

Agenda Item	6.
Report No	SCC/15/23

THE HIGHLAND COUNCIL

Committee: Sutherland County Committee

Date: 8 August 2023

Report Title: Dornoch Business Improvement District

Report By: ECO Communities and Place

1. Purpose/Executive Summary

- 1.1 This report provides a summary of the Dornoch Business Improvement District Steering Group's proposals to establish a Business Improvement District (BID) for Dornoch, as defined by the IV25 postcode.
- 1.2 The report also explains the Council's involvement and support provided.

2. Recommendations

- 2.1 Members are asked to:
 - i. note the proposals for the establishment of a Business Improvement District in Dornoch, and
 - ii. agree to recommend to full Council that it supports the Dornoch BID Proposal when this is considered at the meeting of the Highland Council on 14 September 2023. This will be subject to Economy and Infrastructure Committee confirming that Highland Council has no cause to exercise its right of veto in respect of the establishment of the BID.

3. Implications

- 3.1 Resource – The costs of collecting the levy by Highland Council will be met by the BID from its levy income. There are no resource implications for the Council in relation to its properties in the IV25 area as the BID proposal includes an exemption of Council properties from the BID levy.
- 3.2 Legal – The process for the development of a BID and the statutory role of the Local Authority are prescribed in the Planning etc. (Scotland) Act 2006, Part 9 – Business Improvement Districts. The legislation gives the Council the Power of Veto over a BID proposal, requires the Council to consider a BID proposal within a prescribed period

and requires the Council to give notice whether it will veto the proposal and to set out its reasons why. Consideration of this report in respect of the Council's support for the BID and separately taking a decision on whether or not to use its right of veto will, ensure the Council's compliance with the legislation.

- 3.3 Community (Equality, Poverty and Rural) – There are no direct implications. Businesses will be balloted on the BID proposal.
- 3.4 Climate Change / Carbon Clever – No implications
- 3.5 Risk – No implications
- 3.6 Gaelic – No implications

4. Background

- 4.1 A Business Improvement District (BID) is a business led initiative covering a defined area where businesses work together and invest collectively in local projects, services and improvements in their area. Any BID projects and improvements are new and additional to those provided by statutory authorities. Projects, services and improvements delivered by a BID do not seek to replace services that are already provided by the Highland Council and other statutory bodies.
- 4.2 The Council has a formal role in relation to BIDs with regard to:
 - Establishment of a BID – The Council scrutinises BID processes to ensure fairness to the businesses involved. This includes having a right of veto, which in the case of Highland Council, is delegated to the Economy and Infrastructure Committee.
 - Ballot – The Council instructs the ballot of local businesses to determine whether the BID goes ahead. A majority of businesses are required to vote in favour, both in terms of rateable value and by number, subject to a minimum 25% turnout.
 - Service Provision / Added Value – It is fundamental to the role of a BID that it adds value to what businesses pay in Non-Domestic Rates by delivering additional services. This is evidenced by a Baseline Agreement between the Council and the BID which outlines the services already provided by the Council relevant to the services to be offered through the BID.
 - Levy Collection – The Council undertakes this role for the BID. This is governed by an Operating Agreement which defines roles and responsibilities.
 - Right to vote – as a property owner the Council would normally have the right to vote in the BID ballot. In the case of Dornoch BID, Council properties are amongst those exempted from the levy meaning the Council does not participate in the ballot.

5. Dornoch BID

- 5.1 Following a consultation with local businesses, the Dornoch BID Steering Group was established in 2022 and in November 2022 it appointed a BID Coordinator to lead on the development of the BID proposal. The Steering Group secured funding from Scottish Government, Highland Council, Dornoch Common Good Fund and HIE to cover the costs of the BID Coordinator, the development the BID proposal and the initial ballot costs. Since then, the Steering group has defined the BID area as the IV25 postcode area and organised business consultations, surveys and drop-in events

which have informed the development of the BID proposal. Further details are available in the attached Dornoch BID Proposal and Business Plan.

- 5.2 The Dornoch BID Mission Statement is “to work collaboratively as a business community to improve the working, trading and economic sustainability of our locality to the mutual benefit of our businesses, their customers, residents and visitors alike.”

The principal aim of the BID is to deliver, through four key themes, targeted projects and relevant services that support mission statement.

The objectives of the BID are to:

- market, promote and celebrate Dornoch and its locality as a year round destination
- ensure a welcoming and attractive business environment for residents and visitors
- provide opportunities for business collaboration and advocacy
- support and facilitate access to business support.

- 5.3 If the BID ballot is successful it is proposed to establish the BID on 1 March 2024. The BID will run for five years after which time, dependent on local support, it will seek renewal via another ballot. By applying 12 charging bands, determined by the rateable value of each business, it is anticipated the BID levy will raise £73,150 per annum to support projects and initiatives, with further external funding to be sought as projects and opportunities arise. However, income is subject to change, especially noting current economic volatility.

- 5.4 The Sutherland Ward Manager, Tourism and Investment Team Leader, Elections, and Revenues and Customer Services teams have worked closely with the Dornoch BID Steering Group throughout the process to ensure that the BID proposers have had all the appropriate support from the Council. A local elected Member and Sutherland Ward Manager have attended Steering Group meetings as advisers. Highland Council has also provided the Services Baseline Agreement and will run the ballot. If the BID goes ahead, Highland Council will arrange for the collection of the BID levy, for which the Council will charge a fee.

- 5.5 Dornoch BID submitted all the necessary documentation to Highland Council and the Scottish Government on 31 July 2023, it having been reviewed favourably by Scotland’s Improvement Districts, the organisation that supports BIDs across Scotland on behalf of the Scottish Government. The BID proposal and Business Plan are attached to this report. It is proposed to go to ballot on 16 November 2023, subject to the completion of the decision making process outlined in Section 6.

6. Decision making process

- 6.1 A report will be taken to the Economy and Infrastructure Committee on 17 August 2023 and will offer a formal assessment of the Dornoch BID proposal relative to the Council’s right of veto in accordance with the Planning etc. (Scotland) Act 2006 and the Business Improvement Districts (Scotland) Regulations 2007. Subject to Economy and Infrastructure Committee agreement, the Council will formally notify the BID Steering Group Chair and the Scottish Government that the Council will not use its right of veto in relation to the Dornoch BID.

- 6.2 Independently, as per the Council’s Scheme of Delegation, Sutherland County Committee has power to recommend to full Council that it supports the Dornoch BID

Proposal when this is considered at the meeting of the Highland Council on 14 September 2023, subject to Economy and Infrastructure Committee confirming that Highland Council has no cause to exercise its separate right of veto.

Designation: ECO Communities and Place

Date: 31 July 2023

Author: Phil Tomalin Sutherland Ward Manager

Appendices: Dornoch BID Proposal and Business Case

**Dornoch BID
Town BID
Business Improvement District
Business Proposal (Initial Ballot)**

BID Term 1st March 2023 to 28th February 2029

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BID Proposal Compliance with Legislation

In accordance with Business Improvement District (Scotland) legislation we acknowledge, as the BID Proposer, we must submit to Highland Council and Scottish Ministers the following in respect of BID Proposals, Renewal Proposals and Alteration Proposals: -

1.0 A document, which demonstrates a cross section of at least 5% of the electorate, within the BID area supports the BID Proposals.

Please refer to Appendix 1-Support for the BID and Section 7.2 Business Survey on page 18 of this Proposal. Following the survey of the businesses our canvassing confirmed the number of eligible persons (those eligible to vote in the ballot), 28% by number and 65% by rateable value were in favour of the BID.

2.0 Summary of the consultation the BID has undertaken with those eligible to vote.

The Dornoch BID Steering Group (as detailed paragraph 6.2) oversaw the process of consultation with the businesses. The consultation took the form of a paper invite sent out to all business addresses, 3 consultation events, followed by 2 online consultation events, a newspaper article in the Northern Times (our local paper) followed by one-to-one consultations from January-April 2023. On the back of these consultation events we created a survey which was sent out by email and mail to all the eligible businesses. We followed this up with subsequent emails, telephone calls, and 1-2-1 meetings to discuss the survey and the future plans for the BID. We are continuing to contact businesses in person, as well as through monthly informal get-togethers and newsletters to keep the businesses fully informed as we progress.

Please refer to

Appendix 2- Details of Consultation

Sub appendix 2.1-BID Business Group Meeting 2022, Q&A

Sub appendix 2.1a-Invite to Events

Sub appendix 2.1b-Presentation

Sub appendix 2.1c-List of Attendees, Grannies

Sub appendix 2.1d-List of Attendees, Skibo

Sub appendix 2.1e-List of Attendees, UHI

Sub appendix 2.1f-Suggestions from the 3 Consultation Events

Sub appendix 2.2a-Invite to Online Events

Sub appendix 2.2b-Attendees and Comments

Sub appendix 2.3a-Dornoch BID Survey

Sub appendix 2.3b-Dornoch BID Survey Results

Sub appendix 2.3c-Surveys Handed in by Hand

Sub appendix 2.4a,b,c,d,e-Newsletters

Sub appendix 2.5a,b-Newspaper Articles

Sub appendix 2.6-Letter of Support, Local Elected Member

Sub appendix 2.7-Letter of Support, Visit Scotland

and Section 7.0-The Consultation Process on page 17 of this Proposal for a summary of the consultation.

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3.0 The Proposed Business Plan

A copy of the Dornoch BID Business Plan will be issued to all those eligible to vote in the ballot. Please refer to Appendix 3- Dornoch BID Business Plan.

4.0 The Financial Arrangements of the BID body.

Please refer to Section 13.2 Financial Management Arrangements on page 30 of this Proposal.

5.0 The Arrangements for periodically providing the LA and billing body with information on the finances of the BID body (i.e., after a successful ballot).

The BID finances will form an integral part of a quarterly report, issued to the BID Board of Directors. One representative from The Highland Council (THC) will sit on the BID Board and will automatically be provided with the BID finance details. It is also expected that regular finance meetings with The Highland Council will be held. An independent review of the BID finances will also take place through an independent auditor.

6.0 The names and addresses of all those eligible to vote and a description (address) of each relevant property.

Please refer to Appendix 4- Levied Businesses Database.

7.0 A notice in writing requesting that the local authority hold the ballot.

In accordance with legislation, please find attached the notice in writing "requesting the local authority to instruct the ballot holder to hold a BID ballot."

Please refer to Appendix 5- Request to put BID Proposals to a Ballot.

8.0 Provide the LA and billing body with such information as they shall reasonably require satisfying themselves the BID Proposer or BID body has enough funds to meet the costs of the BID ballot.

Dornoch BID has agreed in their letter of the 2nd of June 2023 to The Highland Council to pay for the costs of the ballot. Please refer to Appendix 8- BID Confirmation of Ballot Costs.

9.0 A statement of the works or services to be provided, the name of the person responsible or body for the implementation (delivery) of these works and services and the status of such person/s; both on and after the date the BID Proposals come into effect.

Please refer to Appendix 3:- Dornoch BID Business Plan for the proposed works and services.

On a successful ballot outcome, Dornoch BID (a Not-For-Profit Company Limited by Guarantee With No Share Capital) will be formed with directors elected from the eligible persons (the levy payers), limited to one eligible person from each eligible property. The directors will oversee and direct the delivery of all the projects and services. Additionally, they will also recruit staff to deliver the BID projects and services. For full details please refer to section 6.3 Management of the BID on page 16 of this Proposal.

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10.0 A statement of existing baseline services provided by the local authority, police and other agencies.

Please refer to:-

-Appendix 6a The Highland Council Baseline Agreement

-Appendix 6b Police Scotland Baseline Agreement

11.0 A precise description of the geographical area of the BID, including a map, which defines exactly the boundaries of the BID area.

Please refer to:-

Section 5.1 The BID Map and Postcodes on page 14 of this Proposal (for a GIS map).

The BID area boundary is the geographic boundary of the IV25 postcode area.

12.0 A statement providing details of any additional financial contributions, or additional actions for the purpose of enabling the projects specified in the BID Proposals, i.e., where a BID project is expected to cost £X and the proposed levy raises a smaller amount £Y then the BID Proposals must state how that funding gap £X - £Y s to be met and by whom.

The projects and activities specified in the BID Proposal (Please refer to Section 13.3 Dornoch BID Projected Income and Expenditure on page 31) have been identified and the levy calculated and apportioned to support delivery of the projects as defined in the Proposed Projects section of this Proposal.

It is anticipated that the BID will attract additional funding from other sources including the local authority and other appropriate grant bodies. However, this has not been allowed for at this stage.

13.0 A statement of which aspects of the BID Proposals and or Business Plan may be altered without the need for an alteration ballot to be undertaken.

The BID Board of Directors will have the authority to adapt or alter the projects and services from time to time and year to year to reflect any change in economic circumstances or any new opportunities that may arise. This will be in the best interests of the levy payers and without recourse to an alteration ballot.

Please refer to:-

Section 6.3 Management of the BID on page 16 of this Proposal for the statement.

14.0 A statement of the proposed start and end dates of the BID Arrangements and the term of the BID. The BID arrangements must commence no later than a year after the date of the statement.

Following a successful ballot on 16th November 2023, the Dornoch BID will commence its activities on 1st March 2024. This commencement date reflects that the already established Business Group within Dornoch contributes to a voluntary levy, which will cease in March 2024. As the Dornoch BID will be for a term of five years, it will cease its activities on 28th February 2029.

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15.0 BID Proposals shall specify the apportionment of BID levy in respect of relevant properties and who will be liable to pay the levy: - proprietors, tenants, occupiers or if appropriate a specific business sector or sectors or businesses who will participate. It is advisable to include caps, thresholds, or other arrangements reflecting local circumstances or ability to pay.

The BID improvement levy will be paid by the occupier (the eligible person liable to pay the non-domestic rate), however, the property owner will be liable to pay the levy where a property is vacant on the day the levy invoice is issued and for all the period thereafter when the property is vacant.

Please refer to:-

Section 9 The BID Levy on page 20 of this Proposal for full details of the BID Levy.

16.0 Confirmation the levy is to be calculated as a % of the RV or how the charge was arrived at.

It has been agreed by the Dornoch BID Steering Group that the levy rate will be a fee structure based on the rateable value of the property on the day of the ballot 16th November 2023 and throughout the 5-year term of the BID. Please refer to:

Appendix 9-Minutes of Dornoch BID Steering Group Special Meeting on 13.6.23

Sub appendix 9a-Dornoch BID Sub Group Decision on Included and Excluded Businesses

Sub appendix 9b-Business Levies

Sub appendix 9c-Minutes of Dornoch BID Steering Group Meeting on 19.6.23

Sub appendix 9d-Visit Dornoch BID Paper

Please also refer to:-

Section 9 - The BID Levy on page 20-23 of this Proposal for full details of the BID Levy and how the charge was arrived at.

17.0 Confirmation the % levy or fee is to be calculated on the RV of the property on the date of the ballot or, if not, another date that is the date, which will be used to calculate the levy or fee over the term of the BID.

The fee structure is based on the rateable value of the property on the day of the ballot 16th November 2023.

Please Refer to:-

Section 9 The BID Levy on pages 20-23 of this Proposal for full details of the BID Levy.

18.0 The apportionment of the levy between proprietors, tenants and occupiers – providing the BID is including tenants and proprietors in its Proposals.

The occupier (the eligible person liable to pay the non-domestic rate) will be liable for the payment of the levy.

The BID Proposal does not include proprietors (property owners) except where the eligible property is vacant or empty when the property owner will be liable for the payment of the levy.

Please Refer to:-

Section 9 The BID Levy on pages 20-23 of this Proposal for full details of the BID Levy.

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19.0 A statement as to how the BID Steering Group arrived at who will pay the levy, the percentage levy and how the levy will be split between proprietors, tenants and occupiers.

The Dornoch BID Steering Group agreed and set the levy fee; the postcodes included in the BID, and voted on who will pay the levy. A copy of the minutes of the meeting 13th June 2023 at which this was decided is attached as Appendix 9-Minutes of Dornoch BID Steering Group Special Meeting 13.6.23. The geographic boundary is based on the IV25 postcode area. The levy amount is based on the amount required to carry out the projects in the business plan, as well as discussions with businesses on what they believe is reasonable. The levy will be paid by the occupier (the eligible person liable to pay the non-domestic rate).

The decision to adopt the levy table and BID area was taken with the agreement of all the members of the Dornoch BID Steering Group. Please refer to Appendix 9-Dornoch BID Steering Group Minutes of Special Meeting 13.6.23 and Appendix 7-Dornoch BID Steering Group Agreement.

Please also refer to:-

Section 9 The BID levy on page 20-23 of this Proposal for full details of the BID Levy.

20.0 Whether any future re-assessment of RV of the property by the Rates Assessor will or will not be taken into account in the calculation of the levy.

It has been agreed by the Dornoch BID Steering Group, the levy will be calculated on the Rateable Value of the properties in the BID area on the day of the ballot and will not change during the 5-year term.

21.0 A statement on why groups or individual businesses are exempt or receive a levy discount.

Please refer to:-

Section 9.2 Exclusions on page 21 of this Proposal for full details of all exemptions to the levy. The Dornoch BID Steering Group agreed on 13th June 2023.

Appendix 7-Dornoch BID Steering Group Agreement and Appendix 9-Steering Group Minutes

Appendix 9-Minutes of Dornoch BID Steering Group Special Meeting on 13.6.23

Sub appendix 9a-Dornoch BID Sub Group Decision on Included and Excluded Businesses

Sub appendix 9b-Business Levies

Sub appendix 9c-Minutes of Dornoch BID Steering Group Meeting on 19.6.23

Sub appendix 9d-Visit Dornoch BID Paper

The properties exempted would receive no direct benefit from the BID projects and services.

22.0 A statement on whether the levy will be index linked.

The BID levy will not be index linked.

23.0 A statement on whether any of the costs incurred in developing the BID Proposals, holding of the ballot or implementing the BID arrangements are to be recovered through the BID levy.

None of the above costs will be recovered through the BID levy.

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24.0 The constitution of the BID Company to be formed and its legal status. A statement on who will administer the BID, details regarding the BID board and the BID body and those who drew up BID Proposals and Business Plan.

Please refer to:-

Section 6.3 Management of the BID on page 16 of this Proposal for details on how the future BID Company will be formed and administered.

The BID Company will be a Not-For-Profit Limited Liability Company. A Company Limited by Guarantee and Not Having a Share Capital and will be administered by the BID Board of Directors who will be drawn from the eligible persons (those liable to pay the levy) but restricted to one eligible person per eligible property. Nominations of directors from outside of the BID, who do not pay the levy and who may or may not represent those making voluntary or other financial contributions toward the BID, will be strictly at the discretion of the BID Board of Directors. The projects and services will be delivered by a BID team recruited by the BID Board of Directors. For full details please refer to Section 6.3 Management of the BID on page 16 of this Proposal document. BID Coordinator Paula White prepared the Dornoch BID Proposals and Business Plan in full consultation and support from the Dornoch BID Steering Group.

25.0 The methodology for BID levy payers to nominate themselves or others to the BID Board of Directors and the proposed make-up of the BID Board.

Every eligible person, who is liable to pay the levy, will have the opportunity to nominate themselves or someone else from within the BID area to be elected to the new BID Company Board. Directors will be limited to one eligible person per eligible property. Nominations of directors from outside of the BID, who do not pay the levy and who may or may not represent those making voluntary or other financial contributions toward the BID, will be strictly at the discretion of the Board of Directors.

Please refer to:-

Section 6.3 Management of the BID on page 16 of this Proposal for full details on how levy payers can participate on the future Dornoch BID Company Board of Directors.

26.0 A statement on how the BID Proposals will be published prior to the ballot.

The BID Proposer will send a copy of the Dornoch BID Business Plan to all persons eligible to vote on the BID Proposals. Should any eligible person require a copy of the BID Proposal, and in compliance with data protection and GDPR legislation a copy will be provided on request.

The Dornoch BID Business Plan will also feature prominently on the Dornoch BID website when published in August 2023.

www.dornoch.org.uk/dornoch-bid.asp

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1.0 Foreword by BID Steering Group Chair

I am delighted to present the Dornoch BID Proposal, which outlines your priorities and gives a taste of how we can improve and make Dornoch better by working together.

A Business Improvement District is where businesses, within a defined geographical area, vote to invest collectively in local improvements over and above those provided by statutory authorities. It is a partnership arrangement where the local business community and the statutory authorities, and other stakeholders and partners work together on projects that will benefit the local economy and local businesses.

Supporting Dornoch BID is a great opportunity to work together and make the changes we all want. The cost to our businesses is low and through Dornoch BID we can access external assistance and funding not available to individual businesses.

All the proposed improvements were ideas initially from you, which came out in our consultations and survey. Every business in the area has had the opportunity to let us know what their priorities are.

By getting involved in the Dornoch BID, we can work together to continue with the work that the existing volunteer groups have achieved and grow that by increasing the already widely known name of Dornoch and its reputation as a friendly and welcoming destination, whether you visit for business or pleasure. The purpose of the Dornoch BID is to support our businesses, increase trade and improve our business environment while enhancing the already beautiful area that we live and work in.

Now that the consultation process has ended, be advised that your ongoing engagement and feedback throughout the first term remains integral to our model. Not least to ensure that your BID can help to address the issues and optimise development opportunities that you and your fellow businesses identify and want to prioritise.

Overall, the purpose of Dornoch BID is to greatly improve your trading environment by focusing activity on the areas you have identified as being of the most importance, namely the 4 key themes: -

- Promoting and Marketing Dornoch
- Town Centre & Environment
- Business Collaboration & Advocacy
- Staff employment, recruitment, retention and development

Across these 4 themes we propose to make positive changes and get the things done that you want and I would ask you all to vote YES so that we can work jointly to ensure that Dornoch and surrounding areas will reach their full potential.

You can find more information on our website www.dornoch.org.uk/dornoch-bid.asp, or for more general or national information refer to [Home - Scotland's Improvement Districts](#)

A notice of ballot will be sent to all eligible persons (those eligible to vote in the ballot) on or before the 21st September 2023. Ballot papers and a copy of the Dornoch BID Business Plan will be sent out on or before the 5th October 2023. Those eligible to vote will have at least 6 weeks to cast their vote before

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the ballot closes at 5pm on 16th November 2023. Ballot papers received after this date and time will be null and void and not be counted.

Your BID will only come to be if a majority of businesses vote YES in the ballot on the 16th November 2023. A no vote will mean that Dornoch will lose its forward momentum and all the benefits and existing projects created by the volunteer groups will cease.

I have been at Royal Dornoch Golf Club for 13 years and therefore know a lot of the business people in the area. I would ask you all to vote YES so that we can work together to make Dornoch even better.

Neil Hampton

Chair – Dornoch BID Steering Group

Royal Dornoch Golf Club
Golf Road
Dornoch
Sutherland
IV25 3LW

“Business” or variations of the word “business” are used throughout this document. The word “business” in this context refers to property owners or tenants and occupiers of properties who are liable to pay the non-domestic rate (NDR), whether they pay business rates or not. This includes all properties listed on the Scottish Assessors Association Portal (website) with a non-domestic rateable value, many of whom may be a charitable organisation, public sector organisation, social enterprise or community group who may not consider themselves to be a business.

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2.0 Executive Summary

2.1 Mission Statement of the Dornoch BID

Our Mission Statement will be “to work collaboratively as a business community to improve the working, trading and economic sustainability of our locality to the mutual benefit of our businesses, their customers, residents and visitors alike.”

2.2 Aims and Objectives of the Dornoch BID

The principal aim of the BID is to deliver, through 4 key themes, targeted projects and relevant services that support our mission statement.

The objectives of the BID are:

- market, promote and celebrate Dornoch and its locality as a year round destination
- ensure a welcoming and attractive business environment for our residents and visitors
- provide opportunities for business collaboration and advocacy
- support and facilitate access to business support

2.3 Key Findings

The Dornoch BID Steering Group has overseen considerable research to discover what the businesses of IV25 postcode area would like a BID to deliver. The research established the need for a BID and confirms that the following key aspects have been completed to deliver a successful ballot and a successful BID.

- Local need for a BID is strongly identified
- The BID area is logical and clearly defined
- Support of the Local Authority at both officer and political level
- Support of Police Scotland
- Support of Visit Scotland
- The BID levy, supported by anticipated additional grant/other funding is sufficient to deliver the projects in the Dornoch BID Business Plan
- Support by other key partners

3.0 Introduction

3.1 What is a Business Improvement District (BID)?

A Business Improvement District (BID) is a geographically defined area, where businesses come together and agree to invest collectively in projects and services the businesses believe will improve their trading environment. BID projects are new and additional projects and services; they do not replace services that are already provided by The Highland Council and other statutory bodies.

BIDs are developed, managed and paid for by those who are liable to pay non-domestic rates (NDR) by means of a compulsory investment levy, which the eligible persons in the proposed BID area must vote in

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favour of, before the BID can be established. Each eligible person liable to pay the BID levy will be able to vote on whether the BID goes ahead.

3.2 Background to BIDs

The first BID was established, approximately fifty-five years ago, in Bloor West Village, Toronto, Canada, by the district's business community. The district's businesses were increasingly coming under pressure from new enclosed shopping malls being developed outside their area, diverting shoppers away from the traditional shopping area. As a result, some businesses were forced to cease trading and the area began to look tired and neglected.

To stop the haemorrhage of deserting shoppers, local businesses fought back to revitalise the area. They successfully lobbied for legislation for all the businesses, in the proposed BID area, to pay a levy. The levy money was used to improve the physical appearance of the area, and then promote the district as a vibrant, attractive and safe place to work, shop and live. The strategy paid off and shoppers started to return to the district in large numbers.

The success of the Bloor West Village BID paved the way for future BIDs, not only in Toronto, but spreading throughout Canada, and the USA in the late 1960's and 1970's. Today there are well over 1800 successful BIDs worldwide.

An additional measure of BIDs success is in the renewal process. Most BIDs run for a period of five years with the vast majority continuing, for consecutive terms, when they come up for renewal. Currently, there are 26 BIDs in their second or third BID terms equating to 38 successful renewal ballots demonstrating the businesses value the projects and services delivered by the BIDs.

BIDs can support regeneration, grow local economies, create local employment and create a cleaner, safer trading environment. A key element to their success is that the local businesses take ownership and responsibility for their trading environment, identifying the projects necessary to resolve common problems and issues, and overseeing their implementation, whilst also contributing to the future direction of the town and its future development.

BID legislation was passed in Scotland in 2006 with the Scottish Government funding 6 pilot projects in March 2006. The Scottish Government fully supports the development of BIDs in Scotland.

As at June 2023 there are 33 fully operational BIDs in Scotland with a further 20 in development including our BID.

Business Proposal

4.0 Dornoch Position

4.1 Why does Dornoch need a BID?

If we do nothing, then nothing will be done; and the projects previously implemented by volunteer groups will cease and be discontinued. There is a strong volunteering history in Dornoch, but the risk of volunteer fatigue is ever increasing. If we come together as a BID, we can expand on the services previously provided and together grow Dornoch's economy.

Dornoch has experienced significant changes over recent years and, as with many towns throughout Scotland, has increased competition from online shopping, and bigger shops or shopping centres elsewhere. From spring 2020 onwards, the pandemic brought a further significant impact and pressure meaning at the time of writing, the economic situation has worsened to now include: high interest rates, high inflation, a cost-of-living crisis, impact of Brexit, staff shortages, and so on. In many respects given the current situation we believe that businesses cannot afford not to have a BID.

High energy costs, an increase in rateable value tax, the self-catering levy and downturn in footfall are a problem for many of our businesses. The IV25 postcode area requires a continued coordinated response from all businesses to address these problems.

Traffic management and parking issues are a problem for many of our businesses. The continuing rise of energy costs is putting more pressure on businesses. We need to look at the options to increase our public transport. Dornoch requires a continued coordinated response from all businesses to address these problems.

There are lots of voluntary groups in Dornoch, there is no shortage of community spirit and can-do attitude! However, these groups can suffer from a lack of funds and dedicated staff time. The BID is the opposite of this. It can help local groups to achieve more with staff resources and access to funding.

There is a desire from a range of sectors in Dornoch to improve its marketing activity. The BID would work alongside Visit Scotland, Business Gateway, Zero Waste Scotland, Keep Scotland Beautiful, Scotland Loves Local and the local groups in order to deliver an increase in visitor numbers and an improved environment.

The BID provides a unique opportunity for local businesses across all sectors to continue to work together, invest collectively and undertake projects which can contribute positively to improving the economic viability of businesses in Dornoch and securing investment in our area.

4.2 The History of BIDs in Dornoch

Dornoch Area Community Interest Company (DACIC) a community Interest Company and their associated business group was introduced to the BID concept in 2015. A decision was taken by the DACIC board that dedicated staff time and increased investment were required for Dornoch to maintain its competitiveness and build on the historic value of the area. Although the initial seedcorn grant application was undertaken by the Board of DACIC in consultation with the members of the voluntary business group and support from the Highland Council, the businesses were invited to an initial consultation in 2022 and a BID Steering Group was formed. The support of the Scottish Government and The Highland Council has been integral to this development.

Business Proposal

4.3 How does Dornoch benefit from a BID?

All businesses in Dornoch will benefit from the projects and services the BID will deliver. With a BID, there will be:

- Support for existing groups and organisations
- An improved customer perception of accessibility and parking availability
- Improved customer knowledge of goods and services in Dornoch
- Increased marketing to local, regional, national and global customers
- Access to funding to reduce property improvement costs
- Cost reduction through professional negotiation on utility bills
- Cost reduction through collective investment and joint promotion
- An increased number of visitors
- Access to funding and support not available to individuals or businesses
- A local voice for businesses - business opinions included in local policy and local developments.
- Better trained staff to improve customer service
- Increased B2B sales opportunities
- Increased networking opportunities
- Improved signage
- Increased use of technology to solve local problems.
- Projects to increase shop diversity and lower vacant unit rates

4.4 Local Authority Support

A BID is a business led regeneration strategy but contributes to the wider regeneration aspirations of the public sector and the local community. It is essential to have the support of the local authority and access to its expertise throughout the development of the BID.

The Highland Council is supportive of the development of the BID with 1 elected member attending Dornoch BID Steering Group meetings, as well as the Highland Council ward manager.

A crucial element of the BID is to establish a Baseline Service Agreement (an agreement on which services are already provided to the area by The Highland Council), to ensure any project or service provided by the BID is additional to the statutory services the local authority already provides. This has been undertaken by The Highland Council in conjunction with the Dornoch BID Steering Group.

The Highland Council shall (under section 41 of the Representation of people Act 1983 and The Business Improvement Districts (Scotland) Regulations 2007) undertake and manage the postal ballot.

Business Proposal

5.0 The BID Area

The BID area is generally focused on the IV25 postcode area. Through one-to-one consultations, consultation events and our survey, it became clear that there were common issues crossing different sectors in the postcode area of IV25.

The common issues affecting the different business sectors can be summarised as

- Promoting and marketing
- Town Centre and villages environment
- Business collaboration and advocacy
- Staff Employment, recruitment, retention and development

The Dornoch BID Steering Group have calculated that this equates to circa 192 properties, the eligible person of which will be entitled to vote on 16th November 2023. Following a successful ballot all eligible persons within the BID area will be required to pay the BID levy.

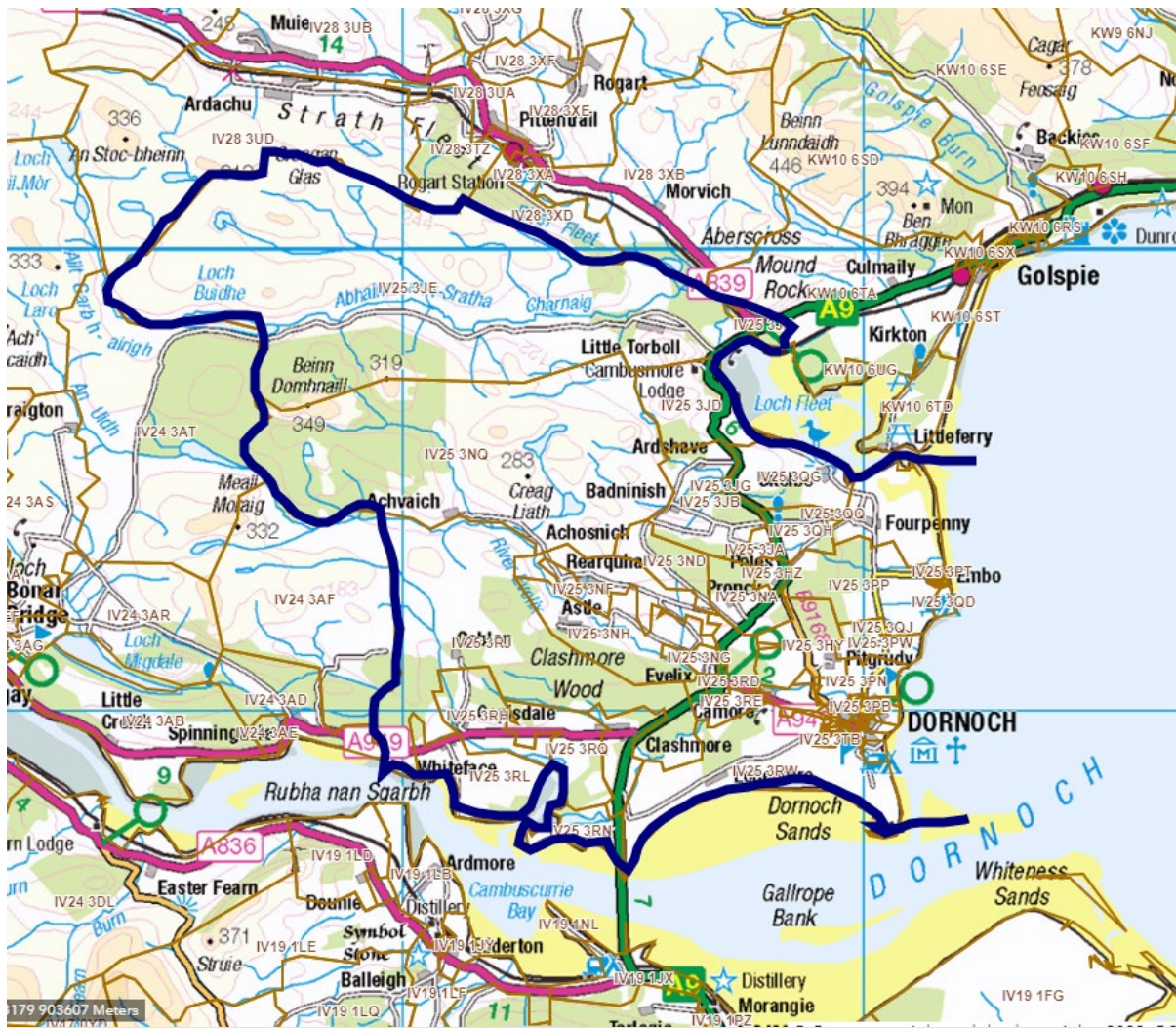
Business Proposal

5.1 The BID Map and Postcodes

Why was this area chosen?

The geographical boundary was carefully debated and considered by the Dornoch BID Steering Group and communicated to businesses at our various engagement events. On balance taking the demographics of the area, the number of businesses (with common issues) and the more rural location of Dornoch IV25 seemed a logical and viable size for Dornoch BID. Dornoch is known as a vibrant tourism hot spot, with surrounding communities benefiting from this market. Therefore, the benefits and challenges of tourism impact not only on Dornoch but all the surrounding communities and their businesses.

All 192 businesses in the IV25 postcode area on the Rateable Value list are included in the BID



The BID area boundary is the geographic boundary of the IV25 postcode area. There are circa 192 viable Properties located in the BID area.

Business Proposal

6.0 BID Management

6.1 BID Development Staff

The Project Coordinator for the BID is Paula White and is accountable to the Dornoch BID Steering Group.

6.2 BID Development Steering Group

The Dornoch BID Steering Group overseeing the ballot, is made up from a cross section of the business community in the area and includes 1 locally elected Councillor, Jim McGillivray. The Dornoch BID Steering Group provides direction to the development of the BID and BID development staff. Advice is also given by The Highland Council. Ultimately, all key decisions relating to the developing BID have been taken by the Dornoch BID Steering Group, who are as follows:

Name	Sector	Name	Sector
Neil Hampton	Leisure	Yvonne Macrae	Retail
John Duhigg	Retail	Tiffany Fraser	Service
Eric Devenny	Hospitality	Maggie Holmes	Hospitality
Gareth Dixon	Health Care/Retail	Ruth Brown (non-RV business)	Service
Lindsay Ferries	Service		
Advisors			
Genevieve Duhigg	Community Council	Shona MacDougall	Retired local government director
Jim McGillivray	Councillor	Phil Tomalin	Highland Council representative
David Whiteford	Hospitality	Claire Bruce	Hospitality

Business Proposal

6.3 Management of the BID

Following a successful yes vote, the management and operation of the BID will be transferred to a Not-For-Profit Limited Liability Company Not Having a Share Capital which will operate from 1st March 2024.

The Company will be managed by the Dornoch BID Steering Group until a Board of Directors is elected, but for no longer than three months after the ballot date.

The Company will operate in an open and transparent way, answerable to the businesses in the area. The Board of Directors will ensure that a Code of Conduct (including a Register of Interests) and Management and Governance will be created and agreed as policy by the Directors. There will be a detailed set of protocols which will cover, as well as other items, the billing, collection and transfer of the levy to the BID Company.

A BID Board of Directors will be established, consisting of up to 12 directors. An active campaign will be launched after the successful ballot to recruit these directors. Every eligible person that pays the levy will have the opportunity to nominate themselves or someone else from within the BID area to be elected to the Company Board but limited to one eligible person from each eligible property. The new Company will be run by the businesses for the businesses. This Board will be responsible for all decisions relating to staff, contracts, the delivery of the approved Dornoch BID Business Plan and other activities generated by the BID.

Nominations of directors, non-voting representatives or advisors from outside the BID, who **do not** pay the levy and **who may or may not** represent those making voluntary or other financial contributions toward the BID, will be strictly at the discretion of the Board of Directors.

The Board of Directors will recruit 1 full time BID manager to ensure the efficient delivery of the projects and effective communications with the levy payers.

The Board will be representative of the businesses and stakeholders in the area. The Chair, Vice Chair and Treasurer will be elected from the directors of the Board. The Board will include 1 representative from The Highland Council. Other non voting members or local groups may be co-opted on to the board at the board's discretion.

The BID Company Board will have the authority to adapt or alter the projects and services from year to year to reflect any change in economic circumstances or any new opportunities that may arise. This will be in the best interest of levy payers and without recourse to an alteration ballot.

Additionally the BID Company Board reserves the right to consider creating a charitable arm of the company to enable it to secure additional funding, which can only be sourced with charitable status, where such activities meet the criterion to be eligible to do so.

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7.0 The Consultation Process

7.1 Introduction

The initial BID consultation was undertaken with a cross section of businesses in the form of one-to-one interviews, and this led to the development of a bespoke Dornoch BID survey, which was distributed to all businesses in the BID area.

Of the 40 hard copy questionnaires that were distributed to those businesses without email addresses, 9 (22.5%) were returned. The businesses were also given the opportunity to complete the questionnaire on-line. Of the 192 businesses that received the survey in total we received 62 back (32.3%). The results produced quantitative data which was evaluated and reported to the Dornoch BID Steering Group.

The overall aim of the consultation was to assess opinions on ways to enhance and improve the BID area and give more incentive to visit and invest in Dornoch. The results of these surveys and consultations have been combined and form the basis of the Dornoch BID Business Plan and this BID Proposal.

Businesses received letters, e-mails, telephone calls, newsletters, newspaper articles, one-to-one visits throughout the BID development process to keep them informed of progress. The website <https://www.dornoch.org.uk/dornoch-bid.asp> has been kept fully updated with BID events and information throughout the development of the BID. Full details of the consultation are shown at Appendix 2-Details of Consultation (includes Sub appendices 2.1, 2.1a-f, 2.2a-b, 2.3a-c, 2.4a-e, 2.5a-b, 2.6, 2.7).

New businesses to the BID area have received personal visits on a one-to-one basis to inform them about BIDs.

In addition, 3 launch events were held by the Dornoch BID Steering Group on the 21st January 2023, the 1st February 2023 and the 13th February 2023. All businesses in the IV25 postcode area received an invite to the launch events, where the project coordinator and the Dornoch BID Steering Group presented on the BID and took questions.

Business information meetings were held every evening in the week of the 24th-28th of April 2023. Several newsletters were circulated with the updated information on the BID and to ask for more input from businesses.

As the ballot date approaches it is planned to visit as many businesses as possible, to discuss the proposed projects and services the businesses have indicated they would like the BID to deliver, face to face and to engage further.

Full details of the consultation are contained in Appendix 2-Details of Consultation (includes Sub appendices 2.1, 2.1a-f, 2.2a-b, 2.3a-c, 2.4a-e, 2.5a-b, 2.6, 2.7).

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7.2 Business Survey

The survey questionnaires were emailed out from the 29th March 2023, and mailed on the 7th and 17th April 2023.

The Dornoch BID Steering Group considered the responses from the one-to-one consultations, questionnaire survey and public meetings as being sufficient to decide on the projects and services proposed in the Dornoch BID Business Plan.

BID legislation requires that before a ballot can take place, a minimum of 5% of those eligible to vote must indicate that they are in favour of a BID. The results of the consultations (both one-to-one, events and questionnaire survey) indicate that of 47 eligible persons 28% are in favour of the BID. In terms of rateable value this equates to 65%.

Please refer to:-

Appendix 1--Support for the BID, for a list of the eligible persons who have indicated their support for a BID.

7.3 The Key Findings

Sector Specific Survey

Overall, the most important areas a BID could improve on were ranked by the businesses in order of importance as:

1. Promoting and Marketing Dornoch
2. Town Centre & Environment
3. Business Collaboration & Advocacy
4. Staff employment, recruitment, retention and development

From the surveys it was determined that,

Businesses would like (in no particular order):

1. A well promoted and vibrant Dornoch
2. To attract more visitors and see increased spend
3. To extend the tourism season/help businesses stay open year round
4. To see parking issues resolved within the area
5. To create a year-round calendar of events
6. To have a collective voice to promote Dornoch
7. Net zero plan
8. Better signage
9. Pooled resources and networking
10. Improved business support and advice
11. Co-ordinated group procurement projects.
12. Business only chat groups/website
13. Web listings for all businesses
14. Staff transport and accommodation

Business Proposal

We asked what future projects for the Dornoch BID are most important.

By ranking a list of projects in order of importance, the following list represents what the businesses would like the BID to address, namely the 4 key themes of:

- Promoting and Marketing Dornoch
- Town Centre & Environment
- Business Collaboration & Advocacy
- Staff employment, recruitment, retention and development

8.0 Proposed Improvements

We believe that the best way to achieve lasting and sustainable change, and best value for money, is by working in partnership, so where appropriate we will work strategically with The Highland Council, Police Scotland, Scottish Fire and Rescue Service, NHS Highland (various sectors), Highland Third Sector Interface, Highland News/The Northern Times/Rossshire Journal, Moray Firth Radio, Highlife Highland, Business Gateway, Dornoch Area Community Council, Dornoch Area Community Interest Company, Visit Scotland, Venture North and many more.

The proposed projects will be progressed over the five-year period of the BID. Some projects and activities will be provided on an annual basis while others are one-off initiatives. The time frame for delivering the projects will be decided by the BID Board of Directors to be completed within the agreed budget and timescale(s).

The detailed project costs are estimates only. The actual cost of the projects will depend on a variety of factors and will not be definitive until additional funding applications have been submitted where necessary. Some of the projects may be subject to other statutory approval.

The projects and services will be based on the following 4 themes (with further details included in the Dornoch BID Business Plan):

- Promoting and Marketing Dornoch**
- Town Centre & Environment**
- Business Collaboration & Advocacy**
- Staff employment, recruitment, retention and development**

Please refer to Paragraph 13.3 on page 31 for theme project costs.

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9.0 The BID Levy

9.1 Who will pay the levy?

A BID levy is an equitable and fair way of funding additional projects and services, which the local authority and other statutory bodies are not required to provide. There are approximately 192 commercial properties in the BID area which will generate a BID investment levy income of approximately £73,150.00 per annum and an estimated total levy income of £365,750.00 over 5 years.

It has been agreed by the Dornoch BID Steering Group that: -

- The levy structure will be based on a banded system fixed on the rateable value (RV) of the property on the day of the ballot 16th November 2023 and remain the same throughout the 5-year term of the BID.
- There will be no increase in the levy throughout the BID term because of a non-domestic rateable revaluation occurring during the BID term.
- The BID levy will be paid by the property occupier - the person liable to pay the non-domestic rate.
- All eligible occupiers (of eligible properties) i.e., the eligible person liable to pay the non-domestic rate, that are listed on the Local Assessors Valuation Roll on the ballot date will be liable to pay the levy.
- The levy payments are not linked to what businesses actually pay in rates but are based on the rateable value of the property.
- The levy must be paid in one payment within 28 days from the date of the levy invoice.
- If there is a change in occupier to a property, until a new occupier is found, the property owner will be responsible for paying the levy.
- Any new commercial development, subdivision of existing properties or merging of properties or new business with a non-domestic rateable valuation coming into the area during the 5-year term of the business improvement district will be liable for the BID Improvement Levy.
- If a property is vacant on the day the levy invoice is issued or any subsequent vacant periods, the property owner will be liable to pay the levy.
- Self-catering holiday accommodation which is not the sole or main residence of any person and which is available (or intended to be available) for letting on a commercial basis, with profit in mind, for short periods totaling more than 140 days in the financial year remain liable for non-domestic rates for the whole year and will be included and liable to pay the levy.
- The levy will apply to properties with a rateable value of £1000 and above. This threshold reflects the nature of our area and the significant number of small businesses. Had we set the threshold higher these businesses would have been excluded from any levy payment and more importantly would have

Business Proposal

impacted on the BID viability. We also considered the existing voluntary business group levy and the payments currently being made by smaller businesses.

Levy bandings will be applied with a maximum banding at £356,000 and above.

- The BID levy will **not** be index-linked to the Consumer Price Index (CPI) to take account of inflation, so that those liable to pay the levy can budget accordingly for the full five-year term.
- The Highland Council as the billing body will pursue any non-payment of the BID investment levy using the available statutory powers to show fairness to levy payers that have paid the levy. The Highland Council will be entitled to charge an additional fee to the levy amount to meet any costs incurred in the recovery of the levy.

9.2 Exclusions

The Dornoch BID Steering Group decided it appropriate to exclude premises that have a rateable value of under £1000. These premises can pay a voluntary levy and become an “associate member” should they wish, details of which are given in the Dornoch BID Business Plan.

The Dornoch BID Steering Group decided that there is no benefit from being part of the BID to the following categories of property and therefore are exempt from paying the levy. Please see Appendix 9(a-d) option paper, as well as the Dornoch BID Steering Group decisions in the minutes on 13th June 2023 appendix 9(a-d)

- Non-retail Charity & Not-For-Profit
- Places of Worship
- Public convenience
- The Highland Council, operational properties
- Healthcare establishment where income is via the NHS.
- Care homes
- Educational establishments
- Utilities

For clarity, retail charity shops or charities that charge an entrance fee will be liable to pay the BID levy, as they will benefit from the improved trading environment created by the BID.

9.3 The Levy Table

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Rateable Value (RV)	Each Week	Each Month	Annual Levy	No of Businesses	Total
0 to 999	Voluntary	Voluntary	Voluntary	15	£0.00
1,000 to 1,999	£1.92	£8.33	£100	23	£2,300.00
2,000 to 2,999	£3.37	£14.58	£175	40	£7,000.00
3,000 to 4,999	£5.77	£25	£300	69	£20,700.00
5,000 to 9,999	£6.25	£27.08	£325	32	£10,400.00
10,000 to 14,999	£8.65	£37.5	£450	7	£3,150.00
15,000 to 19,999	£12.5	£54.17	£650	5	£3,250.00
20,000 to 29,999	£14.42	£62.5	£750	6	£4500.00
30,000 to 85,999	£24.04	£104.17	£1250	7	£8,750.00
86,000 to 114,999	£32.69	£141.67	£1700	3	£5,100.00
115,000 to 355,999	£38.46	£166.67	£2000	1	£2,000.00
356,000 +	£57.69	£250	£3000	2	£6,000.00
					£73,150.00

The Dornoch BID Steering Group decided to use a fee structure, as detailed above, to calculate the levy fee. The reasons behind this are as follows:

- The levy payments add up to the amount required to support the Dornoch BID Business Plan. Other funding will be applied for to support the Dornoch BID Business Plan and to enable extra projects to be undertaken.
- A banding system was chosen as it represents a simple and easy way for businesses to identify their levy payment, provides for ease of collection and represents a fair and reasonable methodology. Everybody benefits therefore everybody pays.
- A minimum payment of £1.92 per week, is believed to be affordable for the smallest businesses as they will have the opportunity to benefit from cost reduction projects.
- Through consulting with the businesses, a maximum of £3000.00 is believed to be affordable for the businesses at the higher end of the banding.

9.4 Collection of the BID Levy

The Highland Council will collect the investment levy on behalf of the BID, as this will be an efficient, safe and cost-effective method of collection. The Highland Council will lodge the levy within a BID Revenue Account. The BID levy can only be drawn down by the Board of Directors of the BID to allow the delivery of the Dornoch BID Business Plan.

The BID Revenue Account and levy cannot be accessed by The Highland Council, nor can it be used by the Council as an additional source of income.

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9.5 Enforcement

In the event of any non-payment of the BID improvement levy, it will be strongly pursued by The Highland Council (as the billing body) using the recovery powers available to the Council to ensure complete fairness to all the businesses that have paid. The Highland Council will be entitled to charge an additional fee to the levy amount to meet any additional costs incurred in the recovery of the levy.

10.0 The Voting Process

10.1 Pre-Ballot

A 'Notice of Ballot' will be issued at least 42 days before the day of the ballot.

Should any eligible person request a copy of the BID Proposal, this will be provided in accordance with data protection legislation and General Data Protection Regulation (GDPR): <https://www.gov.uk/data-protection>

10.2 The Ballot

- The BID ballot is a confidential postal ballot conducted by The Highland Council on behalf of Dornoch BID and in accordance with Scottish BID legislation.
- Ballot papers, together with a copy of the BID Business Plan will be posted by Civica Electoral Services on behalf of the Highland Council (the ballot holder) to the eligible person responsible for casting a vote within their business at least 42 days before the day of the ballot. In the case of national companies, the responsibility for voting may lie with the head office.
- An 'eligible property' is one based in the BID area that is registered with Highland Council as having a rateable value of £1000 or more as of the 21st of September 2023 and which is not exempt from paying BID levy.
- Where an eligible property is vacant the voting papers will be sent to the property owner.
- The last date for all ballot papers to be returned is 5pm on 16th November 2023. Papers received after this date and time will be deemed null and void and not be counted.
- Voting papers are easy to complete, simply place a cross on either "yes" or "no" to the question "are you in favour of the Business Improvement District Proposal for Dornoch" The ballot paper must then be signed by the person eligible to vote and returned in the pre-paid envelope.
- Some eligible persons may receive more than one ballot paper. Each ballot paper should be completed, signed and returned in its pre-paid envelope.
- For the ballot to be successful there must be a minimum turnout of 25% (the headcount) by number of eligible persons and by combined rateable value; and of those who turnout, the majority must vote in favour by number and rateable value.
- All eligible persons (i.e., those persons liable to pay non-domestic rates) will have one vote or where a person is liable for non-domestic rates for more than one property, that individual shall be eligible to cast more than one vote however they will be required to pay the levy for each of the properties that they occupy.
- The ballot papers will be counted on 17th November 2023 and the results announced by the Highland Council within one week.
- Following a successful ballot, the BID will commence on 1st March 2024 and will run for a period of five years until the 28th of February 2029.

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10.3 BID Ballot Timetable

Item	B-n	Procedure	Time	Date	Comments
1	B-n	Last day for notice of intention to put BID Proposals to ballot to the billing body and Scottish Ministers	Regulation 4 At least 196 days before the date of ballot in accordance with regulation 4.	By	4 th May 2023
2	B-126	BID Review by Scotland's Improvement Districts (SIDs).	BID Proposals reviewed and agreement reached as to whether a positive ballot result is achievable. If not achievable, then the BID should not go to ballot.	By	13th July 2023
3	B-98	Last day for the submission of the BID Proposal to the local authority, billing body and Scottish Ministers.	Regulation 5 (2) (a) (i) This would give the local authority at least 28 days to consider Proposals before deciding whether to exercise their veto 70 days before the day of ballot.	By	10th August 2023
4	B-70	Local authority to confirm, to the BID proposers and Scottish Ministers if it is or is not vetoing the BID Proposals.	Regulation 14 (1) For the purposes of section 42(2) of the 2006 Act, the prescribed period is 70 days prior to the day of the ballot.	By	7 th September 2023
6	B-56	The local authority instructs the ballot holder to hold a BID ballot.	Regulation 6 To allow time to put in place ballot arrangements, before issuing ballot papers (at least 42 days before day of ballot), it is recommended that the instruction should be made at least 56 days before the ballot date.	By	21st September 2023
	B-42	Ballot holder puts in place arrangements to hold a BID ballot.	Regulation 8 and Schedule 2 <u>On receiving instruction under Regulation 6 to hold ballot</u> the ballot holder puts in place the	By	5th October 2023

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			formal arrangements to hold the ballot, including: - Securing the ballot date, publishing notice of ballot, and preparing list of persons entitled to vote.		
7	B-42	<p>Publication of notice of ballot (by ballot holder).</p> <p>Issue of ballot papers.</p> <p>Spoilt ballot papers. 11.-(1) If a voter has inadvertently dealt with their ballot paper in such a manner that it cannot be conveniently used as a ballot paper (referred to as "a spoilt ballot paper") that voter may return (either by hand or by post) the spoilt ballot paper.</p> <p>(2) If on receipt of the spoiled ballot paper prior to the day of the ballot, the ballot holder is satisfied as to the voter's identity, the ballot holder shall issue another ballot paper.</p> <p>(3) The spoilt ballot paper shall be immediately cancelled.</p> <p>(4) Where a voter applies in person, the ballot holder may hand a replacement paper to that voter instead of delivering it in accordance with paragraph 10.</p> <p>Please refer to Business Improvement Districts (Scotland) Amendment Regulations 2008 No. 359</p>	<p>Schedule 2, para. 3a The ballot holder shall at least 42 days before the day of ballot, publish the notice of ballot.</p> <p>Schedule 2, para. 3 42 days before ballot date.</p> <p>Schedule 2, para. 1.1 Spoilt ballot papers may be replaced at any time from the issue of ballot papers.</p>	<p>By</p> <p>By</p> <p>From</p>	<p>between 21st September and the 5th of October 2023</p> <p>5th October 2023</p> <p>5th October 2023</p>
8	B-42	Last day for postponing the day of the ballot by up to 15 days.	Schedule 2, para. 2 (2) - No later than 42 days before the day of the ballot, the ballot holder may postpone the day of the ballot by up to 15 working days.	By 5pm	5 th October 2023

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9	B-10	Last day for the appointment of a proxy.	Schedule 2, para. 5 (5) An application to appoint a proxy shall be refused for the purposes of a particular ballot if the ballot holder receives it after 5 p.m. on the tenth day before the day of the ballot.	By 5pm	6 th November 2023
10	B-7	First day for the request for issue of replacement of LOST ballot paper.	Schedule 2, para. 12 Where a voter has not received their ballot paper by the seventh working day before the day of the ballot, that voter may apply (whether or not in person) to the ballot holder for a replacement ballot paper.	From	7 th November 2023
11	B-5	Last day for cancellation of proxy.	Schedule 2, para. 5 (10) A notice under sub-paragraph (9) by a person entitled to vote cancelling a proxy's appointment shall be disregarded for the purposes of a ballot if the ballot holder receives it after 5 p.m. on the fifth day before the date of the poll at that election.	By 5pm	11 th November 2023
12	B	Ballot Day	Schedule 2, para. 2 N.B. The time-period in which a ballot can be secured in relation to the date the ballot holder published the "notice of ballot is detailed under Schedule 2, paragraph 2 – (1) (c) "at least 42 days after, but no more than 90 days after, the date on which the ballot holder published the notice required by paragraph 3 (a)." (See also Item 7).		16 th November 2023
13	B+1	The Count	Schedule 2, paras. 14-16 As soon as practicable after the day of the ballot, the	By	17 th November 2023

Business Proposal

			ballot holder shall make arrangements for counting the votes cast on such of the ballot papers as have been duly returned (in accordance with paragraph 13) and record the number counted.		
14	B+1 B+8	Declaration of results.	<p>Schedule 2, para 17 (2) The ballot holder, having made the certification under subparagraph (1) Shall:</p> <p>(a) forthwith make a declaration of the matters so certified; and</p> <p>(b) Give public notice of the matters so certified as soon as practicable and within 7 days after the counting of the votes.</p>	From By	5pm Friday the 17th of November 2023 24 th November 2023

11.0 Public Sector BID Involvement

11.1 Baseline Services

Business Proposal

A baseline service agreement ensures the BID does not use the levy money to duplicate any services provided by The Highland Council, Police Scotland, Scotland Fire & Rescue or other statutory partners. The services directly delivered by the BID are additional to any statutory services. The baseline services agreement gives an assurance to businesses that the levy payment will only be used for **additional** projects which they voted on in the BID ballot. Additionally, a baseline agreement avoids the risk that public agencies including The Highland Council will not reduce its statutory level of service to the BID area following a successful ballot.

For a full and detailed list of services provided in the BID area by The Highland Council, please refer to Appendix 6a-The Highland Council Baseline Agreement.

The services already provided by The Highland Council

The Highland Council provides the following services (both statutory and discretionary) within the BID area: -

As per Appendix 6a-The Highland Council Baseline Agreement

-The Highland Council Baseline Agreement

The services already provided by Police Scotland:

As per Appendix 6b- Police Scotland Baseline Agreement.

12.0 Measuring Success

12.1 Measuring the Success of the BID

Business Proposal

Throughout the lifetime of the BID, all work on the BID projects and services will be monitored to ensure the projects proposed in the Dornoch BID Business Plan achieve a high level of impact and are progressing to the satisfaction of the businesses that voted for the BID.

The BID Board of Directors will monitor and oversee the efficient delivery of the BID projects.

The BID will undergo an Assessment and Accreditation Interim Review (AAIR) of its activities at the halfway point and towards the end of the first term.

The AAIR: -

- Is a bespoke review which recognizes and accords with the Scottish BIDs legislation and the public and private sector environment in Scotland.
- Gives confidence to businesses and the Board of Directors that the practices of the BID Company are robust and accord with good practice and
- Supplies an audit trail to support any future evaluation of the BID Company.

In developing the AAIR, a consultation was undertaken with,

- Key stakeholders and organisations
- Key UK national businesses
- The Scottish Retail Consortium; and

reviewed existing assessment and accreditation frameworks, including existing documents used to assess BID Proposals in the UK, to identify key lessons.

The AAIR is recommended by Scotland's Improvement Districts (SIDs) as good practice and is included as one of the good practice elements of any Scottish BID Proposal and Dornoch BID Business Plan.

12.2 Marketing, Communications and Social Media

To ensure openness and transparency in the management of the BID Company, following a successful ballot, the Dornoch BID Steering Group have agreed the Dornoch BID Business Plan should include, but not limited to - one to one business engagement, business briefings, social media engagement, newsletters for those businesses (preferring hard copy information or with no access to IT), press releases, business forums and business networking meetings.

Additionally, the following information is to be displayed on the Dornoch BID website: -

- The current Dornoch BID Business Plan.
- The annual accounts
- The BID ballot result.
- The contact details for the BID manager and other staff members.
- The names of BID board members and either the name of their business or the sector they represent.
- BID board governance structure with specific reference to how decisions are agreed and actioned.

Business Proposal

- Details of director meetings the agenda and minutes - abridged where necessary
- The methods levy payers can provide feedback to the BID e.g., AGM and/or other regular meetings.
- An annual report detailing the BIDs the projects/services/initiatives delivered and the cost of each; and the achievements and the value the BID provides to levy papers.

13.0 Finances

13.1 Estimated Income and Expenditure

There are circa 192 eligible properties located within the BID area (this figure may change as businesses move, expand or close). The BID levy income is calculated to be approximately £73150 per annum.

Current Scottish collection rates for the BID levy are reported to be standing at 95%. With this in mind, an amount has been set aside in the budget under 'contingency' to allow for any bad debt.

The improvement levy will make it easier to obtain other sources of funding for specific projects and these opportunities will be pursued. The BID aims to attract other investment, sponsorship, and trading income to increase the amount available to spend on your projects as they develop. Funds will be sought from but not restricted to Visit Scotland, The National Lottery, Common Good, and any other grant providers with grants that fit our remit.

As the BID progresses, more income will be attracted, and this will be invested in improving Dornoch for the benefit of the businesses and local community.

13.2 Financial Management Arrangements

The Dornoch BID Steering Group is a sub-group of the Dornoch Area Community Interest Company (DACIC) who secured a seed corn funding grant of £20,000 for the business consultation process and taking the BID to ballot, as well as £9,999 from Common Good Fund, £4,795 from HIE and £5000 from THC Economic Development Fund. These costs will not be recuperated from the business investment levies.

Once the BID is operational, any variations within budgets will be reported to the BID Board of Directors.

The BID Board will agree on an annual basis how funds for subsequent years will be allocated. This will be based on business feedback during the previous year and the priorities for the coming year, which allows the BID the flexibility to respond to changing business needs and requirements.

The Highland Council will collect the levy payments on behalf of the BID and will retain these funds in a separate account until the BID Board calls these funds down. The BID Board will manage the levy funds that are collected by the Council. This arrangement will ensure that projects are delivered, and any financial liabilities of the BID are transparent.

13.3 Dornoch BID Projected Income and Expenditure

Business Proposal

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
BID LEVY	73,150	73,150	£73,150	£73,150	£73,150	£365,750

EXPENDITURE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Marketing & Promotion	£14,000	£12,000	£12,000	£12,000	£12,000	£62,000
Town Centre & Environment	£8,000	£7,000	£7,000	£7,000	£7,000	£36,000
Business Collaboration & Advocacy	£1,900	£1,900	£1,900	£1,900	£1,900	£9,500
Access to Business Support	£1,900	£1,900	£1,900	£1,900	£1,900	£9,500
Staffing	£38,000	£39,900	£41,895	£43,990	£46,190	£209,975
Services	£2,600	£2,600	£2,600	£2,600	£2,600	£13,000
Equipment	£775					£775
Contingency	£5,000	£5,000	£5,000	£5,000	£5,000	£25,000
TOTAL	£71,875	£70,300	£72,295	£74,390	£76,590	£365,750

NB. Dornoch BID will be looking to secure additional funding from grants and other sources, where applicable and may also run projects not outlined in this business plan accordingly, but only after consultation with businesses and approval of the BID Board.

14.0 Contact Information

If you would like more information, please visit our website www.dornoch.org.uk/dornoch-bid.asp or contact the Chair or BID Coordinator by telephone, e-mail or make an appointment to see them.

Paula White
BID Project Coordinator

T: 07471200103

E: bid@dornochhub.co.uk

The Dornoch Hub
Argyle Street
Dornoch
IV25 3LA



Dornoch Business Improvement District

Business Plan

1st March 2024 to 28th February 2029

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“Business” or variations of the word “business” are used throughout this document. The word “business” in this context refers to property owners or tenants and occupiers of properties who are liable to pay the non-domestic rate (NDR), whether they pay business rates or not. This includes all properties listed on the Scottish Assessors Association Portal (website) with a non-domestic rateable value, many of whom may be a charitable organisation, public sector organisation, social enterprise or community group who may not consider themselves to be a business.

Welcome From The Dornoch BID Steering Group Chair

I am delighted to present the Dornoch BID business plan, which outlines your priorities and gives a taste of how we can improve and make Dornoch better by working together.

A Business Improvement District is where businesses, within a defined geographical area, vote to invest collectively in local improvements over and above those provided by statutory authorities. It is a partnership arrangement where the local business community and the statutory authorities, and other stakeholders and partners, work together on projects that will benefit the local economy and local businesses.

Supporting Dornoch BID is a great opportunity to work together and make the changes we all want. The cost to our businesses is low and through Dornoch BID we can access external assistance and funding not available to individual businesses.

All the proposed improvements were ideas initially from you, which came out in our consultations and survey. Every business in the area has had the opportunity to let us know what their priorities are.

By getting involved in the Dornoch BID, we can work together to continue with the work that the existing volunteer groups have achieved and grow that by increasing the already widely known name of Dornoch and its reputation as a friendly and welcoming destination, whether you visit for business or pleasure. The purpose of the Dornoch BID is to support our businesses, increase trade and improve our business environment while enhancing the already beautiful area that we live and work in.

Now that the consultation process has ended, be advised that your ongoing engagement and feedback throughout the first term remains integral to our model. Not least to ensure that your BID can help to address the issues and optimise development opportunities that you and your fellow businesses identify and want to prioritise.

Overall, the purpose of Dornoch BID is to greatly improve your trading environment by focusing activity on the areas you have identified as being of the most importance, namely the 4 key themes: -

- Promoting and Marketing Dornoch
- Town Centre & Environment
- Business Collaboration & Advocacy
- Staff employment, recruitment, retention and development

Across these 4 themes we propose to make positive changes and get the things done that you want and I would ask you all to vote YES so that we can work jointly to ensure that Dornoch and surrounding areas will reach their full potential.

You can find more information on our website www.dornoch.org.uk/dornoch-bid.asp, or for more general or national information refer to [Home - Scotland's Improvement Districts](#)

A notice of ballot will be sent to all eligible persons (those eligible to vote in the ballot) on or before the 21st September 2023. Ballot papers and a copy of the business plan will be sent

out on or before the 5th October 2023. Those eligible to vote will have at least 6 weeks to cast their vote before the ballot closes at 5pm on 16th November 2023. Ballot papers received after this date and time will be null and void and not be counted.

Your BID will only come to be if a majority of businesses vote YES in the ballot on the 16th November 2023. A no vote will mean that Dornoch will lose its forward momentum and all the benefits and existing projects created by the volunteer groups will cease.

I have been at Royal Dornoch Golf Club for 13 years and therefore know a lot of the business people in the area. I would ask you all to vote YES so that we can work together to make Dornoch even better.

Neil Hampton

Chair – Dornoch BID Steering Group

Royal Dornoch Golf Club
Golf Road
Dornoch
Sutherland
IV25 3LW

Why Business Improvement Districts Are Important

Business Improvement Districts (BID) are a geographically defined area where businesses come together and agree to invest collectively in projects and services that the businesses identify will improve the trading environment over and above those provided by statutory authorities.

The activities undertaken by a BID are funded with the money collected through the investment levy set and paid by all the business property occupiers in the BID area (unless exempt). Additional funding can be sourced through grants and subsidies, to further improve the changes and development opportunities in our area which results in a greater impact via the BID than individual businesses working alone or in small groups can achieve.

The first BID was established over 50 years ago in Canada, and there are now over 1800 BIDS all over the world.

BIDs can support regeneration, grow local economies, create local employment, and create a cleaner, safer trading environment. A key element to their success is that the local businesses take ownership and responsibility for their trading environment, identifying the projects necessary to resolve common problems and issues, and overseeing their implementation, whilst also contributing to the future direction of the town and its development.

BID legislation was passed in Scotland in 2006 with the Scottish Government funding 6 pilot projects in March 2006. The Scottish Government fully supports the development of BIDs in Scotland.

As at June 2023 there are 33 fully operational BIDs in Scotland with a further 20 in development including our BID.

Why Does Dornoch Need A BID?

If we do nothing, then nothing will be done; and the projects previously implemented by volunteer groups will cease and be discontinued. There is a strong volunteering history in Dornoch, but the risk of volunteer fatigue is ever increasing. If we come together as a BID, we can expand on the services previously provided and together grow Dornoch's economy.

Dornoch has experienced significant changes over recent years and, as with many towns throughout Scotland, has increased competition from online shopping, and bigger shops or shopping centres elsewhere. From spring 2020 onwards, the pandemic brought a further significant impact and pressure meaning at the time of writing, the economic situation has worsened to now include: high interest rates, high inflation, a cost-of-living crisis, impact of Brexit, staff shortages, and so on. In many respects given the current situation we believe that businesses cannot afford not to have a BID.

High energy costs, an increase in rateable value tax, the self-catering levy and downturn in footfall are a problem for many of our businesses. The IV25 postcode area requires a continued coordinated response from all businesses to address these problems.

Traffic management and parking issues are a problem for many of our businesses. The continuing rise of energy costs is putting more pressure on businesses. We need to look at the options to increase our public transport. Dornoch requires a continued coordinated response from all businesses to address these problems.

There are lots of voluntary groups in Dornoch, there is no shortage of community spirit and can-do attitude! However, these groups can suffer from a lack of funds and dedicated staff time. The BID is the opposite of this. It can help local groups to achieve more with staff resources and access to funding.

There is a desire from a range of sectors in Dornoch to improve its marketing activity. The BID would work alongside Visit Scotland, Business Gateway, Zero Waste Scotland, Keep Scotland Beautiful, Scotland Loves Local etc. and the local groups to deliver an increase in visitor numbers and an improved environment.

The BID provides a unique opportunity for local businesses across all sectors to continue to work together, invest collectively and undertake projects which can contribute positively to improving the economic viability of businesses in Dornoch and securing investment in our area.

BID Consultation

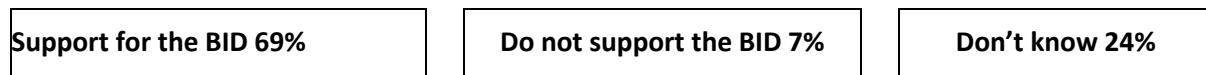
Consultation Events

In January and February 2023 we have held 3 consultation events, and 2 online events to find out the businesses main concerns for our area. Followed by newspaper coverage and 1-2-1 consultations.

Survey

We then developed a survey from the concerns raised in those consultations and sent these out to all businesses in our area. We received back 71 surveys, which compares very favourably with other BIDs in our area.

The surveys demonstrated an overwhelming support for the BID with replies from business stakeholders demonstrating:



The 4 key themes to deliver your priorities for the coming 5 years are:

- 1. Promoting and Marketing Dornoch**
- 2. Town Centre & Environment**
- 3. Business Collaboration & Advocacy**
- 4. Staff employment, recruitment, retention and development**

Focus of the BID Business Plan 2024-2029

The BID business Plan aligns with the core BID mission:

Our mission statement will be: “to work collaboratively as a business community to improve the working, trading and economic sustainability of our locality to the mutual benefit of our businesses, their customers, residents and visitors alike.”

The principal aim of the BID is to deliver, through 4 key themes, targeted projects and relevant services that support our mission statement.

Our core objectives to deliver your priorities for the BID term are:

1. Market, promote and celebrate Dornoch and its locality as a year round destination.
2. Ensure a welcoming and attractive business environment for our residents and visitors.
3. Provide opportunities for business collaboration and advocacy.
4. Support and facilitate access to business support.

The 4 BID Themes For The Term, 2024-2029

Promoting and Marketing Dornoch		
Activity	Action	Benefit for Businesses
Tourism Develop a sustainable tourism strategy for Dornoch	BID to seek support from grants to develop a sustainable tourism strategy. Expanding and boosting tourism opportunities in Dornoch	<ul style="list-style-type: none"> ● Increased footfall ● Increased level of spend ● Increased number of visitors
Events BID to coordinate all existing events into a central, year round calendar and work with businesses to develop more events	BID to coordinate said calendar and continue to work with businesses to develop more events and opportunities for spending in the Dornoch area.	<ul style="list-style-type: none"> ● Increased footfall ● Improvement in visitor experience ● More business and greater spend
Visit Dornoch and Social Media BID will retain the Visit Dornoch brand, reviewing and refreshing the current website and social media pages, continuing to promote our businesses and town further, to a worldwide audience.	BID to continue to promote and market Dornoch digitally, events, news and its businesses extensively via social media and the BID website.	<ul style="list-style-type: none"> ● Increased number of visitors ● Increased footfall ● More business and greater spend ● Responsive social media activities

Town Centre and Environment		
Activity	Action	Benefit for Businesses
Signage BID will work with businesses to improve signage around town and for special events	BID to seek grant funding to improve signage around town including to businesses in less prominent locations (pending grant funding)	<ul style="list-style-type: none"> ● Increased footfall ● Improvement in visitor experience ● More business and greater spend
Image Build on Dornoch's image of being the best quality place to stay in the area	BID to continue to support the local groups who help improve the image of Dornoch. BID to seek grant funding to explore opportunities for improving infrastructure of Dornoch	<ul style="list-style-type: none"> ● More visitors ● Improved visitor experience ● Visitors stay longer
Environmental footprint Pursuing a greener future for Dornoch	BID to seek grant funding to help businesses work towards a greener future	<ul style="list-style-type: none"> ● A greener footprint ● Sustainable business environment

Business collaboration and advocacy		
Activity	Action	Benefit for Businesses
Strong Voice Businesses working together and supporting each other. Ensuring businesses are involved in decision making	BID takes a proactive approach to ensuring it is aware of activity and developments in the Dornoch Area which may potentially affect our businesses and or the local community. BID will facilitate networking opportunities	<ul style="list-style-type: none"> ● Businesses have a collective voice ● Businesses inform decision making ● Networking opportunities
		●
Partnership working Set up Networking events and joined training events	Work with local businesses and organisations to set up training and networking events, create groups for joined working/networking (free training pending grant funding received)	<ul style="list-style-type: none"> ● Learning through networking events ● Shared benefits for businesses ● Reduced cost of staff training
Joint Procurement Ensuring businesses receive the best deals available were possible	BID to work with local businesses and service providers to find deals to benefit BID businesses	<ul style="list-style-type: none"> ● Reduced costs of services where possible

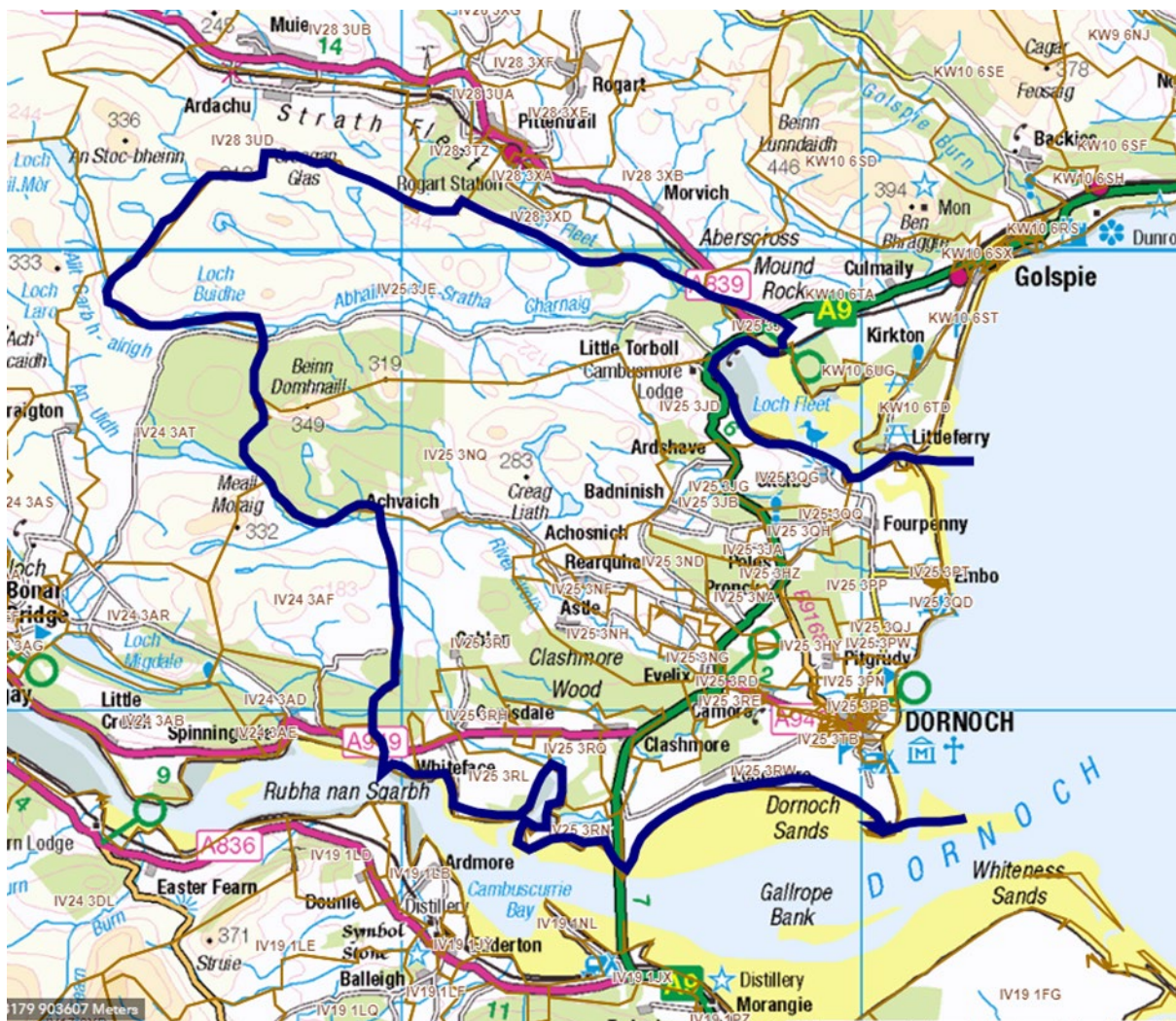
Staff employment, recruitment, retention and development		
Activity	Action	Benefit for Businesses
Employment Sustaining year-round employment opportunities	BID to work with businesses to improve employment options	<ul style="list-style-type: none"> ● Reduced staff turnover
Staff Attracting and retaining skilled staff	BID to pursue Dornoch as a living wage town	<ul style="list-style-type: none"> ● Continuity of skilled staffing ● Improved reputation
Resources Sharing of resources between businesses	BID to work with businesses to identify available resources suitable for sharing	<ul style="list-style-type: none"> ● Reducing costs to businesses ● Access to resources not previously available

The above themes and objectives, as then reflected as potential activities, have all been taken from feedback received through the BID consultation events and a survey with businesses. They will be subject to funding being available.

The BID Area

The geographical boundary was carefully debated and considered by the Dornoch BID Steering Group and communicated to businesses at our various engagement events. On balance taking the demographics of the area, the number of businesses (with common issues) and the more rural location of Dornoch IV25 seemed a logical and viable size for Dornoch BID. Dornoch is known as a vibrant tourism hot spot, with surrounding communities benefiting from this market. Therefore, the benefits and challenges of tourism impact not only on Dornoch but all the surrounding communities and their businesses.

All businesses in the IV25 postcode area on the Rateable Value list are included in the BID.



The BID area boundary is the geographic boundary of the IV25 postcode area. There are circa 192 viable Properties located in the BID area.

BID Ballot Process

Pre-Ballot

A 'Notice of Ballot' will be issued at least 42 days before the day of the ballot.

BID Ballot

- The BID ballot is a confidential postal ballot conducted by The Highland Council on behalf of Dornoch BID and in accordance with Scottish BID legislation.
- Ballot papers, together with a copy of the BID Business Plan will be posted by Civica Electoral Services on behalf of the Highland Council (the ballot holder) to the eligible person responsible for casting a vote within their business at least 42 days before the day of the ballot. In the case of national companies, the responsibility for voting may lie with the head office.
- An 'eligible property' is one based in the BID area that is registered with Highland Council as having a rateable value of £1000 or more as of the 21st of September 2023 and which is not exempt from paying BID levy.
- Where an eligible property is vacant the voting papers will be sent to the property owner.
- The last date for all ballot papers to be returned is 5pm on 16th November 2023. Papers received after this date and time will be deemed null and void and not be counted.
- Voting papers are easy to complete, simply place a cross on either "yes" or "no" to the question "are you in favour of the Business Improvement District proposal for Dornoch" The ballot paper must then be signed by the person eligible to vote and returned in the pre-paid envelope.
- Some eligible persons may receive more than one ballot paper. Each ballot paper should be completed, signed and returned in its pre-paid envelope.
- For the ballot to be successful there must be a minimum turnout of 25% (the headcount) by number of eligible persons and by combined rateable value; and of those who turnout, the majority must vote in favour by number and rateable value.
- All eligible persons (i.e. those persons liable to pay non-domestic rates) will have one vote or where a person is liable for non-domestic rates for more than one property, that individual shall be eligible to cast more than one vote however they will be required to pay the levy for each of the properties that they occupy.
- The ballot papers will be counted on 17th November 2023 and the results announced by the Highland Council within one week.
- Following a successful ballot, the BID will commence on 1st March 2024 and will run for a period of five years until the 28th of February 2029.

BID Levy Arrangements

A BID levy is an equitable and fair way of funding additional projects and services, which the local authority and other statutory bodies are not required to provide. There are approximately 192 commercial properties in the BID area which will generate a BID investment levy income of approximately £73,150.00 per annum and an estimated total levy income of £365,750.00 over 5 years.

It has been agreed by the Dornoch BID Steering Group that: -

- The levy structure will be based on a banded system fixed on the rateable value (RV) of the property on the day of the ballot 16th November 2023 and remain the same throughout the 5-year term of the BID.
- There will be no increase in the levy throughout the BID term because of a non-domestic rateable revaluation occurring during the BID term.
- The BID levy will be paid by the property occupier - the person liable to pay the non-domestic rate.
- All eligible occupiers (of eligible properties) i.e., the eligible person liable to pay the non-domestic rate, that are listed on the Local Assessors Valuation Roll on the ballot date will be liable to pay the levy.
- The levy payments are not linked to what businesses actually pay in rates but are based on the rateable value of the property.
- The levy must be paid in one payment within 28 days from the date of the levy invoice.
- If there is a change in occupier to a property, until a new occupier is found, the property owner will be responsible for paying the levy.
- Any new commercial development, subdivision of existing properties or merging of properties or new business with a non-domestic rateable valuation coming into the area during the 5-year term of the business improvement district will be liable for the BID Improvement Levy.
- If a property is vacant on the day the levy invoice is issued or any subsequent vacant periods, the property owner will be liable to pay the levy.
- Self-catering holiday accommodation which is not the sole or main residence of any person and which is available (or intended to be available) for letting on a commercial basis, with profit in mind, for short periods totalling more than 140 days in the financial year remain liable for non-domestic rates for the whole year and will be included and liable to pay the levy.
- The levy will apply to properties with a rateable value of £1000 and above. This threshold reflects the nature of our area and the significant number of small businesses. Had we set the threshold higher these businesses would have been excluded from any levy payment and more importantly would have impacted on the BID viability. We also considered the existing voluntary business group levy and the payments currently being made by smaller businesses.
Levy bandings will be applied with a maximum rateable value banding at £356,000 and above.
- The BID levy will **not** be index-linked to the Consumer Price Index (CPI) to take account of inflation, so that those liable to pay the levy can budget accordingly for the full five-year term.

- The Highland Council as the billing body will pursue any non-payment of the BID investment levy using the available statutory powers to show fairness to levy payers that have paid the levy. The Highland Council will be entitled to charge an additional fee to the levy amount to meet any costs incurred in the recovery of the levy.

Exemptions To Paying BID Levy

The Dornoch BID Steering Group decided it appropriate to exclude premises that have a rateable value of under £1000. However these premises can pay a voluntary levy and become a voluntary/ associate member of the BID.

The Dornoch BID Steering Group decided that there is no benefit from being part of the BID to the following categories of property and therefore are exempt from paying the levy.

- Non-retail Charity & Not For Profit
- Places of Worship
- Public Convenience
- The Highland Council, operational properties
- Healthcare establishment where income is via the NHS.
- Care homes
- Educational establishments
- Utilities

For clarity, retail charity shops or charities that charge an entrance fee will be liable to pay BID levy, as they will benefit from the improved trading environment created by the BID.

Financials For the BID Term, 2024-29

The BID Board of Directors will seek to use the money raised through the BID levy to lever additional project support and sponsorship to add value to the contribution from businesses.

The Board shall have the ability to adapt or alter the projects and services as required to reflect any change in economic circumstances or any new opportunities that may arise and which are in the best interests of the businesses providing that the BID aims and objectives remain adhered to.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
BID LEVY	73,150	73,150	£73,150	£73,150	£73,150	£365,750

EXPENDITURE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Marketing & Promotion	£14,000	£12,000	£12,000	£12,000	£12,000	£62,000
Town centre & Environment	£8,000	£7,000	£7,000	£7,000	£7,000	£36,000
Business Collaboration & Advocacy	£1,900	£1,900	£1,900	£1,900	£1,900	£9,500
Access to Business Support	£1,900	£1,900	£1,900	£1,900	£1,900	£9,500
Staffing	£38,000	£39,900	£41,895	£43,990	£46,189	£209,974
Services	£2,600	£2,600	£2,600	£2,600	£2,600	£13,000
Equipment	£775					£775
Contingency	£5,000	£5,000	£5,000	£5,000	£5,000	£25,000
TOTAL	£71,875	£70,300	£72,295	£74,390	£76,590	£365,750

NB. Dornoch BID will be looking to secure additional funding from grants and other sources, where applicable and may also run projects not outlined in this business plan accordingly, but only after consultation with businesses and approval of the BID Board.

What Will The Levy Cost My Business?

The proposal is that the BID levy will be as in the following table

Rateable Value (RV)	Each Week	Each Month	Annual Levy
0 to 999	Nil	Nil	Nil
1,000 to 1,999	£1.92	£8.33	£100
2,000 to 2,999	£3.37	£14.58	£175
3,000 to 4,999	£5.77	£25	£300
5,000 to 9,999	£6.25	£27.08	£325
10,000 to 14,999	£8.65	£37.5	£450
15,000 to 19,999	£12.5	£54.17	£650
20,000 to 29,999	£14.42	£62.5	£750
30,000 to 85,999	£24.04	£104.17	£1250
86,000 to 114,999	£32.69	£141.67	£1700
115,000 to 355,999	£38.46	£166.67	£2000
356,000 +	£57.69	£250	£3000

The Dornoch BID Steering Group decided to use a fee structure, as detailed above, to calculate the levy fee. The reasons behind this are as follows:

- The levy payments add up to the amount required to support the Dornoch BID Business Plan. Other funding will be applied for to support the business plan and to enable extra projects to be undertaken.
- A banding system was chosen as it represents a simple and easy way for businesses to identify their levy payment, provides for ease of collection and represents a fair and reasonable methodology. Everybody benefits therefore everybody pays.
- A minimum payment of £1.92 per week, is believed to be affordable for the smallest businesses as they will have the opportunity to benefit from cost reduction projects.
- Through consulting with the businesses, a maximum of £3000.00 is believed to be affordable for the businesses at the higher end of the banding.

Collection Of The BID Levy

The Highland Council will collect the investment levy on behalf of the BID, as this will be an efficient, safe and cost-effective method of collection. The Highland Council will lodge the levy within a BID Revenue Account. The BID levy can only be drawn down by the Board of Directors of the BID to allow the delivery of the business plan.

The BID Revenue Account and levy cannot be accessed by The Highland Council, nor can it be used by the Council as an additional source of income.

In the event of any non-payment of the BID improvement levy, it will be strongly pursued by The Highland Council (as the billing body) using the recovery powers available to the Council to ensure complete fairness to all the businesses that have paid. The Highland Council will be entitled to charge an additional fee to the levy amount to meet any additional costs incurred in the recovery of the levy.

Meet the Dornoch BID Steering Group Members

The Dornoch BID Steering Group Members are drawn from different trading sectors (leisure, hospitality, retail, health care, services).

BID Chair:

Neil Hampton

(Royal Dornoch Golf Club)

BID Vice-Chair

John Duhigg

(Dornoch Stores)

Eric Devenny

(The Eagle Hotel)

Gareth Dixon

(Mitchells Chemist)

Lindsay Ferries

(Arthur & Carmichael Solicitors)

Yvonne Macrae

(Tartan Creations)

Tiffany Fraser

(Hill & Knowlton Ltd)

Maggie Holmes

(Dornoch Country Lets)

Ruth Brown

(Ruth Brown & Co Surveyors)

Advisers

Genevieve Duhigg

(Dornoch Area Community Council)

Shona MacDougall

(Retired Council Director)

Councillor Jim Gillivray

(04 East Sutherland and Edderton)

Phil Tomalin

(Highland Council representative)

Claire Bruce

(Hospitality)

BID Development Staff

The Project Coordinator for the Dornoch BID is Paula White and is accountable to the Dornoch BID Steering Group.

BID Management & Governance

Management

Following a successful yes vote, the management and operation of the BID will be transferred to a Not-For-Profit Limited Liability Company Not Having a Share Capital which will operate from 1st March 2024.

The Company will be managed by the Dornoch BID Steering Group until a Board of Directors is elected, but for no longer than six months after the ballot date.

The Company will operate in an open and transparent way, answerable to the businesses in the area. The Board of Directors will ensure that a Code of Conduct (including a Register of Interests) and Management and Governance will be created and agreed as policy by the Directors. There will be a detailed set of protocols (the Operating Agreement) which will cover, as well as other items, the billing, collection and transfer of the levy to the BID Company.

A BID Board of Directors will be established, consisting of up to 12 directors. An active campaign will be launched after the successful ballot to recruit these directors. Every eligible person that pays the levy will have the opportunity to nominate themselves or someone else from within the BID area to be elected to the Company Board but limited to one eligible person from each eligible property. The new Company will be run by the businesses for the businesses. This Board will be responsible for all decisions relating to staff, contracts, the delivery of the approved business plan and other activities generated by the BID.

Nominations of directors, non-voting representatives or advisers from outside the BID, who do not pay the levy and who may or may not represent those making voluntary or other financial contributions toward the BID, will be strictly at the discretion of the Board of Directors.

Governance

The Board of Directors will recruit 1 full time BID manager to ensure the efficient delivery of the projects and effective communications with the levy payers.

The Board will be representative of the businesses and stakeholders in the area. The Chair, Vice Chair and Treasurer will be elected from the directors of the Board. The Board will include 1 representative from The Highland Council. Other non voting members or local groups may be co-opted on to the board at the board's discretion.

The BID Company Board will have the authority to adapt or alter the projects and services from year to year to reflect any change in economic circumstances or any new opportunities that may arise. This will be in the best interest of levy payers and without recourse to an alteration ballot.

Additionally the BID Company Board reserves the right to consider creating a charitable arm of the company to enable it to secure additional funding, which can only be sourced with charitable status, where such activities meet the criterion to be eligible to do so.

Following a successful ballot, the Dornoch BID Board will benchmark and monitor services in line with the agreed Baseline Agreement with The Highland Council, that will be maintained during the term of the BID. None of the activities or projects will replace what The Highland Council or other statutory bodies are already providing. All activities outlined in this document are additional and do not replace what is already provided. The Board will enter into an Operating Agreement with the Highland Council to ensure that the projects & services that BID delivers are additional to those delivered by the Council.

Contact Information

If you would like more information, please visit our website www.dornoch.org.uk/dornoch-bid.asp or contact the Chair or BID Coordinator by telephone, e-mail or make an appointment to see them.

Paula White
BID Project Coordinator

T: 07471200103
E: bid@dornochhub.co.uk

The Dornoch Hub
Argyle Street
Dornoch
IV25 3LA

Measuring Success

Throughout the lifetime of the BID, all work on the BID projects will be monitored to ensure the projects and services proposed in the BID Business Plan achieve a high level of impact and are delivering to the satisfaction of the businesses that voted for the BID.

The BID Board of Directors will monitor and oversee the efficient delivery of the BID projects.

What Happens If...?

Without a BID, Dornoch and surrounding areas won't benefit from:

- Visit Dornoch advertising campaigns and boosting tourism
- Marketing on social media and website to local, regional and tourist visitors
- A strong representative voice to ensure the needs and views of businesses are heard
- Grant funding and related projects
- Dedicated business directory highlighting each business on the BID website
- Digital communication will be limited
- Advice and support on a range of topics which impact businesses
- Expanded and supported events