
**ISLE OF BUTE BUSINESS IMPROVEMENT DISTRICT - APPROVAL OF BALLOT
SUBMISSION AND BUSINESS PLAN**

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to ask Members to endorse the Isle of Bute BID (Business Improvement District) Steering Group Ballot submission and approve the Business Plan in support of the Ballot. The proposed Ballot is due to take place on Thursday 9th September 2021 (the ballot day). This will be a postal ballot and votes must be received by 5pm on the ballot day to be considered valid and included in the count.
- 1.2 The Isle of Bute BID is being taken forward by an island-based Steering Group comprised of local business representatives.
- 1.3 The Steering Group intends to develop an island-wide BID with the aim to strengthen and broaden the economic base, and which would encompass all business and commercial areas on the island including agricultural businesses.
- 1.4 The principle aim of the BID is to deliver projects and events to improve the trading environment for businesses, their customers and visitors. The Business Plan informs levy payers on specific contributions required and outlines the proposed objectives, benefits and outcomes of an island-wide BID over a 5-year period. The Business Plan also sets out how levy contributions will be used and details the assumed return from this investment.
- 1.5 If approved, the ballot will take place over 42 days, from Thursday 29th July to Thursday 9th September ('the ballot day') in 2021. If successful the levy could potentially raise £134,000 a year to be spent on Bute, and over 5 years this could be in excess of £600,000. The steering group have proposed initial ideas on how levy payments could be invested to grow the economy of Bute.
- 1.6 Through the provision of information and advice, Officers from Development and Economic Growth, Legal and Governance, Customer Services and Strategic Finance have supported the Isle of Bute BID Steering Group in their development of this BID Ballot submission. The Isle of Bute BID Business Plan and Business Proposal, along with assorted Appendices are attached at Appendix 1. The Business Plan represents the Isle of Bute's Business Community's proposals for the most effective utilisation of the BID's levy, to support the continued revitalisation of the Isle of Bute.

2.0 RECOMMENDATIONS

2.1 That the Council agrees:

- a. To approve the ballot request, to approve the Isle of Bute BID Business Plan and agree to instruct the Returning Officer to conduct a ballot over 42 days in 2021 from Thursday 29th July to Thursday 9th September ('the ballot day').
- b. To authorise the Executive Director with the responsibility for Development & Economic Growth to cast the votes on behalf of the council in favour of the BID.
- c. To agree that the Council will charge £6,500 (excluding VAT) per annum, to the BID company for administering the levy charge to businesses in Bute, with charges thereafter increased annually. The first increase will apply on 01 March 2022, and annually thereafter for the subsequent term of the BID.
- d. To agree that, if the BID group are successful in the ballot, the Council will pay an estimated £9850 per annum in levy contributions for Council properties on the Isle of Bute.
- e. To note that if the BID group are successful in the ballot 2 representatives from the Council would be requested to sit on the Isle of Bute BID Board, one Elected Member and one Officer.

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3.0 INTRODUCTION

- 3.1 The purpose of this report is to ask Members to endorse the ballot and approve the business plan for the Isle of Bute BID. The ballot is due to take place over 42 days in 2021 from Thursday 29th July to Thursday 9th September ('the ballot day'). It will be a postal ballot and votes must be received by 5pm on the ballot day to count.
- 3.2 The Isle of Bute BID Business Plan and Business Proposal sets out the governance, objectives, levy payments and benefits for business owners island-wide.
- 3.3 The submission proposes an island-wide BID Zone and would include all island-based businesses, including agricultural businesses.

4.0 RECOMMENDATIONS

- 4.1 That the Council agrees:
- a. To approve the ballot request, to approve the Isle of Bute BID Business Plan and agree to instruct the Returning Officer to conduct a ballot over 42 days in 2021 from Thursday 29th July to Thursday 9th September ('the ballot day').
 - b. To authorise the Executive Director with the responsibility for Development & Economic Growth to cast the votes on behalf of the council in favour of the BID.
 - c. To agree that the Council will charge £6,500 (excluding VAT) per annum, to the BID company for administering the levy charge to businesses in Bute, with charges thereafter increased annually. The first increase will apply on 01 March 2022, and annually thereafter for the subsequent term of the BID.
 - d. To agree that, if the BID group are successful in the ballot, the Council will pay an estimated £9,850 per annum in levy contributions for Council properties on the Isle of Bute.

- e. To note that if the BID group are successful in the ballot 2 representatives from the Council would be requested to sit on the Isle of Bute BID Board, one Elected Member and one Officer.

5.0 DETAIL

Isle of Bute BID Business Plan

- 5.1 The Isle of Bute economy and population has contracted. The implementation of an island-wide Business Improvement District (BID) has the potential to proactively contribute to addressing these issues, through a business-led approach. It is the intention of the Isle of Bute BID Steering Group, which is comprised of business representatives from some of the largest island-based businesses, to use a BID to provide a range of projects, initiatives and events to contribute to a healthier economic environment for the island.
- 5.2 The Isle of Bute BID Steering Group conducted extensive consultations with the business community including 4 information evenings which were held around the island. In total over 90 businesses were involved and this enabled individual businesses to discuss in depth the proposed BID. Representatives from other Argyll and Bute BIDs were invited to these sessions and were able to demonstrate the work that has been done in other areas within the Region. The Steering Group also issued questionnaires to every business on the Isle of Bute. The questionnaire was completed by 135 businesses within the BID area on the island (a 67.5% return rate) offering the opportunity to every business to highlight their areas of concerns. A further 72 questionnaires were sent to off island owners with 2 responses. Each business on the island received the questionnaire by post or by hand with the option of completing it online. The results were analysed by Survey Monkey and used to prepare the Business Plan and Proposal.
- 5.3 The principle aim of the Isle of Bute BID is to deliver projects and events that would improve the trading environment of the island. The BID Steering Group and Project Coordinator have developed a Business Plan and Business Proposal which set out the objectives and outcomes of the Business Improvement District (BID). (Please see Appendix 1) The business plan informs the council and other levy payers on the level of their contribution, how this will be collected, and what the levy payers will see in return for their investment. The likely income and expenditure is included in the Plan as well as management and governance mechanisms.
- 5.4 The benefits of the levy are that it could potentially raise £134,000 a year to be spent on Bute, and over 5 years this could be in excess of £600,000. This would allow local businesses to take control and spend money on their priorities that will work alongside future council and key partner activity.

Isle of Bute BID Process

- 5.5 The Business Plan also sets out the BID ballot process. It is proposed that the ballot will open for 42 days in 2021 from Thursday 29th July to Thursday 9th September ('the ballot day'), with the ballot papers being counted on Monday 13th September 2021.
- 5.6 An Isle of Bute BID is predicated on a successful ballot, which would be facilitated by Argyll and Bute Council. For the ballot to count, a minimum 25% turnout of all businesses must be realised, and of those business representatives that vote over 50% by number and 50% by combined rateable value must vote in favour of the bid. Results would be published within one week of the date of the count.
- 5.7 If successful, the Isle of Bute BID would commence on 01/10/2021 and will run for a period of five years until the 30/09/2026.

Council Commitment and Finances

- 5.8 The Isle of Bute BID Steering Group has been allocated one day per week support by an officer from Development and Economic Growth. In addition, support has been received by officers from Legal and Governance, Customer Services and Strategic Finance. If the BID ballot were successful, the BID company would request 2 representatives from the Council to sit on the BID Board, one Elected member and one Officer. There is no other financial request at this time.
- 5.9 If the Ballot is successful then Argyll and Bute, as a levy payer, will be required to pay levy on its properties on the island. This estimated contribution is £9,850 per annum.

6.0 CONCLUSION

- 6.1 Following extensive consultations with levy payers, the Isle of Bute BID Steering Group has determined that there is merit in pursuing a ballot on a Business Improvement District and the Business Plan submitted sets out the economic and social case. Council approval is now being formally sought to approve the ballot process for the Isle of Bute Business Improvement District.

7.0 IMPLICATIONS

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| 7.1 | Policy | Supports the delivery of the Local Outcome Improvement Plan and the Council's Economic Strategy and Economic Recovery Plan. |
| 7.2 | Financial | The Council levy payment will be £9,850 per annum for a period of 5 years as a budget pressure from the general unallocated fund. The Council will charge £6,500 per annum to the Isle of Bute BID Company for the |

7.3	Legal	collection and administration of the levy, with charges increasing on an annual basis.
7.4	HR	Facilitation of ballot. Council officers are supporting the Isle of Bute BID. 2 Council representatives, one Elected Member and one Officer will be requested to attend Isle of Bute BID Board meetings.
7.5	Fairer Scotland Duty	None.
7.5.1	Equalities –protected characteristics	None.
7.5.2	Socio-economic Duty	The Isle of Bute BID aims to reduce inequalities of outcome caused by socio-economic disadvantage on Bute and the BID represents the collective responsibility to grow the island economy.
7.5.3	Islands	This BID will encompass the whole of Bute
7.6	Risk	The ballot may be unsuccessful.
7.7	Customer Service	None.

Kirsty Flanagan Executive Director with the responsibility for Development & Economic Growth

Policy Lead for Sustainable Economic Growth, Councillor Alastair Redman

12th May 2021

For further information contact:

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Appendix 1 – Isle of Bute Business Plan