

# HDC

HARROGATE DISTRICT  
CHAMBER OF COMMERCE

# Business Review

Promoting Harrogate business —The latest news from your chamber

January 2017

## Improving Harrogate for Business

A packed audience gathered at the Old Swan Hotel for our January meeting, when the subject on the agenda was Business Improvement Districts (BIDs).

Designed to enable businesses to work together to create funding for specific projects that will benefit them and boost their business, BIDs have been used to great effect in more than 200 towns and cities around the UK. Many cities have more than one BID, with each one set up by a defined group to achieve specific goals.

The meeting was organised by chamber vice president Mike Procter, who invited three speakers to share experiences of

BID projects elsewhere in the UK.

First was **John Bywater**, the chairman of Leeds BID at its launch, whose career has included work on major retail and property development projects including the Birmingham Bull Ring. Now retired, he lives in Harrogate and sits on numerous boards for other organisations.

He outlined how the Leeds BID began, and gained support not just from business but from other interested parties including the university and the hospital. They could see how a strong economy and vibrant city centre benefited their employees and brought the best talent to the city.

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## Events on the Stray—give us your views!

Our questionnaire about use of the Stray is still live on the website. Please complete it if you can—it should only take a few minutes and it will help us to continue to represent the views of our members as part of Harrogate Borough Council's consultation, which closes on 6th February. You'll find the questionnaire at [www.harrogatechamber.co.uk/questionnaire](http://www.harrogatechamber.co.uk/questionnaire). It is open until 5pm on Thursday 19th January.



## February meeting: An Ageing Population— Challenge or Opportunity for business?

At our February meeting, we will be looking at the aspects of the ageing population that relate to business. From opportunities to employ experienced staff to the challenges of pension auto-enrolment, there will be plenty to discuss for all businesses.

Full details of the speakers will be sent out soon. For now, put the date in your diary:

Monday 6th February, Pavilions of Harrogate. Networking will begin at 5.30pm and the meeting will open at 6.15pm.

Attendance is free for all chamber members, but please register via our website. If you have a contact who would like to attend, please ask them to register too—the first meeting is free, or £15 per person thereafter.

**Harrogate District Chamber of Commerce**

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## **Improving Harrogate for Business *contd.***

He emphasised that other towns and cities are using BID money to improve what they offer and failing to do so could see Harrogate left behind.

He said: "We love living here, but Leeds is pushing itself very hard. It has great retail, lots of office development, it's going to clean up the station and make itself more attractive. Don't let Harrogate become one of those soulless commuter locations away from the main area.

"Business rates don't go to anything happening in Harrogate. They go to London. The council don't have the money to do things—what they have is spent on social welfare, not the business community.

"It's your money and it's your voice."

The second speaker, **Andrew Cooper**, became CEO of Leeds BID 18 months ago, having previously worked for Bath BID and been town centre manager of Stratford-upon-Avon.

He compared Harrogate to Stratford, which has 3-3.5m visitors per year, and Bath which has up to 6m, and said they are already getting the benefit of BID funding to grow these numbers.

Elsewhere, some towns and cities have created BIDs for very specific areas. There is one based around a trading estate in Bristol which has raised its profile while also tackling crime. Meanwhile, one around London's West End has a budget of £5m a year.

Early BIDs often focused on sectors, such as retail or the night-time economy. Leeds chose to be broader, but limited geographically. The businesses involved are roughly 40% retail, 40% professional services and offices, and 20% cultural, educational and other sectors.

The BID board would decide which businesses to include, and can also limit it to certain rateable values. In Leeds, those with a rateable value of £60,000 or more pay a 1.25% levy. In Northampton, it's 1% on £15,000 or more.

This means the level could be set so that only larger businesses would contribute to the scheme, even if it would also benefit smaller businesses. However, any businesses or organisations not officially involved could still make a voluntary contribution if they wished.

The key thing about a BID is that it brings elements of the business community together which might not otherwise cooperate on a project. More can be achieved through the structure of a BID, though many BIDs grow from organisations like chambers of commerce. It is sensible to take advantage of existing structures and use BID to give them more funding and power.

Many things can be achieved through BID. In Bath, the businesses used the money to pay for a joint commercial waste contractor, and they immediately saved the money it had cost them to set it up.

Finally, **Andrew Mear**, chairman of Skipton BID and a retail and commercial property manager, spoke about his experience since joining Skipton BID at the outset in 2009. It was organised by the local chamber of trade in the face of public funding cuts and reductions in the number of volunteers.

He said: "Telling people you want to put 1% on rates doesn't go down well, but it's the only 1% that you can tell them exactly where it goes. As a property manager, I thought, 'if I can do something to help my tenants pay their rent and make more profit, it will benefit everyone'."

Skipton BID generates around £150,000 a year of funding and employs one member of staff with that. It has also supported events and campaigns such as Yarndale, the Yuletide Festival, Flock to Skipton, a Waterways Festival and celebrations for the Diamond Jubilee.

The Puppet Festival was given £5,000 by the BID, which then enabled it to apply for £50,000 of Arts Council funding. Those figures have now doubled. Money has also been used to replace Christmas lights and to light more areas.

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Skipton BID also offered members the chance to access training in areas such as first aid and event finance, giving them direct benefits from their investment.

Once the BID was up and running, nobody wanted to see it end because all of the benefits it had brought would be removed. Visitor numbers have risen and shops are busier, and although a direct link can't be proved, it is likely the BID work has made a significant contribution.

## Q&A

### **Michael Webster, chamber president: How many BIDs are renewed?**

**AC:** About 98-99%, and those which aren't have often been set up for one specific purpose which has been achieved.

### **John Garbutt, DSC Accountants: What is the typical time frame for setting up a BID and does it work on tax years?**

**AC:** It can be done at any time. From firing the gun to say you're going to do it, it's about nine months until the vote. You need to keep up the momentum.

### **Coun Graham Swift, HBC: What were the biggest single most impactful things you did with the money?**

**AC:** It wasn't a single thing—more about addressing the issues that need addressing. Overheads have to be below 20% and in Leeds are about 14%. Each BID picks three key themes—in Bath it was Managing, Promoting and Saving. The big project there was commercial waste. In Leeds the threshold for payments was higher so the demands were for a better welcome, more public realm work like the Christmas trail and the LEEDS letters in the station. Building up impressions on social media was vital. We attracted the national radio awards and the MOBOs to Leeds.

**AM:** The crime reduction strategy made a big difference to small businesses in Skipton.

### **Coun John Fox: How do you determine the area you are going to canvass for votes?**

**AM:** In Skipton, the college and building society are big rate payers but are on the outskirts of town so we drew the boundary to ensure they were included. Wherever you put it, someone will be upset about being included or left out—but some can pay to join even if they aren't automatically included.

**JB:** We defined the area as just the city centre. Other businesses wanted to be included but it would have become too big. A bigger

area means more money, but with more demands to meet.

### **Wallace Sampson, HBC chief executive: How quickly can things happen after the vote?**

**AC:** On average, it takes between three and six months for a BID to be established. It can be quicker if it's an existing partnership or organisation. In Leeds it was five weeks.

### **Rohin Dhand: How do you engage people who own property and want to contribute but aren't the rate payer?**

**AC:** There is some legislation to enable this.

**AM:** In empty properties, the BID still has to be paid by whoever is responsible, even if they are exempt from rates.

### **Peter Banks, Ridding Park: How do you balance the conflicts between different sectors?**

**AC:** It's about deciding which issues you want to address and then which sectors will be affected, so the people who vote are the people who will get the benefits from the money they pay.

**JB:** We had representatives from every sector in the room from the outset. All the businesses get involved and that's where the ideas come from.

**AM:** We collect data to prove what we're doing is worthwhile. Ask the question, 'Would it be like this if we didn't have the BID?' Compare how things were to how they are now and keep producing data to show it's working, and getting rid of the BID might take those results away.

### **Hollie Bone, Harrogate Advertiser: This is Harrogate District Chamber, so what about the outlying areas—Ripon, Knaresborough and others?**

**Mike Procter:** The chamber is happy to facilitate moving the BID forward, but it will be a separate organisation that takes it on. The people in that BID will make the call about its area. It could be one street, it could be one town, it could be several towns. It could even be three shops or two hotels. It is up to the people involved to make that decision.

**AC:** It's about defining your places and what you want to achieve in those places. Be clear. Learn from one place and then it can spread.

## **Business Improvement Districts: The Facts**

### **What is a Business Improvement District (BID)?**

A BID is a scheme set up by the business community in order to fund specific projects to benefit them.

### **Who can set up a BID?**

A BID is always led by businesses, rather than by local authorities or the wider community. It is organised by a board set up specifically for that purpose, and can only proceed with the support of the businesses who will both fund and benefit from its work.

### **What can a BID fund?**

Any activities or services that will benefit the businesses involved. In other areas, this has included commercial waste collections, additional street cleaning, public realm improvements and much more.

### **Does Harrogate need a BID?**

That is something local businesses must get together and decide. With more than 200 BIDs around the UK, there are many projects being carried out elsewhere to make towns and cities more vibrant and attractive to tourists. Arguably, if Harrogate does not wish to be left behind, it needs to consider whether there are improvements that could be made with BID funding to keep the town relevant and attractive.

### **What could Harrogate's BID do?**

Whatever businesses decide needs to be done. This could be employing a town centre manager, organising a festival or series of events, funding Christmas lights, improving

the appearance of aspects of the town centre, or many other things that would make Harrogate a better place to do business.

### **Why should I pay more for services that the council should be providing?**

A BID does not aim to fund services that have been provided by the council, or allow the council to stop providing certain services. There will be an agreement in place when the BID sets up to stop this happening. It is only to fund extra services that the business community wants.

### **Rates are already very high and I can't afford any more.**

This is a debate that will be part of the formation of a BID, if it goes ahead. A threshold is likely to be set that means the smallest businesses do not have to contribute. Bear in mind that a smaller business contributing perhaps £100 unlocks access to much larger contributions from those with a higher rateable value, including businesses which are part of national chains.

### **I don't want to pay for something that isn't going to benefit my business.**

With a BID, this shouldn't be the case. Unlike rates, the money stays in the local area and is spent on pre-defined projects that should help those who contribute to it.

### **How do I get involved?**

Email [info@harrogatechamber.co.uk](mailto:info@harrogatechamber.co.uk). The chamber is not putting together a BID, but is happy to help get interested parties together for further discussions.

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## **Business Awards**

The Harrogate Advertiser Business Awards have been launched for 2017 and entries are invited across several categories including: Best rural business, tourism award, best employer, family-run business and best website.

Harrogate District Chamber sponsors the Best Small Company category, for businesses with up to 10 employees which have been trading for at least three years. Please do enter, or encourage your contacts to do so.

You can also nominate individuals for the Business Personality and Lifetime Achievement awards. The ceremony takes place on Thursday 27th April at the Royal Hall.

Visit [www.jpeventsnorth.co.uk/harrogate/business-awards](http://www.jpeventsnorth.co.uk/harrogate/business-awards) for details and to enter.

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## **2017 Calendar of Events**

The full diary of chamber meetings and events in 2017 is now on the website. Speakers for some are still to be confirmed, but the diary should give you an overview of the topics likely to be covered. Full details will be posted in advance of each meeting.

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