

CAERNARFON BUSINESS IMPROVEMENT DISTRICT OPERATIONAL AGREEMENT

**Cyngor Gwynedd
(the Council)**

**AGB Caernarfon BID
(the BID Company)**

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Operating Agreement

Dated 27th October 2025

- (1) Cyngor Gwynedd (the Council), Shirehall Street, Caernarfon, Gwynedd.
- (2) HWB Caernarfon (the BID Company, registered in England and Wales company number 09959600), a company limited by guarantee with registered office address of Y Ganolfan Groeso, Oriel Pendeitsh, Caernarfon, Gwynedd LL55 1SE.

Recitals

- A The Council is the billing authority for the purposes of the Local Government Act 2003 and is responsible for collecting the BID Levy and administering the BID Revenue Account which shall be used towards the operation of the BID within the area of the Council and the funding of the BID Arrangements.
- B The BID Company is responsible for the operation of the BID and for using the BID Levy for the purposes of achieving the objectives and aspirations set out in the BID Arrangements.
- C Both parties wish to confirm the arrangements by which the BID Levy shall be collected together with general arrangements as to the relationship to be established between the Council and the BID Company for the duration of the BID.
- D The purpose of this Agreement is to:
- establish the procedure for setting the BID Levy.
 - confirm the basis upon which the Council will be responsible for collecting the BID Levy.
 - set out the enforcement mechanisms available for collection of the BID Levy.
 - set out the procedures for accounting and transference of the BID Levy.
 - provide for the monitoring and review of the collection of the BID levy.

- Confirm the manner in which the Council's expenses incurred in collecting the BID Levy shall be paid.

IT IS AGREED:

1 Definitions

the **Administrative Expenses** means all costs incurred by the Council in the administration, collection and recovery of the BID Levy including but not limited to any staffing costs and any expenditure incurred by the Council in relation to software or other systems used in relation to the BID levy and any costs associated with this Agreement or any proposed termination thereof.

the **Annual Report** means a report to be prepared by the Council which details the following:-

- (i) the total amount of the BID Levy collected during the relevant Financial Year.
- (ii) details of the success rate for the collection of the BID Levy.
- (iii) the Council's proposals (if any) to help improve its efficiency in the collection and enforcement of the BID levy.
- (iv) details of those BID Levy Payers who have paid the BID Levy and those who have not paid the BID levy; and
- (v) the Council's proposals for bad or doubtful debts

the **Appeal Notice** means a notice to be served by the BID Company in accordance with clause 9.2.

Bad or Doubtful Debts shall have the same meaning as described in Part 2 of Schedule 3 of the Regulations.

The **BID** means the Business Improvement District which is managed and operated by the BID Company and which operates within and is covered by those streets set out below and shown on the map attached hereto.

The following streets are included in the BID area in whole or in part:-

Allt Pafiliwn	Mill Lane / Lôn y Felin
Bank Quay / Cei Banc	New Street / Strydd Newydd
Balaclava Road / Balaclafa	Newborough Street (Eagles Hotel)
Bangor Road / Stryd Bangor	North Road / Fford Y Gogledd (Number 14 Alexandra, Morrisons filling station, Moduron Menai Garage)
Bridge Street / Bont Bridd	Northgate Street / Stryd Pedwar a Chwech
Castle Ditch / Pendeitsh	North Penrallt / Penrallt Uchaf
Castle Hill / Allt y Castell	Palace Street / Stryd y Plas
Castle Square / Y Maes	Pepper Lane
Castle Street / Stryd y Castell	Pool Hill / Penllyn
Chapel Street / Tre'r Gôf	Pool Lane / Pen y Graig
Church Lane / Lôn yr Eglwys	Pool Side / Penllyn
Church Street / Stryd yr Eglwys	Pool Street / Stryd Y Llyn
Doc Fictoria	Pretoria Terrace / Rhes Pretoria
Garnon Street / Stryd Garnon	Segontium Terrace / Rhes Segontium
Glan Môr / Crown Street	Shirehall Street / Stryd y Jêl
Greengate Street / Tan y Bont	Skinner Street / Lôn Crwyn
High Street / Stryd Fawr	Slate Quay / Cei Llechi
Hole in the Wall Street / Stryd Twll yn y Wal	Snowdon Street / Stryd Capel Joppa
Stryd y Porth Mawr	South Penrallt / Penrallt Isaf
Lôn Twthill	South Road / Lon Parc
Market Street / Stryd y Farchnad	St Helens Road / Ffordd Santes Helen

the **BID Arrangements** means those arrangements to be put in place pursuant to the Regulations by the BID Company for the purpose of enabling the projects specified to be carried out for the benefit of the BID or those who live, work or carry on any activity in the district.

the **BID Company's Report** means a report for each Financial Year to be prepared by the BID.

Company which details the following:-

- (a) the total income and expenditure of the BID Levy.
- (b) other income and expenditure of the BID Company not being the BID Levy.
- (c) a statement of actual and pending deficits; and
- (d) the various initiatives and schemes upon which the BID levy has been expended by the BID Company

the **BID Levy** means the charge to be levied and collected within the BID area pursuant to the Regulations and this Agreement. Details regarding the BID levy included within Schedule 1.

the **BID Company's Termination Notice** means a notice to be served by the BID Company on the Council pursuant to clause 11.8 and Regulation 18 of the Regulations.

the **BID Levy Payer(s)** means the non-domestic rate payers who are liable for paying the BID levy as described in the Schedule.

the **BID Levy Rules** means the rules set out in the Schedule which sets out how the BID Levy will be calculated, details of Exempt Properties and other requirements related to the BID Levy (as may be amended by a successful alteration ballot).

the **BID Revenue Account** means the account to be set up in accordance with Regulation 14 and operated in accordance with Schedule 3 of the Regulations.

the **BID Term** means the period from 1st of April 2026 to 31st of March 2031.

the **Council's Termination Notice** means the notice to be served by the Council on the BID Company pursuant to clause 11.1 and Regulation 18 of the Regulations.

the **Contributors** means the BID Levy Payers or other Contributors making voluntary contributions to the BID Company.

Demand Notice shall have the same meaning ascribed to it as set out in paragraphs 2 and 3 of Schedule 4 of the Regulations.

Hereditament shall have the same meaning as defined in the Regulations.

Electronic Communications means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa):

- (a) by means of a telecommunication system (within the meaning of the Telecommunications Act 1984); or
- (b) by other means but while in electronic form

Enforcement Notice means a notice to be served on the Council as specified in clause 9.

Enforcement Regulations means the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989.

the Exceptions means the circumstances in which the Council shall not be required to seek to enforce payment of the BID levy where a BID Levy payer has failed to make payment pursuant to a Demand Notice. The exceptions shall be as agreed by the parties from time to time.

the **Exempt Properties** means those class or classes of properties as identified in the BID Levy Rules which shall be exempt from any requirements to pay the BID levy.

the **Financial Year** means the financial year for the BID Company which runs from 1st April to 31st March in the following year.

the **First Priority Expenses** means the administrative expenses incurred by the Council in respect of all reasonable costs arising out of compliance with its obligations under this Agreement and the Regulations during each year of the duration of this Agreement.

Liability Order means an order obtained from the Magistrates Court pursuant to Regulation 12 of the Enforcement Regulations

the **Monitoring Group** means the group to be set up to monitor the collection and enforcement of the BID levy (as referred to in clause 10) such group to consist of one officer from Gwynedd Council and one representative from the BID Company.

the **Operational Date** means the date upon which the BID Arrangements come into force.

the **Public Meeting** means the meeting to be held of all BID Levy Payers pursuant to the Public Meeting Notice and Regulation 18 of the Regulations.

the **Public Meeting Notice** means a notice to be served pursuant to clause 11.1 or 11.8 by either the Council of the BID Company which provides the following:-

- (a) confirmation that either party is considering terminating the BID.
- (b) details of the venue where the public meeting will be held.
- (c) confirmation that all BID Levy Payers who attend will be permitted to make representation

the **Regulations** means the Business Improvement Districts (Wales) Regulations 2005 and such amendments made by the National Assembly for Wales pursuant to Section 48 and Section 58 of the Local Government Act 2003 (from time to time).

the **Reminder Notice** means the notice to be served pursuant to clause 8.1.

the **Summons Notice** means the notice to be served following a Reminder Notice and pursuant to clause 8.2.

a **Working Day** means any day of the week other than a Saturday, a Sunday or a bank holiday.

2 Statutory Authorities

2.1 This Agreement is made pursuant to Part IV of the Local Government Act 2003, Section 111 of the Local Government Act 1972 the Regulations and all other enabling powers.

3 Commencement

3.1 This Agreement shall be effective from 1st April 2026

3.2 if, at the end of the BID Term a renewal ballot is held and is successful then the terms of this Agreement shall be reviewed prior to the start of the new BID Term.

4 Setting the BID Levy

4.1 As soon as is practicable and before commencement of the BID term, the Council shall calculate the BID levy due from each BID Levy Payer in accordance with the BID Levy Rules.

4.2 As soon as practicable after the ballot result, Cyngor Gwynedd confirm in writing to the BID Company the BID levy payable annually by each BID Levy payer.

5 The BID Revenue Account

- 5.1 Interest payments on money in the BID Revenue Account will be subject to the Council's banking arrangements at the time of operating the account. Such interest, if any, will be paid to the BID Company as part of the BID Levy.

6 Debits from the BID Revenue Account

- 6.1 The Council may debit directly from the BID Revenue Account:-
- (i) the First Priority Expenses at the mid-point of each Financial Year provided that they have been detailed in a valid VAT invoice delivered to the BID Company giving a detailed breakdown of the costs incurred.
- 6.2 Notwithstanding the above provision the BID Company shall be responsible for ensuring that all VAT invoices delivered to the BID Company shall, if not debited from the BID Revenue Account, be paid within 28 days of delivery.

7 Collecting the BID Levy

- 7.1 The Council shall at the beginning of each Financial Year confirm in writing to the BID Company:-
- (i) the means by which the BID Levy Payer shall be billed for the BID Levy; and
 - (ii) the date when the BID Levy shall first be collected.
- 7.2 Pursuant to clause 7.1(ii) the Council shall serve the Demand Notices on each BID Levy Payer and thereafter shall continue to calculate the BID Levy and serve the Demand Notices throughout the BID Term.
- 7.3 The Council shall maintain a list which identifies payment and/or non-payment of the BID Levy and shall make available to the BID Company as needed or at intervals of once per two months.

- 7.4 The Council shall liaise with the BID Company in carrying out reviews at regular intervals of each Hereditament within the BID Area in the event of any change in the occupier of each Hereditament or the merger or division of a Hereditament (or provision of an additional Hereditament) shall:
- (a) serve an updated list of BID Levy Payers upon the BID Company.
 - (b) serve a Demand Notice (or alter any existing Demand Notice if appropriate) on the relevant BID Levy Payer.
- 7.5 The Council shall use all reasonable endeavours to collect the BID Levy on the date specified (pursuant to clause 7.1(ii) above) and thereafter on an annual basis and in accordance with the procedure set out in Schedule 4 of the Regulations.
- 7.6 The Council shall use all reasonable endeavours to take all reasonable steps for collecting the BID Levy which are consistent with its usual procedures for the collection of non-domestic rates.
- 7.7 The Council shall notify the BID Company of the amounts credited to the BID Revenue Account and of the amount of the authorised debits in accordance with clause 6. Notifications will be made on the last working day of April and quarterly (every three months) thereafter. Upon receipt of an appropriate invoice from the BID Company, the Council shall, within four weeks, transfer to the BID Company's own bank account the amount due and provide written confirmation of the sum transferred.
- 7.8 In the event of an overpayment by the Council to the BID in excess of £5,000 for a period of more than three consecutive months, the BID will return the overpayment to Cyngor Gwynedd within 14 days upon receipt of a valid invoice.

8 Procedures available to the Council for enforcing payment of the BID Levy

8.1 In the event that the BID Levy is not paid in whole within twenty-eight days from the payment due date then (subject to the Exceptions or as may otherwise be agreed between the parties) the Council shall serve a Reminder Notice on such defaulting BID Levy Payer which shall:-

- (i) identify the sum payable.
- (ii) provide a further 14 (fourteen) days for payment to be made.
- (iii) confirm that if payment is not received in accordance with (ii) above the Council will make an application to the Magistrates Court for a Liability Order to recover the unpaid sum (together with costs). For the avoidance of any doubt, it is agreed that the costs awarded and obtained by the Council arising from the making of any Liability Order shall be due to and retained by the Council and shall not be payable to the BID Company.

The value of the costs will be commensurate with the Non Domestic Rates liability costs as set out in The Council Tax and Non Domestic Rating (Amendment) (Wales) Regulations 2011/528 or any other subsequent statutory amendment.

8.2 In the event that the BID levy is not paid in whole within 14 (fourteen) days of the service of the Reminder Notice in accordance with clause 8.1 then the Council shall immediately inform the BID Company of such further failure to pay (subject to the Exceptions). The Council will consider any comments made by the BID Company before deciding whether to make an application to the Magistrates Court for a Liability Order. The Council will normally then make an application to the Magistrates Court for a Liability Order to recover the outstanding sum of the BID Levy as is permitted by the Regulations and the Enforcement Regulations (as amended).

- 8.3 In the event that the Council's application to the Magistrates Court for a Liability Order is awarded it shall immediately inform the BID Company. The Council will consider any comments made by the BID Company prior to entering into an enforcement payment arrangement or issuing recovery instructions to the Enforcement Agent. The Council will endeavour to use external Enforcement Agents which it has arrangements with at the relevant time.

9 Enforcement Mechanisms for non-collection of the BID Levy by the Council

- 9.1 In the event that the Council is not taking appropriate steps to enforce payment of the BID Levy pursuant to clause 8 above the BID Company shall serve the Enforcement Notice on the Council requesting that:-

- (i) it serves a Reminder Notice; or
- (ii) a Further Reminder Notice; or
- (iii) it applies to Court to obtain a Liability Order pursuant to clause 8.3 above; or
- (iv) enter into an enforcement payment arrangement or issuing the account to the Enforcement Agent.

and the Council shall thereafter provide written confirmation of the action taken to recover the unpaid BID Levy.

- 9.2 If after being served an Enforcement Notice the Council fails to take the requested action within 28 days then the BID Company shall serve an Appeal Notice to the Chief Executive of the Council. Such notice shall:-

- (i) detail the sum which remains unpaid.
- (ii) confirm that the Council has failed to use the Enforcement Mechanisms available to it as referred to in this Agreement to recover the sum; and
- (iii) request a meeting take place between the Chief Executive, relevant officers of the Council and the BID Company to achieve a solution and/or agree a strategy to recover the outstanding sum, such meeting

to take place in any event no later than 28 (twenty eight) days from service of the Appeal Notice.

10 Accounting Procedures and Monitoring

- 10.1 Within 1 (one) month from the Operational Date the Council and BID Company shall form the Monitoring Group.
- 10.2 In addition to the information outlined in 7.4, quarterly (every three months) during the BID Term the Council shall provide the BID Company with a breakdown of:-
- (i) the amount of BID Levy for each individual BID Levy Payer.
 - (ii) the BID Levy collected in relation to each BID Levy Payer.
 - (iii) details (together with the outstanding unpaid sum) of those BID Levy Payers who have not paid the BID Levy.
 - (iv) details of the Reminder Notices issued throughout that period; and
 - (v) details of any Liability Orders obtained or applied for by the Council.
- 10.3 The Monitoring Group shall meet no less than once in any one Financial Year and on all other occasions further meetings of the Monitoring Group shall be arranged by the service of written notice by either party on the other, such notice to be provided no less than 28 (twenty eight) days prior to the date of the proposed meeting (or lesser if otherwise agreed or in cases of emergency) and provided further that such meetings can be dispensed with altogether upon the written agreement of both the Council and the BID Company.
- 10.4 At each meeting the Monitoring Group shall:-
- (i) review the effectiveness of the collection and enforcement of the BID Levy; and
 - (ii) if required, review and assess the information provided by the Council pursuant to clauses 10.2 above and make any recommendations for implementation as may be agreed (and which are permitted by the Regulations and the terms of this Agreement).

- 10.5 Within 1 (one) month after the date of the end of the Financial Year the Council shall provide the Annual Report to the BID Company.
- 10.6 The BID company shall provide the BID Company Report to the Council two weeks prior to their Annual General Meeting.

11 Termination

- 11.1 The Council shall not be permitted to terminate the BID Arrangements because:-

- (i) In its opinion there are insufficient finances available to the BID Company to meet its liabilities for the chargeable period for the purposes of the BID Arrangements; or
- (ii) the Council is unable, due to any cause beyond its control to provide the works or services which are secured as part of the BID Arrangements

unless and until it first serves the Public Meeting Notice on the BID Levy Payers and the Council's Termination Notice on the BID Company and within 14 (fourteen) days from the date of service of such notice both parties shall arrange to meet where the purpose of such meeting shall be to discuss and/or agree all or any of the following set out in clause 11.2 or 11.3 (whichever is applicable).

- 11.2 Where the BID Termination Notice relates to clause 11.1(i) both parties shall agree and/or discuss or review the following:-

- (a) the Council is concerned that the BID Company has insufficient finances to meet its liabilities for that period and details of such concerns should be made available to the BID Company.
- (b) insufficient funds.
- (c) alternative means by which the insufficiency of the funds can be remedied; and

- (d) an appropriate time frame to resolve this issue.

11.3 Where the BID Termination Notice relates to clause 11.1(ii) both parties shall agree and/or discuss or review the following:-

- (a) the services or works which it is no longer able to provide together with confirmation and details as to why such works or services cannot be provided.
- (b) a review by both parties as to whether such works or services are of material importance to the BID so that termination of the BID Arrangements is the only option.
- (c) alternative means of procuring the said services or works by third parties or increased financial funding from the BID Company.
- (d) alternative replacement services or works which will be acceptable to the BID Company.
- (e) an appropriate time frame to resolve this issue.

11.4 In the event that the parties cannot reach agreement in relation to the above the Council shall cause a Public Meeting to be held and subject to consideration of representations made by any BID Levy Payer at the Public Meeting the Council shall be permitted to terminate the BID Arrangements provided that notice by the Council to terminate the BID shall be provided to the BID Company no less than 28 days prior to termination taking place.

11.5 Upon termination of the BID Arrangements the Council shall review whether there is a credit in the BID Revenue Account and in the event that there are sufficient funds in the BID Revenue Account amounting to a refund of at least £5 for each BID Levy Payer (having already deducted a reasonable sum for the administration of such refund) to:-

- (a) calculate the amount to be refunded to each BID Levy Payer.
- (b) ensure that the amount to be refunded is calculated by reference to the amount payable by each BID Levy Payer for the last chargeable period; and

- (c) make arrangements for the amount calculated to be credited against any outstanding liabilities of each BID Levy Payer or, where there are no such liabilities refunded to the BID Levy Payer.
- 11.6 Upon termination of the BID the Council shall notify the BID Levy Payers of such termination in accordance with Regulation 18(6) of the Regulations together with confirmation as to whether any part of the BID Levy is to be repaid to BID Levy Payers in accordance with clause 11.8.
- 11.7 The BID Company shall not be permitted to terminate the BID Arrangements where:-
 - (a) the works or services under the BID Arrangements are no longer required; or
 - (b) the BID Company is unable, due to any cause beyond its control to provide works and services which are necessary for the BID to continue

Unless and until it has served the BID Company's Termination Notice on the Council and thereafter carried out a proper consultation with all relevant representatives of the BID Area as considered appropriate by the Council.

- 11.8 Upon termination of the BID Arrangements the BID Company shall notify the Council of such termination in accordance with Regulation 18(5) and the Council shall notify the BID Levy Payers pursuant to Regulation 18(6) together with confirmation as to whether any part of the BID Levy is to be repaid to BID Levy Payers in accordance with clause 11.5.

12 Confidentiality

- 12.1 Both the Council and the BID Company agree to keep confidential and not to divulge to any person without the prior written consent of the other party all information (written or oral) concerning the business affairs of the other nor any information which has been exchanged about the BID Levy Payers or Contributors or about other third parties which it shall have obtained or received as a result of operating the BID. This obligation shall survive the

termination or lapse of the BID Arrangements. For the avoidance of doubt nothing in this clause shall prevent the Council from using or divulging such information as is necessary for the purpose of complying with its obligation under this Agreement.

13 Notices

13.1 Any notices or other written communication to be served or given to or upon any party to this Agreement to the other shall be in writing and shall be sent to the address provided for above or such substitute address in England and Wales as may from time to time have been notified by that Party.

13.2 A Notice may be served by:-

13.2.1 delivery to the Assistant Head of Finance, Cyngor Gwynedd;

13.2.2 delivery to the Company Secretary at the BID Company's address specified above;

13.2.3 registered or recorded delivery post;

13.2.4 Electronic Communication (provided that it is in legible form and is capable of being used for subsequent reference);

13.3 Any notice served shall be deemed to have been validly served or given at the time when in the ordinary course of business it would have been received.

14 Miscellaneous

14.1 For the avoidance of doubt where any part of this Agreement is incompatible with the Local Government Act 2003 or Regulations or any other regulations which the Welsh Ministers or National Assembly for Wales may issue pursuant to Part IV of the Local Government Act 2003 in so far as they relate to Wales then such part shall be struck out and the balance of this Agreement shall remain.

14.2 The headings appearing in this Agreement are for ease of reference only and shall not affect the construction of this Agreement.

- 14.3 For the avoidance of doubt the provisions of this Agreement) other than those contained in this clause) shall not have any effect until this document has been executed and dated.
- 14.4 Where reference is made to a Clause, Part or Recital such reference (unless the context requires otherwise) is a reference to a clause, part, plan or recital attached to this Agreement.
- 14.5 References to the Council include any successors to its functions as relevant billing authority.
- 14.6 References to statutes, bye laws, regulations, orders, delegated legislation shall include any such instrument re-enacting or made pursuant to the same power.

15 Exercise of the Council's Powers

Nothing contained in this Agreement or implied in it shall prejudice or affect the rights discretions powers duties and obligations of the Council under all statute's bye-laws statutory instruments orders and regulations in the exercise of its functions as a local authority.

16 Contracts (Rights of Third Parties)

The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement.

17 Arbitration

The following provisions shall apply in the event of a dispute:

- 17.1 Any dispute or difference of any kind whatsoever arising between the parties hereto out of or in connection with this Deed shall be referred to arbitration before a single arbitrator.

- 17.2 The parties shall jointly appoint the arbitrator not later than 28 (twenty-eight) days after service of a request in writing by either party to do so and each party shall bear its own costs.
- 17.3 If the parties are unable to agree within 28 (twenty-eight) days as to the appointment of such arbitrator then such arbitrator (hereinafter referred to as “the Tribunal”) shall be appointed on the application of either party to the President for the time being of the Law Society.
- 17.4 In the event of a reference to arbitration the parties agree to:
- Prosecute any such reference expeditiously; and
 - Do all things or take all steps reasonably necessary in order to enable the Tribunal to deliver any award (interim, final or otherwise) as soon as reasonably practicable.
- 17.5 The award shall be in writing signed by the Tribunal and shall be finalised within 21 (twenty-one) days from the date of such award.
- 17.6 The award shall be final and binding both on the parties and on any persons claiming through or under them.

18 Freedom of Information

- 18.1 The BID Company accepts that the Council is obliged to comply with the Freedom of Information Act 2000 and the Code of Practice on the Act and will assist the Council to comply with these obligations. This includes helping the Council comply with its obligation to respond to a request for information within 20 days of receipt; and providing information to the Council where the Council requests.
- 18.2 The Council is entitled to disclose information unless it believes that the information is exempt under the Act. Exemption may apply where, for example, information is provided in confidence, where the information is a

trade secret; or where release is likely to prejudice commercial interests. The Council will decide, acting reasonably, whether information requested under the Act is to be disclosed or not. The Council will where reasonably practicable consult the BID Company and will consider any representations made by it.

The Council shall not be liable for any loss or other detriment caused by the disclosure of any information in response to a request for information under the Act.

Signed by the parties or their duly authorised representatives

Signed by)
duly authorised for an)
on behalf of)
Cyngor Gwynedd)_____

Signed by)
duly authorised for an)
on behalf of)
AGB Caernarfon BID)_____

Schedule 1 – The BID Levy Rules / Arrangements

This Schedule sets out in further detail the technical and budgetary information relating to how Caernarfon (BID) will operate, in so far as the arrangements between the BID Company and the Council are concerned in the event of any conflict between the body of this Agreement and this Schedule arising then the Agreement shall prevail over this Schedule.

1 Definitions

Definitions of words or terms referred to in these arrangements are those set out or referred to in The Business Improvement Districts (Wales) Regulations 2005, the Local Government Act 2003 and Local Government Finance Act 1988 unless expressly defined in this Agreement.

2 The BID Proposer

The BID Proposer is HWB Caernarfon Ltd, acting through its Board of Directors. In the event of a positive ballot result in February 2026, the existing company, HWB Caernarfon Ltd (a company limited by guarantee), will continue to deliver the BID for its third term.

3 Governance

The BID will be run by the Caernarfon BID Company.

The proposed Board will reflect that of the businesses in the BID area to ensure a representative body to lead the development of the Caernarfon BID. This may include representatives from:

Large Business	Night-time Economy
Medium Business	Business Forum / Chamber of Trade (voluntary levy contributor)
Small Business	Statutory Body (e.g. the local authority)
Professional Services	Local City / Town Council.
Local Community group	Additional businesses who represent different geographical areas within the BID

It is expected that the Board of Directors, through their BID Manager, will implement the proposed Business Plan themes: **Proudly Promote; Clean, Green and Eco-friendly; A Safe Place; Stronger Together**. These are themes led by the Board and/or any established sub-groups. Sub-groups are formed from BID Members, who are responsible for developing detailed budgets for their group, which are then passed to the Board for approval. All businesses are given the opportunity to be represented on these sub-groups and the Board. Sub-groups will be set up as and when required.

Annually, the Board of Directors, through their BID Manager, will produce a billing leaflet detailing financial information about how the BID has spent the previous year's levy and how the BID intends to spend the levy income in the year to which the bill applies. This billing leaflet will be provided to the levy payers annually, along with their annual demand notice.

4 Membership of the Company

All BID Levy Payers will be invited to become a Member of the Company. Company Members may subsequently nominate themselves for directorships or to sit on one of the BID Sub-Groups.

The Board will manage the Executive Team, which will deliver the projects and services as set out in the BID Proposal.

5 Duration of the BID

The BID Term will be five years in duration from 1 April 2026 to 31 March 2031. Before the end of this period, the BID Board may choose to seek renewal of the BID for a further term, through a renewal ballot.

6. The BID area

The area covered by the proposal comprises parts of Caernarfon town centre as shown in the map below.



The BID area covers the following streets, either in whole or part:

Allt Pafiliwn	Mill Lane / Lôn y Felin
Bank Quay / Cei Banc	New Street / Strydd Newydd
Balaclava Road / Balaclafa	Newborough Street (Eagles Hotel)
Bangor Road / Stryd Bangor	North Road / Fford Y Gogledd (Number 14 Alexandra, Morrisons filling station, Moduron Menai Garage)
Bridge Street / Bont Bridd	Northgate Street / Stryd Pedwar a Chwech
Castle Ditch / Pendeitsh	North Penrallt / Penrallt Uchaf
Castle Hill / Allt y Castell	Palace Street / Stryd y Plas
Castle Square / Y Maes	Pepper Lane
Castle Street / Stryd y Castell	Pool Hill / Penllyn
Chapel Street / Tre'r Gôf	Pool Lane / Pen y Graig
Church Lane / Lôn yr Eglwys	Pool Side / Penllyn
Church Street / Stryd yr Eglwys	Pool Street / Stryd Y Llyn
Doc Fictoria	Pretoria Terrace / Rhes Pretoria
Garnon Street / Stryd Garnon	Segontium Terrace / Rhes Segontium
Glan Môr / Crown Street	Shirehall Street / Stryd y Jêl
Greengate Street / Tan y Bont	Skinner Street / Lôn Crwyn
High Street / Stryd Fawr	Slate Quay / Cei Llechi
Hole in the Wall Street / Stryd Twll yn y Wal	Snowdon Street / Stryd Capel Joppa
Stryd y Porth Mawr	South Penrallt / Penrallt Isaf
Lôn Twthill	South Road / Lon Parc
Market Street / Stryd y Farchnad	St Helens Road / Ffordd Santes Helen

7 Ensuring BID services are supplementary

There is no link between the amount of business rate collected by the Council and the amount it receives back from Central Government to deliver services in the area.

A BID, in comparison, generates revenue that is ring-fenced for the area in which it is collected, to be spent on projects for the benefit of businesses that pay the BID Levy. All services provided by the BID will be additional to those provided by the Council. Additionally, is ensured through the production of a 'Baseline Agreement' which sets out the standard level of statutory service that is already provided for the BID area. This ensures that the BID levy only funds services and projects over and above this level.

8 the BID Ballot

The ballot will be managed by the Legal Services within Cyngor Gwynedd and will run between 22nd January and 19th February 2026. The ballot will be a secret postal ballot for the eligible Hereditaments on the National Non-Domestic Ratings List at the time of the notice of ballot being issued. Where the occupiers of individual Hereditaments have nominated in writing the name of the person who should vote on their behalf, the notice of ballot and ballot papers will be sent to them.

9 Eligible businesses

The following will not be eligible for the BID Levy, or for the vote:

- Business units with a rateable value of less than £2,000.
- Advertising rights and kiosks.

All other types of business are eligible to vote in the BID ballot and to pay the BID Levy. Hereditaments (rated 'units' of business space) with a rateable value of less than £2,000 will be exempt from paying the Levy and therefore will not be eligible to vote in the ballot. This currently means that approximately 415 rateable properties (hereditaments) within Caernarfon will be eligible to vote in the BID ballot and will be liable to pay the BID levy.

Businesses with a rateable value of less than £2,000 will be welcome to take up some of the BID's services by contributing on a voluntary basis at a rate to be agreed.

Where Hereditaments are unoccupied at the time of the notice of ballot, the owner will be entitled to vote in the BID ballot. The BID Levy Payer in cases of unoccupied Hereditaments will be the owner of the whole of the Hereditament. No three-month 'void' period will be given and those Hereditaments which are exempt from empty property rates and will not be exempt from the BID Levy. The BID levy is payable irrespective of part or all of the property being empty. The term 'owner' is defined in section 65(1) of the Local Government Finance Act 1998.

Businesses who receive mandatory and / or discretionary relief from business rates will not have their BID Levy discounted at the same rate. The BID Levy will not be reduced by any discretionary relief.

10 The BID Levy

The BID Levy is charged according to chargeable day procedures. Occupiers and owner-occupiers will pay the Levy at a fixed rate of 1.5% of rateable value, based upon the 2023 Non-Domestic Rating List. The BID Levy will therefore be calculated using the rateable value for each hereditament in the BID area as recorded in the 2023 Rating List on the date when notice of ballot is given. In the first instance this is likely to generate around £102,000 per annum for the Caernarfon area.

New assessments brought into the Rating List will be liable to the BID levy as from the effective date provided in the Rating List. If a hereditament is removed from the Rating List, liability for the BID levy will apply up to the day of deletion of the assessment from the Rating List"

The table below sets out the indicative Levy at 1.5% payable for businesses depending on their rateable value:

Indicative rateable value (£)	Indicative BID Levy (£)
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5,000	75
10,000	150
50,000	750
100,000	1,500
500,000	7,500

What if I already pay rates and services charges as part of my rent?

Where the occupants of Hereditaments pay an inclusive rent or other charge for occupying space that includes the rates charge, the owner is liable to pay the BID Levy and, consequently, is eligible to vote in the ballot.

I'm thinking of taking on more premises in the BID area. Will I have to pay a levy on those when I move in?

Businesses which begin to occupy existing Hereditaments during the BID period will be liable to pay the Levy for their period of occupation, providing the Hereditament remains eligible for the BID Levy. The BID Levy will be extended to occupiers of Hereditaments built or first occupied in the BID area during the life of the BID, assuming that they are otherwise eligible. In these cases, the Levy will be calculated on the rateable value entered in the most recent version of the Ratings List.

Occupiers of Hereditaments in new developments located within the BID boundary will also be liable for the BID levy, assuming that they are otherwise eligible.

11 Levy Collection

The Council will be responsible for collecting the BID Levy on behalf of the Caernarfon BID. The BID Levy will be payable in one instalment per year. Bills will be raised in March, and payment will become due on 1st April each year. Bills raised throughout the year will be periodically billed with payment due within 28 days.

Enforcement measures for the collection of the BID Levy are detailed under clause 8 above titled 'Procedures available to the Council for enforcing payment of the BID Levy'

The BID Levy is a mandatory charge and collection is enforceable in the same way as the business (non-domestic) rates. After 28 days' non-payment of the BID Levy,

a reminder will be sent giving a further 14 days to pay. If after a further 14 days from the payment date stated in the Reminder Notice the outstanding sum of the BID Levy has not been paid the Council shall make an application to the Magistrates Court for a Liability Order to recover the outstanding sum of the BID Levy. The BID Company will strongly pursue collection of the BID Levy, using all available enforcement mechanisms. Non-payment of the BID Levy will incur additional costs to the business in question.

The Council will apply to the Magistrates Court to recover its reasonable costs incurred in obtaining any order (currently estimated as £70.00 costs per liability order).

12 The cost of the BID ballot

The costs of the BID ballot will be met by Cyngor Gwynedd.

13 Alterations to the BID arrangements

Only minor amendments can be made to the BID arrangements without seeking formal approval from the BID Members. BID arrangements may be altered without an alteration ballot, as long as there is no proposal to alter:

- The geographical area of the BID.
- The BID Levy in such a way that would:
 - (i) cause any person to be liable to pay the BID Levy, who was not previously liable to pay; or
 - (ii) increase the BID Levy for any person other than for inflation purposes as set out above.

Where the BID arrangements may be altered without an alteration ballot, the alteration will be made by a decision of Caernarfon BID Board, following consultation with Cyngor Gwynedd.