

2.5. Discretionary bonus scheme

- 2.5.1. All staff will be entitled to a discretionary bonus annually.
- 2.5.2. Discretionary bonuses will be within a range from 2% to 5% of annual salary.
- 2.5.3. Performance points will be awarded to each employee during their annual review process based on the following points structure –
 - **5 points - Consistently exceeds all expectations** - the highest level of all round performance, performing at the level of someone more experienced
 - **4 points - Fully meets and exceeds some expectations** - very strong all round performance, in some areas performing at the level of someone more experienced
 - **3 points - Consistently meets all expectations** - meets the overall standard expected of an employee at that level of experience. A level 3 rating reflects a strong all round performance
 - **2 points – Consistently meets some expectations** – meets the overall standard expected consistently but needs further development in some areas
 - **1 point - Met some expectations** – some expectations met but not on a consistent basis and needs further development in some areas
 - **0 point - Does not meet expectations** - may be unable to meet the standard expected
- 2.5.4. The number of points will equate to the percentage bonus awarded, eg. 2 points = 2% bonus. Employees gaining less than 2 points will not be entitled do a performance bonus.

- 2.5.5. The bonus percentage will be recommended by the Line Manager based on performance points gained and agreed by the Chief Executive and Chairman.
- 2.5.6. All bonus proposals will be approved through the Finance & Governance Group.

3. Financial Procedures

This section deals with the management and reporting of the BID finances, which should be reported to the Finance sub group and subsequently to the Board.

3.1. Managing the bank account

- 3.1.1. The Chief Executive is ultimately responsible for the day to day management of the bank account and will be expected to report to the Chair of the Finance & Governance group on a monthly basis and in turn to the Board.
- 3.1.2. On a day to day basis, management of the finances of the company will be undertaken by the Company Executive.

3.2. Managing the BID levy income

- 3.2.1. The Company Executive will attend the Local Authority Monitoring Group to review the levy collection process.
- 3.2.2. All information obtained from the Monitoring Group, apart from sensitive data, will be presented to the Finance & Governance group and will be presented to the Board in aggregate form.
- 3.2.3. In the event that a significant issue arises from the Monitoring Group, this will be reported to the Chair of the Board as soon as possible.

3.3. Approval Limits

- 3.3.1. Where signatories are required for payments, assuming these payments are within the agreed budget limits the approval limits for signing off payments using online banking are as follows:
For amounts up to £15,000 – the Chief Executive then a minimum of two Directors are required for approval.
For amounts over £15,000 – the Chief Executive then a minimum of three Directors are required for approval.

3.4. Contract tendering

- 3.4.1. All contracts over the value of £50,000 should be the subject of a competitive tendering exercise where at least two quotes are obtained, except where local circumstances dictate that only one service provider is relevant.
- 3.4.2. In the event that a single tender is required for a contract over the value of £50,000, an exemption certificate must be completed to justify this course of action, usually because only one provider exists, and appropriate price testing demonstrated.
- 3.4.3. For contracts under the value of £50,000 where a single tender is used, an exemption certificate must be completed to justify this course of action and appropriate price testing demonstrated.
- 3.4.4. Businesses within the BID areas are to be considered as possible suppliers in tendering procedures.
- 3.4.5. Tender documentation should be approved through the Finance & Governance Group by email or by meeting, whichever is the most practical.

3.5. Financial reporting

- 3.5.1. All financial information, apart from personal sensitive data, should be reported to the Finance & Governance group and should be presented to the Board in aggregate form.
- 3.5.2. Any significant financial issues arising should be reported to the Chair of the Board as soon as possible, and in turn should be reported to the Board.

3.6. Disqualification from benefit

- 3.6.1. Where a BID levy payer is known to intentionally be in arrears of the BID levy, membership of the Board and Executive groups will not be permitted, nor will they be able to benefit personally or commercially from a BID project.
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4. Annual Budget Setting

The Board will agree an annual business plan between December (first draft) and the last Board meeting in financial year (final sign-off) each year. At these Board meetings the quorum required will be seven voting members.

4.1 The Annual Business Plan

- 4.1.1. The annual business plan should set the project theme budget allocations.
- 4.1.2. At its December meeting each year the Board should approve project theme budget allocations. These should be based on the principles within the published BID Proposal on which businesses voted in the BID ballot, with any minor changes made as a result of income changes, plus new project ideas introduced by businesses and Executive groups over the course of the year.
- 4.1.3. Between December and February Executive groups should meet to work up projects and project expenditure within the Board's agreed overall theme allocations.
- 4.1.4. The Board should then meet before the end of the financial year to agree and sign off the proposals from Executive groups. Only if Executive groups genuinely feel that they cannot deliver the BID's objectives within their set budgets can they make a case to the Board for an increased budget. The Board should consider this on the basis of exception rather than the norm.

5. Variations

This section deals with procedures to follow if any variations are required. It should be noted that as per Regulation 16 of the Business Improvement Districts (England) Regulations 2004, only minimal changes can be made to the BID proposal that businesses have voted on without undertaking an alteration ballot with all BID levy payers. Any change cannot affect the geographical area of the BID nor the amount payable by any levy payer.

It should be noted that these variations policies only relate to the BID levy funds. Any additional funds obtained from other sources will not be subject to these provisions.

5.1. BID proposal

- 5.1.1. Minor variations to the projects within the BID proposal should be managed by the Chief Executive and the relevant Executive group and reported to the Board at the next available meeting.
- 5.1.2. Major variations, i.e. a new project, a replacement project or a significant difference to a planned project, should be discussed by Executive groups and then referred to the Board for approval before implementation.
- 5.1.3. If a major variation exceeds 15% of the total theme allocation, the proposed changes and justification for the change must be presented to an EGM for approval.

5.2. Financial

- 5.2.1. The Board should set the project theme budget allocations at the start of each financial year.
- 5.2.2. Any variations to the project theme budget allocations must be approved by the Board in the context of the whole annual budget.
- 5.2.3. Executive groups should agree individual project cost limits within each project theme budget allocation. Any variations to these costs must be managed within Executive groups and signed off by the chair of the Executive group. These additional costs can only be met from within the Executive group's overall budget.
- 5.2.4. Any project cost variations that affect the overall project theme budget allocation must be approved by the Board in the context of the whole annual budget, and can only be within a 15% variation in any one year.
- 5.2.5. In the event that funds need to be carried over to the next financial year, this requires a documented justification and formal decision at the Board meeting.

6. Identity and Brand Guidelines

This section defines the appropriate use of the company name, trading corporate name and logos.

6.1. Company and Corporate Names

- 6.1.1. The legal name of the company is Heart of London Business Alliance.
- 6.1.2. The trading corporate name of the company is Heart of London Business Alliance.
- 6.1.3. There are two distinct BID areas operating within the company's jurisdiction and when required these will be referred to as 'Leicester Square to Piccadilly Circus' and 'Piccadilly & St James'.

6.2. For Correspondence

- 6.2.1. Corporate stationery – as a minimum all material should carry the Heart of London logo with a small print footer that carries the company registration number and registered address.
- 6.2.2. Email – the email address will be (prefix)@heartoflondonbid.co.uk and the email signature should present the staff in the positions they hold.
- 6.2.3. There should be an email signature template to ensure consistency across all signatures.
- 6.2.4. The same footer as used in the corporate stationery should be used at the bottom of email signatures.

6.3. For Telephone Communication

- 6.3.1. When receiving and making calls, all staff should present themselves as Heart of London.

6.4. For Board Papers and Internal Paperwork

- 6.4.1. The Heart of London logo should be used.

6.5. For Contracts and Invoicing

- 6.5.1. The Heart of London logo should be used with the footer covering the company registration number and registered address.

6.6. For Published and External Material

- 6.6.1. The Heart of London logo should be used.

6.7. For Website

- 6.7.1. The Heart of London logo should be used.

6.8. Making Press Statements

- 6.8.1. The Chief Executive will be primarily responsible for speaking on behalf of Heart of London.
- 6.8.2. When additional quotes are required this will be directed to the Head Marketing & Communications in the first instance and then the Chair or Directors of the Board following a briefing from the BID staff team.

7. Records and Intellectual Property

This section deals with record keeping and the intellectual property of Heart of London Business Alliance.

7.1. Records

7.1.1. It is the responsibility of Heart of London to keep accurate records of all matters associated with delivering the BID proposal including project implementation, finances and data on company members and BID levy payers.

7.2. Access to Information

7.2.1. All files, documents and records (excluding sensitive personnel data) should be held at the Heart of London office and should be available for inspection by company members provided reasonable notice is given.

7.2.2. Heart of London should adhere to all appropriate data protection legislation and principles in relation to the holding of personal, financial and sensitive data and should be registered with the Information Commissioner.

7.3. Intellectual Property

7.3.1. All intellectual property related to the operations of Heart of London will be owned by Heart of London Business Alliance.

7.3.2. All published material including all online materials should be protected by a copyright statement as follows 'Copyright Heart of London (insert relevant year). No material may be reproduced in whole or in part without the written consent from Heart of London Business Alliance'.