

DORNOCH BUSINESS IMPROVEMENT DISTRICT (BID) FREQUENTLY ASKED QUESTIONS

GENERAL FAQs REGARDING SCOTLAND'S BIDS

HOW WILL A BID BENEFIT ME?

A BID is underpinned by creating a strong local partnership where businesses work and invest collectively in partnership with the local authority and other statutory bodies providing a firm and sustainable basis to bring about short- and long-term change and improvement.

HOW WILL I GET THE MOST OUT OF THE BID?

By being involved and working with others to help deliver change and improvement within the local area. A BID provides a structure and finance to enable things to be done, which are going to benefit the businesses and the wider community. The most progressive BIDs have a committed Board of Directors working within a strong local partnership in conjunction with their local authority and other bodies to deliver sustainable improvements and solutions, with each understanding the priorities and concerns of the other.

HOW IS A BID DEVELOPED?

Through a local steering group made up from the businesses within the proposed BID area and the local authority. Where thought necessary other relevant groups from within the area are often involved. The steering group oversees the development process. In the initial stages the steering group instigates a dialogue with the local authority and other interested partners and initiates the engagement and consultation with the businesses within the proposed BID area. The steering group makes the decisions on the BID area, size and liability for the levy and the projects and services to be delivered from the dialogue and consultation with the businesses. The steering group only exists during the development of the BID and the initial set up of the new BID Company; following a successful ballot a new Board of Directors is formed nominated from the businesses within the BID area.

HOW DOES THE BALLOT WORK?

The ballot is a confidential postal ballot, the same as a postal ballot in a Scottish Parliament or local authority election, held by the ballot holder, normally the local authority. All persons eligible to vote, located within the BID area, have the opportunity to vote on the BID Business Plan. In Scotland, a BID can only be approved if:

- there is a minimum turnout (the headcount) of 25% of individual persons by number and rateable value of those entitled to vote.
- the majority vote in favour by number and rateable value of those entitled to vote.

HOW LONG DOES A BID TAKE TO DEVELOP?

This depends on what local partnerships already exist and the level of support from the businesses and the local authority, but normally it takes around 12 months. This is because there are periods of the year when consultation may not be appropriate (such as at Christmas and the summer holiday/tourism periods) and because the ballot generally has to take place during early spring, early summer, or early autumn to avoid other elections such as an election for the Scottish Parliament.

HOW LONG WILL THE BID LAST?

BIDs in Scotland have a maximum term of five years, at which time the BID is required to seek a new mandate from the businesses by way of a renewal ballot to be able to continue in operation.

WHAT LEGISLATION UNDERPINS BIDS IN SCOTLAND?

BIDs in Scotland are underpinned by:

The Planning etc (Scotland) Act 2006

The Planning etc. (Scotland) Act 2006 (Business Improvement Districts Levy) Order 2007

The Business Improvement Districts (Scotland) Regulations 2007

The Business Improvement Districts (Ballot Arrangements) (Scotland) Regulations 2007

The Business Improvement Districts (Scotland) Amendment Regulations 2007 No 510

The Business Improvement Districts (Scotland) Amendment Regulations 2008 No 359

The legislation in relation to the development of a BID is very flexible and is able to be used in a number of diverse ways by businesses to help bring about strong local partnerships with the common objective to deliver local positive change and improvement contributing to sustainable economic growth.

The Scottish Executive consultation of 2003 identified that BIDs should not be restricted to town and city centres to allow more innovative and entrepreneurial BIDs to be developed such as in agriculture, rural areas, business parks, tourism and visitor areas or single business sectors such as food, drink, and textiles. The Scottish legislation allows for the inclusion of property owners as well as occupiers and is not restricted by local authority boundaries.

WHAT ARE THE PROJECTS AND SERVICES?

The projects and services are determined by consulting with the businesses to identify their needs and concerns.

SPECIFIC FAQs REGARDING THE DORNOCH BID PROPOSAL

HOW MUCH WILL THE COUNCIL CHARGE TO COLLECT THE LEVY PAYMENTS?

The charge to collect the levies will be under £2,400 per year, around 3% of the total levy fund. Having the levies collected by the local authority ensures a high collection rate, making the BID a fair partnership of all qualifying businesses.

CAN THE BALLOT BE DELAYED?

As the timetable for the ballot has been set and agreed with The Highland Council (THC), the voting process cannot be delayed. Therefore, the deadline for casting your ballot is the 16th of November 2023.

WHO WILL LEAD THE BID?

The BID will be led by a Board of Directors nominated and voted on by the qualifying businesses within the BID area. Non-qualifying business owners can be voted on at the discretion of the Board of Directors. Anyone from any of the qualifying businesses within the BID area can put themselves forward to become a Board member, no matter how they voted in the ballot. This ensures that even businesses who were not in favour of the BID get a full say

in how their levy is spent, and what projects are focused on. Ideally the Board will have representatives from all sectors. Only one representative can be nominated from each business, as the Board cannot have more than one director from the same company.

CAN THE BID PROVIDE EVENTS SUCH AS A MUSIC FESTIVAL, AS WELL AS INCREASE ATTENDANCE AT THE WHISKY FESTIVAL?

Yes! One of the themes of the business plan for Dornoch is to promote and market Dornoch, with Events as one of the key elements of this plan. Additionally, the BID seeks to improve Dornoch's town centre and environment, making it a thriving place for people to live and work, and exciting, enjoyable events for locals and visitors to enjoy will be a key element of this.

WHY CAN'T THE EXISTING VOLUNTARY GROUPS IN DORNOCH PROVIDE THE PROJECTS AND IDEAS THE BID IS SUGGESTING?

The BID Steering Group was founded on the understanding that volunteer run events and community groups are not always sustainable and relies on the good will of individuals. In particular it was identified that the marketing and promotion of Dornoch required a sustainable longer-term strategy underpinned by a sustainable budget. The BID approach is one that can provide a five-year plan. With business owners in Dornoch already short on time to contribute to running a volunteer-run system, BIDs provide the opportunity to employ a manager to coordinate and drive the projects and ideas forward as proposed by the businesses and is therefore in the best interests of all businesses in our IV25 area.

WHAT FINANCIAL BENEFITS WILL THE BID PROVIDE MY BUSINESS?

The BID will aim to minimally off-set the levy contribution of each business by either the provision of additional income, or a reduction in costs. Ideally both! Projects that have worked to serve members of other successful BIDs include:

- additional room night sales (accommodation providers)
- an increase in customer footfall (retail outlets)
- bulk procurement groups for utility cost savings (all sectors)
- free training courses for a wide range of skills and staff development (all sectors)
- business directory for the promotion of companies to the local community (all sectors)
- Business support
- Being a Voice for businesses on local and national groups

WHAT IS AN EXAMPLE OF A PROJECT THAT COULD RAISE MY INCOME?

Oban's BID has introduced a town voucher scheme, Love Oban. Vouchers are available for anyone to purchase both from outlets in the town as well as through the BID's website, and these can be spent in any participating business within the BID area. The business then claims the full-face value of the voucher from the BID ensuring no loss of revenue. Money collected at the voucher's point of sale is used to reimburse the business where the voucher is spent making this a no-loss enterprise and a great way to encourage people to shop locally. The cost to produce the security printed vouchers is funded through the levy income.

WHAT ARE THE BID'S PLANS FOR VISIT DORNOCH?

The BID would like to retain the Visit Dornoch brand, website and app and continue to develop the brand for the benefit of all businesses in the IV25 area, however it will be up to the business community, via the BID's board of directors, to decide what form this will take.

WHAT AUTHORITY WOULD THE BID HAVE IN TERMS OF REPRESENTATION FOR BUSINESSES?

The creation of a BID will provide a vehicle for local businesses to work collaboratively and meaningfully not only with each other, but also with other public and private sector bodies, including local government, grant funders and industry groups. The BID will provide us with a single, influential voice in areas where individual businesses are either not heard or have no access, at both a local and national level. In particular, the BID Board will have a single voice in ensuring the delivery of Highland Council services for our area and as defined in the Council's baseline agreement submitted alongside the Business Plan.

WHAT LEVEL OF DECISIONS WOULD THE BID BE ABLE TO MAKE WITHOUT A BUSINESS VOTE?

The BID board is selected from nominees put forward by the business community to run the BID in the best interests of all its members. It is in the BID's best interest to keep consulting the businesses throughout the five-year terms, and therefore it is expected that the Board will be open, accessible, and responsive to the needs of the businesses.

IF A BUSINESS STOPS TRADING WITHIN A FINANCIAL YEAR, WOULD THEY RECEIVE A PORTION OF THEIR LEVY BACK?

Yes. Any business that closes can recoup the levy for the outstanding months to the end of the BID financial year. This would be done through a claim to The Highland Council.

WHAT IS THE FINANCIAL YEAR OF THE BID?

It is proposed that the BID's financial year will run from the 1st of March to the end of February. Invoices will be sent by the Highland Council during February each year of the five-year term.

WILL ALL MEETINGS OF THE BOARD BE OPEN AND, IF NOT, HOW MANY DURING THE YEAR WILL BE?

The specific details of how the Board will meet will be decided by the Board once they are in place. However, it is expected that the Board will make themselves available to the businesses in an open and honest manner. An example of this from another Scottish BID is the hosting of quarterly 'clinics,' where businesses can meet with the representative from the Board covering their particular sector – retail, service, tourism etc – to raise any questions or concerns.

WHY DOES THE BUSINESS PLAN NOT GIVE MORE DETAILS ABOUT WHAT WILL BE DONE?

If the BID goes ahead, it is expected that the Board will make the final decision on which projects are progressed. Much will depend on the success of funding applications that provide the most benefit for our businesses and are in line with the objectives the businesses have asked the BID to deliver. The focus will be on the delivery of real outcomes for businesses as defined in the business plan.

The four themes in the business plan provide a framework so the business representatives on the BID Board of Directors can determine the day-to-day tasks and projects that will add the most value to the businesses while still maintaining a focus on the core objectives and vision. This is the standard approach to the business plan for a start-up BID with much more detail found in business plans of BIDs that have been operational for at least their first five-year term.

IF THE BID GOES AHEAD, WILL THE CURRENT VISIT DORNOCH ACTIVITIES CONTINUE UNTIL A NEW PROMOTIONAL PLAN IS PUT IN PLACE?

Yes, the current levy that some businesses have paid to DACIC for the Visit Dornoch fund and activities will continue for the period up to the end of

March 2024, unless advised otherwise by DACIC. If there is a successful ballot in November 2023, the BID Board will be appointed shortly thereafter in time for the launch of the BID on 1 March 2024. Therefore, there is an overlap of time from the board being elected and the re-launch of the Visit Dornoch brand by the BID. This will provide the necessary time for the Board to put the plans in place for the renewing of the marketing and promotion activities for Dornoch.

HOW WILL THE VOTING RESULT BE DETERMINED?

The ballot requires three conditions to be met –

- At least 25% of the qualifying businesses need to vote, so a minimum of 48 need to participate.
- For the BID to go ahead, at least 50% of those voting need to vote yes. If all 192 businesses in the Dornoch area vote, then 96 of them need to vote yes for the BID to be successful. This ensures that a majority of businesses are in favour.
- Additionally, at least 50% of the total rateable value of all the qualifying businesses needs to be in favour. This ensures that a good spread of business sizes is in favour, and not just all the small businesses.

WHAT IS THE POTENTIAL INCOME OF THE BID?

As well as the levy generated by the businesses, those running the BID will be expected to source funding from a range of different funding partners such as the Common Good Fund, charitable trusts, HIE, the Highland Council and many others. Funding will need to be in line with the BID vision and objectives for Dornoch as identified by the businesses and reflected in the business plan. BIDs in other areas have been highly successful in securing funding.