

**ISLE OF BUTE BUSINESS IMPROVEMENT DISTRICT – OUTCOME OF BALLOT  
AND NOMINATIONS FOR BUTE BID BOARD**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to update members on the outcome of the Bute BID Ballot held on 9<sup>th</sup> September 2021 and to seek nomination of one Elected Member and one Council Officer to sit on the Board of the yet-to-be formed Business Improvement District (BID) company for the island of Bute.
- 1.2 This follows on from the Full Council meeting on 24<sup>th</sup> June where Council agreed the ballot request, approved the business plan and instructed the Returning Officer to conduct a ballot. It was also agreed that the Council will charge £6,500 plus VAT to the BID company for administering the levy charge and to pay an estimated £9,850 per annum in levy contributions for Council properties on the Isle of Bute.

**1.3 RECOMMENDATIONS**

It is recommended that the Council:

- a) Note the outcome in regard to the Bute BID ballot.
- b) Nominate an Elected Member to attend the Isle of Bute BID Board meetings for the first term of the BID, 2021-2026.
- c) Delegate authority to the Executive Director with responsibility for Development and Economic Growth to nominate a Council Officer to attend the Isle of Bute BID Board meetings for the first term of the BID, 2021-2026.

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**2.0 INTRODUCTION**

2.1 At Full Council on 24<sup>th</sup> June 2021, Councillors agreed to the following:

- 2.1.1 Approve the ballot request, 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 29<sup>th</sup> July to Thursday 9<sup>th</sup> September ('the ballot day').
- 2.1.2 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.
- 2.1.3 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.
- 2.1.4 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.
- 2.1.5 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.

2.2 Following approval by Full Council the ballot was then set up and the ballot took place on 9<sup>th</sup> September 2021 and the Business Community voted in favour of the Bute BID.

**3.0 RECOMMENDATIONS**

3.1 The Committee is asked to:

- a) Note the update in regard to the outcome of the Bute Bid ballot.
- b) Nominate an Elected Member to attend the Isle of Bute BID Board meetings for the first term of the BID, 2021-2026.
- c) Delegate authority to the Executive Director with responsibility for Development and Economic Growth to nominate a Council Officer to attend the Isle of Bute BID Board meetings for the first term of the BID, 2021-2026.

#### 4.0 DETAILS

4.1 The Bute BID was dependent on a successful outcome in the ballot. For the ballot to count, a minimum 25% turnout of all businesses had to be realised, and of those business representatives that vote, over 25% by number and 25% by combined rateable value must vote in favour of the BID.

4.2 The ballot was held on Thursday 9 September and the Isle of Bute Business community has voted in favour of the Isle of Bute BID. The results were as follows:

No. of Ballot Papers Issued	No of Returns	Yes Votes	No Votes	Rejected Votes
314	194	115	73	6

The BID ballot has therefore secured a minimum turnout of 25% of all businesses, and of those business representatives that vote, over 50% by number. The result has also met the 25% figure by combined rateable value vote in favour of the BID.

4.3 The Governance and Management arrangements outlined in the Isle of Bute Business Proposal and Business Plan stated that following a successful “yes” vote, the management and operation of the Isle of Bute BID Steering Group would be transferred to a Company Limited by Guarantee. In light of the successful “yes” vote the Company Limited by Guarantee will operate from Friday 1st October 2021 and will be managed by the Isle of Bute BID Steering Group until a Board of Directors is elected.

4.4 The Board will be representative of the businesses and stakeholders in the area and will act in the best interests of the BID Company. The Chairman, Vice Chairman, Company Secretary and Treasurer will be elected from the business members of the Board. The Board will include two representatives from Argyll and Bute Council, one Elected Member and one Council Officer. Other non-voting members may be co-opted onto the Board at the Board’s discretion. The Company will operate in a transparent way, answerable to the

levy payers in the area. There will be a detailed set of protocols which will cover the management of the BID and billing, collection and transfer of the levy.

- 4.5 In light of the successful “yes” vote the Council is asked to nominate an Elected Member and delegate authority to the Executive Director with responsibility for Development and Economic Growth to nominate a Council Officer to attend the Isle of Bute BID Board meetings for the first term of the BID, 2021- 2026. The two nominated candidates will not have a right to vote as their role will be in an advisory capacity.
- 4.6 The nominated Elected Member and Officer will, along with the rest of the Directors, act in the best interests of the BID Company and add their support to the work of the BID. It will be a company limited by guarantee with a limited liability of £1.
- 4.7 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, which is comprised of business representatives from some of the largest island-based businesses, to provide a range of projects, initiatives and events to contribute to a healthier economic environment for the island.

## **5.0 CONCLUSION**

- 5.1 The Isle of Bute BID Steering Group have secured a ‘yes’ vote from the business community on the Isle of Bute. The Council is therefore asked to nominate an Elected Member and a Council Officer to sit on the newly formed BID Board. 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 implication of an island wide BID is that it will contribute to addressing the economic and population contraction on the Isle of Bute.

## **6.0 IMPLICATIONS**

- 6.1 Policy Supports the delivery of the Local Outcome Improvement Plan and the Council’s Economic Strategy and Economic Recovery Plan.
- 6.2 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 collection and administration of the levy, with charges increasing on an annual basis.
6.3	Legal	An Operating Agreement has been developed between the Council and the Isle of Bute BID, which lays out responsibilities for the BID levy collection.
6.4	HR	Officer support from existing staff.
6.5	Fairer Scotland Duty	None.
6.6	Equalities –protected characteristics	None.
6.7	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.
6.8	Islands	This BID will encompass the whole of Bute.
6.9	Risk	The BID company may not deliver what has been laid out in their Business Proposal and Business Plan.
6.10	Customer Service	None.

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

14<sup>th</sup> August 2021

**For further information contact:**

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