



POLICY TITLE: ABERDEENSHIRE COUNCIL BUSINESS IMPROVEMENT DISTRICT POLICY AND GUIDANCE

Policy Summary

This document sets out how Aberdeenshire Council will support business communities and development trusts initiate and develop a Business Improvement District (BID) in terms of in kind and financial support. It is important that a Council wide approach is taken to all BID enquiries.

A BID is a business led initiative between the local authority and the business community (although it can be local authority led) where a levy is collected from each business in the defined area. This levy is then invested collectively in local improvements, in addition to those delivered by the statutory authorities, which will be of benefit to the businesses involved whilst contributing to the wider aspirations of the local residential community and in growing the local economy.

A BID can be made up of a certain area of a town, it can take over from a development trust or business development organisation, can be themed, tourism based or industrial estate specific. The majority of established BIDs in Scotland are town based and can be a mixture of private and public sector members.

Policy Status	Approved
Responsible Officer	Suzanne Rhind, Strategic Town Centre Executive, Place Economy
Policy Sponsor	Kelly Wiltshire, Service Manager, Economic Development
Authorised By	Approved at Infrastructure Services Committee on 22 January 2026
Policy Review Date	22/01/2031

1. Policy Statement

Aberdeenshire Council recognises BIDs as being a strong local partnership with a sustainable funding model that can be used to assist economic growth. BIDs enable collaboration between the Council, the Business Community, Community Groups and our 3rd Sector Partners allowing a vision to be created for a certain area or town. These elements support the Council’s strategic priorities.

Aberdeenshire Council will provide officer support for the development of a BID, supporting two developing BIDs a year. Each instigating BID must have:



- A small established steering group made up of a minimum of 4 people all who must be potential levy payers.
- A projected levy collection of over £65,000 per annum

We will:

- Provide clear guidance for any town wishing to instigate a BID
- Provide information and arrange a meeting with Scotland's Improvement Districts
- Provide officer support through the timeline of the developing BID
- Provide the council database of properties eligible to pay nondomestic rates within the proposed BID area
- Provide the baseline services and operating documents
- Arrange the BID ballot
- Seek permission for collecting the BID levy

Aberdeenshire Council will assess whether they support each BID enquiry on a one to one basis and will make their decision on the basis of the financial viability and outcomes of each proposed BID. They will also assess on a one to one basis whether extra financial or in-kind support is offered to individual projects that seek match funding. The BID election process is set out in the Business Improvement (Scotland) Regulations 2007.

2. Scope of Policy

The policy applies to business communities and development trusts that want to initiate and develop a BID in Aberdeenshire. It also involves:

- Potential levy payers within the proposed BID area (businesses eligible to pay non-domestic rates).
- Aberdeenshire Council departments (Economic Development, Planning, Legal Services, Finance, and Election Services) that provide support during BID development.
- Community groups and third sector partners, as BIDs aim to enable collaboration between the Council, businesses, and local communities.

Essentially, it covers any town or area in Aberdeenshire seeking to establish a BID, along with the Council officers who support the process.

3. Policy Principles & Equalities

This policy applies to all BID initiatives within Aberdeenshire seeking Council support

Strategic Objective:

- Stimulate local economies through collective investment and leverage of additional funding streams.

Intended Outcomes:

- Establishment of viable, well-governed BIDs that deliver measurable improvements in economic performance and town centre vitality.



- Increased collaboration between public, private, and third-sector stakeholders.
- Transparent and accountable management of BID resources.

Aberdeenshire Council has actively considered and embedded the requirements of the **Public Sector Equality Duty (PSED)** and the **Fairer Scotland Duty (FSD)** throughout the development of this policy. The approach taken ensures that equality and socioeconomic considerations are integral to all stages of planning and implementation.

- **Inclusive Engagement:** Comprehensive consultation must be undertaken with businesses, community groups, and third-sector organizations to identify priorities and mitigate potential adverse impacts on protected groups and those experiencing socioeconomic disadvantage.
- **Transparent Governance:** The policy mandates open communication, including publication of minutes and reports, ensuring accessibility and accountability for all stakeholders.
- **Representation and Diversity:** Steering groups are structured to include a balance of business sectors and sizes, promoting diverse perspectives in decision-making.
- **Socioeconomic Impact:** The BID model is designed to stimulate local economic growth and deliver benefits to the wider community, aligning with the Fairer Scotland Duty by addressing inequalities and improving opportunities for disadvantaged areas.
- **Sustainability and Climate Justice:** Actions within the policy support environmental goals that benefit vulnerable groups, ensuring long-term resilience and fairness.

Through these measures, equality considerations have been embedded as a core principle, influencing governance, consultation, and delivery to ensure compliance with statutory duties and the creation of fair, inclusive, and sustainable outcomes.

4. Supporting Policies and Documents

It is recommended that each BID overarch their business plan with the [Town Centre First Principle](#). Further information can be obtained from the BID Liaison Officer.

Guidance for the operation of BIDs and associated election processes is contained within the [Business Improvement \(Scotland\) Regulations 2007](#).

Officer support when developing a BID

The following support would be required from the following departments within Aberdeenshire Council in order to enable a BID to develop:

a) Economic Development

In the first instance a BID enquiry should be directed to Economic Development where a Liaison Officer will provide support for the BID development process. The Officer will be the initial point of contact for the BID pertaining to all council matters and will act on behalf of the BID to coordinate responses or facilitate meetings with the council to aid with the development of the BID. The Council Liaison Officer can provide assistance with:



- Advice on how a BID should operate
- Direction for the BID business plan
- Council database properties eligible to pay non-domestic rates within the proposed BID area.
- An operating agreement between Aberdeenshire Council and the proposed BID.

Once the instigating group have a majority of businesses agreeing to pay the extra levy and they have an outline of a Business plan the liaison officer will direct them to Scotland Improvement District who will advise and guide both the liaison officer and the group through the BID process.

Included in the BIDs business plan should be a comprehensive list of all the services Aberdeenshire Council offer to the BID area, known as the Baseline Services agreement, this enables the developing BID to plan additional services for the BID area.

Working with Scotland Improvement Districts (SIDs)

SIDs will assist and give advice to both Aberdeenshire Council and the developing BID and it is essential and a requirement from the Scottish Government seed fund that all developing BIDs must attend the SIDs workshops and developing meetings to ensure all knowledge on the development of the BID is gained.

Creating a Web page

One of the first stages of a developing BID once the business plan is finalised is creation of a good quality Web page which is used in the canvassing stage as well as being an important aspect to the established BID following ballot. A BID should be open and transparent, and all minutes and reports should be made public knowledge on the BID website and it can be used as an asset in the business plan for promoting the area as well as the projects being carried out. Communications is key in informing the BID levy members how the BID monies are being spent.

Business and consumer consultation

It is essential that before any decisions are made, consultations are carried out with every potential levy payer including third sector organisations and the community. This will determine the themes and actions that make up the business plan. All information should be collated on a spreadsheet and sent to Aberdeenshire's Liaison Officer on a monthly basis before being sent to the Scottish Government 196 days before the ballot for verification that the BID has done the relevant groundwork and is ready to proceed to ballot. This information may be required by Aberdeenshire's Council's should they need to defend the ballot process at a later date. All information collated during the development stages of the BID should be handed over to the BID Board of Directors.

b) Planning

The planning department should be called upon to assist with any maps that need to be prepared with for the initial stages of developing the BID and may be called on to advise if any planning permission is required for any proposed projects the developing BID wish to add to their business plan.

c) Legal Services

Once there is evidence that the BID will be established, an agreement will be established between the BID company and Aberdeenshire Council. This document is called the



Operating Agreement. This document will define how the BID, if successful at ballot, will interact with Aberdeenshire Council and what agreements and arrangements are decided upon by both parties. Aberdeenshire Council's legal department will draft this document, however it is the BIDs responsibility to take independent legal advice and enter into agreement.

d) Finance

Aberdeenshire Council's revenue department will act as the billing body for the collection. It is stipulated that charges for billing and any software upgrades required does not exceed 3%. Economic Development will liaise with the revenue department to plan for this collection. Any financial and resource implications including support and administration charges for the collection will be agreed at an early stage and will be included in the Operating Agreement. Before the ballot a copy of both the BID business plan and the Operating Agreement will be issued to the revenue collection department in order for any proposals to be considered which may impact the collection or recovery of the levy.

Following a successful ballot, a monitoring group will be set up which will be made up of the BID liaison officer, the revenue manager, the BID chair and the BID finance director. The monitoring group will:

- Agree on suitable dates for levy collection
- Agree to the details of the levy notices and any inserts
- Agree on the process for issuing demand notices for levy recovery
- Agree on the terms of payment from Aberdeen Council to the BID
- Meet on a regular basis to discuss any arising issues

The Bid Company and Board of Directors have no legal obligation in collecting the levy it will be Aberdeenshire Council's responsibility to collect the BID levy.

e) Election Services

Taking a BID to ballot is the next stage once the project group have completed a feasibility study and are confident they have a good business backing and have a final business plan in place and once BID Scotland are happy that the outcome will be a yes vote.

Aberdeenshire's election service in close liaison with the Economic Development department will be asked to undertake the ballot. The ballot can only occur at a time suitable to the election services in order to ensure that core election duties are not compromised.

It will be the duty of the Liaison Officer to publish a public notice of the ballot in a local newspaper and to work closely with the developing BID to ensure:

- All eligible voters are identified and contacted by the developing BID. Scotland Improvement District are fully aware of the ballot dates and have published them on their website
- The Scottish Government have been contacted

Aberdeenshire Council will declare the result of the ballot by public notice within one week of the ballot date and will write to all eligible voters and persons liable for the levy to advise the outcome of the BID ballot.

Following a successful ballot, 28 days should be allowed for an appeal process.



If a yes vote is received at ballot a non-profit Company Limited by guarantee will be established. A board of directors (not necessarily the project group) will oversee the delivery of the business plan and depending on the size of the BID a BID manager will be recruited to carry out the plan (if not already in place).

The local authority's role in all of this is to support the delivery of the business plan: It is recommended that a council officer and an elected member sit on the board of directors in an observer capacity.

The main benefit of every BID is to use the levy as a leverage to gain further funding for certain projects. The extra funding can be gained from public sector agencies, grant bodies, sponsorship, landowners and trading income. This maximises the potential funding stream during the 5-year scheme and the benefits that the BID can achieve.

f) Area Manager Team

During the BID set-up phase, Area Manager teams are well placed to support the election process, including the preparation of the Baseline Services agreement, and if successful at ballot, can act as a liaison point for BID Managers to access other services within the Council, or assist with issues relating to payment of BID levies by services.

g) Financial Viability

It is imperative that the BID should raise enough levies to be sustainable throughout the 5 year business plan to pay for all project proposals and the BID manager. On top of the levy extra funding should be leveraged from other grant sources where possible for individual projects in order to maximise the benefits of the BID. In order to ensure all BIDs are sustainable Aberdeenshire Council will look at supporting each BID enquiry with a levy collection of over £65,000 per annum to a maximum of 2 BIDs a year.

4. Creating the BID Steering Group

A steering group should be developed in the early stages of the BID and should be made up of the liaison officer from Aberdeenshire Council and high profile ambassadors who will not be paid for their role on the steering group and who are not guaranteed a place in the BID board if successful at ballot.

The steering group will play a large part in creating and approving the BID business plan and also canvassing to ensure they get as many businesses on board. The steering group should have at least 6-8 members at first which should grow as the BID develops to 10-12 members. There should be representatives from different business sectors and a balance between independents and large national retailers. It is also important to try and ensure that members are chosen to the advantage of the BID e.g if at all possible it is great to have an accountant and a lawyer as members of the steering group. Once established the group should elect as office bearers a Chair, Vice Chair, Secretary, a treasurer and a minute taker should be available at every meeting.

The developing BID should be aware that there may well be local resistance to joining the BID and paying the levy, therefore as much should be done as possible from the early stages to engage with all businesses within the proposed BID are to ensure as many are on board as possible. The business plan should also take this into consideration ensuring that the projects planned for the first few months are achievable and can be delivered efficiently and quickly in order to demonstrate the return on investment for levy payers.



The steering group will also be responsible for the appointment of a BID manager (in smaller BIDs this may be a part-time post). The BID manager will oversee the consultation with the businesses and plan for the ballot and will organise monthly meetings for the steering group to attend in order to ensure progress is made with the BID development.

5. Sustainability

All BIDs are encouraged to align their business plan actions to the ambitious Scottish Government goals of a net zero 2045. Depending on the outcomes of the business consultations a variety of themes and actions can be implemented within the business plan. These can include a variety of projects such as:

- Partnership working with Zero Waste Scotland
- Working with businesses to reduce the amount waste going to landfill
- Delivering projects which will decrease emissions
- Delivering projects that will decrease energy demand/consumption
- The addition of electric vehicle charging points
- Considering future climate change predications within project delivery

5. Council Strategic Priorities

Pillar	Priority	How does the policy reflect the Council's strategic Priorities?
A sustainable economy	We will support a strong and diverse economy by attracting people of working age to our region, complementing our highly skilled local workforce.	The policy promotes Business Improvement Districts (BIDs) as a mechanism to stimulate economic growth and revitalise town centres, making them attractive places to live, work, and invest. By leveraging BID levies and additional funding streams, the policy supports projects that enhance infrastructure, services, and the local business environment—key factors in attracting working-age individuals.
Connected communities	We will work with communities and partners to enhance the sense of connection among our places. This includes supporting communities to come up with innovative solutions to ensure our places are resilient and vibrant.	The policy promotes collaboration between businesses, community groups, and third-sector partners to create a shared vision for town centres and defined areas. This fosters a sense of belonging and collective responsibility for local improvements. By requiring comprehensive consultation with businesses and communities before decisions are made, the policy empowers local stakeholders to shape BID priorities and propose innovative solutions tailored to their area's needs.



Living well locally	We will encourage and support our residents to lead healthy and active lives and contribute meaningfully to their communities. We will make proactive choices that will allow us to cater to the needs of our increasingly ageing population.	By promoting the Town Centre First Principle, the policy prioritises vibrant, accessible town centres where residents can shop, socialise, and access services locally. This reduces reliance on travel, supports local businesses, and fosters community interaction—key to active and connected living.
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6. Policy Revision

Version Number	Revision Date	Committee Approval Date	Summary of Changes
3	November 2025	22 nd January 2026	<p>1. Business and consumer consultation paragraph of the 2020 policy guide: the time scale has been amended.</p> <p><i>All information should be collated on a spreadsheet and sent to Aberdeenshire’s Liaison Officer on a monthly basis before being sent to the Scottish Government 154 days before the ballot for verification that the BID has done the relevant groundwork and is ready to proceed to ballot.</i></p> <p>Changed to 196 days before</p> <p>As advised by SIDs Officer.</p> <p>2. Addition of Area Teams in section four to reflect their role in supporting the process.</p>

7. Policy Distribution

Name	Designation	Organisation

[ENDS]