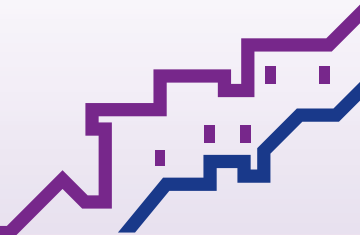


Rural Businesses

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.**

“DTA Scotland is delighted to be working in partnership with BIDS on a number of pilot projects which will explore the potential synergies which can be generated between community-led Development Trusts and their respective business communities. We feel that, in the right context, this could prove to be a winning formula which has an important contribution to make to the regeneration of different-sized communities or the town centres of bigger conurbations.”

Ian Cooke, Director, Development Trust Association Scotland



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 rural areas?

A BID can help the regeneration and management of rural areas by delivering real and lasting results. All local partners will benefit from the projects and services, and all contribute to the costs. BIDs are, therefore, fully accountable at a local level.

Normally a partnership with the local authority, a rural BID is also likely to be a partnership with the local Development Trust, Heritage Trust, Community Council or any other local group with the same objectives and vision as the BID businesses.

A rural BID may need to partner with an adjoining area to help to secure the finance needed to deliver a sustainable BID model. However both areas would have the opportunity to contribute to a common project covering the entire BID area such as a tourism and visitor strategy or renewable energy provision. This could lead to substantial cost and efficiency savings.

A rural BID can deliver:

- **the growth of sustainable businesses in rural areas**
 - **increased visitor numbers and encourage greater spend**
 - **broadening and strengthening of the rural economy**
- **improved accessibility and quality of public and commercial services that local people and businesses depend on**
 - **help to build resilient, sustainable rural communities**
 - **a safer more attractive environment**
 - **a cleaner, improved environment for visitors and tourists**
 - **higher-impact area marketing and promotion**
 - **the opportunity to attract additional funding**
 - **greater control over business issues and how they are managed in your area**
 - **collectively invested money which works harder and smarter**
 - **greater networking and partnership opportunities with other businesses, statutory authorities, voluntary and community organisations.**

Rural BIDs can help to:

- **deliver renewable energy projects**
- **improve local employment**
- **support workshops and arts centres**
- **deliver a competitive regional advantage**
- **provide a strong local voice for business.**

BIDS is already working with small towns (with a population of less than 5000) and welcomes enquiries from other small towns or groups of settlements wishing to pilot a rural BID.





BIDs – contributing to the rural economy

Rural Scotland covers 95 per cent of the land area and 18 per cent of the population. It is an integral part of the country's economy, environment and culture. The Scottish Government aims to promote development in rural areas and empower communities. It wants to see a rural Scotland that is outward looking and dynamic - with a diverse economy and active communities.

Main priorities include tackling infrastructure; land use, community participation, community enterprise and business and skills.

The Scotland Rural Development Programme (SRDP) includes economic, environmental and social measures, worth some £1.5 billion to help deliver the Government's strategic objectives in rural Scotland.

It is outcome-focused and primarily aims to deliver a greener Scotland and to promote a wealthier and fairer rural Scotland. It contributes to the Government's healthier and smarter objectives and will help to strengthen rural communities.

The SRDP covers the farming, forestry and primary processing sectors, rural enterprise and business development, diversification and rural tourism.

The Scottish Government is also keen to

promote community benefit from renewable energy. Scotland is experiencing a new energy revolution. As well as developing the offshore renewable industry, the Scottish Government believes that Scotland and its local communities should benefit directly and, in the long-term, from the exploitation of the natural resources of wind, wave and tidal power.

BIDs in rural areas will contribute to the Scottish Government's objectives, helping to encourage business viability, diversity and regeneration. BID projects can include renewable energy, waste reduction and recycling – delivering community and business benefits.

The BID model is incredibly flexible and could work well in rural partnerships to help local businesses and the community to tackle specific rural issues.

Projects which could help attract more visitors and tourists for rural businesses might include introducing greater broadband access, introducing village ATMs, developing new picnic areas and play areas, providing extra bus services or organising new events such as local markets and festivals. It may also be appropriate to appoint a rural development project officer who can coordinate activities and source further funding for the BID.

“BIDs in rural areas harness the drive, skills and experience which exist in the community – uniting businesses, local authorities and communities in a common goal to achieve tangible economic benefits, promote civic pride and enhance the quality of life for residents and visitors alike.”

**Gordon Forrester, Strategic Routes Adviser & West Highland Way Manager
Loch Lomond & The Trossachs National Park**



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