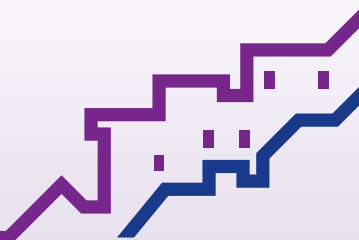


# Independent Businesses

Benefiting from Business Improvement Districts







## What is a BID?

A Business Improvement District (BID) is led by business for business and delivers a sustainable financial model to fund local improvements, services and management.

A BID, which is funded by the private sector, allows the private sector to work in partnership with statutory authorities within a flexible mechanism to deliver a wide variety of projects and services to improve the local economy. It also gives local businesses a unified voice and provides an arena for businesses and local authorities to increase their understanding of each other's priorities.



A BID can cover almost any project or service that local businesses agree would be of benefit as long as these are additional to services provided by the statutory authorities.

BID projects can tackle issues such as:

- **access**
- **safety and security**
- **cleansing and waste**
- **environmental improvements**
- **marketing, hospitality and events**
- **improved asset management**
- **and give a strong and unified voice for business.**

More innovative projects and services can develop as each BID evolves and matures. Some, for example, are developing projects around waste management, utilities, collective purchasing and cross-selling. Examples include:

- **local procurement**
- **business development**
- **independent business assistance and succession plans**
- **renewable energy**
- **zero waste – recycling, reuse, reduce**
- **European funding.**

“It has been very encouraging to see how the BIDs movement has spread in Scotland. The BID model provides businesses with the opportunity to become directly involved in the development and improvement of the local area and, as an owner of a business myself, I recognise the benefits this brings.”

**David Stein, Chair of Enterprising Bathgate Ltd**



## How is a BID established?

Normally, a working group develops the initial BID project and consults with other groups and the local authority to gauge support. It also ascertains whether financial, in kind and secondment support will be provided by the local authority.

After this a wider, more representative steering group is established, made up of predominantly private sector individuals and some public sector representatives.

After consultation with local businesses, a steering group will identify the proposed BID area to be covered, the issues to be addressed and projects to be included in the business plan. The business plan will also set out the BID's delivery mechanisms and performance indicators, as well as the BID governance and management structures.

A BID is not a substitute for central or local government services, but is a way additional funding can be raised. The businesses then decide how the additional funds are spent to

strengthen their local business economy.

A BID is developed, managed and paid for by the business sector by means of a compulsory BID levy which the businesses within the proposed BID area must vote in favour of before the BID can be established. Each business liable to contribute to the BID will be able to vote on whether or not the BID goes ahead.

Levy contributions could be made by a combination of occupiers and property owners, or by occupiers alone.

The interests of both large and small businesses are protected through a voting system that requires a majority in the numerical votes cast and the rateable value of votes cast. A BID proposal in Scotland will only go ahead if more than half the businesses vote in favour and they represent more than half of the rateable value – of those businesses that vote.

A BID has maximum duration of five years after which the BID is required to seek a new mandate from the businesses in the BID area.





## How can a BID benefit independent businesses?

A Business Improvement District (BID) can help address problems and issues identified by independent businesses with solutions that they believe are right. BIDs are not all talk – they deliver real results. All the businesses benefit from the projects and services and all contribute to the costs. BIDs are, therefore, fully accountable at a local level.

BIDs can deliver:

- **increased footfall and encourage greater consumer spend**
- **a safer environment**
- **a cleaner, improved environment for employees and customers**
- **greater efficiencies through collective procurement resulting in overhead reductions**
- **collectively invested money which works harder and smarter, sharing costs and responsibilities**
- **higher-impact marketing and promotional activity**
- **the opportunity to attract additional funding**
- **strong and effective private/public partnerships**
- **joint effort and drive towards a shared vision**
- **a strong local voice for business.**

“The proposed pedestrianisation by Moray Council of the street where my business is located caused significant concern to myself and many other businesses. The initial proposal would have had a negative impact on businesses, leading to what we believe would have been a reduction in footfall. Elgin BID supported the businesses to voice their concerns, facilitated on-going dialogue with key people in Moray Council and ensured a full consultation which led to a complete revision of the original plans and a more satisfactory outcome for the businesses. Dialogue continues and the businesses are now completely involved in the streetscaping of the street to ensure the end result looks pleasant and attracts more footfall.”

**Sally Baker, The Bay Tree Florist, Batchen Street, Elgin**

# David Stein Butchers

Delicatessen & Wines





## BIDs in action

In March 2008, Bathgate town centre became Scotland's first BID with a 93% Yes vote from businesses in the town.

Independent businesses were instrumental in the development of the BID in Bathgate and form the majority of the board of directors of Enterprising Bathgate, the private limited, not for profit company established to deliver the BID business plan. Some of the significant projects of the past two years include the following:

- a shopfront improvement scheme awarded over £44,000 in grants to 88 businesses and produced a total investment of £247,000
- in November 2008, a retail radio link was set up with 16 businesses signing up to the scheme which businesses had seen as a priority project for many years.
- a public realm design guide and masterplan was commissioned and project managed by Enterprising Bathgate to provide a design framework for future improvements

**in the town centre. In January 2009 this was adopted by West Lothian Council as planning guidance for future works carried out in the town.**

- in March 2009, a premises improvement scheme was launched. 92 businesses now participate – exceeding the number involved in a previous shopfront scheme.
- additional incentives were announced to help bring new businesses and improve shop and office occupancy.
- Enterprising Bathgate made a joint application to Town Centre Regeneration Fund and Bathgate town centre was awarded £600,000
- a taxi marshal scheme was launched.

The combination of these projects and other work by Enterprising Bathgate has seen a level of investment in the town centre not seen for a generation, as well as improvements to the physical environment of the town centre. The BID is also encouraging a growth in confidence and civic pride amongst the local community.

“As the owners of a large listed property in the centre of Inverness we see Inverness BID as being an excellent partner, providing links to a variety of organisations, promoting the development, improvement and management of properties within the city. We have already witnessed the difference that Inverness BID has made through its continued negotiations, communications and a range of successful projects which have improved the city centre environment for all, not just for property owners but for businesses also.”

**Steve Johnstone, Chief Executive  
Macleod & MacCallum**



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