
**DUNOON PRESENTS - APPROVAL OF BUSINESS IMPROVEMENT DISTRICT
BALLOT SUBMISSION, BUSINESS PROPOSAL AND BUSINESS PLAN - THIRD
BALLOT**

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to ask Members to endorse the Dunoon Business Improvement District (BID) ballot submission, the Business Proposal, Term Three, and the Business Plan, Term Three, in support of the ballot, submitted by Dunoon Presents, the BID company. The proposed ballot is due to take place on Thursday 2nd March 2023 (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 principle aim of the BID is to deliver projects and events to improve the trading environment for businesses, their customers and visitors. The business proposal informs levy payers on specific contributions required and outlines the proposed objectives, benefits and outcomes of a BID over a 5-year period. The business proposal also sets out how levy contributions will be used and details the assumed return from this investment.
- 1.3 If approved, the ballot will take place over 42 days, from Thursday 19th January to Thursday 2nd March ('the ballot day') in 2023. If successful, the levy could potentially raise £130,000 for the first two years of the third term and £143,000 a year for the three remaining years of the third term, giving a total of £689,000 in total. Dunoon Presents have therefore proposed how these levy payments could be invested to further grow the economy of Dunoon, based on the success of the previous two terms of the BID delivery.
- 1.4 Through the provision of information and advice, Officers from Development and Economic Growth, Legal and Governance, Customer Services and Strategic Finance have supported Dunoon Presents in their development of this BID ballot submission. The Dunoon Presents Business Proposal, Term Three, is attached at Appendix 1. The Dunoon Presents Business Plan is attached at Appendix 2 and the Draft Operating Agreement is attached at Appendix 3. This Draft Operating Agreement will be signed after a positive ballot result. The business proposal represents the Dunoon Business Community's proposals for the most effective utilisation of the BID's levy, to support the continued development of Dunoon.

RECOMMENDATIONS

That the Council agrees:-

- a. To agree the ballot request and the Dunoon Presents Business Proposal, Term Three and the Dunoon Presents Business Plan, Term Three.
- b. To agree to instruct the Returning Officer to conduct a ballot over 42 days in 2023 from Thursday 19th January to Thursday 2nd March ('the ballot day').
- c. To authorise the Executive Director with the responsibility for Development and Economic Growth to cast the votes on behalf of the council in favour of the BID.
- d. To agree that the Council will charge £7,903 (exc VAT) per annum, to Dunoon Presents for administering the levy charge to businesses in Dunoon, with charges thereafter increased annually. The first increase will apply on 31st October 2023 and annually thereafter for the subsequent term of the BID.
- e. To agree that, if Dunoon Presents are successful in the ballot, the Council will pay an estimated £6,120 per annum in levy contributions for Council properties in Dunoon.
- f. To note that if the BID group are successful in the ballot, an Elected Member from the Council would be requested to sit on the Dunoon Presents Board.

**DUNOON PRESENTS - APPROVAL OF BUSINESS IMPROVEMENT DISTRICT
BALLOT SUBMISSION, BUSINESS PROPOSAL AND BUSINESS PLAN - THIRD
BALLOT**

2.0 INTRODUCTION

- 2.1 The purpose of this report is to ask Members to endorse the Dunoon Business Improvement District (BID) ballot submission, the Business Proposal, Term Three and the Business Plan, Term Three in support of the ballot, submitted by Dunoon Presents. The proposed ballot is due to take place on Thursday 2nd March 2023 (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.
- 2.2 Dunoon Presents has successfully completed its second BID term with a number of key objectives delivered for the benefit of the town of Dunoon over the past ten years. The Business Proposal, Term Three again sets out the governance, objectives, levy payments and benefits for business owners in Dunoon. In line with this, if the ballot is successful, the council will be required to pay an estimated annual levy charge of £6,120 over five years for Council properties in Dunoon.

3.0 RECOMMENDATIONS

- 3.1 That the Council agrees:-
- a. To agree the ballot request, the Dunoon Presents Business Proposal, Term Three, and the Dunoon Presents Business Plan, Term Three.
 - b. To agree to instruct the Returning Officer to conduct a ballot over 42 days in 2023 from Thursday 19th January to Thursday 2nd March ('the ballot day').
 - c. To authorise the Executive Director with the responsibility for Development and Economic Growth to cast the votes on behalf of the council in favour of the BID.
 - d. To agree that the Council will charge £7,903 (exc VAT) per annum, to Dunoon Presents for administering the levy charge to businesses in Dunoon, with charges thereafter increased annually. The first increase will apply on

31st October 2023 and annually thereafter for the subsequent term of the BID.

- e. To agree that, if Dunoon Presents are successful in the ballot, the Council will pay an estimated £6,120 per annum in levy contributions for Council properties in Dunoon.
- f. To note that if the BID group are successful in the ballot, an Elected Member from the Council would be requested to sit on the Dunoon Presents Board.

4.0 DETAIL

Dunoon Presents Business Proposal

- 4.1 Dunoon Presents has successfully completed its second BID term with a number of key objectives delivered for the benefit of the town of Dunoon. The business proposal informs the Council and other levy payers with regard to the merits of continuing the BID initiative which has been in operation for the last ten years.
- 4.2 The principle aim of the BID is to deliver projects and events that will improve the trading environment of the BID area to benefit businesses operating in the town of Dunoon, their customers and the many visitors to the town. The Business Proposal, 12/10/22 (appendix 1) sets out the main objectives, benefits and outcomes of the BID board to be delivered over the next five years of operation. It 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. A process of consultation with levy payers has and continues to be undertaken by Dunoon Presents.
- 4.3 The benefits of the levy are that it could potentially raise £130,000 for the first two years of the third term and £143,000 a year for the three remaining years of the third term, giving a total of £689,000 in total. This would allow local businesses to spend money on their priorities that will work alongside future council and key partner activity.

BID Ballot Process

- 4.4 The ballot submission sets out the BID ballot process. It is proposed that the ballot will open for 42 days in 2023 from Thursday 19th January to Thursday 2nd March ('the ballot day'), with the ballot papers being counted on Friday 3rd March 2023 and the results published within one week of this date. This will be facilitated by Argyll and Bute Council.
- 4.5 For the BID to be successful the ballot has to demonstrate a minimum 25%

turnout and of those that vote, over 50% by number and 50% by combined rateable value must vote in favour of the bid.

- 4.6 If successful, the third term of the BID will commence again on 15th April 2023 and will run for a period of five years until the 14th April 2028.

Council Commitment and Finances

- 4.7 The Council has committed both local Elected Member and local officer time to the BID over the past ten years. If the BID ballot were successful, Dunoon Presents would request an Elected Member from the Council to sit on the BID Board.
- 4.8 If the ballot is successful then Argyll and Bute, as a levy payer, will be required to pay levy on its properties in Dunoon. This estimated contribution is £6,120 per annum.
- 4.9 If the ballot is successful the Council will charge Dunoon Presents £7,903 (exc VAT) per annum, for administering the levy charge to businesses in Dunoon, with charges thereafter increased annually. The Draft Operating Agreement states that “The Council’s charge for the provision of the Services on an annual basis will be £7,903 (excluding VAT) (the “**Council Annual Charge**”), representing its reasonable administrative costs in providing the Services (to be identified and agreed between the Council and the BID Company) yearly, and having effect on the 31 October of each year for which a BID is in place. Charges will be increased annually by CPI based on the increase over the last 12 months. Following receipt by the BID Company of a valid VAT invoice, the first payment will be due together with VAT within 4 weeks of receipt, or later by agreement.” The Council’s charging price noted above is based on October 2022 and will be updated by CPI annually.

5.0 CONCLUSION

- 5.1 Dunoon Presents has been highly successful over the last ten years of operation with a significant number of initiatives and projects carried out that are in addition to statutory and non-statutory council services. Dunoon Presents Board, following consultation with levy payers, has decided to ballot for a third term of five years and have prepared a business proposal (attached as an Appendix to this report) that identifies their objectives for the next five years. If successful this process will allow the work of the BID to continue in relation to the improvement and promotion of Dunoon, adding to the work undertaken by the council and a range of other partners drawn from across the sectors. This report recommends that the Council approve the ballot request, and the Dunoon Presents Business Proposal, Term Three, at Appendix 1 the Business Plan, Term 3 at Appendix 2 and the Draft Operating Agreement, Term Three, attached at Appendix 3.

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 estimated Council levy payment will be £6,120 per annum for a period of 5 years as a budget pressure from the general unallocated fund. The Council will charge £7,903 (inc VAT) per annum to Dunoon Presents for the collection and administration of the levy, with charges increasing on an annual basis.
- 6.3 Legal - Facilitation of ballot.
- 6.4 HR - Council officers are supporting the Dunoon BID. One Elected Member will be requested to attend Dunoon Presents Board meetings.
- 6.5 Fairer Scotland Duty
 - 6.5.1 Equalities –protected characteristics – None.
 - 6.5.2 Socio-economic Duty - The BID aims to reduce inequalities of outcome caused by socio-economic disadvantage in Dunoon and represents the collective responsibility to grow the Dunoon economy
 - 6.5.3 Islands - This BID will encompass Dunoon town centre.
- 6.6 Climate Change - The business plan will take environmental impact into consideration in the delivery of projects.
- 6.7 Risk – The ballot may be unsuccessful.
- 6.8 Customer Service – None.

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

Policy Lead for Economy and Rural Growth – Councillor Robin Currie

20th October 2022

For further information contact:

Fergus Murray, Head of Development and Economic Growth
Fergus.Murray@argyll-bute.gov.uk

Appendix 1 – Dunoon Presents BID Business Proposal, Term Three

Appendix 2 - Dunoon Presents BID Business Plan, Term Three

Appendix 3 – Dunoon Presents Operating Agreement with Argyll and Bute Council, Term Three