



NATIONAL
BIDS
SURVEY
2019

Business Improvement Districts
in the British Isles

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EXECUTIVE SUMMARY AND KEY HEADLINES

Business Improvement District (BID) Numbers

The active BID community totalled 321 in July 2019, a 5% increase on the 305 of last year, suggesting an increasing benefit to the local business communities.

There are currently 51 BIDs that are in the development stage, with ballots coming up in the next year or so.

This is an increase of 8% over the 47 that were developing in the last survey, most of which have now come to successful ballot.

The total number of BID start-up loans administered on behalf of Ministry of Housing, communities and local government (MHCLG) by British BIDs awarded thus far is 33 and the amount of loans granted is £1,086,135 in total.

Ballot data since 2004

Since the legislation in 2004, 409 BIDs have gone to ballot at least once, and some several times as their terms extend. Some have not come to fruition at ballot, some have ceased mid-term or at the end of their term.

The analysis of ballot outcomes by term of BID ballot suggests that success increases with each term, as BID teams get more confident at meeting the needs of their levy payers. There have been 669 ballots, with success rates for each term steadily improving from 72.2% to 100%. There is an overall success rate of 86.49%.

Data from 409 ballots over the past ten years suggests that the turnout picture is positive, with half of all BIDs obtaining a turnout of at least 45%, and 25% obtaining a turnout of over 56%.

However, eight BIDs had a turnout of less than 30% at their first term ballot.

There have been a number of failed ballots, with 76 failed in total since 2004.

Ballots in the past year

67 BIDs have come to ballot in the past 12 months, either new or at various stages of their term, giving a sense of the workload of the national head office levy payers who cast their votes.

Of these, 17 were new BIDs coming into being during the survey period, along with four that failed their first term ballots, of which one went to a re-run ballot successfully.

Seven BIDs failed at ballot in the past 12 months, one more than last year. Four at the first term, two at their second term ballot and one at their third term.

Of the seven, four failed by the Rateable Value (RV) count, suggesting an increased involvement of the national levy payers for whom BIDs are now a serious cost to their head offices.

Anecdotally, this year has again seen an increased number of challenged BIDs, but, to our knowledge, no challenges were upheld.

Levy rates and Hereditaments

There was a concentration in previous years at the 1% levy rate, but this is now less common with only 61 (19%) of BIDs; and 1.5% is becoming increasingly used, with 94 BIDs (29.38%) this year.

There is also a number who use a banded system, with 41 BIDs (12.8%), often Industrial BIDs, having banded levies, and a very few who use some different system such as employee number, or a multiple rate.

Half of all BIDs have below 394 hereditaments, the largest is 3,000 and currently eleven BIDs have more than 1,000 hereditaments

The typical number of hereditaments falls between 269 and 545, with 33 BIDs having over 700 hereditaments.

The total number of hereditaments across all BIDs in the survey is 128,785; there has been some 63.95% growth over the four years, although some of this may be because of better data collection.

On the other hand, the annual growth in numbers of hereditaments is slowing.

Income

The total BID levy income raised across the UK is £125,205,608 (2018 = £110,575,380), showing a 13.3% increase over last year; some of this increase is due to inflation factors or RV changes and some is the growth in BID numbers.

Levy income varies widely across the BIDs, with the smallest collecting £18,500 and the largest £3,979,000 per annum.

Half of all the BIDs have a levy income of £279,000 or less; there are 21 BIDs with levy incomes over £1 million, all are in the larger cities, where rateable values and thus income is higher.

128,785 hereditaments raise £125,205,608; thus, the average income is £972 per hereditament, slightly more than the £916 per hereditament the previous year.

QUALITATIVE DATA FROM A 35% SAMPLE OF BIDs

Additional income

The median figure for additional income is £19,052 and the highest amount £500,000; the total estimated additional income is £14,511,719, amounting to 11.59% of BID income across the country.

A total of 39 BIDs reported investment income of £32,605,600 as a direct result of their BID activity, although many others recognised investment has been achieved but is difficult to quantify.

Total BID income from all sources

Summing the totality of BID levy income, additional funding, and investment funding gives a figure of £229,173,716 as the total UK contribution from all BIDs.

Inflation, Thresholds and Caps

32% of BIDs apply an annual inflation factor to the levy multiplier to ensure their income grows each year as their costs grow; 2.5% is the median inflation factor

The distribution of thresholds varies greatly, with 25.9% having no threshold. The largest threshold identified was £250,000. 51.8% of BIDs keep their threshold at or below the level of the current government Small Business Rate Relief threshold of either £12,000, or the tapered figure of £15,000, used by 34.5% of BIDs.

36% of BIDs apply a cap to levy payments, protecting some levy payers from larger than normal levy payments. The largest cap in the survey was £40,000, with a median of £10,000.

Discounts offered

47.8% of BIDs provide no discounts; of those which do offer discounts, the greatest number are for Charities and Shopping centres at 41% and 26% respectively. 4% of the BIDs specify that charity shops – that is those acting as retail outlets - are excluded from their discount rule.

Levy collection charges

15.9% of BIDs have no collection charge made to them by their Local Authority.

The levy collection cost per hereditaments gives a figure ranging from £0.2 to £85 per hereditament.

The median figure for those that pay a collection charge is £15.95 per hereditament. This is a reduction on the £20.73 per hereditament last year.

Business rates revaluation

The business rates revaluation picture is still dramatic, with annual BID levy reductions as high as £254,676, or increases of £218,722.

The net change was £24,759 across the BID sector, mirroring the Government's view on the fiscal neutrality of the changes at a national level, but reinforcing the dramatic local impacts.

Staff

BIDs employed nationally 1017 full time equivalent staff, an increase of 11.38% on last year.

73% of BIDs operate with three or fewer full-time staff, and 12.2% of the BIDs operated on a part-time team only. The gender balance amongst BID managers, based on simple forename analysis, is almost exactly 50:50 male: female.

External staff, that is staff permanently working for the BID but not on payroll, are used by 70% of BIDs. Most of the staff bought in are finance and bookkeeping at 40.9%; with marketing also important at 34.5%. Many of the 'other' category included Rangers, Web design and event management staff. 10% of the sample described themselves as being overall managed by external consultants.

Boards

There is a spread of BID Board size and composition, although most range from 8-13, with the largest at 20 and a median size of 10.

There are 3,249 members of BID Boards across the country.

65% of BIDs have Local Authority representation, and there are 317 Local Authority directors across the industry.

68% of BIDs reported having property owners involved in their Boards, with a median number of 1 and a maximum of 8.

The median number of women on Boards is 3, and 1,015 women Board members across the industry; this amounts to 32% of all BID Board members.

Baseline statements, and transferred services

90% of BIDs had baseline statements, but 10% did not, suggesting an issue of non-conformity at the ballot stage.

29% of BIDs felt that baseline statements were not being followed. Nonetheless, 27% felt that they were still being adhered to in difficult circumstances for many local authorities.

18% of BIDs confirmed they were considering some type of service transfer, although this was a reduction from the 19.3% last year. There continues to be less of an appetite for such service transfers.

Strategic Partners and Stakeholders.

21% of BIDs [20.75% last year] reported some involvement in Neighbourhood Planning within their area and 17 BIDs were actively involved at some level.

BIDs are becoming increasingly involved in Local Economic Partnerships (LEPs), with 42% signalling some involvement, and 37 BIDs actively involved.

19 BIDs were interested in taking Property Owner BIDs forward, an increase on the 19% last year; 75% remain unconcerned.

46.15% of BIDs were involved with their local Destination Management Organisation (DMO) in one form or another and expect to see growth in this activity.

Service and professional sector

50% of BIDs provide specific, dedicated support for their service and professional sector levy paying members. Much of this was in the areas of utilities cost reduction – waste, power, recycling; but some was in the areas of free wireless, Wi-Fi support and broadband provision.

Permitted Development rights [PDR]

This year, only five BIDs identified significant losses because of PDR, with many either making use of the powers to help the local authority improve residential growth or successfully lobbied for their Local Authorities to implement an Article 4 amendment, which has made a difference.

Business Crime Reduction Partnerships

Most BIDs [81%] are heavily involved in their Business Crime Reduction Partnerships, often managing both Pub and Shopwatch; providing radios, DISC or similar, local policing, Rangers or Wardens and PCSOs.

Key challenges

The key challenges raised by BIDs were matters of

- governance
- ballots and turnout
- the importance of the national levy payers
- financial stability
- relationships with local authorities

Introduction and an overview of some national issues

This 13th National Business Improvement District [BID] Survey, conducted in the summer of 2019, was undertaken primarily on behalf of the BID industry, that is the organisations or companies that are either running BIDs or planning to run them. The previous reports, from 2010 onward, are available on the Bb website.¹

At the same time, we are conscious that key industry players such as Revo, Boots, Nationwide Building Society, the British Retail Consortium (BRC), British Property Federation (BFP) and The Association of Convenience Stores (ACS), make use of the data, as do the Ministry of Housing, Communities and Local Government, individual national levy payers and many Local Authorities.

In addition, British BIDs [Bb] tries to ensure the widest possible reach across the whole BID industry. Thus, this survey covers all BIDs across the UK and Northern Ireland, and Ireland.

It was undertaken at an interesting time in UK politics, with the Brexit negotiations still taking place, a new Prime Minister and administration taking over and with very major and increasing concerns over the future of the high street.

These concerns, raised in the survey last year, are now becoming more intense, but possibly face some resolution; indeed, it has been an exceedingly active year for policy matters relating to the high street. The Timpson report *The High Street* was published, the House of Commons Select Committee looking at the future of high streets and town centre in 2030 published their report, there was a government response to both the report and the Timpson report, the House of Commons Treasury Select Committee is looking at the future of Business Rates, the Future High Streets fund first phase was announced and the High Streets Task force was set up.

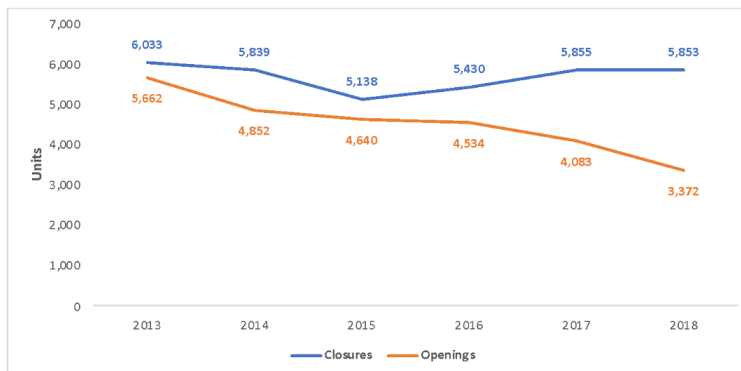
The problems facing the high street

The problems facing the high street are well documented and sadly continue. A mixture of the growth of the internet, declining real spending power, increased rents, increased business rates and changing lifestyles and habits continue to affect the look and feel of the high street.

¹ <https://britishbids.info/services/national-bid-survey>

A record net 2,481 stores disappeared from Great Britain's top 500 high streets in 2018. In total, 3,372 shops opened, compared to 5,833 closures, according to PwC research compiled by the Local Data Company (LDC) ².

Figure 1 Changes in Stores 2018



[Source: Local Data Company]

The report from John Timpson³ contains the recommendations of the High Streets Expert Panel, which was established by the high streets Minister, Jake Berry MP, last year as a response to some of these concerns. The panel, chaired by Sir John Timpson, covered 3 areas: a Town Centre Task Force; a Future High Streets Fund; and short term measures to help high streets and town centres.

Yet the growth of high-quality visitor experiences, the increasing integration of service industries into the retail mix, and a deeper understanding of people's need to visit our towns and cities for far more than just 'shopping' is allowing some town centres and their high streets to change and thrive. BIDs are a key part of this change and are thriving. The projects and schemes provided by BIDs evidence this, although more can be done. The shift in spending from things to experiences is another big change for retailers who are now creating "experiential retail" to adapt. This can be done online but is probably more engaging in store⁴.

Government and Parliamentary responses

Government is clearly interested in the high street, as the emerging issues become more stark. They have already done several things. In last year's Autumn Budget, Chancellor Philip Hammond announced a business rates discount scheme for small-sized high street properties in England which have a

² <https://www.pwc.co.uk/press-room/press-releases/High-street-exits-remain-at-historic-high-as-openings-slump-to-lowest-levels-on-record.html>

³ <https://britishbids.info/publications/the-high-street-report>

⁴ <http://www.morningstar.co.uk/uk/news/194073/why-the-high-street-isnt-dead-yet.aspx>

rateable value below £51,000. Under the plan, small firms will receive a one-third discount on their rates bills from April 1 for the next two years. The government response to the Timpson report was very positive, setting up both a Future High Streets fund and High Streets Task force. At the same time two House of Commons Select committees spent much time reviewing some of the issues and reporting back.

Housing, Communities and Local Government Committee

The Housing, Communities and Local Government Committee met during much of last year and published 78 pieces of written evidence submitted to its inquiry into *the High streets and town centres in 2030* and received oral evidence⁵.

In their final report⁶ they stressed that they believe that high streets and town centres can survive, and thrive, by 2030 if they adapt. Their vision was for activity-based community gathering places, where retail is a smaller part of a wider range of uses and activities and where green space, leisure, arts and culture and health and social care services combine with housing to create a space based on social and community interactions. They recommended that the Government urgently assesses a sales tax, an increase in VAT, an online sales tax and 'green taxes'; they believe that permitted development rights (PDRs) risk undermining the strategic vision that a community has developed for its high street or town centre; they recommended that action is taken at local level to create visionary strategies for high streets and town centres which have the backing of the local community, to support local traders, to facilitate parking and to develop the role of place partnerships; they also recommended the appointment of community representatives to BID panels in order to encourage a more balanced approach in their work.

Ministry of Housing, Communities & Local Government [MHCLG]

The government response⁷ to the *House of Commons Select Committee High streets and town centres in 2030 review* and the *Timpson High Street report* confirmed two new bodies: the High Streets Task Force and The Future High Streets fund.

Future High Streets fund

The Ministry of Housing, Communities & Local Government £675 million Future High Streets fund⁸, subsequently increased to £1billion, seeks to reinvent town

⁵ <https://www.parliament.uk/business/committees/committees-a-z/commons-select/housing-communities-and-local-government-committee/news/high-streets-and-town-centres-2030-evidence17-19/>

⁶ <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/1010/1010.pdf>

⁷ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/800102/Gov_response_select_committee_high_streets_and_town PRINT.pdf

⁸ <https://www.gov.uk/government/news/multi-million-fund-to-revitalise-country-s-high-streets>

centres through large-scale capital investment. 50 high streets, subsequently double to 100, received up to £150,000 of new funding to create detailed project proposals. What was interesting about the fifty high streets listed was that 24 of them had either a BID or a developing BID; a very clear mandate for the effectiveness of a BID and its working with the Local authority.

High Streets Task Force

MHCLG also announced the New High Street Task Force, which will support local leaders to revitalise high streets and town centres. The Task Force will be run by the Manchester Metropolitan University⁹, who have put together a consortium of high street experts with a wide range of knowledge and insight, including in planning and design.

The High Streets Task Force will provide a single place for local leaders in high streets and town centres to access support and guidance. This will help support them in developing and implementing high quality, evidence based, locally led plans for their high street and town centre. The Task Force will aim to increase coordination between different groups and organisations, build skills and boost Local Authority capacity through provision of expertise. The Task Force is due to commence on 1st July and the government is putting £8.6 million into the project. It is planned to be much more than a 'talking shop.' It will provide on the ground support to local places, an online repository of best practice, guidance and data that is available to all, provide training for place leaders and play a coordination role in ensuring that relevant groups involved in high street improvements engage with each other better at both a local and national level.

High Streets Heritage Action Zones

A further tranche of funding for High Streets Heritage Action Zones¹⁰, was announced, with £40m allocated to Historic England for work to support historic high streets as part of the Future High Streets Fund. It is designed to secure lasting improvements to our historic high streets and the communities who use them. Grants of between £250,000 and £2m, are available to set up a four-year partnership beginning April 2020.

This is part of a Department for Digital, Culture, Media & Sport, Architectural Heritage Fund and National Lottery Heritage Fund £62 million package of support to breathe new life into historic high streets across the country, to restore historic buildings, create new workspaces and cultural venues. As part of

⁹ <https://www2.mmu.ac.uk/news-and-events/news/story/10609/>

¹⁰ <https://historicengland.org.uk/services-skills/heritage-action-zones/>

the overall funding, £55 million has been allocated from the Future High Streets Fund.

Coastal Communities Fund

The government is also using the Coastal Communities Fund¹¹ to support coastal projects in the UK deliver sustainable growth and jobs. 16 successful 'Fast Track' projects are receiving a share of £6 million Coastal Communities Fund money to help deliver sustainable growth and jobs across the Great British Coast. As part of the fifth round of the Coastal Communities Fund, 16 'ready to go' projects have been selected to start work to transform their coastal communities in 2018 to 2019 before the main round funding becomes available in April 2019.

Business rates: The Treasury Select Committee

The Treasury Select Committee has launched a further inquiry into Business Rates to scrutinise how Government policy has had an impact on business¹². The Committee is examining how Business Rates policy has changed, including Business Rates retention, alternatives to property-based taxes, such as the proposed digital services tax, and how changes to Business Rates could affect businesses. The inquiry is looking at how changes in Central Government policy have changed the business rates system. In turn, this inquiry will also look at how the current business rates system is operating and the associated impact on business. There is always a gap between Select Committees and Government Policy, but it may be that this time something new will emerge. Bb gave oral evidence to the select committee and our response is available here¹³ ; we asked for the localisation of business rates, more frequent valuations, the ability to better capture the benefits of growth, to reduce the inequity between high street and online, and commented on the horrors of Valuation appeals, the unfairness in relation to domestic council taxes that have not been reviewed since 1991 and are thus unfeasibly low, the impact on online businesses, and a possible sales tax replacement for business rates ¹⁴.

The changing nature of the high street

However, despite the doom and gloom, in the view of many BID leaders and commentators, some of predictions of the death of the high street are misplaced¹⁵, at least to the extent that they envisage town centres as essentially

¹¹ <https://www.gov.uk/government/news/6-million-awarded-to-successful-coastal-projects-in-first-wave-of-funding>

¹² <https://www.parliament.uk/business/committees/committees-a-z/commons-select/treasury-committee/inquiries1/parliament-2017/inquiry3/>

¹³ <https://cdn.britishbids.info/publications/British-BIDs-submission-on-business-rates-for-select-committee.pdf?mtime=20190408132313>

¹⁴ <https://parliamentlive.tv/Event/Index/437828d9-6aab-4d01-9686-aa30884b8684>.

¹⁵ <https://www.centreforcities.org/publication/city-centres-past-present-and-future/>

existing for shopping only. Many BIDs and commentators believe that transforming the fortunes of high streets is eminently possible. This means setting aside the obsession with shops and focusing instead on bringing in more housing and a wider range of businesses.

The high street of the future will be a more diverse space, not solely dependent on retail stores. The analysis reflects this, with the net growth of gyms and sports clubs, ice cream parlours and cake shops, in addition to initiatives to bring more shared office spaces and homes into what were traditionally shopping areas. However, it's clear that the rate of openings is not currently enough to offset the closure of traditional retailers and services, so some tough decisions will need to be taken in the next few years¹⁶, particularly to draw back the essential shared spaces such as libraries and medical centres.

Town and city centres are places which can support a rich mix of social, cultural and commercial activity and their ability to become a destination of choice and offer experiences to attract locals and visitors and rival the convenience of out-of-town retail and online shopping is becoming increasingly important. This is a theme within much of the wider literature from both the UK and internationally¹⁷.

It is very clear that the make-up of the high street is already changing fast, as the cultural dividend and the experiential provision changes the successful high streets. One major change has been the growth of new sorts of food and beverage on the high street. The growth of the coffee culture is mirrored by design breweries, cocktail bars, pop up eateries and so on. BIDs are putting time and money onto arts, sport and cultural events, wine festivals, and fashion and cocktail weeks as part of their support mechanisms.

At the same time, remodelled professional services are moving back into the secondary shopping areas of our towns.

Experiential retail

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

¹⁶ <https://www.pwc.co.uk/press-room/press-releases/High-street-exits-remain-at-historic-high-as-openings-slump-to-lowest-levels-on-record.html>

¹⁷ Lara Stocchi, Cathy Hart & Iftakar Haji (2016) Understanding the town centre customer experience (TCCE), *Journal of Marketing Management*, 32:17-18, 1562-1587, DOI: 10.1080/0267257X.2016.1242510

including the increasing popularity of e-commerce, the decline in traditional department store traffic, and the proliferation of mobile devices.

Health, Safety and Security and town centres

The Royal Society for Public Health report on *Health on the High Street: Running on Empty 2018*¹⁸ looks at the health impact of a range of high street outlets; the analysis includes vape shops, convenience stores, off-licences, cafes, and empty shops and ranked Britain's major towns and cities by the impact of their high streets on the public's health and wellbeing. A key finding was proliferation of empty shops on Britain's high streets, their clustering in more deprived areas, and the negative impact they can have on community wellbeing and spirit, representing a decline in community assets.

*The BIDs & Business Crime: A Manifesto*¹⁹ was commissioned on behalf of retail industry business leaders. This sets out clearly the minimum that retailers are looking for BIDs to provide through the levy. This complements the new National Standards for BCRPs, which have been adopted by the National Business Crime Centre and administered by 'Secure By Design'.

Night-time economies are an important part of our towns and cities and are estimated to bring in over £60 billion to the UK economy every year. The night-time economy covers a wide range of activities from a trip to the theatre or a family meal to a night out at a club. The Local Government Association²⁰ report on *Approaches to managing the night-time economy* contained eleven case studies bring together examples of initiatives driven by councils and their partners, including ten BIDs, which have sought to strengthen and improve the management of the night-time economy. What is of great interest is that there are 21 mentions of BIDs in the report, and 10 of the 11 case studies are BIDs.

Most [89%] BIDs part fund police, provide their own rangers, fund street pastors, fund Business Crime reduction partnerships, and keep the safety and security of the town centre under control. BIDs are involved in awards and campaigns that support excellence – such as the national Best Bar None awards that recognise excellence in quality provision, and the national Drinkaware campaigns that support sensible healthy drinking. The national Purple Flag award is supported by many BIDs across the country, bringing together the Local Authority, businesses, the police and emergency services, the local churches and hospitals.

¹⁸ <https://www.rsph.org.uk/our-work/campaigns/health-on-the-high-street/2018.html>

¹⁹ <https://home.nationalbusinesscrimesolution.com/supporting-business-improvement-districts/>

²⁰ <https://www.local.gov.uk/approaches-managing-night-time-economy>

Curating the high street

Many BIDs recognise that it is the 'independents' who keep the high street vibrant and active for many people, reinforcing the experience and experiential retail on the high street. Thus, a key new strategic approach, of which BIDs are part, involves owners, sometimes Local Authorities, bringing particular brands and retailers onto a high street or into shopping malls. This is a process of attracting tenants that are exciting and creating the opportunity to mix and match them. The focus has also led to a major shift in the way agents act on behalf of their clients, and greater synergy between BIDs and landlords and agents.

As part of this thinking Power to Change ²¹ has contracted with the New Economics Foundation to develop a policy position for the high street to foster community involvement and community business activity within the context of the regeneration agenda. The purpose is to support, inform and advocate to arrive at an informed position on high streets which contributes significantly to the current and future debate and supports the case for community business as an important part of the mix of a thriving and resilient high street. The group is looking at the issues of how to acquire high street property and then curate to maximise the local experience.

Some Landlords continue to demonstrate flexibility on leasing, rather than relying strictly on what many describe as the 'archaic' Landlord & Tenant Act 1954. Flexibility helps to attract the right mix of brands, offering a whole range of lease options including base and turnover rents, a blend of terms, shorter leases and, should the right retailers warrant it, rentals at lower than market levels ²².

One key task that some BIDs are taking forward is bringing together the key commercial letting agents in a town. This is an attempt to mirror the idea of curating the high street, but without any of the force of ownership.

Public free city-wide Wireless

Public free city-wide Wireless is becoming all important to many BIDs and their business communities. There are an increasing number of innovative and exciting projects being led by BIDs across the country. Falmouth, New West End, Winchester, Kirkcaldy4All, Cardiff amongst others are all making use of external providers, working with their local authorities.

²¹ <https://www.powertochange.org.uk/>

²² Mia Hunt, Retail landlords and the art of curation, Property week April 2017, <http://www.nashbond.co.uk/retail-landlords-and-the-art-of-curation/>

Business Improvement Districts in the British Isles: The 2019 National Survey

The purpose

The purpose and uses of this national survey are multiple. It allows an annual snapshot to be taken of the BID community in the UK and Ireland for policy makers, both local and national; it allows chief executives of BIDs to benchmark themselves against their peers and colleagues; it allows Boards of BIDs to both benchmark and identify key performance indicators for their BIDs; it allows levy payers and members of BIDs to ensure that they are getting all the services that they should, and it allows new and developing BIDs to design their services and operations in the most effective fashion. It is designed to be used by different audiences for different needs; to be dipped into when needed, rather than a continuous piece of text.

This year, in response to many of the data enquiries we receive, we have produced a greater amount of regional detail, and an increased number of time series comparisons.

The data sources 2019 – three sections

There are three distinct elements to the survey, each with its own section:

- 1. The core data for the whole BID industry**
- 2. A qualitative sample of the BID industry**
- 3. Industrial BIDs**

Section 1 - The core data for the whole BID industry

The core data for all BIDs across the British Isles are gathered throughout the year by way of detailed news, social media and literature searching, which is used for the weekly *British BIDs Ballot Watch*. These are then collated and made available on the Bb Index on the British BIDs Website. For most BIDs, coming up to ballot, the business plans are also collected and analysed to ensure the data are as accurate as possible. These data have been gathered consistently since this survey began, and the total population is now 460 individual records of BIDs and their ballots.

These data sets change regularly, as ballots take place every week, and information is then uploaded as it becomes available, but the survey has tried to bring together as much relevant data as possible on the data collection date of 31 July 2019.

Section 2 - A qualitative 35% survey

There was also an individual questionnaire, collecting more qualitative data from, using the on-line service SurveyGizmo. This was issued by personal email in May 2019 to the Managers or Chief Executives of all the BIDs in the British Isles with contact details. BIDs were contacted by email and telephone during the survey to remind them of the deadlines and the value of the survey. 115 [35%] BIDs provided these further qualitative data by responding to this on-line questionnaire, although response rates vary slightly in each of the various sections, as BIDs for a variety of reasons, primarily pressure of work, were more or less able to provide clear, accurate or appropriate data.

Section 3 - Industrial BIDs

In past years, for the purposes of the data analysis and presentation, Industrial BIDs were presented separately in their own chapter. In this report we have continued to do so. Although they are often smaller and more specialised, with their own needs, as the number of different types of BIDs grows and the variations become less 'different' we have not excluded them from the data sets in the other sections and we continue to provide a separate section. It is clear, speaking to some of them, that they are a key part of the BID community and feel that they should be included in the main body of the work.

Finally, this year we have brought together some of the data from the earlier published surveys, from 2011 onward, where this is useful for analysis. This use of the previous data sets will increase over future surveys and allows us to provide more in-depth analysis for individual BIDs, local authorities and levy payers. Indeed, much of the increased data provision is a response to enquiries over the year.

The analysis

The report is very consciously data focused, showing the medians and distributions of key data sets, providing histograms and pie charts of the relevant data so that the distributions can be seen easily and clearly. For many of the data sets the median – the position mid-way along the data distribution and thus representing the level below which half of all BIDs are positioned - is often the most useful.

Some protocols

This National survey is both an audit or census, which involves analysing as far as possible the totality of existing data, and at the same time a service evaluation, undertaken to benefit those who use and manage BIDs. It is designed and conducted solely to define or measure current BID services across the UK and Ireland. Our participants are entirely BID staff, the data are

aggregated and anonymous, it is not possible to identify individuals from any resulting report and use of the data will not cause substantial damage and distress. All data are either provided by each BID through the on-line questionnaire, or through a phone call to the BID, or by way of publicly available validated sources from each BID by way of their business plans or web sites. The final report is anonymised as to individuals, although individual BID companies may be identifiable.

Section 1 – The core data for the whole BID industry

The core data for all BIDs across the British Isles are gathered throughout the year by way of detailed news, social media and literature searching, which is used for the weekly *British BIDs Ballot Watch*. The data are presented here.

Active BIDs in the British Isles

The active BID community in Great Britain and Northern Ireland, and Ireland totalled 321 at the end of July 2019.

Table 1 Types of Active BID across the British Isles as at July 2019

Type of BID	Number of BIDs	% of BID TYPE
AREA BID	2	0.62%
BUSINESS PARK	1	0.31%
COMBINED	1	0.31%
COMMERCIAL	6	1.87%
DESTINATION	2	0.62%
EVENING ECONOMY	1	0.31%
FLOOD DEFENCE PROJECT	1	0.31%
FOOD & DRINK	1	0.31%
INDUSTRIAL	28	8.72%
LEISURE	2	0.62%
MIXED AREA	5	1.56%
PROPERTY OWNER	3	0.93%
RETAIL & LEISURE	2	0.62%
RETAIL & TOURISM	1	0.31%
TOURISM	5	1.56%
TOWN and CITY CENTRE	258	80.37%
TOWN CENTRE/TOURISM	2	0.62%
GRAND TOTAL	321	100.00%

Types of BID

There continues to be an increasing differentiation in the types of BID, as different communities and groups of business respond to a changing environment. New BIDs in tourism, food and drink, flood defences and an area wide BID, as well as the Industrial BIDs are becoming more evident.

Countries and Regions

Clearly BIDs are national and regional, reflecting the needs, aspirations and numbers of their local business communities. Nonetheless, it is useful to see some key distributions across the British Isles, and the percentages in different countries and regions for active BIDs.

Table 2 BIDs by Country 2019

Country	Number of BIDs	% of BIDs
ENGLAND	257	80.1%
IRELAND	5	1.6%
N. IRELAND	8	2.5%
SCOTLAND	38	11.8%
WALES	13	4.0%
GRAND TOTAL	321	100.0%

Similarly, the more detailed regional data gives some sense of the wide geographical spread of BIDs.

Table 3 National and regional data for active and developing BIDs

Country or region	Number of BIDs	% of BIDs
EAST MIDLANDS	12	3.74%
EAST OF ENGLAND	26	8.10%
IRELAND	5	1.56%
LONDON	66	20.56%
NORTH EAST	6	1.87%
NORTH WEST	28	8.72%
NORTHERN IRELAND	8	2.49%
SCOTLAND	38	11.84%
SOUTH EAST	35	10.90%
SOUTH WEST	34	10.59%
WALES	13	4.05%
WEST MIDLANDS	32	9.97%
YORKSHIRE AND THE HUMBER	18	5.61%
GRAND TOTAL	321	100.00%

Annual Increase in BID numbers

The emergence of new BIDs has been impressive since the first BID became operational in 2005.

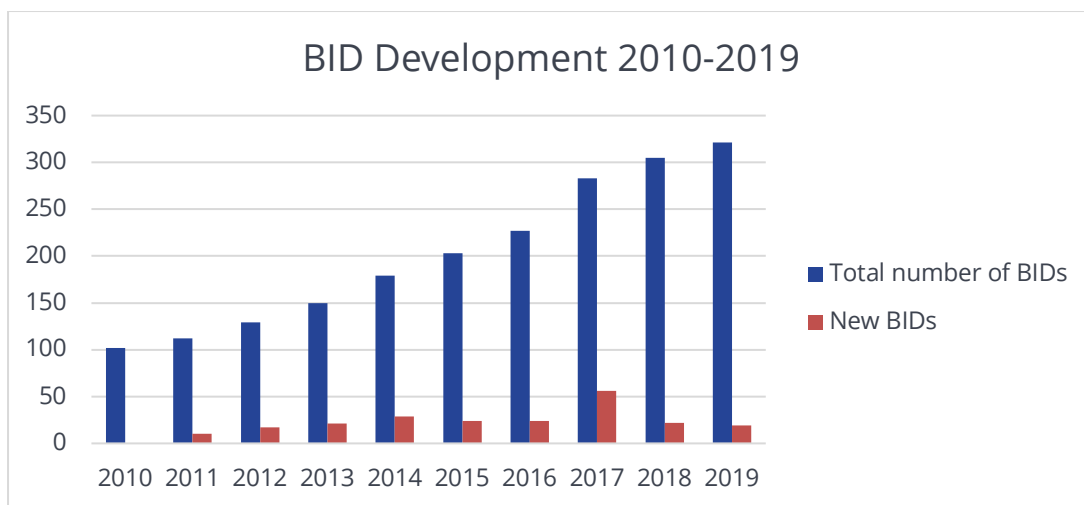
In the past 10 years new BIDs have come into existence each year, albeit with a slightly varied annual growth rate, and the data is presented here both as a table and a graph.

Table 4 Growth of BIDs by number 2010-2019

Survey year	Total Number of active BIDs	New BIDs in the year
2010	102	
2011	112	10
2012	129	17
2013	150	21
2014	179	29
2015	203	24
2016	227	24
2017	283	56
2018	305	22
2019	321	19

The unusual outlier in 2017 can be put down to variations in the data collection date in the 2016/17 cross over point.

Figure 2 Total and New BID growth 2010-2019



New BIDs 2019

19 new BIDs came into being in the past twelve months, with the majority in town and city centres, although other types are emerging.

Table 5 New BIDs in 2019 by type

Type of BID	Numbers of BIDs
AREA BID	1
DESTINATION	1
MIXED AREA	1
TOWN and CITY CENTRE	16
GRAND TOTAL	19

Developing BIDs

The numbers of new BIDs being developed is a key strategic issue and the story here is again strong. There are currently 51 BIDs that are in the development stage, with ballots coming up in the next year or so. This is an increase of 8% over the 47 that were developing in the last survey, most of which have now come to successful ballot. This suggests a continued enthusiasm and increasing perceived benefit to local business communities.

There is of course some complexity in identifying a developing BID; for this work, we have taken notifications from the developing BIDs themselves, and have searched the literature, particularly local newspapers, as widely as possible.

These 51 new developing BIDs vary by country and region, with both Scotland and Wales seeing them as key drivers of new development and thus showing a disproportionate level of growth.

Table 6 Developing BIDs by Country and Region

Region	Number of developing BIDs	% in each country or region
EAST MIDLANDS	2	3.92%
EAST OF ENGLAND	2	3.92%
IRELAND	1	1.96%
NORTH WEST	3	5.88%
SCOTLAND	15	29.41%
SOUTH EAST	3	5.88%
SOUTH WEST	5	9.80%
WALES	12	23.53%
WEST MIDLANDS	3	5.88%
YORKSHIRE AND THE HUMBER	5	9.80%
GRAND TOTAL	51	100.00%

The Ministry of Housing, Communities and Local Government Loan Fund

The BID Loan Fund is an initiative funded by The Ministry of Housing, Communities and Local Government, established in 2013, to assist with the development of new BIDs in town and city centres in England.

The number of loans that have been awarded thus far is 33 and the amount of loans granted is £1,086,135 in total. The scheme is administered on behalf of MHCLG by British BIDs through the National BIDs Advisory Board. Funding methods are also available in Scotland, Wales and Northern Ireland, under different funding mechanisms.

Upon a successful ballot outcome loans are repaid from levy receipts and, as repayments are made, further tranches of loans can be made available. Thus, over the past few years 11 tranches have been allocated

Ballots and outcomes

BIDs are established by ballot; each BID must gain a simple majority of the votes cast, as well as a majority of the Rateable Values of all those votes cast. The relevant local authority, or its nominated agent, runs the ballot neutrally; in order to continue beyond each term, a further ballot is also required every five years. Thus, with 321 BIDs, there will be some 60 ballots a year, an average of five per month, although most ballots peak in the spring and the autumn as they are often timed to fit in with the local authority electoral cycle.

The ballot criteria in Scotland require four criteria to be achieved; the turnout must be greater than 24% by RV and number of voters, and approval must be greater than 50% by ballot and RV.

Ballots 2004 - 2019

The data on Ballots and their outcomes are always complex to map, but since the legislation in 2004, 409 BIDs have gone to ballot at least once, and some of course several times as their terms extend. Some have of course not come to fruition and some have ceased mid-term. There have thus been 669 ballots over the period, for 409 separate BIDs.

Table 7 BID outcomes 2005-19

BID term	BID Numbers
1ST TERM	156
2ND TERM	96
3RD TERM	62
4TH TERM	7
CEASED IN 1ST TERM	10
CEASED IN 2ND TERM	1
UNSUCCESSFUL at first ballot	60
UNSUCCESSFUL at second ballot	15
UNSUCCESSFUL at third ballot	1
Challenge upheld	1
GRAND TOTAL	409

The analysis of all ballot outcomes by term of BID ballot suggests that success increases with each term, as BID teams get more confident at meeting the needs of their levy payers. There have been 669 ballots, with success rates for each term steadily improving from 72.2% to 100%.

Table 8 BID outcomes by cumulative outcome over past decade

Term of BID	Number of BIDs	TOTAL SUCCESSFUL BALLOTS SINCE 2005 BY TERM	TOTAL NUMBER OF BALLOTS BY TERM, including Failures	% SUCCESSFUL OUTCOME BY TERM
1ST TERM	156	156	216	72.22%
2ND TERM	96	192	222	86.49%
3RD TERM	62	186	189	98.41%
4TH TERM	7	28	28	100.00%
CEASED IN 1ST TERM	10	10	10	
CEASED IN 2ND TERM	1	1	1	
UNSUCCESSFUL at first ballot	60		60	
UNSUCCESSFUL at second ballot	15		30	
UNSUCCESSFUL at third ballot	1		3	
Challenge upheld	1		1	
GRAND TOTAL	409	573	669	86.49%

Of the 669 individual ballots have been held, there is an overall success rate of 86.49%.

16 of the unsuccessful ballots were turned into success at a later date; sometimes within a few months, in other cases some years later.

Ballots during the past twelve months

67 BIDs have come to ballot in the past twelve months, either new or at various stages of their term, giving a sense of the workload of the national head office levy payers who cast their votes.

Table 9 BIDs which have come to ballot in the past twelve months

Type of BID	1st term	2nd term	3rd term	4th term	Unsuccessful at first ballot	Unsuccessful at second ballot	Unsuccessful at third ballot	Total
Commercial			1					1
Industrial		1	3					4
Mixed area	1	1						2
Tourism		1						1
Town centre	16	25	9	2	4	2	1	59
GRAND TOTAL	17	28	13	2	4	2	1	67

New BIDs 2019

17 new BIDs came into being during the survey period, with four failed ballots, of which one went on to rerun their ballot successfully.

Second term ballots 2019

There have been 28 successful second term ballots, and two failures.

Third term ballots 2019

There were 13 successful third term ballots in the survey period, with one failure.

Fourth term ballots 2019

With the first BID coming into being in 2005 we are now starting to see more fourth term BIDs coming to ballot and this year two have been successful, with no failures.

Failed BIDs 2019

Seven BIDs failed at ballot in the past 12 months, one more than last year: four at the first term, two at their second term ballot and one for their third term. Of the seven, four failed by the rateable value count, suggesting an increased involvement of the national levy payers for whom BIDs are now a serious cost to their head offices. Anecdotally this year has again seen an increased number of challenged BIDs, but, to our knowledge, no challenges were upheld.

Voting data 2010-2019

The data from the current British BIDs Ballot Watch, showing levy payers turnout, average majority and average majority by Rateable Value [RV] for the 409 successful and unsuccessful BIDs over the past ten years suggests that thus far for each successive term, the turnout, and both majorities have improved.

Table 10 Ballot results for current terms of British Isles BIDs 2010-2019

Status of BID	Average of TURNOUT (%)	Average of IN FAVOUR BY NUMBER (%)	Average of IN FAVOUR BY RV (%)	BID numbers
1ST TERM	43.2	73.5	76.5	156
2ND TERM	48.4	74.2	79.4	96
3RD TERM	50.1	80.2	84.6	62
4TH TERM	54.7	86.4	92.1	7
CEASED IN 1ST TERM	38.4	69.3	73.3	10
CEASED IN 2ND TERM	55.0	80.0	86.0	1
UNSUCCESSFUL at first ballot	47.8	47.6	47.7	60
UNSUCCESSFUL at second ballot	52.4	47.8	49.5	15
UNSUCCESSFUL at third ballot		47.8	40.6	1
Challenge upheld		68.0	90.0	1
GRAND TOTAL	46.7	70.2	73.8	409

Turnout

A key performance measure for many BIDs at ballot should be the % turnout, with local and national levy payers keen to ensure transparency and accountability. Whilst the average turnout for ballots is at 46.7%, analysis of the turnouts allows a more granular picture to emerge.

Data over the past ten years suggests that the picture is reasonable, with half of all BIDs obtaining a turnout of at least 45%, and 75% obtaining a turnout of at least 56%. One key factor in this is the number of hereditaments in a BID, along with the decisions on thresholds that each BID can make.

Table 11 Turnout % for all BIDs

Turnout data for all BID ballots	%
Minimum	17.0
First Quartile	38.0
Median	45.0
Third Quartile	56.0
Maximum	88.0

Some outcomes are truly excellent, with some very high figures for all three performance indicators. This table shows the averaged best result for the three key performance measures

Table 12 The best Ballot data for a BID

Ballot data showing the highest figures	Highest average TURNOUT (%)	Highest average in FAVOUR BY NUMBER (%)	Highest average IN FAVOUR BY RV (%)
1ST TERM	88.0	98.0	99.0
2ND TERM	80.0	99.0	99.0
3RD TERM	72.0	96.0	98.0
4TH TERM	75.0	92.0	96.0
GRAND TOTAL	88.0	99.0	99.0

However, eight BIDs, all in their first ballot, had a turnout of less than 30%, although they were successful by both vote criteria.

Table 13 BID ballot data with a turnout less than 30%

BID ballot data with a turnout less than 30%	Number of BIDs	Average of TURNOUT (%)	Average of IN FAVOUR BY NUMBER (%)	Average of IN FAVOUR BY RV (%)
1ST TERM	8	24.6	72.4	74.9
Grand Total	8	24.6	72.4	74.9

Failed Ballots

A number of failed ballots is still evident, with seven failed ballots in this survey year and 76 failed in total. The averages show the average failure to gain the required 50% in both criteria.

Of course, some BIDs that fail initially come through to success.

Table 14 Failed Ballots 2005-2019

Data on Failed Ballots	Average of TURNOUT (%)	Average of IN FAVOUR BY NUMBER (%)	Average of IN FAVOUR BY RV (%)	Count of SUCCESSFUL OR UNSUCCESSFUL BALLOT RESULT
UNSUCCESSFUL at FIRST ballot	47.8	47.6	47.7	60
UNSUCCESSFUL at SECOND ballot	52.4	47.8	49.5	15
UNSUCCESSFUL at THIRD ballot		47.8	40.6	1
GRAND TOTAL	48.5	47.7	47.9	76

Levy Rates for BIDs in 2019

The BID levy rate is, most usually, the multiplier of the non-domestic rateable value by which the levy amount chargeable is worked out and is therefore an important issue for BIDs and their members. This does not apply in Scotland where the legislation is different and more flexible. The Industry Criteria ask that

up to 1.5% is the expected norm, with some allowances made for up to 2% in exceptional circumstances and smaller locations where rateable values are lower and therefore require a higher multiplier to achieve a viable budget.

For the current survey, of 320 BIDs, 273 [86.4%] were using a % rate, with a median at 1.5%. The averages, maxima and minima of Levy % across BIDs is narrow and suggests that the issue has become standardised across the industry.

Table 15 % Levy rates of current BIDs

Term of BIDs	Numbers of BIDs	Average of BID LEVY RATE (%)	Max. of BID LEVY RATE (%)	Min. of BID LEVY RATE (%)
1ST TERM	156	1.45	3.09	0.25
2ND TERM	96	1.42	2.50	0.85
3RD TERM	62	1.43	5.00	0.9
4TH TERM	7	1.19	2.00	0.65
GRAND TOTAL	321	1.43	5.00	0.25

There was a concentration in previous years at the 1% levy rate, but this is now less common with only 61 (19%) of BIDs; and 1.5% is becoming increasingly used, with 94 BIDs (29.38%) this year. There is also a number who use a banded system, with 41 BIDs (12.8%) having banded levies, and a very few who use some different system such as employee number, or a multiple rate. The business community traditionally has not generally supported this approach, as it can be viewed as a way of concealing the actual levy multiplier, but it is well accepted in the Industrial BID community.

Table 16 Levy rates with Numbers and % of BIDs

Levy rate	Number of BIDs	% of BIDs
Less than 1%	9	2.81%
1.00%	61	19.06%
1.5% or less	49	15.31%
1.5	94	29.38%
2% or less	53	16.56%
more than 2%	7	2.19%
Banded	41	12.81%

Again, the spread and deviation of levy payments shows a median of 1.5%, with the largest at 5%, and 5 BIDs with levies of greater than 2%. The larger RVs in London has allowed BIDs there to have lower % levy rates, and the move toward a higher average levy rate across the British Isles is to some extent a measure of the growth of BIDs outside London.

Table 17 RANGE OF LEVY % across 321 BIDs

Measure	Levy %
Minimum	0.3
First Quartile	1.0
Median	1.5
Third Quartile	1.5
Maximum	5.0

Hereditaments

The number of hereditaments represents the number of properties of business levy payers or voters within the BID area, based on rateable business properties on the non-domestic rating list.

The distribution of hereditaments for the BIDs with data is shown. Half of all BIDs have below 394 hereditaments, the highest is 3,000 and currently eleven BIDs have more than 1000 hereditaments

Table 18 Numbers of Hereditaments in a BID

Measures of Hereditaments in a BID	Numbers of Hereditaments
Minimum	35
First Quartile	269
Median	394
Third Quartile	545
Maximum	3000
Total hereditaments	128,785
Number of BIDs with over 1000 Hereditaments	11

Table 19 Distribution of hereditaments across different types of BIDs

Type of BID	Number of BIDs	TOTAL Number of Hereditaments	% of hereditaments
AREA BID	2	1,000	1%
BUSINESS PARK	1	1,000	1%
COMMERCIAL	6	2,605	2%
DESTINATION	2	1,354	1%

FOOD & DRINK	1	35	0%
INDUSTRIAL	28	4,856	4%
LEISURE	2	344	0%
MIXED AREA	5	1,693	1%
PROPERTY OWNER	3	758	1%
RETAIL & LEISURE	2	1,033	1%
RETAIL & TOURISM	1	245	0%
TOURISM	5	3,243	3%
TOWN and CITY CENTRE	258	109,443	85%
TOWN CENTRE/TOURISM	2	756	1%
COMBINED	1	420	0%
GRAND TOTAL	321	128,785	100%

The regional distribution of BIDs and hereditaments is becoming strategically important, as government tries to address issues of high street decline

Table 20 DISTRIBUTION AND % OF 321 BIDS AND HEREDITAMENTS BY REGION

Country or region	Number of BIDs	% of BIDs	Number of Hereditaments	% of Hereditaments
EAST MIDLANDS	12	3.74%	6,311	4.9%
EAST OF ENGLAND	26	8.10%	11,086	8.6%
IRELAND	5	1.56%	7,265	5.6%
LONDON	66	20.56%	19,069	14.8%
NORTH EAST	6	1.87%	2,773	2.2%
NORTH WEST	28	8.72%	12,005	9.3%
NORTHERN IRELAND	8	2.49%	3,552	2.8%
SCOTLAND	38	11.84%	11,259	8.7%
SOUTH EAST	35	10.90%	15,926	12.4%
SOUTH WEST	34	10.59%	13,627	10.6%
WALES	13	4.05%	4,208	3.3%
WEST MIDLANDS	32	9.97%	12,911	10.0%
YORKSHIRE AND THE HUMBER	18	5.61%	8,793	6.8%
GRAND TOTAL	321	100.00%	128,785	100.0%

The total number of hereditaments across all BIDs in the survey this year is 128,785, last year the figure was 120,735; the previous year the figure was 106,262; and the year before that was 78,549, so there has been some 63.95% growth over the four years, although some of this will also be because of better data collection. On the other hand, the annual growth in numbers of hereditaments is slowing.

Table 21 Annual growth of hereditaments

Survey year	Numbers of Hereditaments	Annual growth
2016	78,549	
2017	106,262	35.28%
2018	120,735	13.62%
2019	128,785	6.67%

Although the number of hereditaments in a BID range from 35 to 3000, the median is 394; most BIDs are still not large although eleven do have over 1000 hereditaments.

Levy Income

The BID Levy income - which is then invested in the local community - is the income collected directly via the mandatory BID levy and does not include any additional income.

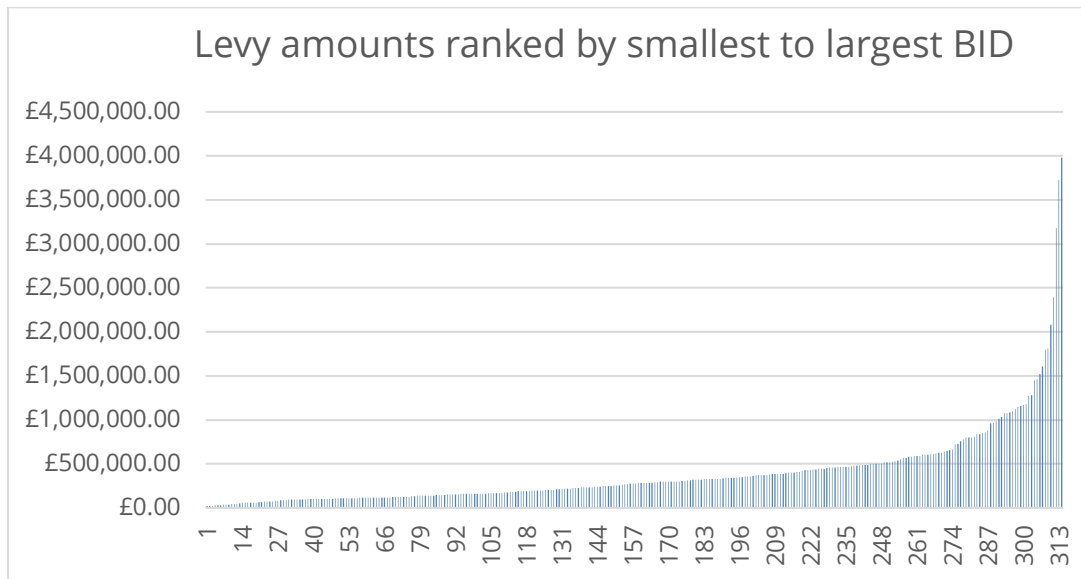
From the population of 321 active BIDs, the total BID levy income raised across the UK is £125,205,608 (2018 £110,575,380), showing a 13.3% increase over last year; some of this increase is due to RV changes and some is the growth in BID numbers. Levy income varies widely across the BIDs, with the smallest collecting £18,500 and the largest £3,979,000 per annum.

Table 22 Measures of BID annual levy £ amongst 321 active BIDs

Measures of Levy income	Measures of Levy income per BID
Levy Income Minimum	£18,500
Levy Income First Quartile	£137,357
Levy Income Median	£279,000
Levy Income Third Quartile	£469,066
Levy Income Maximum	£3,979,000
Total Levy income	£125,205,608

The measures of the Levy income levels of BIDs continue to show a wide range, with the median figure – that is half of all the BIDs – having a levy income of £279,000 (2018 £246,221) or less; and 75% of all BIDs having a levy income less than £469,066.

Table 23 Levy amounts ranked from smallest to largest



On the other hand, there are 21 BIDs with levy incomes over £1million; all are in the key cities, where rateable values and thus income is higher.

Mean levy per hereditament

Although it is a slightly hypothetical figure, from the data it is possible to identify the average levy per hereditament in the survey; with 128,785 hereditaments raising £125,205,608, the average income is £972 per hereditament, slightly more than the £916 per hereditament the previous year, although minor data collection variations may account for some of that.

Hereditaments and income over past decade

There has been a clear and steady growth in the numbers of BIDs over the past ten years, with a concomitant increase in hereditaments and in the total levy income.

Table 24 Hereditaments and income over past ten years

Survey year	Number of BIDs	Total Levy Income	Total Hereditaments	Income per hereditament
2010	102	£23,483,888		
2011	112	£22,085,567	19,353	£1,141
2012	129	£39,883,454	54,110	£737
2013	150	£51,847,486	64,150	£808
2014	179	£63,000,000	59,771	£1,054
2015	203	£80,124,969	71,703	£1,117
2016	227	£78,659,124	78,549	£1,001
2017	283	£99,971,741	106,262	£941
2018	305	£110,575,380	120,735	£916
2019	321	£125,205,608	128,785	£972

Levy income per hereditament over time

Interestingly the income per hereditament over time has fluctuated. There may be a number of reasons for this. Firstly, the RV changes and revaluations over the past few years has resulted in levy income changes; secondly, as BIDs have become more tactical in their ballot and governance planning, by way of higher thresholds and capped levy income, the income per hereditament may change at the global level.

Section 2 – the Qualitative Data from an online survey

As we said earlier, there was also an individual questionnaire, collecting more qualitative data. 115 [35%] BIDs provided these further qualitative data by responding to this on-line questionnaire, and this 35% sample is reasonably meaningful, covering as it does all the major sizes and types of BID. Response rates vary slightly in each of the various questions, from which a total figure was extrapolated for the whole industry population, using an estimation factor. This approach is adopted throughout this particular section.

Additional Income

BIDs were asked to identify any additional income, that is a contribution made to the BID over and above the levy income. There is a variety of sources for such income and the report tries to identify some of them.

The median figure for additional income is £19,052 and the highest amount £500,000; the total estimated additional income is £14,511,719, amounting to 11.59% of BID income across the country.

Table 25 Additional income for BIDs

Additional Income	Amounts
Minimum ADDITIONAL INCOME	£0
ADDITIONAL INCOME First Quartile	£613
ADDITIONAL INCOME Median	£19,052
ADDITIONAL INCOME Third Quartile	£49,400
ADDITIONAL INCOME Maximum	£500,000
Total survey income	£4,023,498
BIDs responding	89
Estimation factor	0.277
TOTAL ADDITIONAL BID INCOME	£14,511,719

Inward Investment Income

Beyond the direct additional income, BIDs were also invited to report on any inward investment income, which is financial investment as a direct result of the catalytic activity of the BID.

A total of 39 BIDs reported investment income of £32,605,600 as a direct result of their BID activity, although others recognised investment has been achieved but is very difficult to quantify.

Much of the £32,605,600 is LEP or commercial development monies, and over periods of time; the data annualises the amounts for the whole industry by an estimation factor based on the 39 BIDs as a proportion of the 321 in the industry and taking a three-year view. This is a prudent approach, but it seems sensible. This amounts to a global figure of £89,456,389. This is an increase on last year; and shows how far BIDs have come in their joint projects with local authorities, LEPs and central government.

Table 26 Inward investment income

Measures of external investment	Amounts £
Minimum Investment INCOME	£3,000
Investment INCOME First Quartile	£68,750
Investment INCOME Median	£225,000
Investment INCOME Third Quartile	£1,155,000
Investment INCOME Maximum	£13,300,000
Total	£32,605,600
BIDs responding	39
Estimation factor	0.121
TOTAL ADDITIONAL INCOME	£268,369,169
Three-year smoothing of data	£89,456,389

Total BID funding 2019

Table 27 Total BID funding 2019

	Levy income	Additional income	Inward Investment	Totals
Lowest	£18,500	£0	£3,000	£21,500
Lower Quartile	£137,357	£613	£68,750	£206,720
Median	£279,000	£19,052	£225,000	£523,052
Upper Quartile	£469,066	£49,400	£1,155,000	£1,673,466
Highest	£3,979,000	£500,000	£13,300,000	£17,779,000
Total	£125,205,608	£14,511,719	£89,456,390	£229,173,716

Summating this totality of BID levy funding, additional funding, and investment funding gives a figure of £229,173,716 as the total UK contribution from all BIDs. This is always of course a very hypothetical figure, but it does give some reasonable prudent view of the total impact of BIDs as change agents across the British Isles.

BID funding and investment 2016-2019

Whilst comparisons over time may not always be useful, because of variations in definitions and individual BIDs data definition, the four-year data for BID income and thus expenditure is a positive story, showing growth in levy income, additional income leveraged from activities and inward investment engaged in. This data comes from an amalgam of the all BIDs data, married with the estimated additional and external income projected from the qualitative surveys of the past four years.

Table 28 Total BID funding 2016-2018

	2016	2017	2018	2019
Levy income from all BIDs	£75,579,270	£99,971,741	£110,575,380	£125,205,608
Additional income, estimated from qualitative survey	£13,586,025	£7,973,578	£12,619,714	£14,511,719
Inward investment, estimated from qualitative survey	£20,376,357	£22,361,472	£51,941,026	£89,456,390
Total BID	£109,541,652	£130,306,791	£175,136,120	£229,173,716

Inflation, terms, thresholds and caps

Annual Inflation Factor

Some BIDs apply an annual inflation factor to the levy multiplier to ensure their income grows each year as their costs grow. Over the past four surveys the data for this question is very consistent, with some 32% of BIDs doing so currently.

Table 29 Use of an Annual Inflation factor 2019

Do you apply an inflation factor to increase your base levy rate each year?	Total	%
No	68	68%
Yes	32	32%
BIDs responding	100	

An inflation rate of 2.5% is the median for those 32% of BIDs that use an inflation factor.

Table 30 Annual % Inflation rate used

Measure of inflation rate used	% rate used
Minimum Inflation rate used	0.0
Inflation rate used First Quartile	2.0
Median Inflation rate used	2.5
Inflation rate used Third Quartile	3.0
Maximum Inflation rate used	3.0

BID Terms

BID legislation allows a maximum term of five years and the majority of BIDs now appear to operate on a five-year term, with all first term BIDs on five-year cycles.

BID Thresholds in 2019

A threshold is a rateable value level below which hereditaments are not charged a levy. The two main purposes of a threshold are to ensure that small businesses are not required to pay a levy and at the same time making sure that any business levy collection costs are never greater than the levy itself; this

therefore exempts them from the levy whilst still ensuring they benefit from the services.

From the sample of 110 the distribution of thresholds varies greatly, with 25.9% having no threshold; the largest threshold identified was £250,000.

Table 31 Indicative Threshold levels

Minimum threshold rate used	£0
Threshold rate First Quartile	£0
Threshold rate Median	£5,000
Threshold rate Third Quartile	£12,000
Threshold rate Maximum	£250,000
BIDs responding	110

Many BIDs aim to ensure that no levy payment is less than the cost of collection, others keep their threshold at or below the level of the current government Small Business rate relief threshold of either £12,000 [51.8%]; or the tapered figure of £15,000 [34.5%].

Table 32 Thresholds levels used by BIDs

Threshold level	Number	%
No threshold	28	25.5%
Less than £12000	57	51.8%
Less than £15000	38	34.5%
over £15000	14	12.7%
BIDs responding	110	

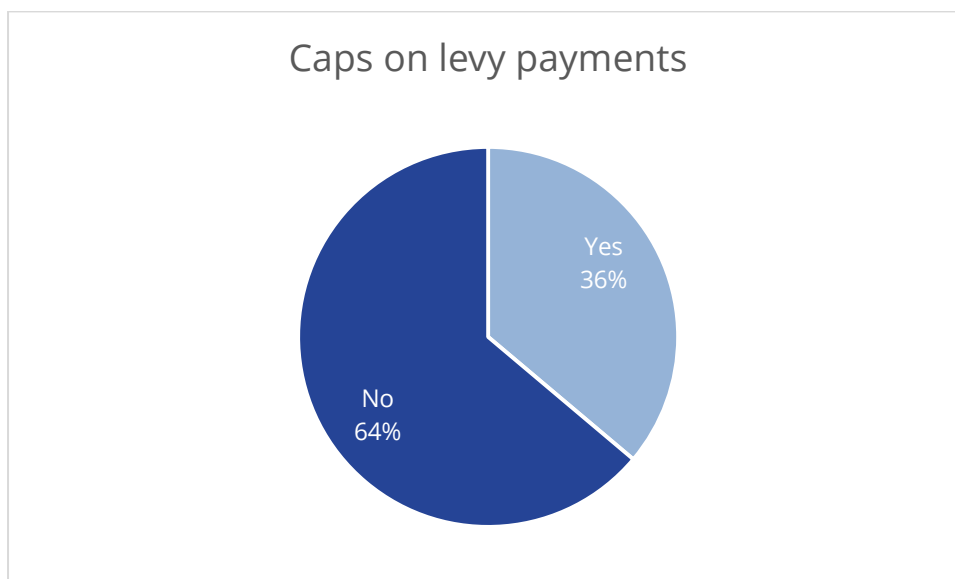
The distributions suggest that the Small Business rates relief is a key driver in many of the discussions on levels of any threshold, whilst at the same time some of the large city centre BIDs have higher thresholds to keep their smaller business community supportive.

This is an area of importance for many BIDs as they come to ballot. Clearly it is tactically valuable to keep the BID population small and with high levels of levy income so that the process of campaigning is simple and cost effective. At the same time, BIDs are about a business community where all are involved, equally represented and form a ‘community of practice.’

Caps on BID levy payments

As part of this strategic process, some BIDs also apply a cap to levy payments, protecting some levy payers from larger than normal levy payments, for example, if their properties are disproportionately large compared to others in the BID area. From the survey population of 92 36% do so. These caps can be of two sorts: firstly, to help business with several different properties within the boundary to stop them paying too large an amount; or secondly to protect particularly large hereditaments in a BID area from paying a disproportionate amount. They can of course be seen as unfair by the median levy payers who don’t have such support.

Figure 3 Percentage of BIDs using Caps



This use of caps can be an important strategy, protecting larger businesses from unusually large levy payments. The spread of minimum payments suggest that they have an important role in some BIDs.

Table 33 The level of the Caps used by BIDs

Measures of Bids using caps	Amount of cap
Minimum Cap figure	£2,030
The First Quartile	£5,750
Median	£10,000
Third Quartile	£15,000
Maximum	£40,000

The largest cap in the survey population of 92 was £40,000, with a median of £10,000; that is of the 92 BIDs reporting the use of caps, half set it at £10,000.

BID Levy Discounts

Some BIDs opt to give charities and other key players a discount on their levy, although this is becoming less prevalent over time in relation to discounts on commercially trading charity shops.

From the survey, 47.8% provide no discount; 4% of the BIDs specify that charity shops – that is those acting as retail outlets - are excluded from their discount rule. Of those who offer discounts, the greatest majority are for Charities and Shopping centres at 41% and 26% respectively.

Table 34 Discounts by type

Levy Discounts		
No Discount	44	47.83%
Charities	38	41.30%
Shopping Centres	24	26.09%
BIDs responding	92	

The level of discount is little changed over the years, with most offering 100% to non-trading charities, and a range of shopping centre and mall discounts ranging from 10-50%. Of course, some BIDs do not have shopping centres at all, and thus this figure might be misleading.

Levy Collection Charges

The levy collection charge is the sum of money charged by the local authority to the BID for the service of collecting the BID levy. The BID Regulations allow for a reasonable charge to be made for this service and the details of this service should be set out in an operating agreement between the two parties.

From the responses from 96 BIDs, 15.9% of BIDs have no collection charge made to them by their local authority. Of the remainder, the levy collection cost can be

presented as three different figures for each BID – the total costs, the cost per hereditament and the costs as a % of income.

For each of these three ways of analysing the data some measures of variation and distribution are shown.

Total Cost of Collection

The figure for the means and quartiles for the total cost of collection for each BID is the least useful but is shown here for completeness. The median levy collection cost is £7,750 per BID.

Table 35 Levy Collection costs for BIDs

	Total levy collection costs	Collection/hereditament	Collection/income
Minimum levy collection charge	£0	£0.00	0.00%
First Quartile levy collection charge	£1,935	£0.02	0.56%
Median Minimum levy collection charge	£7,750	£15.95	2.47%
Third Quartile Minimum levy collection charge	£16,719	£27.93	3.92%
Maximum levy collection charge	£39,360	£85.11	11.57%

Cost per Hereditament

However, a more useful method for comparing collection charges is by calculating the unit cost per hereditament. Thus, the levy collection cost is divided by the number of hereditaments in each BID, to give a figure currently ranging from £0.2 to £85 per hereditament.

The median figure – that which 50% of BIDs are below - is £15.95. This is a reduction on the £20.73 per hereditament that we saw last year.

Collection Cost as a % of Levy Income

A final method of comparison shows the collection cost as a % of the levy income collected. Some BIDs are indeed charged by their local authorities in this fashion. The data suggest that 50% of all BIDs have costs of less than 2.47% of their levy income to collect their levy, but 37 BIDs are above the Industry Criteria

guidance, with levy collection costs over 3%; of whom 14 BIDs pay over 5% and 1 BID pays a huge 28.29% of their levy income to collect their levy.

Revaluation of Business Rates

A major business rates revaluation came into effect on 1st April 2017, following a re-assessment of all business properties in England, Scotland and Wales based on rental value as at 1st April 2015. It had been a full seven years since business rates were last assessed, increasing the difficulty in predicting individual bills, and thus planning BID income from these new valuations.

Last year 39% of BIDs were using the new lists, as their local authorities sent out their levy bills, and some were badly affected, with reductions as high as £100,000 in levy income. This year the picture is still dramatic, with budget reductions as high as £254,676, or increases of £218,722.

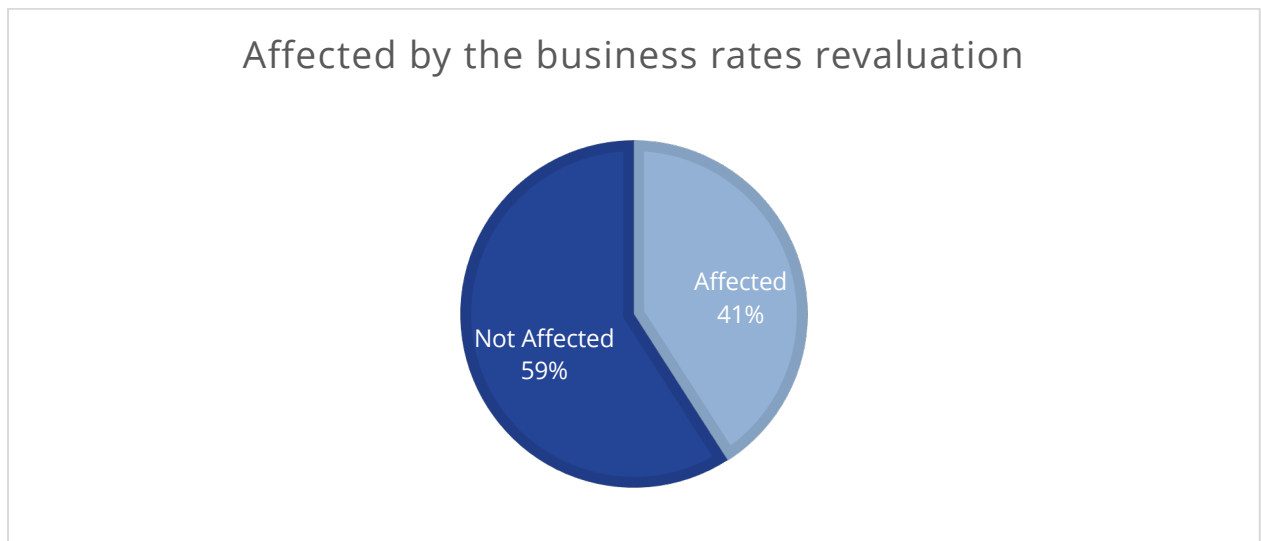
Of course, these figures are important surrogates of the businesses in each of these BID areas and give a sense of the very different impacts of business rate changes. The net change was £24,759 across 34 BIDs, mirroring the government's view on the fiscal neutrality of the changes at a national level, but reinforcing some dramatic local impacts.

Table 36 Impact of 2017 Business rates revaluation

Impact of Business rates revaluation	Amount of impact £
Minimum impact of revaluation figure	-£254,676
First Quartile impact of revaluation	-£30,000
Median impact of revaluation	-£12,918
Third Quartile impact of revaluation	£19,400
Maximum impact of revaluation	£218,772
BIDs responding	34

Nonetheless, 59% of BIDs are not affected.

Figure 4 The % of BIDs affected by the Business Rates revaluation



BID Management and Governance

BID Management Teams

Staffing

The staffing levels of BIDs vary widely, as one would expect from organisations so varied in income and service provision.

BIDs employed nationally some 1016.928 full time equivalent staff, an increase of 11.38% on last year.

Whilst the median staffing level for a BID is 2, the range is wide, with a maximum of 24 in one BID.

Table 37 Average Levels of Staffing in BIDs

Staffing levels in BIDs	Numbers of staff
Minimum staffing levels	0.0
First Quartile staffing levels	1.0
Median staffing levels	2.0
Third Quartile staffing levels	3.4
Maximum staffing levels	24.0
Total staff	285.1
BIDs responding	90
estimation factor	0.28
Estimated total staff in all BIDs in British Isles	1016.928

73% of BIDs operate with three or fewer full-time staff, and 12.2% of the BIDs operated on a part time team only.

Table 38 % staff numbers in BIDs

Staffing levels	Numbers of BIDs	% of BIDs
Fewer than three	66	73.3%
One in team	15	16.7%
Less than one	11	12.2%
BIDs responding	90	

Gender balance in BID managers

Following interest last year, we have looked at the gender balance amongst BID managers, using a simple forename analysis.

Genders of bid managers	Number	%
Female	159	49.8%
Male	160	50.2%
Total	319	

The gender balance amongst BID managers, based on simple forename analysis, is almost exactly 50:50 male female.

External staffing providers

From the survey response of 110 BIDs, external staff, that is staff permanently working for the BID but not on payroll, are used by 70% of BIDs; this includes staff working in security, marketing, and general operational activities including rangers and other staff.

Table 39 Use of external staff and consultants

Use of External consultants and their roles		Percentage of Population
Use an External consultant	77	70.0%
Overall management of the BID	11	10.0%
Marketing	38	34.5%
Human Resources	24	21.8%
Safety and Security	16	14.5%
Finance and bookkeeping.	45	40.9%
Other	29	26.4%
BIDs responding	110	

The majority of the support staff brought in are finance and bookkeeping at 40.9%; with marketing also important at 34.5%. Many of the 'other' category included Rangers, Web design and event management staff.

Overall management by consultants

One growing trend is for BIDs to be managed by external consultants, thus saving direct staffing costs and ensuring a wide range of expertise that can be called upon. 10% of the sample described themselves as being managed in this fashion and it will be interesting to see if BID Boards continue this trend in the future.

Shared staff

One emerging trend is for BIDs to share staff, either by having one shared manager working for more than one BID, or for a member of one BID team to also work for another in a different role.

BID Boards

BID boards are becoming an increasingly vital part of the BID community as issues of governance and transparency rightly come to the fore, and governance matters are key parts of the Industry Guidelines²³. The data shows that there are 3,249 members of BID boards across the country, whose task is to ensure

²³ National BID criteria: Industry Guidance for The Business Plans of Developing and Renewing Business Improvement Districts (Bids). British BIDs, 2018 <https://britishbids.info/publications/standard-publication>

that each BID is governed according to the normal rules of good corporate governance.

Composition

From the data it is evident that there is a range of BID Board size and composition, although most range from 8-13, with the largest at 20 and a median size of 10.

The current estimated 3249 Board members across the industry is a 2% increase from the 3,185 we saw last year, and of course reflects the growing number of BIDs.

Table 40 BID Boards Composition

The size of BID Boards	Numbers of directors
Minimum Board size	2
First Quartile Board size	8
Median Board size	10
Third Quartile Board size	13
Maximum Board size	20
Total Board members	921
BIDs responding	91
Estimated Total Board Directors in BIDs	3249

The balance between Directors and Observers also varies across BIDs, with most having 10 directors and 1 observer, whilst some have up to 20 members on their board, and up to 10 Observers.

Table 41 Observers on BID Boards

Observers on BID boards	Numbers
Minimum observers on a Board	0
First Quartile observers on a Board	0
Median observers on a Board	1
Third quartile of observers on a Board	2
Maximum observers on a Board	10
Total observers on a Board	139

Local Authorities

Most BIDs have Local Authority representation on their Boards, reflecting the important relationship between a BID and its local authority, with over 65% having such representation, and 317 Local authority directors across the industry.

Table 42 Local authority involvement on boards

Local Authority representation on BID boards	Numbers
Minimum Local Authority representatives	0
First Quartile Local Authority representatives on a Board	0
Median Local Authority representatives on a Board	1
Third quartile Local Authority representatives on a Board	2
Maximum Local Authority representatives on a Board	5
Total Local Authority representatives on a Board	89
BIDs responding	90
Estimation factor	0.2804
Estimated Total Local Authority Directors on BID boards	317

Property Owners

68% of BIDs reported having property owners involved in their boards, with a median number of 1 and a maximum of 8

Table 43 Property owners on Boards

Property owners on BID boards	Numbers on Boards
Minimum Property owners on BID boards	0
First Quartile Property owners on BID boards	0
Median Property owners on BID boards	1
Third Quartile of Property owners on BID boards	2
Maximum Property owners on BID boards	8
Total Property owners on BID boards	136
BIDs responding	90
Estimation factor	0.2804
Total Property owners on BID boards of BIDs	485

The figure is probably higher than the data shows; some BIDs have included their shopping centre representatives as owners, but others don't, and some board members own their business properties, similarly local authority representatives are not often recognised as property owners. BIDs are becoming aware of these differences and are articulating them in their responses

Gender balance of Boards

We were interested this year in the gender and ethnic diversity of boards.

It seems that Boards are starting to address the issue of gender in their makeup, with the median number of women on Boards being 3, and an estimated 1,101 women Board members across the industry; although this still only amounts to 33% of all BID Board members. However, it is an increase of 86 and 1% over last year.

Table 44 Women on BID Boards

Women on BID boards	Numbers
Minimum number of Women on BID boards	0
First Quartile number of Women on BID boards	2
Median number of Women on BID boards	3
Third Quartile number of Women on BID boards	4
Maximum number of Women on BID boards	8
Total Women on BID boards	312
BIDs responding	91
Estimation factor	0.2835
Estimated Total numbers of Women on boards of BIDs	1101

Diversity balance of Boards

On the matter of ethnic diversity, the responses from 91 BIDs identified 68 BAME directors, with the highest number on a Board being 12

Table 45 BAME members of Boards

Black, Asian and Minority Ethnic Directors on BID boards	Numbers
Minimum BAME Directors on BID boards	0
First Quartile BAME Directors on BID boards	0
Median BAME Directors on BID boards	0
Third Quartile of BAME Directors on BID boards	1
Maximum BAME Directors on BID boards	12
Total BAME Directors on BID boards	68
BIDs responding	91
Estimation factor	0.2835
Total BAME Directors on all boards of BIDs	240

Again, this amounts to 240 BAME board members across the country.

Shared boards

There are some BIDs with shared or overarching boards. It may be the local DMO that has gestated a number of BIDs in their area, or a BID that is then approached to set up another BID in a nearby or local community. They are clearly emerging possibilities for new developments.

Annual Accounts

The public provision of annual accounts is an important part of good corporate governance. These can range from detailed accounts posted on web sites, to more basic ones, linked to the regulatory requirement²⁴ for every billing authority to supply to each person receiving a demand notice the revenue due to be received the previous year, the amount spent, the matters on which it was spent and the proposed spend for the coming year. From the returns from 91 BIDs, 90% of BIDs make their accounts publicly available to their levy payers. Of course, Companies House requires that all registered companies lodge accounts with them.

²⁴ Business Improvement District (England) Regulations 2004 Schedule 4 Regulation 15 3 (2) (a)-(d)

BID Policy Matters

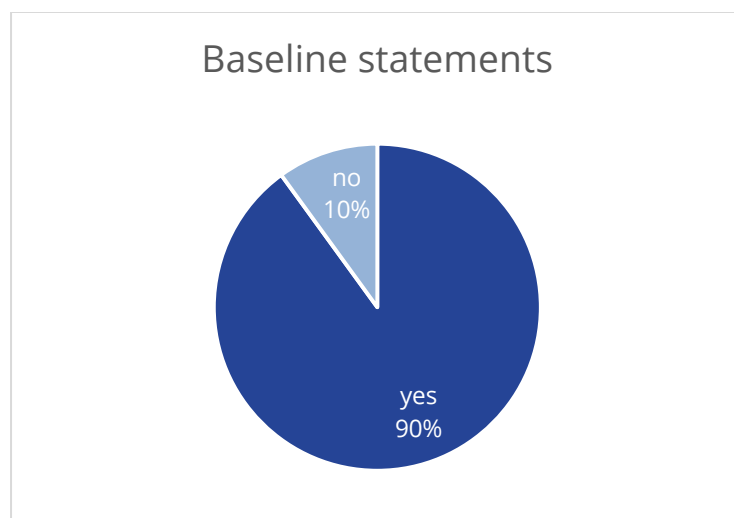
There are a number of policy matters with BIDs involvement and the survey focused on five of them: baseline services, the transfer of services from local authorities, the role of Tourism BIDs, the growing importance of Neighbourhood plans, the impact of the Local Economic Partnership, Property Owner BIDs, and Business Crime Reduction Partnerships.

Baseline Services and Statements

BIDs can develop agreements with their local authorities and other public services such as the police, in order to ensure levels of service, which the BID will then augment rather than replace.

These baseline statements are useful elements in the BID proposal process, and *a statement of the existing baseline services (if any) provided by the relevant billing authority or other public authority* are required under the regulations²⁵. Although the definition is not precise, it is evident that from the survey of 90 BIDs responding to this question, that 90% BIDs had such statements, but surprisingly 10% did not, suggesting an issue of non-conformity at ballot.

Figure 5 Use of Baseline statements by a BID



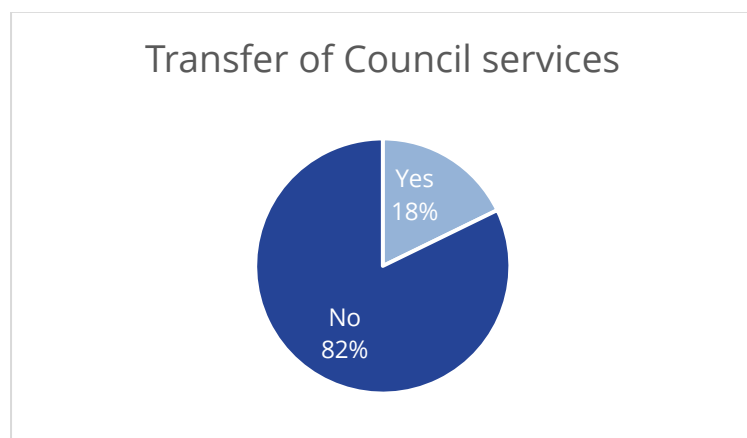
On the matter of adherence, although there was a sense of 'slippage' with 29% of BIDs feeling that baseline statements were not being followed, 27% felt that they were still being adhered to in difficult circumstances for many local authorities. Nonetheless, this is a marked reduction from the data collected last year and clearly reflects the declining funding base for many local authorities. Of course, Baseline statements have no legal binding force but are useful statements of intent

²⁵ The Business Improvement Districts (England) Regulations 2004. Schedule 1 Regulation 4 1(1) b.

Transferred Services

In recent years, as public-sector finances reduce, and BIDs are becoming recognised delivery models there has been increasing discussion about both the pressure on baseline agreements and the possibility of transferring services from the public sector to BIDs.

Figure 6 Considering Transferring services in 2019



Most of the responses involve taking responsibility for some elements of Christmas lights, hanging baskets, street cleaning, graffiti removal, public toilets, marketing and events, and Purple Flag.

Nonetheless, on whether they are considering taking on transferred services in the future, a total of 18% BIDs out of 91 confirmed they were considering some type of service transfer, although this was a reduction from the 19.3% last year. There seems to be less of an appetite for such service transfers.

Neighbourhood Planning Framework

The National Neighbourhood Planning Framework was published by Government in 2012 following the Localism Act 2011 and introduced the concept of Neighbourhood Planning in England.

The legislation suggests that “Neighbourhood planning provides a powerful set of tools for local people to ensure that they get the right types of development for their community where the ambition of the neighbourhood is aligned with the strategic needs and priorities of the wider local area”²⁶.

²⁶<http://planningguidance.communities.gov.uk/blog/guidance/neighbourhood-planning/what-is-neighbourhood-planning/>

Some BIDs have become involved and last year it was suggested that ‘A Neighbourhood Plan is a positive framework for future development. It can put in place a vision, aims and policies for the growth of an area. Once a neighbourhood plan is made, it forms part of the statutory development plan. That means that neighbourhood plans carry real weight in the planning process.’²⁷

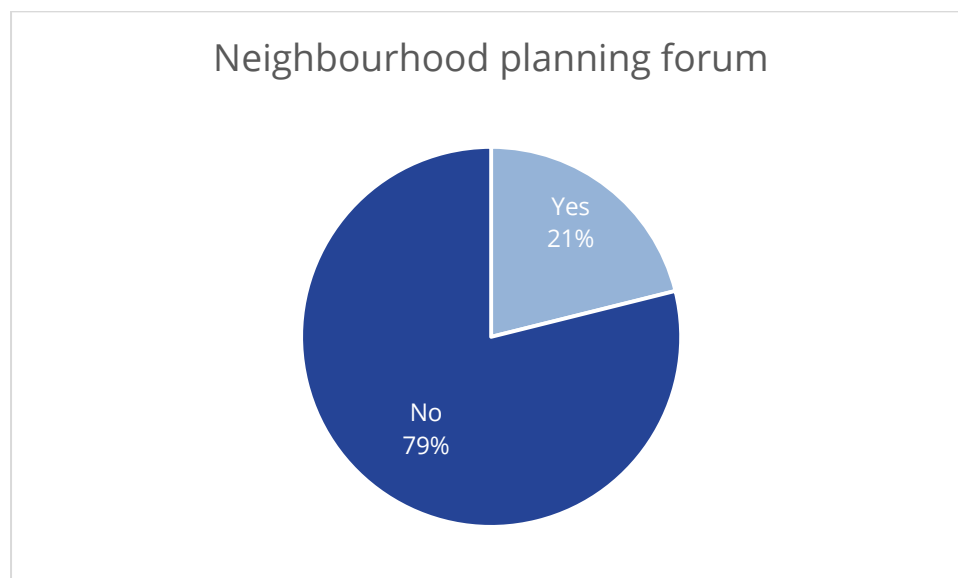
BIDs are already considered an appropriate qualifying body and the first business-led referendum was successful in central Milton Keynes, followed by a small number of other BID areas²⁸.

Due to the gradual take-up of this concept across the UK, the survey introduced a question around Neighbourhood Planning last year and asked again this year for any activity happening in relation to Neighbourhood plans in their areas.

It is clear that interest and involvement are increasing very slowly and marginally, and the ambitions of some business led activity has not come to fruition, possibly because of the expense, the time and energy and concerns over moving away from core BID business.

From the survey responses 21% [20.75% last year] reported some involvement in Neighbourhood Planning within their area and 17 BIDs were actively involved at some level.

Figure 7 Neighbourhood Planning Forums and BIDs in 2019



²⁷ Bill Addy, Chief Executive of Liverpool BID Company
<https://www.liverpoolbidcompany.com/neighbourhood-plan-city-centre/>

²⁸ <https://www.milton-keynes.gov.uk/planning-and-building/planning-policy/central-milton-keynes-neighbourhood-plan>

Some of the Neighbourhood Plans are clearly well-defined Plans that are moving to the approval and indeed referendum stages; these Plans are now spreading across the country and will clearly have an impact on BIDs, but currently only a handful of local ballots have taken place primarily in parishes²⁹.

Local Economic Partnerships

There are 38 Local Enterprise Partnerships [LEPs] across England. They are business led partnerships between local authorities and local private sector businesses. They play a central role in determining local economic priorities and undertaking activities to drive economic growth and job creation, improve infrastructure and raise workforce skills within the local area. LEP boards are led by a business Chair and board members are local leaders of industry (including SMEs), educational institutions and the public sector; there is a LEP for every BID and they are key partners.

With the advent of the Local Growth Fund, the amount of central government funding received by LEPs has risen to £20 million between 2015-16 and 2020-21 via locally negotiated Growth Deals. New proposals for Local Enterprise Partnerships (LEPs) to supercharge economic growth and drive forward investment in local businesses across the country were finalised by ministers in July 2018.³⁰

It is clear that BIDs are becoming increasingly involved in LEPs, with 42% signalling some involvement, and 37 BIDs actively involved. A year ago, many all found such involvement complex and lacking in focus, particularly as most LEPs are focusing on major strategic projects. The response this year is far more positive and it is clear that many BIDs are making sensible use of LEP and the Growth Hub network either for themselves or their levy payers.

²⁹ <https://www.wychavon.gov.uk/neighbourhood-planning>

³⁰ <https://www.lepnetwork.net/growth-hubs/>

Figure 8 BIDs and their LEP in 2019



Property Owner BIDs

In February 2017, the first draft of the Local Government Finance Bill (2017) was published and included the proposal that Property Owner BIDs should be extended to all areas within England. This would be achieved through the removal of the requirement for a BRS to be in place. The requirement for there to be an existing BID funded by occupiers remains.

However, the Government still has no clear plans yet on timing or content for a Local Government Finance Bill. As a result, the current plans to introduce Property Owner BIDs across England cannot go ahead.

The survey in the past three years asked a specific question on Property Owner BIDs, and from the survey population of 80 BIDs, 19 BIDs were interested in taking them forward, an increase on the 19% last year; 75% remain unconcerned. Others will be watching with interest.

Table 46 Impact of Property owner legislation

Will Property Owner BID legislation have an impact on your BID	2017	2018	2019
Yes	22%	19%	25%
No	78%	60%	75%

Destination Management Organisations

Destination Management Organisations (DMOs)³¹ play a key role in developing tourism locally; destinations are the places that people want to visit and experience; they are the heart and soul of the visitor economy and because they

³¹ <https://www.visitbritain.org/destination-management-organisations-england>

are diverse they don't always fit neatly into county (or national) borders or within public sector administrative boundaries. They may cover a single destination, e.g. Oxford, or a number of smaller destinations with a strong identity caused by its natural geography or landscape well-known in its own right, e.g. the Cotswolds.

Many BIDs are closely involved with their Destination Management Organisation, others less so; others actually manage or are managed by the local DMO. 46.15% of BIDs were involved with their local DMO in one form or another and expect to see growth in this activity; indeed, the percentage involved has increased since last year. Others were surprised that a DMO had not yet evolved in their area and would be looking to stimulate interest, others found them less than helpful.

Table 47 DMO involvement

Destination Management Organisations involvement	2017	2018	2019
Yes	42%	49.06%	46.15%
No	58%	50.00%	52.75%

Service and Professional Sector support from BIDs

A new question that was suggested by a number of BIDs for previous surveys was the level of specific support by BIDs for non-retail activity. It is evident that many BIDs are starting to focus on their service industries as it becomes clearer how vital they are to the health of the high street.

Work from the Centre for Cities has shown how *“the fortunes of the High Street are dependent on the fortunes of the wider centre in which they are based. The debate must be about jobs and city centres, not just about shops and High Streets”*. They suggest that more than one third of jobs are in knowledge intensive service activities, such as finance, law and marketing and many of the highest skilled and best paid industries – which have been critical sources of jobs growth in recent years - prefer to locate in city centres ³².

The responses to the survey support this thinking, with 50% of the 70 respondents providing support for their service and professional sector levy paying members. Much of this was in the areas of utilities cost reduction –

³² Centre for Cities. <https://www.centreforcities.org/high-streets/>

waste, power, recycling; but some was in the areas of free wireless, Wi-Fi support and broadband provision.

Table 48 Professional Services

Services Provided	Number of BIDs	% of BIDs
Broadband provision	10	14.3%
Secure waste	9	12.9%
Utilities	17	24.3%
Other	34	48.6%
Total Responses	70	

Permitted development rights

The recent changes to the planning system to allow change of use from offices (B1(a)) to residential use (C3), has not been helpful in some instances, effectively reducing the ability of the local planning authority and stakeholders to curate the town centre they need and want.

In other instances, it has allowed residents to move back into town and city centres. Some BIDs have asked for greater flexibility, with local authorities retaining greater freedom to use Article 4 direction when appropriate.

Last year, nearly 20% of BIDs found the changes unhelpful, one commenting that ‘we have obliterated our day time economy and are at risk of becoming a dormitory town if we cannot reverse the trend; 40% has been lost’ and another ‘we have lost a significant amount of office accommodation both above shops and complete office blocks, this has had a negative impact on footfall and lunchtime trade’

This year, only five BIDs identified significant losses, with many either making use of the powers to help the local authority improve residential growth or successfully lobbied for their Local authorities to implement an Article 4 amendment, which has made a difference.

Business Crime Reduction Partnerships

Most BIDs in the sample (81%) are heavily involved in their Business Crime Reduction Partnerships, often managing both Pub and Shopwatch, providing radios, DISC or similar and local policing.

The types of involvement vary but the majority of support is around Pub and Shop watch, Rangers and wardens, policing and PCSO, radios etc.

Some BIDs are also involved in interesting projects around taxi marshals, Betfair support, Best Bar None awards etc.

Table 49 Types of Crime Reduction Support

Type of Crime reduction involvement	Number of BIDs	% of BIDs
Business Crime Reduction Partnership	90	81.1%
Ambassadors	40	36.0%
Wardens	13	11.7%
Security staff	23	20.7%
PCSO	5	4.5%
Pubwatch	24	21.6%
ShopWatch	25	22.5%
Radio systems	45	40.5%
Police Officers	13	11.7%
Others	31	27.9%

Future High Streets Funding application

The Future High Streets Fund was an essential part of the government’s plans for the High Street, providing co-funding towards capital projects that bring transformative change. They want to see the regeneration of town centres through innovative proposals around transport, housing delivery and our public services

Over 50 areas across the country, of whom half included BIDs, went through to the second phase of a multi-million fund³³. The £675 million Future High Streets Fund should help local leaders to reinvent their town centres. Those successful towns will receive up to £150,000 of new funding to work up detailed project proposals, based on their initial plans. Ministry of Housing, Communities and Local Government will work closely with them, focussing on those places that have “shovel ready” projects where there might be opportunities to accelerate these.

³³ <https://www.gov.uk/government/news/multi-million-fund-to-revitalise-country-s-high-streets>

We were clearly interested in how BIDs fared in the process and clearly many found it useful, and nearly half of the survey had been involved in the applications from their local authorities. Of the successful first stage 50, 24 had BIDs or were developing them.

Individual responses from BIDs which had been involved were varied but interesting, with the majority being positive and supportive

Comments on process	Number of comments from BIDs
Useful	10
Good	4
Fairly	1
very good	12
excluded	1
not good	11

Industrial BIDs

The Industrial BIDs are included in the full survey, but the data has also been extracted into this separate section for the information of the Industrial BIDs sector.

There are 28 active industrial BIDs in the survey, with the majority now in their third term, two have ceased, and nine have failed at ballot; their levy rates are slightly higher than town centres, as their hereditament numbers and averages are lower than town centre BIDs. Of the 28 industrial BIDs, 9 have banded levy rates.

Table 50 Numbers of Industrial BIDs

BID term	Number of BIDs	Average HEREDITAMENTS	Average of BID LEVY (%)	Average of LEVY INCOME
1ST TERM	7	147	1.1	£108,775
2ND TERM	7	260	1.3	£200,991
3RD TERM	14	177	1.8	£89,657
GRAND TOTAL	28	194	1.5	£126,909

Industrial BID ballots

On the whole ballots for industrial BIDs have been impressive by way of those in favour, although there was a slight dip in turnout average for third term ballots

Table 51 Industrial BID Ballots

BID Term	BIDs	Average of TURNOUT (%)	Average of IN FAVOUR BY NUMBER (%)	Average of IN FAVOUR BY RV (%)
1ST TERM	7	40.6	74.3	75
2ND TERM	7	52.5	85.9	92
3RD TERM	14	50.4	85.3	89
CEASED IN 1ST TERM	2	60.0	77.0	75
UNSUCCESSFUL at first ballot	6	67.2	42.8	37
UNSUCCESSFUL at second ballot	3	57.0	42.0	62
Grand Total	39	52.4	73.9	77

Levy Rate of Industrial BIDs

Levy rates for industrial BIDs range from 1-3%. Within 28 active industrial BIDs, there are 9 that operate with a banded system and one BID has a variable rate charging two different levels of levy within their area.

Table 52 Industrial BID levy rates

LEVY RATE	Number of industrial BIDs
1.00%	6
1.5% or less	9
More than 2%	2
Banded	9
Other	2

Hereditaments of Industrial BIDs

Industrial BIDs by their very nature are slightly smaller, with the number of hereditaments ranging from 41-537 and a median of 209.

Table 53 Numbers of Hereditaments in Industrial BIDs

Hereditaments in Industrial BIDs	Number of Hereditaments
Minimum HEREDITAMENTS	41
First Quartile HEREDITAMENTS	109
Median HEREDITAMENTS	209
Third Quartile HEREDITAMENTS	230
Maximum HEREDITAMENTS	537
Total HEREDITAMENTS	4,856

The total number of hereditaments across the set of 28 industrial BIDs is 4,856.

Levy Income of Industrial BIDs

From the 28 active industrial BIDs the total annual levy income is £3,045,819. The smallest levy income is £30,485 and the highest is £519,894.

Table 54 Industrial BID Levy Income

Industrial BID levy income	
Levy Income Minimum	£30,485
Levy Income First Quartile	£59,375
Levy Income Median	£51,406
Levy Income Third Quartile	£146,388
Levy Income Maximum	£519,894
Total Levy income	£3,045,819

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