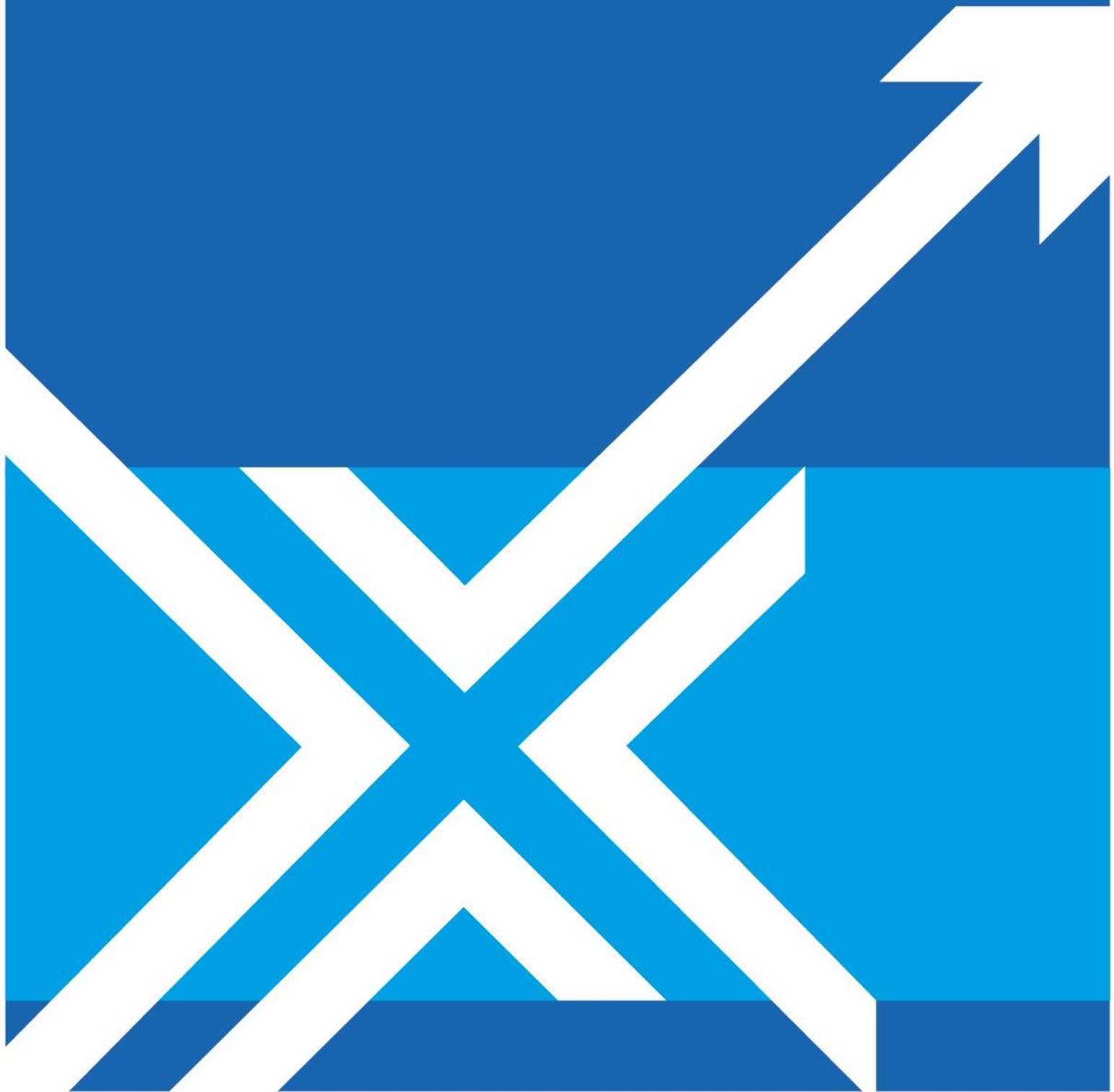




SCOTLAND'S  
IMPROVEMENT  
DISTRICTS

# FREQUENTLY ASKED QUESTIONS



## FREQUENTLY ASKED QUESTIONS

Below are some frequently asked questions about BIDs in Scotland.

### 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 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.

## HOW IS THE LEVY CALCULATED AND WHO PAYS?

Following consultation with the businesses, a draft business plan is prepared which details the proposed projects and services, the cost of each project and service, the delivery costs, the method of apportionment of the costs across the businesses and the cost to each group or band of businesses. The levy can be paid by property occupiers, owners, or both property owners and occupiers - this decision is taken locally. The levy varies from BID area to BID area and is dependent on the ambitions of the businesses and types of projects they want to see delivered, but generally for small businesses the levy can be as little as a few pounds per week.

## HOW DOES THE LEVY AFFECT MY BUSINESS RATES?

The levy is entirely separate to business rates and can only be drawn down by the BID Company Board of Directors for the delivery of the projects and services detailed in the business plan, which has previously been approved by a ballot. **The levy is not a new source of funding for the local authority.**

## ISN'T THIS WHAT I PAY MY BUSINESS RATES FOR?

No, local authorities and other statutory bodies are only required to provide statutory services such as road and footway maintenance, litter bins, street sweeping, road and footway lighting. They are not required to deliver projects or services such as events, Christmas illuminations, property improvement programmes, safety projects or business events. To ensure that projects and services are additional to statutory services local authorities, Police Scotland and other statutory bodies are required to provide details of their baseline services and these form part of the Baseline Services Agreement. The baseline services are normally benchmarked at the beginning of the BID and monitored throughout its term.

## I DON'T PAY BUSINESS RATES. DO I STILL HAVE TO PAY THE LEVY?

The payment of the levy is not related to whether a person/property pays business rates or not. The legal responsibility for the payment of the levy is based on whether the person/property is **liable to pay business rates**.

## I VOTED NO. WILL I STILL HAVE TO PAY?

The BID Business Plan is put to a democratic secret postal ballot of the eligible persons (property occupiers and or owners) and, if the majority vote in favour, all eligible persons liable to pay the non-domestic rate are liable for the levy.

## WHAT IF I REFUSE TO PAY?

The legislation underpinning BIDs in Scotland includes recovery powers for the local authority to allow them to collect all levy due under the BID Arrangements.

If you have a question that is not answered below then please contact us on [info@improvementdistricts.scot](mailto:info@improvementdistricts.scot)