



BLACKPOOL BUSINESS IMPROVEMENT DISTRICT STUDY

Final Draft

The Blackpool Business Improvement District is fast approaching the second renewal of its 5-year business mandate. As such an opportunity presents itself to review its current operating model and position itself well to add value to the ongoing development plans for Blackpool town centre and its broader visitor economy

Introduction

Established in 2010 the Blackpool Business Improvement District (BID) is fast approaching the second renewal of its 5-year business mandate. As such GJR have been asked to undertake an initial feasibility study of possibly expanding the geographical footprint of the current Blackpool Business Improvement District. While commissioned by Blackpool Council the audience for this report is threefold, Blackpool Council, the Blackpool BID and Business in the Community.

Work undertaken has incorporated:

- Analysis of current BID
- Context
- The UK BID operating environment
- Benchmarking review
- Review of relationship between current Blackpool BID and leisure/tourism sector
- Identification of study area/s for potential expansion / second BID
- Analysis of rateable values
- Role of structure & governance
- Process to renewal of business mandate / development of project programme

Executive Summary

1. Commence work on BID renewal programme

To ensure sufficient time is allocated to fully review, explore and engage, work on the BID renewal programme should begin early 2019; thus, providing an eighteen-month work programme ahead of the renewal ballot itself. Four key actions should be undertaken:

- Creation of renewal steering group
- Adoption of renewal project programme
- Identification / recruitment of project lead resource to undertake work programme
- Assessment of member views as to work of the BID and priorities moving forward

An indicative renewal project programme is outlined later in this document.

2. Define role

There are many identified challenges in Blackpool - a difficult trading environment, maintenance of a quality public realm, a tired tourism offering, a shopping and eating offer in need of refreshment, stimulation of new investment and diminishing public funding – and the BID needs to clearly identify its core role and purpose. Adopting a more strategic agenda to augment the day to day work being undertaken will not only assist the renewal of the current BID but will help stimulate enthusiasm and energy behind any future initiative to extend the current or establish a new leisure focused entity.

3. Embrace Leisure

Currently the BID only embraces a portion of the leisure sector in Blackpool. Early in the business engagement programme the full extent of the leisure offer should be assessed to understand its appetite for exploring the BID model and extending the current BID's geographical footprint.

Given positive feedback the full extent of the Promenade and neighbouring leisure providers should be engaged within an overall BID model for Blackpool. By embracing the broader leisure community, the developed BID model will deliver a resource more sufficient to drive forward with partners the overall tourism agenda.

4. Explore a tourism focused BID

In order to mitigate possible ballot risks of simply extending the current BID to embrace a broader hinterland and provide focus to the specific needs of the leisure (tourist) sector, the renewal plan should positively explore the establishment of a second BID, focused on leisure and the tourism agenda. The geographic footprint of this area centred upon the Promenade and its hinterland.

An organisational model could be established to incorporate a strategic Board and two separate income streams derived from the two BIDs in place.



5. Review BID rules

At the regular intervals set by the 5-year renewal ballot it is prudent to review the BID rules in place and their continued 'fitness for purpose'. In-particular analysis of the BID levy percentage in place and the threshold of rateable value should be reviewed.

- Increasingly over recent years the BID levy percentage applied has been adopted to reflect local conditions rather than simply setting a level of 1% which was indicated as best practice in the early years following the introduction of BIDs. The average BID level is now closer to 1.5% than 1% reflecting the need to establish a meaningful budget from which to deliver.
- The threshold of rateable value is a helpful rule to ensure certain rateable spaces are not liable for any BID levy put in place and secondly that small businesses are not unduly burdened by additional expense in what are difficult economic conditions. Practically it also ensures the cost of collection is no more than that collected itself.

6. Executive leadership

It is timely that a new BID Manager (possibly Chief Executive) is appointed to drive forward the BID renewal plan, business engagement programme and project delivery. The scope of work during the next 18 months is significant over and above the normal work programme of the BID and full-time focus is required on this together with work with the Chairman to establish the organisations strategic direction and role moving forward.

7. Organisation structure

A structure should be maintained for the organisation which engages positively with an increasing number of BID constituents, stimulates further expertise and input into the BIDs decision making and delivers good governance and transparency.

A review of the current Board's skills and expertise should be considered in order to identify gaps and opportunities for adding value and broadening the group, with a particular emphasis on the BIDs future development and its role in driving forward the Blackpool economy.

8. Delegation of wider projects and services

It is recommended that the BID enter discussions positively regarding the taking on additional services but understand clearly the financial and reputational risks of non-delivery. It is particularly important that appropriate resources are put in place if a delegated model is seriously considered.

Currently the BID is not positioned or resourced to take on major projects such as the illuminations or major events orchestrated at present by the Council and Visit Blackpool. Moving forward positively a formal partnership approach should be considered which can feed into the BID renewal discussions during the first half of 2019. Together with any resource that may be unlocked from the development of the BID model, commercial sponsorship, public funding and wider business investment should each be considered as important ingredients to an overall resource to support an ongoing vibrant agenda.

Context

Strong business mandate

The Blackpool BID was established in 2010 and following an initial 5-year term renewed its business mandate in 2015. With 350 businesses taking part in the ballot, 87% of businesses voted in favour of maintaining the role of the BID which represented 94% of the aggregate rateable value of each hereditament voting.

The programme of work in the 2015-20 business plan centres upon 5 key themes increasing footfall, collective voice, improved accessibility, cleaner environment and safe & secure. During the period since 2015 enhanced focus has been placed upon the environmental agenda.

Against the difficult backdrop the Blackpool BID more than ever needs to position itself positively, be strategically relevant and tackle issues important to business, raising its profile amongst members and delivering both added value and return on investment.

The BID needs to work hard to secure a new mandate in 2020.

Difficult trading environment

It has been eight years since the Conservative government of David Cameron declared its austerity programme during which time significant cutbacks have been made in public funding. Investment into town centres has been reduced and an increasing emphasis has been placed upon the role of business improvement districts as an investment mechanism to support local high streets.

2018 has been a challenging year for retailers. Cost pressures have mounted due to a combination of cost inflation, business rates increases, sterling weakness, the National Living Wage and other staff costs. This while consumers have continued to be discerning, diverting their spending towards non-discretionary categories and own label products and distracted by competition from alternative centres and on-line shopping.

The squeeze on household budgets has contributed to a fall in consumer spending, the British Retail Consortium and KPMG reported that sales were down by 3.1% in April, the biggest decline since the survey was launched in 1995.

The problems facing the high street are well documented. A mixture of the growth of the internet, declining real spending power, increased rents, increased business rates and changing lifestyles and habits have all affected the look and feel of the high street. Structurally retailers are increasingly looking for a smaller number of larger units across the UK and independents increasingly are being squeezed out of the market altogether.

There were 5,855 shop closures in Britain in 2017, the highest figure since 2010, and only 2,083 openings, making a net loss of 1,700 shops. Town centre vacancy rates are at about 10% and footfall levels, or the number of people visiting them, are falling by 3 per cent year-on-year.

In addition UK politics, toward the end of the Brexit negotiations, with very major concerns over the future of the High Street. The ministry of Housing, Communities and Local Government (MHCLG) Committee of the House of Commons is undertaking an inquiry on the future of the England's high streets and town centres in 2030 and a second edition of the Grimsey Review has been published, with some radical options.

Changing High Street

Yet the growth of high-quality visitor experiences, the increasing integration of service industries into the retail mix, and a deeper understanding of people's need to visit our towns and cities for far more than just 'shopping' is allowing some town centres and their high streets to change and thrive. BIDs are a key part of this change and thriving, the projects and schemes provided by BIDs evidence this, and more can be done.

Many BIDs and commentators believe that transforming the fortunes of high streets is eminently possible. But to do so, we need to reimagine town centres as places where 'the theatre of life can thrive'. This means setting aside the focus on simply shops and look instead on bringing in a wider range of businesses and services. Town and city centres are places which can support a rich mix of social, cultural and commercial activity and their ability to become a destination of choice and offer experiences to attract locals and visitors and rival the convenience of out-of-town retail and online shopping is becoming increasingly important. It is very clear that the make-up of the high street is already changing fast, as the cultural dividend and the experiential provision changes the successful high streets.

One major change has been the growth of new sorts of food and beverage on the high street. The growth of the coffee culture is mirrored by design breweries, cocktail bars and pop up eateries. BIDs are supporting wine festivals, cocktail weeks as part of their support mechanisms. At the same time remodelled professional services are moving back into the secondary shopping areas of our towns.

BIDs are increasingly incorporating a more experiential element into their business plans. As the retail industry is undergoing a major transformation as e-commerce disrupts traditional brick-and-mortar store models and gives rise to new modes of experiential retail, BIDs are applying the same thinking to the high street. This experiential retail trend is being driven by a number of factors, including the increasing popularity of e-commerce, the decline in traditional department store traffic, and the proliferation of mobile devices.

Tourism

Blackpool is the most popular tourist destination in the UK with 18 million visitors generating £1.5b. Yet the number of overnight stays and average spend has been falling against a backdrop of enhanced competition, a tourism offer in need of refreshing and the core challenges of identifying a sustainable model for funding the illuminations and other events and the quality and maintenance of the public space in the town centre. A number of initiatives are underway to stimulate the local economy including a new conference centre, hotel stock, pleasure beach attraction and infrastructure developments with their associated public realm enhancement. Further opportunity presents itself at the Central Leisure Quarter to expand Blackpool's overall tourism offer.

The current and future BID has a role to play in helping to stimulate and support future growth and the management of both the retail and tourism offer in partnership with the Council, Visit Blackpool, Business in the Community and other relevant organisations and business interests.

The role of culture and the arts was identified in the "Improving Places" report commissioned by Arts Council England, the Mayor of London and King's College London. The report highlighted how BIDs and the culture sector can improve places by working together. The report made the case for greater collaboration and presented examples of how BIDs are working with cultural organisations, including festival and event organisers, to drive economic growth and help their communities thrive.

The report highlighted how festivals and events play a role in place branding by helping to promote an area as distinctive and attractive, increase footfall and reach new audiences. Many BIDs recognise

the connections between culture, place branding and placemaking and use festivals and events as a tool to improve the image and the reality of a place; they see events as contributors to social cohesiveness and social incentives as much as major contributors to the local economy and recognise the role of festivals in influencing a sense of place. They recognise that festivals influence destination perceptions and place attachment when they consider event design, purpose and outcomes.

Current BID environment

There are over 300 BIDs in the UK, approaching 10% more than 2017, suggesting an increasing benefit to the local business communities where BIDs are operating. There are currently c50 BIDs at a development stage, double that at the same time in 2018 further confirming their increasing popularity, not just amongst the business community but within the public and third sectors given the significant reductions in public funding over the past 5-10 years.

In the past twelve months c70 BIDs have come to ballot, either new or at various stages of their term. c30 new BIDs came into being during the last year. These new first term BIDs also show that there is a continued growth in smaller, and different sorts of BID, with 10 of the 27 having fewer than 300 hereditaments. Five BIDs failed at ballot in the past 12 months, two at renewal and three for a first term. The overall success rate for the 513 ballots from 2005 to July 2018 was 97%. The average turnout for ballots is at 46%. Also 46% of BIDs have obtained a turnout of 45% or more, and 65% obtaining a turnout of 40% or more.

Funding

The total annual BID levy currently raised across the UK is £110m; the smallest BID collected £18,500 per annum and the largest collected £3,979,000. Half of all the BIDs have a levy income of £246,221 or less. With 120,735 hereditaments raising £110m, the average income is £916 per hereditament.

Leverage is the amount by which a BID manages to increase its own levy income by gaining extra funding from other sources; this level of direct additional income compared to actual levy income represents an 11% (£13m) increase in funding above the BID levies in the country, a ratio of 1:10. 43% of UK BIDs report investment income as a direct result of their BID activity, £51m has been reported, the majority raised via Local Economic Partnership or commercial activity.

The total BID levy, additional funding, and investment produces a figure of £175 as the total UK contribution from all BIDs. The three-year data for UK BID income and thus expenditure shows growth in levy income, additional income leveraged from activities and inward investment engaged in.

	2016	2017	2018
Levy income	£75,579,270	£99,971,741	£110,575,380
Additional income	£13,586,025	£7,973,578	£12,619,714
Inward investment	£20,376,357	£22,361,472	£51,941,026
Total BID funding	£109,541,652	£130,306,791	£175,136,120

Membership

Half of all BIDs have below 400 hereditaments. The typical number of businesses falls between 263 and 569, with 33 BIDs having over 700 hereditaments.

Numbers of Hereditaments	Numbers of BIDs
Less than 200	39
200-300	43
300-400	50
400-500	49
500-600	24
Over 600	59

The total number of hereditaments across all BIDs is 120,735, a 12% growth over the last 2 years.

Benchmarking

Great Yarmouth Business Improvement District (*Current BID term: 2016 – 2021*)



BID Background:

gyBID has delivered a range of initiatives aimed at making the town centre a safer and more attractive place for people to live, work and visit for the last ten years. On the 25th February 2016 a ballot of town centre businesses on whether to renew the Great Yarmouth BID (gyBID) for a 3rd 5-year term resulted in a majority voting 'YES'. The ballot, which was carried out by Great Yarmouth Borough Council, saw a turnout of 38% with 86% voting in favour of the BID proposals by number and 94% by total aggregate rateable value of the votes cast.

BID Levy:

A BID levy of 1.5% of rateable value is charged on all rateable properties. Levy will be reduced by 0.5% for all businesses located west of Haven Bridge and north of Vauxhall Bridge and those whose shop fronts are located within a managed shopping centre including Market Gates and Victoria Arcade.

Members:

The BID currently has c191 members

Key work programmes:

An annual events schedule is designed to increase footfall and dwell times throughout the year, including an emphasis on school holidays. Dedicated and updatable information page on town centre website for each gyBID premises. The annual Christmas shopping and events guide includes a guide to the town centre and descriptions of its shopping areas. A high-profile Christmas trading campaign seeks to deliver increased marketing and events at the height of the peak shopping period. Summer campaigns promote the town centre to c5 million annual visitors. The BID supports car parking initiatives, such as the 'First Hour Free' scheme and free parking at weekends. Increased street entertainment and performers enhance the visitor experience. There has been development in the use of social media to promote Great Yarmouth in general and the events being held to the public.

A Street Warden team dedicated to the town centre BID area. Retail radio link with over 100 users including shops, wardens and police. Town wide exclusion scheme for tackling shoplifters. Exclusive access for BID levy payers to database of offender including photographs (SIRCS). Regular training sessions are held to assist members with shoplifting and security issues. Direct communication via the retail radio link with the town centre CCTV control room. Licensed premises radio link 'NightSafe' to promote a safer town at night. The BID works in Partnership with Police and local authorities to promote all aspects of community safety

Brighton Business Improvement District (*Current BID term: 2016 – 2021*)



BID Background:

The first Brighton BID was introduced in September 2006 and consisted of around 300 traders all located in the heart of Brighton – parts of the North Laine, North Street and parts of The Lanes. During April 2011 the businesses in the BID were re-balloted, along with the addition of traders in Western Road and Preston Street to see if there was an appetite to enlarge the BID area.

In March 2016, those businesses were balloted again to find out if they wanted to continue investing in Brighton City Centre. The vote was positive and on the 1st July 2016 the new BID came in to being. It will last for 5 years until 2021 and encompasses 517 city centre retail and hospitality businesses. The BID covers Western Road, Preston Street, North Street, parts of both The Lanes and The North Laine.

BID Levy:

The BID levy will be equivalent to 1.25% of the non-domestic rateable value charged on all qualifying hereditaments.

Members:

The BID currently has 517 members.

Key work programmes:

To enhance the safety of Brighton city centre with a uniformed on-street Ambassador service.

To deliver an annual display of Christmas lights throughout the city centre BID area.

To dress the city in the summer months to extend the 'festival feel' to September.

To continue to help businesses make significant savings on their overheads by using the buying power of over 500 members to reduce costs.

To promote Brighton city centre as a brilliant place to shop and visit.

To give businesses in the BID area a voice to lobby the local authority, police and central government, where appropriate, and play a full part in deciding how the city centre is managed.

Plymouth Waterfront Partnership (Current BID term: 2017 – 2022)



BID Background:

The Waterfront Business Improvement District (BID) has been in operation since April 2012 and is delivered through Plymouth Waterfront Partnership Ltd (PWP), a not-for-profit PLC.

Plymouth Waterfront businesses voted in favour to renew the BID for a further five years of the Business Improvement District in March 2017 and the BID will operate until the end of March 2022. PWP works in close partnership with the Plymouth City Centre Company BID, Destination Plymouth and Plymouth City Council.

BID Levy:

Businesses are currently paying a 1.5% Levy based on their rateable value.

Members:

The BID represents more than 900 businesses across four square miles of the Plymouth Waterfront area.

Key work programmes:

To support delivery of the Plymouth Marketing Plan and maximise cruise ship benefits, tour group opportunities and conference tourism for Plymouth to increase overnight stays.

Leverage the benefits from the Mayflower 400 and deliver new funding grant, visual art and arts festivals.

Expand annual events, create new monthly markets and enhance Christmas experience.

Further improve cleansing and explore an improved waste collection system.

Champion enhancement of The Hoe's planting and street furniture and enable facilities for public use. Improve Day, Evening and Night time coordination, enhance CCTV and introduce taxi marshals.

Support enhanced boulevard connectivity with the City Centre using Armada Way, Millbay and Bretonside.

Invest in a new digital App, walking trails, cycling links, signage and visitor interpretation and explore an Integrated Transport System involving bicycles, buses and ferries.

Seek BID member benefits that provide savings on business costs including utility bills and waste.

Engage, support and empower the Plymouth business community to invest in the Waterfront including crowd funding and volunteering initiatives.

Plymouth City Centre Company (Current BID term: 2015-2020)



BID Background:

The BID is now in its third term and aims to consolidate the progress that has been made since the creation of the first Plymouth City Centre BID in 2005. Plymouth City Centre's BID is delivered through Plymouth City Centre Company (CCC), a not for profit company, limited by guarantee, with a board of up to 15 directors elected from the BID members. The BID's boundary has been expanded to include Bretonside which seamlessly links the city centre with the waterfront BID's boundary and incorporates the planned Drake Leisure development.

BID Levy:

1.332% of rateable value.

Members:

There are currently c500 BID members.

Key work programmes:

A major focus on redevelopment of key city centre sites.

Creating a new brand identity for the West End, nested within a new City Centre brand, aligned with Britain's Ocean City, and backed by a credible marketing plan to drive trading spend.

Scale up of signature events and increase marketing activities to amplify the distinctive offering which differentiates Plymouth from its competitors. Invest in special events to reinforce the distinctive, authentic West End brand.

Maintain high standards and develop a focus on group buying benefits for recycling which will reduce business costs.

Safer Parc investment into new technologies to help share intelligence and better co-ordinate and effectively manage day and evening safety and security issues.

Strengthened governance to ensure individual businesses can engage directly with the Board.

Heart of London Business Alliance (*Current BID term: 2017-2022*)



BID Background:

Heart of London Business Alliance serves as a voice for 500 businesses and 100 property owners in the Piccadilly & St James's and Leicester Square areas. There are 4 BIDs which sit under the umbrella of Heart of London Business Alliance, 2 occupier BIDs and 2 property BIDs. Each operate as a separate business unit working to one overall strategic plan. There is one management team which manages each of the 4 BIDs with service delivery focused on the individual needs of the particular area and membership base.

BID Levy:

For both areas the BID levy is fixed at 1% of rateable value using the business rating list as at 1st April 2017 (rising annually by 3%).

Members:

500+ members.

Key work programmes:

To remain the number one global destination by continuing to promote the West End to worldwide audiences, backed by a clear strategy to showcase what the West End has to offer and ensure it remains a global business address and world-class destination.

To ensure that the quality of the urban environment is exceptional. To build upon successes to date to ensure that public spaces and streets continue to be rejuvenated, clean, attractive, actively managed and worthy of their iconic status.

To provide best in class services and react to changing economic and political dynamics. To provide reliable and relevant information, deliver thought provoking leadership and powerful business networks, supporting their members' decision making and helping them to grow and flourish.

Bournemouth Town Centre BID (*Current BID term: 2017-2022*)



BID Background:

In 2007 two local business organisations submitted proposals for a Business Improvement District (BID) for Bournemouth town centre. The resulting feasibility study reported that a BID would be positive for businesses. It also showed there was the potential to develop a second BID. Local business leaders were consulted on which they believed would be beneficial. As a result, the Bournemouth Borough Council agreed to fund the development stage of two BIDs. It was agreed that local businesses would control how this funding was spent, ensuring the projects were business-led from day one.

Two BIDs were launched. The Town Centre BID in the wider town centre area and the Coastal Districts BID along the coastal strip from Hengistbury Head to Westbourne. In May 2012, proposals to establish the Bournemouth Town Centre Business Improvement District (BID) were approved, and in May 2017 a further vote was taken with 78% by number of businesses and 89% by rateable value voting yes for the BID. On top of the levy contributions, additional funding is raised through voluntary contributions, sponsorship and matched funding for specific projects.

BID Levy:

The BID charges 1.5% of the Rateable Value of each eligible business within the BID area.

Members:

700 businesses within the BID area.

Key work programmes:

Develop and fund major marketing activities, specifically designed to attract visitor's day and night, all year round. Use TV, radio, press, leaflets, promotions, banners and guides to put the town centre at the forefront of people's mind.

Invest in street, community and cultural events aimed at creating a welcoming atmosphere to encourage visitors and residents into the town centre to eat, drink, shop and meet friends. Sponsor or create new events to reach different audiences and benefit our levy payers during the low season. Spread events into other areas of the town.

Provide an enhanced cleaning and litter collection service to ensure the town is clean and attractive. Increase the focus on doorways and alleyways, where rubbish is often allowed to build up. Work with partners to bring more colour and decoration to neglected street. Work with partners on dedicated town centre clean ups and restoring pride. Lobby the council for public realm improvements and repairs. Encourage landlords to improve the physical state of town centre properties.

Explore solutions for the delivery of a co-ordinated trade waste collection service, bringing costs down for levy paying businesses.

Bournemouth Coastal BID (Current BID term: 2017-2022)

**Bournemouth
COASTAL BID**



BID Background

The Coastal BID runs from Westbourne to Hengistbury Head. It is one of two BIDs voted through by Bournemouth businesses in April 2012. In this ballot, 73% of those who voted supported the creation of the BID. The eligible businesses within the Coastal BID area have a total rateable value of £30 million. Between 2012 and 2017, the BID invested around £3 million in improving business opportunities in the BID area.

BID Levy:

The Coastal Districts BID will be funded by a 1.5% levy on the rateable value of all the eligible businesses in the BID area. Over 50% of the businesses will contribute less than £300 a year

Members:

760 eligible businesses.

Key work programmes:

Increase the number of people visiting Bournemouth off-season and persuade them to stay longer.

Encourage visitors and local people to explore more of the unique coastal strip.

Provide visitors and local people with reasons to spend more in local coastal businesses.

Improve everyone's experience and to encourage repeat visits.

Help make your business more profitable by negotiating discounts with key suppliers.

Nottingham BID (Current BID term: 2015-2020)



BID Background

Initially two BIDs in Nottingham, focused on the day time and night time economies, Nottingham Business Improvement District was formed in 2012 following the merger of the city's retail and leisure BIDs. It was then successfully renewed for a second term in July 2015 when 89% of businesses that voted did so in favour of the BID continuing by number and 94% voted in favour by rateable value. The overall turnout at ballot was 45%.

BID Levy:

The BID levy is 1.29% of the rateable value of the business premises, and businesses within managed centres pay 75% of this amount. The BID levy percentage increases 3% annually.

Members:

Nottingham BID is one of the largest BIDs in the country with over 800 members.

Key work programmes:

Street Ambassadors, Taxi Marshalls, Street Pastors, Welcome People, Grot Spot Cleaning, Graffiti Removal, Accessibility, Purple Flag, DISC and Exclusion Notices, Radio Link Scheme, Best Bar None, Breakfast Health Event, Half Term/Light Night Campaign, Light Night Urban Intervention, Home and Living Fortnight, Spring Trail, Fashion and Beauty Week, The Big Lunch, Craft Beer Week, Independents Festival and Campaign, British Gymnastics Finals, Graduation Guide, Nottinghamshire Pride, Cocktail Week, Christmas Party Booking Guide, MORE After Four, MORE Nottingham, Student Fest, Halloween Campaign, Autumn Trail, Christmas Magazine, Christmas Grotto, Small Business Saturday.

North Notts BID (*Current BID term: 2017-2022*)



BID Background

North Notts BID is the UK's first ever area-wide, place-shaping BID.

The North Notts BID story started in November 2015 when the North Notts Place Board made the decision to explore the possibility of developing the Bassetlaw area as a Business Improvement District. A feasibility study took place early in 2016 and over 77% of those businesses surveyed said that they would be in favour of a BID, so the main consultation commenced in April 2016. The BID business plan was written up, based on the results of the surveys conducted with our businesses and in April-May 2017.

The results were overwhelming with 85% by number of businesses and 85% by rateable value voting YES to a BID for North Nottinghamshire. North Notts BID Ltd commenced trading on 1st September. The BID is completely business led and business managed with a board of 15 who oversee the work of the BID team and ensure that the BID business plan is delivered.

BID Levy:

1% of rateable value.

Members

958 local businesses (over 1100 hereditaments)

Key work programmes:

To provide a powerful voice and formal partnership for our businesses across North Nottinghamshire that never existed before.

The BID partnership works with businesses to help them to grow and prosper and position North Nottinghamshire as the place to do business.

The North Notts BID encourages local pride and contributes to making the district a real destination of choice for business, work, leisure, study and to live.

To put North Nottinghamshire on the map as a 'go to' destination that is easily accessible to visitors and local businesses alike.

Preston City BID (Current BID term: 2017-2022)



BID Background:

The Preston city centre Business Improvement District (BID) was launched on April 1, 2009. It completed its first three-year term in 2012 and was elected for a further five-year period to March 31, 2017.

BID Levy:

1% of rateable value.

Members

The Preston BID is a collection of over 750 shops, bars, restaurants and cafes, as well as professional businesses, educational establishments and public sector departments.

Key work programmes:

Vibrancy - investing in organising more events to attract shoppers, visitors and custom to the city centre. To develop a range of high-profile events to support local businesses and encourage footfall.

Visual - an operations programme to help make sure that people will want to come back time and time again. Continuation of programme of street washing and winter planting. Working with property agents to develop ideas for empty properties.

Safety & Security – to offer free membership to both the city centre Pubnet and Radionet schemes saving members £130 a year and further protecting business. Apply for the Purple Flag Accreditation to recognize hospitality sector as one that is safe, inclusive and vibrant. The BID works with stakeholders to protect investment in to the CCTV network, ensuring Preston city centre remains a safe place for your business, customers and staff.

Business support - spend £228,000 (9% of the budget) on helping business save money. Providing a range of commercial services including free health and safety and legal advice; and free access to a 24/7 virtual HR and Health and Safety department with over 400 downloadable documents, policies and forms. Business events to provide business with information on what is happening in the city centre as well as giving an opportunity to shape future plans, via consultation. To work with members to ensure that city stakeholders and the public sector support the aim to make Preston city centre a place worthy of continued investment.

Yorkshire Coast BID (*Current BID term: 2018-2023*)



BID Background

The Yorkshire Coast is a stretch of coastline that houses the UK's first Victorian Seaside Resort, National Park and is made up of unique and charming towns and villages. The area is steeped in history, culture and is surrounded by diverse landscapes giving visitors the opportunity to have multiple experiences and reasons to visit again and again. However, with competition increasing with the development of coastal BIDs around the UK, changes in consumer habits, the rise of internet shopping and periods of recession, an environment has been created where all the towns must do much more if they are to remain vibrant and competitive.

The Yorkshire Coast BID's commitment to its businesses is to champion local initiatives and projects to ensure its high streets and seafronts are vibrant and attractive; research new and innovative ways to promote the Yorkshire Coast to attract visitors from further afield and with every project keep businesses' returns top of mind.

The Yorkshire Coast BID focuses on protecting and developing a vibrant tourism economy working in partnership with retail, leisure, accommodation and food and drink businesses to deliver a strong, cohesive, business-focused strategy for the Yorkshire Coast and all the towns and villages that sit within it.

BID Levy:

1.5% of a premise's rateable value.

Members

Approximately 400 members.

Key work programmes:

The Yorkshire Coast BID's vision is ambitious, for the area to become the UK's No.1 tourist destination. In partnership with stakeholders and representing a strong voice on behalf of its BID businesses to deliver ambitious coastal projects to increase footfall, visitors and profile.

The BID supports and enhances existing initiatives to remove unnecessary duplication & make practical improvements in line with business needs to enable them to thrive.

The BIDs main areas of focus are:

- Marketing, Promotion and Events
- Appearance
- Cleaner, greener coastline
- Coastal business support
- Area specific projects

Renewal of BID Mandate

Against the challenging economic backdrop, the Blackpool BID more than ever needs to position itself positively, be strategically relevant and tackle issues important to business, raising its profile amongst members and delivering both added value and return on investment.

As the Blackpool BID reaches its second renewal there is an opportunity for reviewing its current operating model to ensure it is both 'fit for purpose', and positioned to take Blackpool city centre forward over the period 2020-25.

1. **Core purpose**
2. **Geographical footprint**
3. **Analysis of key BID rules.**

Core purpose

Review the current work programme against the needs of the city centre and its business constituents. Identify the key issues for Blackpool moving forward and understand what role and how the BID can help to manage, in partnership with the public authorities and other stakeholders – both strategic and tactical. The BID should undertake this work by undertaking a first phase of business engagement and member survey.

Strategic intent

Currently the Blackpool BID is tactically concentrated on hygiene factors responding to increasing pressures in the public domain and operational issues in supporting the statutory services in improving the quality of the street environment; an important ingredient of the BID's workstream and responding to themes within the business plan. However, a debate should be undertaken to understand what role going forward the BID should have in the strategic approach to the development, promotion and management of Blackpool and its associated leisure and tourism offer.

There are many identified challenges in Blackpool - a difficult trading environment, maintenance of a quality public realm, a tired tourism offering, a shopping and eating offer in need of refreshment, stimulation of new investment and diminishing public funding. Adopting a more strategic agenda to augment the day to day work being undertaken will not only assist the renewal of the current BID but will help stimulate enthusiasm and energy behind any future initiative to extend the current or establish a new leisure focused entity.

Significant development work is taking place in Blackpool which is intertwined with the future wellbeing of the town centre. This should be a focus of the BID's attention and activity. Having each of the major 'players' (owners, attractions, occupiers) speaking from a similar position can be a powerful voice, resource, ally and/or combatant to drive the wellbeing of business community and the Blackpool economy.

Blackpool position as a centre for entertainment means it remains one of the most visited destinations in the UK with over 18 million visitors annually. All enjoying the cultural and leisure attractions including the Blackpool Tower, the Winter Gardens conference centre and Pleasure Beach. The BID moving forward should engage with this theme.

Engaging Leisure

Destination Management Organisations play a key role in developing tourism locally; destinations are the places that people want to visit and experience; they are the heart and soul of the visitor economy and because they are diverse, they don't always fit neatly into county borders or within public sector administrative boundaries. They may cover a single destination or a number of smaller destinations with a strong overall identity.

Many BIDs are closely involved with their Destination Management Organisation, others less so, others actually manage the local Destination Management Organisation. c50% of all BIDs are involved with their local organisation in one form or another and the BID sector would expect to see growth in this activity; indeed, the percentage involved has increased by over 20%, 2017 - 2018

Destination Management Organisations involvement	2017	2018
Yes	42%	50%
No	58%	50%

The Blackpool BID does engage positively with its local organisation, indeed Visit Blackpool takes a role on the BID Board, however currently only part of the overall leisure offer is formally engaged within the business improvement district. To deliver a more strategic approach to the tourism offer in Blackpool it would be beneficial to explore either an extension of the current BID boundaries to incorporate the wider attractions or consider the development of a leisure focused BID which would work alongside the current retail centric district.

Whether growth of the current BID or the development of a leisure focused one, an overall business plan to drive forward Blackpool town centre incorporating both retail and leisure should be developed, which works positively with the role of the Council and tourism agencies.

If a second leisure focused BID emerges an organisational framework can be established which recognises the two BIDs as separate business units and associated income streams, each of which works into one overall Board structure and strategic plan.

Transferred Services

As the BID industry has matured increasing examples of Council's delegating what have been their traditional services - markets, marketing, street cleansing, car parks and Christmas lighting – have become apparent. As public-sector finances have fallen, and BIDs have become more recognised delivery models, there has been increasing discussion about both the pressure on baseline agreements and the possibility of transferring services from the public sector to BIDs. During the past two years 8% of BIDs have taken on transferred services, and the opportunities are increasingly being considered.

The business focus that can be placed upon these more commercial aspects of the Council's work stream can add significant value to the delivery of certain services but do bring with it business risk depending upon the nature of the delegated responsibilities / power. The Blackpool BID should take a considered approach to taking on additional services which have historically been delivered by the Council and perhaps position the opportunity as a second stage in its current development, once its forward BID model has been agreed and delivered.

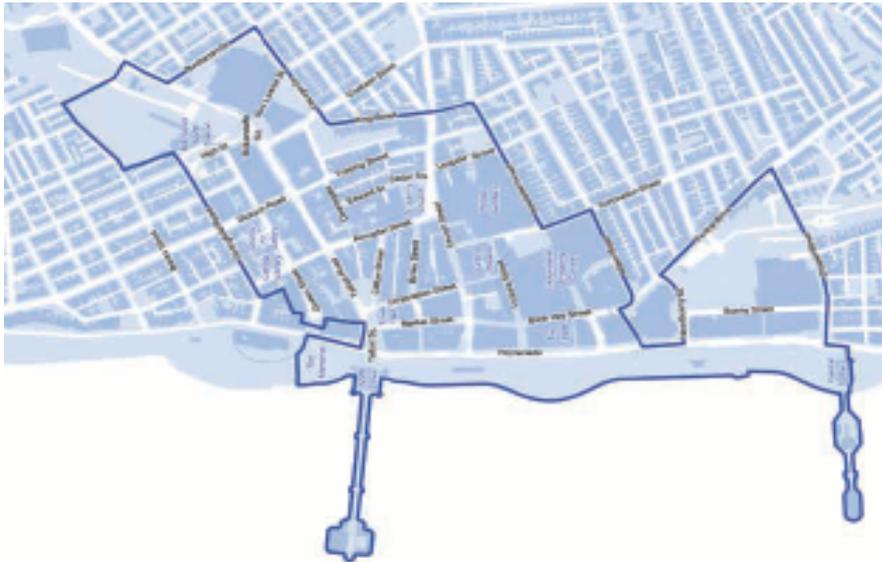
The Blackpool illuminations have been identified as a potential area of investigation citing London's West End as a model, where the New West End Company have taken on the delivery of the Christmas lights. However, the rating divide between London and Blackpool is vast and as a derivative of the

rateable value, the quantum of BID levy available is significantly different. New West End Company currently enjoys an annual budget in excess of £6m.

Geographical footprint

Assess the geographical coverage of the current BID area to ensure it reflects the core retail hinterland together with the large-scale infrastructure and development work being undertaken in the city centre. In particular review the broader tourism and leisure offer in Blackpool to understand its role in any future BID framework for the city.

Current BID District – focusing on the retail core of the town centre



Extending the BID area

The idea of extending the BID model to provide funding to include some or all elements of tourism/visitor economy was first explored in 2010/11 and, initially at least, the idea in England focused on larger Cities, many of which are administered by more than one local authority. The concept necessitated a change to the existing English legislation, which then required the BIDs vote to be coordinated and the levy collected by one local authority acting within its own local administrative boundary. These larger area proposals were called Tourism BIDs (TBIDs) which has now become associated with this type of large cross boundary BID. In 2013 the existing English legislation was changed to allow multiple authority area-based BIDs to go ahead.

A number of established tourism destinations have developed local BID based solutions to meet local destination management needs. In 2012 using the existing BIDs legislation Bournemouth created two BIDs areas, one retail based in the Town Centre and one focusing on the surrounding tourism area or The Coastal BID as it has been called. The two BIDs have separate managers, separate aims and delivery plans and operate as separate BID companies, albeit operating from the same building and working very closely together. This innovative approach essentially proved the concept of a much wider destination-based BID; a concept which Bournemouth at the time couldn't be certain would work, hence them mitigating their risk by splitting the BIDs and, thus, significantly increasing the chances that at least one part, if not both would be approved by the wide range of voting businesses involved.

Although there was some thought initially that when the BID fell due for renewal in 2017 a combined company single BID approach would be adopted this proved not to be the case. The two original BIDs were both re-approved for a further 5 years on 2 June 2017.

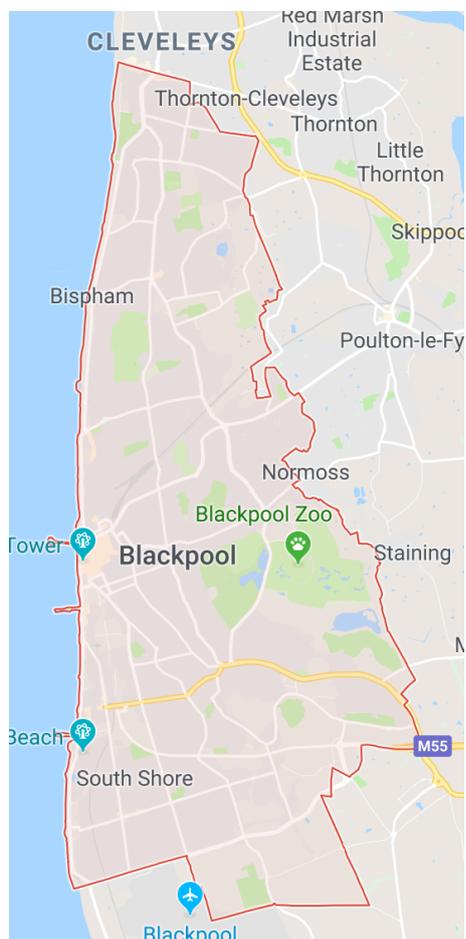
Other destinations have now emulated the Bournemouth's successful attempt to create a destination BID. Some have been able to move away from the more cautious Bournemouth approach, putting forward a single BID proposal covering the wider destination, or at least the recognised visitor area within it.

DBIDs have been considered or actively pursued in a considerable number of urban destinations. Of these one of the most well-deserved success was that of English Riviera Tourism BID. In November 2015 the original DBID, the Torbay Retail and Tourism BID was rejected by a narrow margin, largely by the retail element, many of whom were apparently already dissatisfied with their experience of one or other of the three separate, existing retail BIDs in Torbay, Paignton and Brixham. Disappointed by the result and spurred on by the tourism industry a new tourism business focus BID was established in relatively short order and approved on 1 July 2016. The new BID company then came into being from 1 January 2017.

One of the potentially most interesting DBID proposals to go to a successful vote in mid-July 2016 was the Isle of Wight. This is the first mixed tourism area BID in England, albeit, that as an island it has some unique advantages and challenges not shared with otherwise similar larger mixed destination areas on the mainland. Nonetheless, the successful DBID on the Isle of Wight will be transformation for the destination and in all likelihood for the process and cause of rolling out DBIDs to other mixed area-based destinations in due course. Indeed, it has been followed by the Lincolnshire Coastal Destination BID in February 2017 which is a mixed resort and coastal area-based BID.

Examples of successfully DBIDs approved in 2013 and 2017, many of which are popular coastal destinations include Lincolnshire Coastal Destination BID, Isle of Wight BID, English Riviera BID, Southend BID, Weymouth BID, Great Yarmouth BID, Southport BID, Bournemouth BID.

An opportunity for Blackpool?



Analysis of key BID rules

BID Levy

Increasingly the BID levy's applied to BIDs in the UK are becoming more varied, reflecting local environments better, rather than simply adopting the initial industry benchmark of 1%. It would be prudent for the Blackpool BID to review its current levy of 1% to both test suitability for the work programmes ahead and its affordability to business.

As a sector there was a concentration in previous years at the 1% levy rate, but this is now less common with only 22% of BIDs adopting this rate; and 1.5% is becoming increasingly used, with 86 BIDs (28%). 51% provide a discount for certain sorts of business such as charities.

BID Levy rates in UK

LEVY	% OF BIDS	NUMBERS OF BIDS
LESS THAN 1%	2.62%	8
1%	21.64%	66
BELOW 1.5%	14.43%	44
1.50%	28.20%	86
GREATER THAN 1.5%	8.52%	26
2%	9.51%	29
GREATER THAN OR 2%	1.64%	5
BANDED	13.44%	41
TOTAL		305

**British BIDs survey 2018*

Revaluation of Business Rates

A major business rates revaluation came into effect on 1st April 2017, following a re-assessment of all business properties in England, Scotland and Wales based on rental value as at 1st April 2015. It has been a full seven years since business rates were last assessed, increasing the difficulty in predicting individual bills, and thus planning BID income from these new valuations. At the point of renewal some BIDs have used the new data whilst others have remained with the old lists until their next ballot and new business plans, or the appeals systems is completed and exact cash flow known.

As of 2018, 39% of BIDs were using the new lists with varying effects, some with reductions as high as £100,000 in levy income, others on the other hand having had major increases, as high as £150,000. In general terms as rates have gone up in London and the south and decreased in the north of England, BIDs seeing a commensurate increase / decrease in their levy income.

Threshold & Caps

The threshold of rateable value over which businesses are engaged within the BID constituency is a helpful tool to ensure a manageable number of businesses in an area are engaged as members and that small hereditaments are not unduly burdened by the BID levy. The industry would suggest c500 members is the ideal size for a BID to facilitate effective management, communication and delivery.

The threshold is a rateable value level below which hereditaments are not charged a levy. The two main purposes of a threshold are to ensure that small businesses are not required to pay a levy and at the same time making sure that any business levy collection costs are never greater than the levy itself; this therefore exempts them from the levy whilst still ensuring they benefit from the services.

The distribution of thresholds varies greatly, with 20% having no threshold, the average being £8,500 and a peak for the larger BIDs. Some BIDs aim to ensure that no levy payment is less than the cost of collection, many others [66%] keep their threshold at or below the level of the current government Small Business threshold rate relief figure of £15,000. 29% of BIDs apply a cap to levy payments, protecting some levy payers from larger than normal levy payments.

Exploring a future BID Model

Bringing together the various threads discussed and analysing the rateable value of businesses across the full extent of the leisure offer (to be defined), a BID levy of 1% would raise a budget of c£200,000. Combined with the existing BID income of c£350,000 the overall budget could be enhanced to c£500,000 per annum. At a BID levy of 1.5% this budget could be increased to c£750,000 per annum; approaching £4m over a 5-year term.

However, introducing such a significant extension to the current BID would provide a ballot risk due to the relatively large number of potential new BID members (voters). To mitigate this risk a two BID model should be explored, one focusing on the retail core of the town centre and its environment needs and the other the leisure sector and its tourist focus.

Taking forward this strategy would mean decoupling the leisure element of the current BID district which is leisure focused, geographically, the zone with 1 or 2 blocks of the sea front and Promenade.

This would then provide for two BID areas of a relatively similar size in terms of budget each focusing on specific aspects of the Blackpool economy.



However, it would be important not to build two management groups as this would build a management overhead which is too high and not provide the strategic lead required for the Blackpool BID. The two BIDs would position themselves operationally as two separate business units within one overall business plan; thus, satisfying the identified need for a greater strategic focus, with the overall business plan driving a strategic agenda and tactical delivery managed and delivered by the two separate BIDs entities.

Structure & Governance

If a 2 BID model is adopted moving forward a structure can be put in place which provides clarity of leadership, cost efficiency and sector focus:



Business Improvement Districts provide effective organisational models which bring the business community and public authorities together with wider stakeholders to work collaboratively for the benefit of defined locations.

The BID should provide evidence of quality management and return on investment through service delivery with particular focus upon transparency, accountability, financial management and member engagement.

The BID Board and management structure should oversee the activities of the Blackpool BID.

BID Board

The Board has the primary responsibility to oversee the conduct and performance of the BID and support management and staff, which are responsible for the day-to-day activities. In performing its functions, the Board primarily considers the interests of the BID to which its fiduciary duty ultimately resides, and then to its members. It also considers the legitimate interests of wider stakeholders such as statutory authorities, employees, suppliers, visitors and residents.

The Board shall be proactive in advising management on a range of operational issues relating to the delivery of the BID business plan, and holding management accountable for decisions, actions, or lack of action. Ordinarily there should be a separation of duties between the Chairman and Board and BID team.

Most Boards range from 8-14 members, with the largest at 21. There are over 3000 Board members across the industry. 84% of BIDs have local authority representation on their Boards and 66.98% of BIDs have property owners involved in their Boards.

Board steering groups

To help guide the BID in this pursuit and advise the Board as the principle decision making forum, Board steering groups should be set up to encourage participation and help to add value to the decision making of the BID. There shall be a minimum of three Board steering groups:

- Finance and Administration
- Marketing and Promotion
- Environment and Operations

Finance and Administration steering group

There should be a Finance and Administration steering group of the Board with delegated responsibility to manage finance, administration and governance issues and recommending to the Board decisions as appropriate.

Membership of this group shall be the Chair of the Board and at least one other Board member from each of the two BIDs, the BID Managers and retained accountants. The steering group should meet quarterly in advance of the quarterly Board meeting.

Marketing and Promotion and Environmental and Operations Steering Groups

The principal activities of these groups are based on the BID activities as set out in the annual business plan. Project delivery shall be managed by BID staff, discussed by the steering groups and, where necessary, discussed by the Finance and Administration steering group / Board.

The Chair of each steering group will act as the main conduit and liaison between the steering group and Board. Each steering group shall have a different Chair which will help ensure a mix of skills and avoid an over burden on few individuals. Members of the steering groups will be either be self-nominated or identified by either the steering group itself or Chief Executive. All other BID Members shall have the right to attend the steering groups as observers.



Observers may be invited to attend meetings on a regular or ad-hoc basis at the discretion of the individual steering group. Such observers will not have a vote at the steering group. Observers may be drawn from other businesses, public agencies, partners and/or advisors of the Blackpool BID. The main activities overseen by the operational steering groups will relate to the themes of the BID's delivery plan:

The steering groups shall be convened on a quarterly basis to discuss the scoping, development, delivery and evaluation of work programmes and to help inform budgets, projects and services to the Board. They shall also provide a mechanism for members to feedback ideas and issues and act a medium for communication of the BID activities to its wider membership.

Engagement and transparency are important components of how a BID should be best managed. Good practice would point to the importance of member communications and the delegation of detailed input to sub groups of the Board. As membership organisations a challenge facing the BID sector in general is successfully capturing the input and enthusiasm of business constituents; Blackpool faces a similar issue.

The BID Team

The staffing levels of BIDs vary widely, as one would expect from organisations so varied in income and service provision. BIDs employ some 913 full-time equivalent staff, 11% of BIDs employ apprentices in a range of roles, primarily administrative, 76% of BIDs use external staff in a whole range of roles and over of 15% BIDs are managed entirely by non-salaried external consultants, thus saving direct staffing costs and ensuring a wide range of expertise that can be called upon. 70% of

BIDs operate with three or fewer full-time staff. One noticeable shift recently has been the increase in external staffing providers in operational roles.

At present the role of BID Manager at the Blackpool BID remains vacant. The arrangements put in place have successfully maintained the delivery of day to day services however the onset of the BID renewal work, the business engagement required, together with business planning, brings a significant workload which requires a full time focus and sector expertise. A return to the division of role between Chairman, BID Manager, BID member will also bring with it the removal of any potential conflict of interest and enhanced governance.

The delivery of the Blackpool BIDs business plan should be led by a BID Manager (Chief Executive) who will be accountable to the Chair of the Board. The role shall work with Board and Board steering group members, the BID team, partners and specialist service providers to ensure the effective implementation of the agreed annual action plan. The BID Manager should ensure all strategic risks and opportunities facing Blackpool are tabled for discussion.

The BID Manager shall be responsible for putting in place the right staffing levels and mix to deliver the services required. The BID Manager shall manage the overall team and ensure all staff members receive the appropriate level of support, training and development and are motivated towards the effective delivery of their role. Day to day tasking and management of staff shall be undertaken according to the agreed organisational chart.

BID Renewal Planning

Governed by Government legislation and regulations, Business Improvement Districts are statutorily established once voted for by the majority of businesses in an area, and have a maximum term of five years before returning to their electorate for renewal. Once a majority vote had been achieved, the BID levy becomes mandatory on all defined ratepayers.

The ballot needs to satisfy two tests – a majority in number of those voting and a majority in proportion of rateable value of those voting. The BID levy can only come into effect if these two tests are met. The BID levy is then applicable to all eligible businesses.

Next Steps

In order to best manage this onward process and lay the foundations for a successful and sustainable business structure moving forward, the work plan should commence immediately and incorporate the following initial steps:

1. Agree and communicate a project timetable;
2. Establish a project steering group;
3. Appoint a BID Manager / project lead;
4. Soundings from key stakeholders of future expectations and ambitions for the Blackpool BID;
5. A detailed analysis of rateable values, specifically an in-depth understanding of the areas of expansion;
6. Assessment of BID boundaries and the potential alignment of retail and leisure;
7. A review of the current BID rules and their 'fitness' for the organisation moving forward;
8. Identification and engagement with business in areas of defined expansion;
9. A business engagement plan;
10. An early assessment of the components of a future business plan; role, purpose and positioning of the BID company moving forward

Project Timetable

Strategic review	
BID development study	July - December 2018
Data capture & analysis	August - November 2018
Presentation of study and recommendations	November - January 2019
Dialogue with Board members, key businesses and stakeholders	January – March 2019
Identify and establish BID development Steering Group	February - March 2019
Business Engagement & Renewal Proposal	
Business engagement programme (phase 1)	January – September 2019
Feasibility of broadening the geographical footprint of the BID	January - May 2019
Review of BID achievements, future priorities, business feedback	May - June 2019
Presentation of progress and recommendations to Board	June 2019
Discussion with Council on emerging renewal plan / ballot schedule	July - September 2019
Drafting of outline BID renewal proposal	September – October 2019
Presentation of draft BID proposal to BID Board	November 2019
Sign off of draft BID proposal and agreement to proceed to ballot	November – December 2019
Business engagement - testing of draft BID proposal (phase 2)	November 2019 – Feb 2020
Compilation of formal documentation	October - December 2019
Notice to Secretary of State / Request to Council to conduct ballot	January 2020
Produce provisional voter list	January – February 2020
Campaign Phase	
Sign off of final BID proposal / Print BID proposal	February 2020
Launch of campaign & mail out of BID proposals	1 April 2020
Business engagement - consultation (phase 3)	April – July 2020
B2B event programme	April – June 2020
Verification of voter list	April - May 2018
Ballot Phase	
Publication of notice of ballot (minimum 42 days before ballot)	1 June 2020
Ballot papers distributed to voter list	29 June 2020
First day of Ballot (minimum 28 days)	1 July 2020
Ballot Day	30 July 2020
Result announcement	31 July 2020
BID Renewal start date	1 October, 2020

Sources

Blackpool BID Business Plan
Blackpool Town Prospectus – 2030 Agenda for Action
National BID Survey 2018
British Retail Consortium health check 2018
PwC – Retail Outlook for 2018