

REPORT TO: FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 9 JUNE 2025

REPORT ON: BUSINESS IMPROVEMENT DISTRICT - DUNDEE CITY CENTRE

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 156-2025

1 PURPOSE OF REPORT

- 1.1 This report provides an update on emerging proposals for a Business Improvement District (BID) in Dundee city centre and outlines a timetable, future anticipated finance and resource commitments required to support the proposed BID to an anticipated ballot in March 2026.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee:
- a notes the early discussions on the proposed establishment of a Business Improvement District in Dundee city centre and the timetable of key stages before an anticipated ballot in March 2026;
 - b agrees that the Executive Director of City Development and Executive Director of Corporate Services will engage in the BID process and provide support and guidance on technical aspects, including collection and management of the levy; and
 - c notes that as part of the BID process, the Council needs to provide a Baseline Services Agreement (Service Level Agreement) setting out the services that the Council commits to deliver.

3 FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications for the Council arising from this report.
- 3.2 Should the ballot to establish the BID be successful, the Council would be required to meet the cost of the levy on its non-domestic properties in the BID area. In addition, the Council will play a role in the collection and management of the BID levy, although it will be paid a fee by the BID for doing so. Further details on financial implications will be set in future reports to Committee should the BID process progress.

4 BACKGROUND

- 4.1 The Council approved the City Centre Strategic Investment Plan (CCSIP) in 2023. It sets out a vision that the city centre will be an exciting, growing place to live, work and visit, with a unique sense of place that is vibrant, inclusive, design-led and sustainable. The CCSIP recognises that public partners cannot deliver this vision alone and there is a need to work closely with private sector and third sector interests.
- 4.2 A Business Improvement District (BID) is a business led initiative within a defined geography where businesses work together and collectively invest funds that are raised by a levy on non-domestic rates. The levy is used to develop and implement projects that are beneficial to the business community and those who live, work and visit the designated area. The projects and improvements must be in addition to the services already provided by the local authorities.
- 4.3 BIDs only exist if they get support from a clear majority of businesses and other non-domestic rate payers in a ballot. An approved BID would operate for up to five years to deliver an agreed business plan that is developed, managed and paid for by businesses through a compulsory BID levy. If the businesses that are part of a BID want it to continue after five years, another ballot must take place.

- 4.4 The legislative framework for BIDs is contained in the Planning etc (Scotland) Act 2006 and the Business Improvement Districts (Scotland) Regulations 2007. Under the legislation, local authorities are legally required to undertake a crucial role assisting in the establishment of BIDs, providing baseline service statements, scrutinising BID proposals, undertaking the ballot, announcing the ballot result and collecting the BID levy. If required, the local authority is also responsible for the management and termination of the BID arrangements
- 4.5 Scotland's Improvement Districts is the lead organisation for supporting and encouraging the development and success of the nation's improvement district work. It works with existing and emerging BIDs. It is also a hub for expertise and advice which can help communities to achieve their ambitions, working democratically and collaboratively.
- 4.6 There are currently 37 BIDs operating in Scotland including Aberdeen and Edinburgh. The key activities undertaken by BIDs include safety and security; clean and green initiatives; marketing and promotion; events and business support.
- 4.7 The BID ballot takes place through a confidential postal vote. Eligible persons have six weeks to cast their vote.
- 4.8 In order to establish a BID, four conditions are required to be met:
- a minimum turnout figure of 25% by number of businesses;
 - b minimum turnout figure of 25% by rateable value;
 - c of those that vote, more than 50% of businesses must be in favour; and
 - d of those that vote, more than 50% of the combined rateable value must be in favour.
- 4.9 In 2015, a BID ballot took place in Dundee. While a majority of businesses voting were supportive, less than 50% of votes in terms of rateable value were in favour.

5 BUSINESS IMPROVEMENT DISTRICT (BID) DUNDEE CITY CENTRE

- 5.1 A Take Pride in Your City Private Sector Steering Group was formed in January 2023 with over 20 private sector members. This group expressed regular interest in exploring a BID in Dundee.
- 5.2 A City Centre Stakeholder Meeting took place in October 2024 led by Scotland's Town Partnership with a focus on exploring a BID model. Thereafter an initial meeting of interested parties took place on 28 January 2025 following which a steering group was formed.
- 5.3 Office bearers were appointed at the meeting on 28 February 2025:
- a Chair - Paul Mooney, Apex Hotels;
 - b Vice Chair - Carrie Shannon, CAM Ventures;
 - c Treasurer - Ashleigh Fraser, V&A Dundee; and
 - d Secretary - Gaynor Sullivan, Dundee City Council.
- 5.4 Administrative support is being provided by Dundee & Angus Chamber of Commerce who will recruit a Project Consultant from June 2025 - March 2026 to support the development of the BID proposal.
- 5.5 The BID has still to identify the geographic boundary and levy charge.

- 5.6 The BID regulations set out specific actions and timetables regarding the BID process. The steering group has set a provisional date for the ballot on Thursday 19 March 2026. Leading up to this, there is a need to establish Baseline Service/Service Level Agreements under which the Council and other service providers in the BID area identify and quantify the current level of service provision provided within the BID area. This allows the BID to specify which additional services, if any, over and above the minimum baseline it wishes to provide or procure within the area.
- 5.7 The BID Steering Group must develop and agree a BID Proposal Document. This is a statutory requirement and is necessary for balloting purposes as non-domestic ratepayers must have a clear understanding of the proposed scheme to be able to vote accordingly.
- 5.8 The Planning etc (Scotland) Act 2006, Part 9 - Business Improvement Districts, gives the Council the Power of Veto over a BID proposal and hence determine whether a ballot should be held or not. The local authority is required to consider a BID proposal within a prescribed period (70 days) and give notice that it is or is not going to veto the proposal. If exercising a veto, the local authority must set out the reason why and give details of the right to appeal. If not exercising a veto, the local authority must set out its reasons for not doing so.
- 5.9 Other statutory deadlines and steps needed to progress, per the provisions of the Planning etc (Scotland) Act 2006 are highlighted below.

BID Action	Statutory Days to Ballot	Latest Date of Action
Deadline for notice of intention to ballot to Chief Executive of DCC	196 days	Thursday 4 September 2025
BID proposal review by SIDS	126 days	Thursday 6 November 2025
Submission of BID Proposal Document to LA/SG	98 days	Thursday 11 December 2025
Last Day of LA VETO of BID Proposal Document	70 days	Thursday 8 January 2026 (a report will be submitted to FWEGI Committee on Monday 5 January 2026)
BID can request LA to issue ballot instructions	56 days	Thursday 22 January 2026
Ballot Papers Issued	42 days	Thursday 5 February 2026
Day of the Ballot		Thursday 19 March 2026

The development and delivery of a Dundee BID can be a powerful tool involving local business in local activities and allow the local businesses and local authority to work together to improve the local trading environment. The BID not only unlocks financial resource but works in collaboration to make a positive change for the city centre.

6 POLICY IMPLICATIONS

- 6.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate Senior Manager has reviewed and agreed with this assessment.

7 CONSULTATIONS

- 7.1 The Council Leadership Team have been consulted in the preparation of this report and are in agreement with its content.

8 BACKGROUND PAPERS

- 8.1 None.

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