

REPORT TO: Cabinet

MEETING DATE: 19 January 2021

BY: Executive Director of Place

SUBJECT: East Lothian Food & Drink - Business Improvement District (BID)

1 PURPOSE

- 1.1 To inform Cabinet of the continuation of the East Lothian Food and Drink Business Improvement District (BID).

2 RECOMMENDATIONS

- 2.1 It is recommended that Cabinet support the initiative and agree a financial commitment of £25,000 a year for 3 years, subject to a further successful ballot of the County's food and drink producers.

3 BACKGROUND

- 3.1 The Economic Development (ED) service develops, supports and implements projects and activities that bring investment into East Lothian. Through the Business Gateway, the service helps to start up and grow businesses. It aids the creation and safeguarding of jobs, stimulates economic development and business performance, and attracts and retains visitors. In doing so, Economic Development works in partnership with external agencies and other council departments.
- 3.2 East Lothian Food & Drink (ELF&D) was initiated in 2004 with the twin objectives of supporting the local food and drink industry and of raising awareness of the high quality produce available locally within hospitality businesses to residents and visitors.
- 3.3 In 2015, discussions with and guided by East Lothian's Food and Drink producer's industry steering group, ELF&D identified a potential project around a Food and Drink sector Business Improvement District (BID). A Cabinet report dated 8 December 2015 approved the project along with Council funding of £20,000 per annum. A ballot of food and drink

producers was held and a result of more than 90% in favour saw the BID established in June 2016.

- 3.4 A BID can last for 5 years prior to seeking a new mandate through a further required ballot.
- 3.5 Primary legislation for a BID is contained in Part 9 of the [Planning etc Scotland Act 2006](#) and other secondary legislation, including UK parliamentary regulations to implement reserved aspects of the policy. A key component of this legislation is the requirement for a formal ballot, (undertaken by the Electoral Reform Society with the Council's Returning Officer overseeing the process).
- 3.6 A not-for-profit limited company by guarantee was set up following the successful ballot - the board has a minimum of 5 directors and a maximum of 8. 2 directors must represent the Council, to ensure continuation of close partnership working and the remaining board will be voted on by the BID participating companies.
- 3.7 Funding for the BID is via a levy to all companies in the BID which is legally binding. The council match fund the BID levy and was set for 3 years however a review held at the end of this period saw this funding extended to cover the full (5 year) duration of the BID's mandate.
- 3.8 With the end of the current BID mandate approaching and East Lothian food and drink producers obliged to operate in a market that is now outside the European Union and currently recovering from the impact of the COVID-19 pandemic, Cabinet is now asked to approve continued funding for the next 3 years in advance of a further successful ballot of current levy payers scheduled to take place on 17 June 2021, (subject to the ballot timetable – see Appendix 1)
- 3.9 The ELF&D BID strategically fits with the [Scottish Government's Ambition 2030](#) strategy for farming, fishing, food & drink which is underpinned by the ["Food Tourism Action Plan"](#) developed by the bodies "Scotland Food and Drink" and the "Scottish Tourism Alliance". Its aim is to make Scotland a global food tourism tier one destination by 2030. The ELF&D BID puts East Lothian ahead of the curve for this ambition as being now identified as Scotland's Food and Drink County.
- 3.10 The aims and objectives of the ELFD BID are as follows :-
 - To develop and remove the barriers for a cost effective supply chain locally, to the rest of the UK – and to European and other international markets.
 - To grow the turnover and profitability of ELFD businesses with resultant increase in employment opportunities;
 - To develop food and drink tourism within the county, to link in with the tourism COVID recovery plan and to work closely / in partnership with the hospitality and tourism sectors;

- To develop and imbed a recognised UK brand for the food and drink sector based in East Lothian.
- Reduce marketing costs including social media through collaborative working;
- Recruitment of a replacement BID Manager promoting ELF&D;
- Reduce delivery costs though collaborative delivery / volume of scale;
- Reduce overheads through joint buying;
- To access external funding such as the 'Shared Prosperity Fund' (expected 'post Brexit' replacement for the Tyne and Esk Leader programme);

3.11 To support companies to attend trade shows nationally under the brand of Scotland's Food and Drink County.

3.12 **ACHIEVEMENTS**

The achievements of the BID over the last 5 years are attached as annual reviews with a number of key highlights being (See appendix 3):-

- Development, introduction and registration as a trademark of the brand "Scotland's Food and Drink County"
- Branding / PoS rolled out to BID members for use and to outlets that stock ELFD products (e.g. Dunbar Garden Centre)
- Website built including members directory, job vacancies and tourism / hospitality section
<https://www.scotlandsfooddrinkcounty.com/>
- Increase membership annually by 4.6%
- All members received a 2-3 minute promotional video provided free by the BID and new members entitled to a professional product shoot for website.
- A consolidated ordering portal for EL F&D products – in 2019 £17,000 sales generated for local businesses
- Lever in additional external funding not available to companies and / or local authorities including funding from [BID Scotland COVID recovery funding, Scotland Food and Drink](#) and [Connect Local](#).
- Delivered a range of workshops, seminars, exhibitions and events including promoting ELF&D at the Houses of Parliament, Westminster and the Royal Highland Show.
- 2,000 followers on Facebook, as well as substantial followers on Instagram and Twitter.

4 POLICY IMPLICATIONS

- 4.1 The continuation of council funding for the ELF&D BID will further support and achieve the aims and objective of the refreshed East Lothian Economic Development Strategy 2012 to 20.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report has been through the Integrated Impact Assessment process and no negative impacts have been identified.

6 RESOURCE IMPLICATIONS

- 6.1 Financial -£25,000 per annum for 3 years will come from the Economic Development service Budget. The current level of support provided by EDU is £20,000 per annum. This financial support will be used to match the income from the levy raised (Projected in the region of £17,000 excluding associate memberships) and £8k from QMU (in funding and accommodation support). Together these resources will assist in the maintenance of the limited company and delivery of the BID objectives as noted in section 3.6. Some additional costs will be incurred by the running the ballot and, if successful, for collecting the levy. However, these will be contained within the current service budgets.
- 6.2 Personnel - If the BID renewal ballot is successful ELC officers will be required to sit on the Board. The ballot will be administered by the Electoral Reform Society and overseen by the Returning Officer for East Lothian Council Elections
- 6.3 Other – N/A

7 BACKGROUND PAPERS

- 7.1 Appendix 1 – ELF&D Ballot Time Table (17 June 2021)
- 7.2 ELF&D Annual Report 2019: Ref 4/21 in MLS
https://www.eastlothian.gov.uk/meetings/meeting/16708/members_library_service

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EAST LoTHIAN FOOD & DRINK BID

BALLOT TIMETABLE – 17 JUNE 2021

The Business Improvement Districts (Scotland) Regulations 2007

ITEM	B-n	PROCEDURE	TIME	DATE	COMMENTS
1	B-154	Last day for notice of intention to put BID proposals to ballot.	Regulation 4 At least 154 days before ballot day.	14th January 2021	
2	B-120	BID review.	BID Project should be reviewed and agreement reached as to whether a positive vote is achievable or not. If a positive vote is not achievable then the BID should not go to ballot.	18th February 2021	
3	B-98	Last day for the submission of the BID proposal to the Council and Scottish Ministers.	Recommended 98 days	11th March 2021	
4	B-70	Local Authority to confirm that it is or is not vetoing the BID proposals	Regulation 14(1) For the purposes of section 42(2) of the 2006 Act, the prescribed period is 70 days prior to the day of the ballot	8th April 2021	

ITEM	B-n	PROCEDURE	TIME	DATE	COMMENTS
5	B-56	98 days after item 1 the BID Proposer requests local authority to instruct ballot holder to hold ballot.	<p>Regulation 5(2)(a)(ii) and (b) The request to hold a ballot should be at least 56 days* before the ballot date.</p> <p>*To allow time to put in place ballot arrangements, before issuing ballot papers (at least 42 days before ballot), it is recommended that the request to hold a ballot should be made at least 56 days before the ballot date.</p>	22nd April 2021	
6	B-56 - B-42	<p>The Local Authority instructs the ballot holder to hold BID Ballot.</p> <p>Ballot holder puts in place arrangements to hold BID ballot.</p>	<p>Regulation 6</p> <p>Regulation 8</p>	22 April 2021	
7	B-42	<p>Issue of ballot papers.</p> <p>Spoilt ballot papers.</p> <p>Publication of notice of ballot (by ballot holder).</p>	<p>Schedule 2, para. 2(1)(b) 42 days before ballot date.</p> <p>Schedule 2, para. 11 Spoilt ballot papers may be replaced any time from the issue of ballot papers.</p> <p>Schedule 2, paras. 1 and 3</p>	<p>6th May 2021</p> <p>6th May 2021</p>	
8	B-42	Last day for postponing the day of the ballot by up to 15 days.	<p>Schedule 2, para. 2.(2) – No later than 42 days before the day of the ballot. The ballot holder may delay the day of the ballot by up to 13 working days.</p>	6th May 2021	

ITEM	B-n	PROCEDURE	TIME	DATE	COMMENTS
9	B-10	Last day for the appointment of a proxy.	Schedule 2, para. 5(5) An application to appoint a proxy shall be refused for the purposes of a particular ballot if the ballot holder receives it after 5 p.m. on the tenth day before the day of the ballot.	7th June 2021	
10	B-7 working days	First day for request for issue of replacement of LOST ballot paper.	Schedule 2, para. 12 Where a voter has not received their ballot paper by the seventh working day before the day of the ballot, that voter may apply (whether or not in person) to the ballot holder for a replacement ballot paper.	8th June 2021	
11	B-5	LAST day for cancellation of Proxy.	Schedule 2, para. 5 (10) A notice under sub-paragraph (9) by a person entitled to vote cancelling a proxy's appointment shall be disregarded for the purposes of a ballot if the ballot holder receives it after 5 p.m. on the fifth day before the date of the poll at that election.	12th June 2021	
12	B	BALLOT DAY.	Schedule 2, para. 2 At least 42 days, but no more than 90 days after the date on which the ballot holder published the notice required by paragraph 3(a)	17th June 2021	
13	B+1	The Count.	Schedule 2, paras. 14 – 16 As soon as practicable after the day of the ballot, the ballot holder shall make arrangements for counting the votes cast on such of the ballot papers as have been duly returned (in accordance with paragraph 13) and record the number counted.	18th June 2021	

ITEM	B-n	PROCEDURE	TIME	DATE	COMMENTS
14	B+1 B+8	Declaration of the result.	<p>Schedule 2, para. 17 The ballot holder, having made the certification under subparagraph (1), shall:</p> <p>forthwith make a declaration of the matters so certified; and</p> <p>give <u>public notice</u> of the matters so certified as soon as practicable and within 7 days after the counting of the votes.</p>	<p>By:</p> <p>18th June 2021</p> <p>24th June 2021</p>	