

Proposed Business Improvement District – The Bush Area**Report by Mary Smith, Director Education, Communities and Economy****1 Purpose of Report**

- 1.1 The purpose of this report is to update Cabinet on the development of a proposal for the establishment of a Business Improvement District covering the Bush area of Midlothian and to identify Midlothian Council representation on the Bush Business Improvement District steering group which requires to be formed.

2 Background

- 2.1 The Business Improvement Districts concept was originally set up in Canada over forty years ago but took off in the USA in the late 1970's. Business Improvement Districts came into force in Scotland in April 2007 following legislation passed by the Scottish Parliament in 2006.
- 2.2 A Business Improvement District involves businesses within a defined area working together and investing collectively in local improvements which will be of benefit to the businesses involved whilst contributing to the sustainable economic growth of the local economy. By working together businesses can reduce costs, share risks and create new opportunities for growth. A Business Improvement District is not a substitute for Central and Local Government investment but is an additional investment to strengthen the local economy and give local businesses a unified voice, helping to provide an arena for business representatives and Local Authorities to increase their understanding of each other's priorities.
- 2.3 Business Improvement Districts are developed, managed and paid for by the business sector through a compulsory Business Improvement District levy. A Business Improvement District can only be formed following a successful ballot of the businesses within the prospective Business Improvement District. The interests of both large and small businesses are protected through a voting system that requires a majority in the numerical votes cast and the rateable values of votes cast.
- 2.4 A Business Improvement District can last for no more than five years and will either be dissolved at the end of its term or will seek a new mandate by way of a renewal ballot.

2.5 Once formally established, Business Improvement Districts can be utilised for a range of economic development / regeneration related initiatives. In respect of an area such as the Bush, this could include:

- Community safety related activities;
- Improvement of perception and image;
- Public realm improvements;
- Support for business development activities; and
- Development of events programmes.

This list is not exhaustive and highlights the wide range of initiatives Business Improvement Districts can potentially support.

2.6 With regard to the Bush area, at its meeting held on 26 February 2013, Cabinet considered and approved the content of a report entitled 'The Bush Framework Masterplan'. Attached as an appendix to the report was an action plan which was contained in the Masterplan document. One of the key elements included in the action plan related to the development of strategies for environmental improvements, road and junction design, branding, signage and a path network. At a time of severe pressure on the Council's and other partners' budgetary resources, the possible implementation of a Business Improvement District in the Bush area could be one mechanism to drive forward the recommended actions contained in the Masterplan.

2.7 If Cabinet approval is secured, the first stage in the process will be the establishment of a formal Bush Business Improvement District steering group. It is proposed that the Council take the lead in establishing this steering group which should ultimately be private sector led. This will be progressed by holding a specific Business Improvement District consultation meeting in the near future at a suitable venue in the Bush area to gauge private sector interest.

2.8 In addition, it is proposed that, if there is sufficient interest in establishing a Bush Business Improvement District steering group, the Council be represented on the group.

2.9 Following the establishment of the steering group, it will be necessary to effectively explain the Business Improvement District to the local business community in advance of a confidential postal ballot to be held at a suitable date, probably in late 2014. The result of this ballot will determine whether or not the proposed Bush Business Improvement District project proceeds.

- 2.10 At its meeting on 8 October 2013, Cabinet considered and approved the content of a report entitled 'Proposed Business Improvement District – Penicuik Town Centre.' Section 2.9 of the report refers to the need, once the Penicuik Town Centre Business Improvement District steering group is formally established, to appoint a Project Officer to effectively explain the Business Improvement District concept to the local business community. In an effort to preserve limited budgets, it may be possible for the Project Officer to undertake work in Penicuik Town Centre and the Bush area around the same. This possibility will be discussed in greater detail with Scottish Government officials and the Director of Business Improvement Districts Scotland.

3 Report Implications

3.1 Resource

In terms of Human Resource implications, any work associated with the establishment of the Bush Business Improvement District steering group and progression of the initiative will be handled by the Council's Economic Development Manager in close liaison with Council colleagues and representatives of appropriate organisations based in the Bush area. This will include members of the recently established Bush Development Board.

With regard to the possible appointment of a Project Officer to promote the Business Improvement District concept to businesses in and around the Bush area, the conditions of grant from the Scottish Government clearly state that the grant may not be used for the remuneration of public sector personnel or Council Officers appointed to the Business Improvement District team.

It should be noted that, if the Bush Business Improvement District project progresses as anticipated, a confidential postal ballot will require to be commissioned by the Returning Officer of Midlothian Council on behalf of the Bush Business Improvement District and in accordance with Scottish Business Improvement District legislation.

Clearly this will have both Human and Financial Resource implications which cannot be fully quantified at the present time. It is estimated that around 190 businesses would be balloted, depending on the precise boundary of the Bush Business Improvement District adopted.

With regard to Financial Resource implications, grant monies amounting to £20,000 for the Bush Business District project have been received by the Council from the Scottish Government. A key condition in the grant award letter stipulates that any expenses incurred over and above the grant awarded will not be reimbursed by the Scottish Government.

3.2 Risk

Failure to participate in the Bush Business Improvement District project would mean that the grant award would have to be repaid to the Scottish Government. There is also a risk that ultimately when the ballot is held in respect of the proposed establishment of a Business Improvement District, a majority of Bush area businesses may vote against the proposal.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☒ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☒ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

3.4 Impact on Performance and Outcomes

Participation in the Bush Business Improvement District project will positively impact on a wide range of economic development related outcomes, many of which are highlighted in the Bush Masterplan document. This includes job creation and image enhancement. In addition, participation in the Bush Business Improvement District initiative will form one of the priorities for action contained in the emerging Midlothian Economic Recovery Plan.

3.5 Adopting a Preventative Approach

Economic recovery/growth and employment are two of the six national priorities where there is an expectation that each Community Planning Partnership will show how it is giving priority to demonstrating improvement in these particular areas. Accordingly, from a preventative approach perspective, having a vibrant and successful local economy will positively impact on most, if not all, of the national priorities. The Bush area is home to a world class centre of excellence in life sciences and animal biosciences.

3.6 Involving Communities and Other Stakeholders

During the preparation of the Bush Masterplan, a series of consultations were held with key stakeholders in that area. Fresh consultations will require to be held to enable a steering group to be formed and then ultimately for a ballot to be held either for or against the Business Improvement District establishment. Positive business input is crucial to the success of the process.

3.7 Ensuring Equalities

There are no equalities issue at this stage. If any equalities issues arise during the development of the proposed Business Improvement District they will be fully addressed by steering group members

3.8 Supporting Sustainable Development

There are no sustainability issues at this stage. If any sustainability issues arise during development of the proposed Business Improvement District, they will be fully addressed by steering group members.

3.9 IT Issues

There are no I.T. issues arising from the report.

4 Recommendations

It is recommended that Cabinet:

- i. Notes the receipt of a seed-corn grant award from the Scottish Government amounting to £20,000 to assist in the development of proposals for a Business Improvement District in the Bush area of Midlothian;
- ii. Agrees that the Council provides appropriate project governance to assist with the initial establishment and operation of the Bush Business Improvement District;
- iii. Recommends to Council the appointment of Councillor Bryant and the Economic Development Manager to represent the Council on the Bush Business Improvement District steering group; and
- iv. Instructs that regular progress reports on the operation of the Bush Business Improvement District steering group be presented to Cabinet.

Date 29 October 2013

Report Contact:

John Beveridge Economic Development Manager 0131 271 3431
John.beveridge@midlothian.gov.uk

Background Papers:

Bush Business Improvement District

Declaration Box

Instructions: *This box must be completed by the author of the report. The box will be copied and saved by the Council Secretariat who will delete it from the report prior to photocopying the agenda.*

Title of Report: *Proposed Business Improvement District – The Bush Area*

Meeting Presented to: *Cabinet – 19 November 2013*

Author of Report: *John Beveridge (Economic Development Manager)*

I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-

- ☒ *All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Human Resources.*
- ☒ *All risk implications have been addressed.*
- ☒ *All other report implications have been addressed.*
- ☒ *My Director has endorsed the report for submission to the Council Secretariat.*

For Cabinet reports, please advise the Council Secretariat if the report has an education interest. This will allow the report to be located on the Cabinet agenda among the items in which the Religious Representatives are entitled to participate.

Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.