

INFORMATION SHEET 1

Introduction

Following a recent survey of town centre businesses, which showed considerable support for the possible creation of a Business Improvement District (BID) in Ilkley, Heartflood have been commissioned to assist the Ilkley BID Development Group to work up a series of project proposals. This is therefore the first of a series of updates for businesses asking for your views on the proposals. We hope that this answers a few common questions about what is being proposed.

What is a Business Improvement District or BID?

A BID is a business-led and business funded body formed to improve a defined commercial area. Most are governed by a board made up of BID levy payers who represent the BID area. This means that businesses have a genuine voice to decide and direct what they want for the area. BIDs are also proven to bring tangible business benefits and, in many cases, initiatives such as collective purchasing on company overheads can more than outweigh the investment made via the annual BID levy.

Is there business support towards a BID in Ilkley?

Yes – a recent study included a survey which asked town centre businesses about creating a BID in central Ilkley. Responses were received from over 60 businesses, 88% of whom supported a project of this type being taken forward.

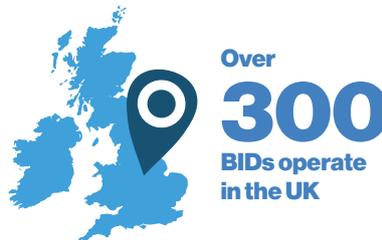
60
Businesses
Surveyed

88%
Supported a BID

How would a BID help my business?

There are more than 300 BIDs already operating across the UK, with the majority focusing on town or city centres. Businesses report that the benefits of the BID have brought about include:

- Businesses deciding and directing major projects of their choice for their area
- Improved promotion & marketing of the town to visitors
- Increased footfall, which leads to increased business turnover
- Added vibrancy & vitality
- Additional networking opportunities within the local business community
- Improved relations with Councils, Police and other public bodies



What type of projects are being considered?

The survey responses suggested that improvement plans for Ilkley should focus around:

- Marketing & promotion of the town and everything it has to offer.
- Being a recognised voice to represent the interests of Ilkley businesses with Bradford Council and other outside bodies.
- Maintaining Ilkley as an attractive place to do business, work and live.
- Supporting businesses with a range of services to both cut costs and provide added value

Local businesses are encouraged to submit further ideas as part of our ongoing consultation.

How are BIDs funded and set up?

A BID is funded by businesses paying a small proportion (typically of between 1% and 2%) of their business rateable value towards the BID. This money is then ring-fenced for use only in the BID area – unlike Business Rates which are re-distributed by Government. A BID can only be formed following consultation and a ballot in which businesses vote on a Business Plan which has been developed by the BID.

How much would it cost my business?

A levy of 1.5% is being considered in Ilkley, which means that a small business with a rateable value of £10,000 would invest £150 per year, a medium sized business with a rateable value of £75,000 would invest £1125 per year and a large business with a rateable value of £150,000 would invest £2250 per year.

1.5% Levy

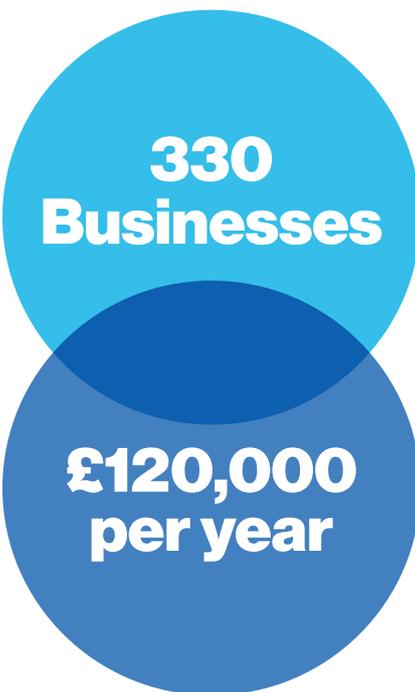
A Rateable Value of £10,000 £150 per year

B Rateable Value of £75,000 £1125 per year

C Rateable Value of £150,000 £2250 per year

How much money would be generated?

The survey suggested a BID area which includes approximately 330 businesses. This would generate approximately £120,000 per year, which we would also expect to be supplemented by contributions from local businesses outside the town centre. BIDs are also often successful in gaining additional funding because they are attractive to public sector bodies who are encouraged to match-fund money raised by the private sector through the BID.



How does the ballot work?

It is run by the Council on behalf of local businesses or outsourced to a third party and is conducted entirely by post. All businesses that would pay the levy have a minimum of 28 days to vote. For a BID to go ahead the ballot must be won on two counts – a straight majority and majority of rateable value. There is no minimum turnout threshold.

Which area would be covered?

The survey suggested that the main town centre, and tourist attractions immediately adjacent should be included. However, the area proposed remains open to consultation.

Would all businesses be liable to pay the BID levy?

In principle, yes, although an exemption level of £7000 is being considered, which means that small businesses which fall under this threshold would not be liable to pay the levy or to vote in the ballot. They would however be able to join the BID and therefore benefit from a number of services for a voluntary annual contribution of approximately £100.

Isn't this just a stealth tax?

No - the BID would be established to carry out projects over and above anything currently happening or planned in Ilkley so would deliver added value and activity in the key areas identified. Furthermore, the BID would be governed by a Board made up of BID levy payers, who would be tasked with ensuring that BID activities deliver additional impact to existing council activities.



Why doesn't the Council provide these services already?

Councils are under increasing pressure to deliver a range of public services and simply do not have the finances to deliver the services which BIDs can. BIDs are however designed to deliver additional activity and generally enter into a legal agreement with public-sector bodies, such as Councils. This ensures that they continue to provide core services, with the BID delivering projects above and beyond these standards. BIDs are therefore usually the best opportunity to make a real difference to the area.

When could this happen?

The current proposals are for the following timetable to be adopted:

August 2018 – January 2019

Business liaison and consultation on proposed Business Plan

January 2019

Launch of Business Plan

March 2019

Ballot papers issued, votes cast and result announced

April 2019 to July 2019

BID begins operation – subject to a positive vote

How long would a BID last?

The maximum term for any BID is 5 years and we are proposing this timescale in Ilkley, which would generate more than £500,000 towards key improvements. If businesses wish, further 5-year terms could subsequently be proposed and taken to ballot.

How can I give you my views?

We want the views of as many businesses as possible in helping shape the proposals and would urge you to get in touch with us via the details shown below.

How can I become more involved?

We are currently seeking to appoint a number of BID Champions to act as informal ambassadors for the BID proposals. We are also seeking further volunteers who may be interested in joining a Development Board to help direct the emerging BID proposals.

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Further details are also available on the website at www.ilkleybid.co.uk