



Lerwick BID Interim Review

Report for Lerwick BID and BID Scotland

September 2016

Prepared for:-	Prepared by:-
Christena Irvine BID Manager 7 Mounthooly Street Lerwick Shetland ZE1 0JB Tel: 01595 696932 Email: info@livinglerwick.co.uk	Socio-Economic and Environmental Services SSQC Ltd Port Arthur Scalloway Shetland ZE1 0UN Tel: 01595 772407 Email: diana@ssqc.co.uk

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1.0 Introduction

This report has been prepared in response to a request from Christena Irvine for an interim review of the Lerwick Business Improvement District (BID).

The review was undertaken to help Living Lerwick, the Lerwick BID place itself in the most effective position going forward. It is not designed as a critical review of the BID, but to identify areas where performance and practice could be improved. The report presents the outcome of the review process, identifying recommendations where appropriate. It adopts a traffic light system, as set out below:

GREEN - no major issues, proceed with current practice, but some minor issues to be addressed;

AMBER – moderate issues to be addressed which would improve BID performance; and

RED – major issues to be addressed where current practices needs to be amended.

Consultations were held with;

- Christena Irvine – the Lerwick BID Manager (CU Marketing);
- Cynthia Adamson – Chair Living Lerwick ;
- Steve Mathieson – Vice Chair Living Lerwick;
- Linda Coutts – SIC EDU; and
- Alastair Cooper – SIC Councillor (stakeholder and advisor to the board).

Christena has been involved with the BID from the beginning. She was able to provide background knowledge, reports and statistics to aid the review process. Cynthia served as Vice Chair before becoming Chair in 2014, Steve acts as Vice Chair, both were able to contribute information from an operational point of view. Alastair has been involved as a stakeholder since the beginning of the BID, Linda has been involved since the beginning and has taken on more of a liaison role in recent years. They have an interest in the BID through their respective roles in Shetland Islands Council.

Throughout the consultation, progress was being made on some of the important issues facing the BID. This report does not take account of subsequent progress or changes implemented, but reports findings at the time of interview.

2. Governance Arrangements

In 2012 the businesses in Lerwick Town Centre came together and voted to create a BID. Living Lerwick is a private company limited by guarantee without share capital, it was incorporated on 19 July 2012. Living Lerwick contracted CU Marketing to provide BID management services. Christena Irvine of CU Marketing managed the BID development process, including the development of the business plan and therefore had a good working knowledge of the BID and what it needed to achieve from the beginning.

Shetland Islands Council (SIC) has provided funding on an annual basis to partially fund operational and staffing costs. The levy funding is required to implement some of the projects in the business plan as well as providing the match funding required to be able to bid for external funding to undertake the larger projects identified by the BID.

The SIC is responsible for collecting the levy from businesses. This money is then passed to Living Lerwick to use for the purposes identified in the business plan.

As a limited company the Directors of Living Lerwick have overall responsibility for ensuring the business plan is implemented effectively. No issues have been raised with the structure of Living Lerwick. It is understood the structure adopted by Living Lerwick is similar to other BIDs from town centres and local high streets.

2.1 Staffing

Living Lerwick has no direct staff. A contract to deliver BID management was successfully won by CU Marketing. CU Marketing provide the staff to deliver the terms of the contract with Living Lerwick. The value of the contract was increased from 2015 to provide more staffing via C U Marketing.

Staffing levels have fluctuated since the start of the bid. Initially Christena was the only member of staff, working as BID Manager. She was joined in 2013 by Leigh-Ann McGinty as Admin Officer who served until 2014. A Communications Officer was recruited in March 2015 for a short period of time as well as Tracy Lobban who is still in post as Finance Officer. Both staff members work three days per week for Living Lerwick from the office premises in Lerwick.

Staff work 100% on Living Lerwick activities during their time in the office.

More staff resources would be welcome but the current levels are deemed to be adequate.

The main staffing issues highlighted are;

1. The contribution from SIC has been vital in ensuring the continued management of Living Lerwick. The grant has been awarded on an annual basis which has made it difficult to plan ahead in terms of staffing.
2. The optimum level of staffing has only been achieved half way through the BID term. This level needs to be maintained for the remaining duration of the BID.
3. An increasing amount of staff resources has been diverted from BID management and project activities to dealing with non payment of levies and reporting of payments since 2013. It is understood that steps have been taken to improve the situation but for the foreseeable future the Finance Officer will continue to spend the majority of her time dealing with the levy issue.

Outcome: Amber Rating

Current staffing levels are felt to be adequate. The main issue to be resolved is the amount of time staff spend on the non payment of levies and reporting of payments issue. If this can be resolved the BID can focus on project delivery for the remainder of the first term.

2.2 Board of Directors

Living Lerwick had 14 directors when it began in 2012, as well as 5 advisors to the board. A number of these directors had been members of the Living Lerwick Steering Group and were elected as Directors when Living Lerwick was incorporated.

Since 2012 there have been several changes to the board. There are now 9 Directors and 4 advisors to the board. It is accepted that more directors would enable the workload to be shared more evenly.

When Living Lerwick started all 14 directors had equal responsibility for all areas. The company operated more like an association than a business. Recommendations were approved and several changes were implemented. There are now three sub groups operating as departments;

- Operations Department
- Infrastructure Department
- Events Department

Living Lerwick has several clear procedures for Directors to follow. There is a Directors' Code of Conduct as well as a policy explaining the overall role of the Board of Directors. Directors also follow and adhere to activities outlined and agreed in the business plan.

Everyone is happy with the frequency of meetings and attendance is generally good. Directors have a role at both a strategic and project management level. As the BID has developed Directors have had to become more familiar with making decisions on how best to allocate resources as well as how to adhere to strict budgets. It has become of increasing importance for Directors to make decisions and stick with them, as there are implications for budgets and project delivery if changes are made at the last minute.

The advisors to the board attend Directors meetings and provide useful input.

Outcome: Green Rating

The current Directors all work well together. Since Living Lerwick started the Directors have found the most suitable structure to use in order to best deliver the actions in the business plan.

3. Communications

The review assessed BID communications with four key groups of stakeholders;

1. Members
2. Local Authority – Shetland Islands Council
3. Local Media
4. Other Stakeholders

Overall communications with these four groups has been mixed. There is no definitive way to tell if members are happy with the activities of Living Lerwick. The fact that an increasing number have not been paying the levy to date would suggest that either they are not happy, or other factors such as non-collection have played their part. This is a concern as it affects how levy payers would vote at re-ballot. Communication with levy payers has varied since 2012 in terms of published communications. An annual report has been prepared and circulated at the end of each year. Quarterly newsletters have not been issued regularly since 2015. The Living Lerwick Facebook page shares member's posts on a daily basis and posts BID news regularly. A new Living Lerwick website has just been launched containing a wealth of information, survey results and members directory. Living Lerwick members receive emails regularly updating them on issues of interest and with progress on projects and events. It is important that all members are fully aware of BID activity, performance and impact of the project activity that is funded through their levy contribution. If members can see positive change in the BID area and attribute these changes to BID activity they are more likely to vote for another BID term.

Living Lerwick operates an open door policy where the manager and Directors are always available to discuss any issues members feel they need to. The AGM tends not to attract huge numbers of members so Living Lerwick arranged meetings with groups of individual members with a common interest, such as hotels, cafes etc. These were well attended and positive but it takes a huge amount of staff time to arrange and undertake these meetings therefore it cannot be undertaken on a regular basis. The business plan recommended business networking events and open business forums were held twice a year. This was tried in the first two years but due to poor attendance was not continued.

Living Lerwick has made every effort to communicate regularly with members using a variety of different methods. The majority of members have not taken advantage of the opportunities presented to them to feedback to Living Lerwick.

The SIC has been involved as a stakeholder since preparations for the BID began. There is one staff member who acts as a stakeholder as well as two local councillors. A major issue with the local authority concerns the administration and collection of levy payments. This issue is discussed further in section 4. Currently the BID is working to improve relationships with the local authority.

Misunderstanding over the nature of the BID and what it was trying to achieve did occur in the earlier years but communication is improving, this is due to the efforts of the SIC staff member who shares information and co-ordinates responses where necessary from various departments of the SIC. Living Lerwick has a slightly different relationship with the local authority compared to other BIDS. The SIC has provided funding to enable the BID management of Living Lerwick, via CU Marketing to be undertaken, these staff do not work for the local authority or in a local authority building similar to other BIDS, perhaps as a result of this some departments of the local authority may not be aware of what the BID was set up to achieve. It is recognised that although the financial support offered has been crucial to the success of the BID to date, support and understanding from the SIC could have been much improved in the first years of the BID.

Overall Living Lerwick enjoys a positive relationship with the media. Features have been shown online and in printed newspapers. The local BBC Radio station takes a keen interest in BID activities. Advertisements for events are played on the local radio station "SIBC". Living Lerwick could strengthen its relationship with the local media by issuing press releases on a more regular basis.

Communications with wider stakeholders could be developed going into a second term. Northern Constabulary are represented at board level. Living Lerwick run several competitions during events aimed at youngsters, these have been very popular and raise the profile of Living Lerwick amongst shoppers. Other stakeholders such as resident groups and shoppers could be targeted on a more regular basis.

The BIDS Good Practice Framework highlights that to maximise the impact and effectiveness of the BID it is important that the BID project team is able to draw upon support from a range of external parties and stakeholders, in particular the Scottish Government and local authorities. It states;

"For maximum results the BID project team should have a well established support network that it can call upon as required to resolve issues, provide support and guide activity".

The guide states the following as good practice examples;

- Issue regular newsletters to all businesses within the BID area
- Develop, and importantly regularly edit, a BID website that can be accessed by anyone with an interest in BID activity
- Issue regular press releases and news articles to the local newspaper
- BID Chair and/or Directors to write a weekly column for the local newspaper
- Host regular update of briefing sessions to which local businesses are invited
- Purchase advertising space within the local newspaper to announce key project milestones and successes

- Issue a formal annual progress review reporting against key performance indicators and financial performance
- Including the business names of the Steering Group/Board Members on all BID correspondence to remind businesses that it is not a public sector initiative, but driven by and for local businesses.

Living Lerwick undertakes the majority of these activities on a regular basis.

There are three main recommendations following on from the consultation and review of the business plan.

1. Newsletters should be distributed to members on a quarterly basis and uploaded to the website
2. An annual/bi annual survey of members should be undertaken to ascertain views on the progress of the BID and make suggestions for the way forward.
3. Business networking events and open business forums as detailed in the business plan should be undertaken annually or common interest meetings could be held annually instead as they generated a higher turnout and increased participation.

Outcome: Amber Rating

Communications with members has been reviewed to ensure more engagement, participation and feedback. Communication is a two-way process, Living Lerwick has used a variety of different communication methods to share lots of relevant information with members and offers an open door policy. However, experience has shown, the only way to fully engage members and gain useful feedback for Living Lerwick is to speak face-to-face but this is very time-consuming. Directors have the membership split between them. They have each been communicating with a number of businesses since May 2016. Given that an increasing number have chosen not to pay the levy it is even more important to ensure that they are fully engaged with and aware of the aims and objectives that Living Lerwick are trying to achieve and the progress made to date.

4. Financial Management

Consultees were asked for their views on the level and source of funds available to the BID, governance structures to manage BID finances and audit procedures to ensure accountability.

4.1 Financial Resources

Financial resources have come from three main sources.

- The levy collection
- Shetland Islands Council – revenue funding towards management and operational costs
- External funding for projects

The levy collection has been problematic since the start of the BID. To date no outstanding levies have been pursued or collected by the SIC. This has had a negative effect on Living Lerwick in two ways. Firstly, less cash reserves are in place to be put towards project activities and match funding for larger funding bids as no enforcement of arrears has taken place by the SIC and no outstanding money has been collected. Secondly, Living Lerwick have had to use more staff time under the CU Marketing contract to liaise with the SIC to produce lists of non payers and a way forward.

Also, under the operating agreement the SIC should inform the BID Company of the amount of BID levy monies collected every month and every three months the SIC should provide a breakdown of;

- the BID Levy collected in relation to each BID Levy Payer;
- details (together with the outstanding unpaid sum) of those BID Levy Payers who have not paid the BID Levy during those 3 months;
- details of the Reminder Notices issued throughout that period; and
- details of any Liability Orders obtained or applied for by the Council.

This information has not been passed to Living Lerwick in the format agreed. During the first two years of the BID information was passed on sporadically. The information available from the SIC system took a considerable time to collate as their financial system could not produce the information required in a simple format. In years three and four Living Lerwick requested copies of all members' statements in order to calculate themselves amounts paid and outstanding. This was time consuming and often missing statements had to be requested leading to further delays. Since 2016 the SIC have passed on a monthly report detailing all invoices and credit notes raised since the start of the BID along with the balance still due on each one. It does not provide details on how much has been paid in the month just an overall balance. The Living Lerwick Finance Officer assesses the report which is 70 pages long to ascertain correct amounts outstanding and compares it to the

previous months report to ascertain payment. This takes up a huge amount of time and is unlikely to change in the future unless the SIC purchases specialist software to run the required reports or commit the required staff time to do what the Living Lerwick Finance Officer currently does to ensure that the Legal Agreement is adhered to.

The issue of non payment of levies has escalated over the past three years. The table below shows the amounts still unpaid for years 1 to 3 as at 05 September 2016.

Year	Amount unpaid	% of levy income	No of members	% of members
1	£3,783	5	6	5
2	£6,467	9	14	10
3	£8,147	11	21	16

The table shows the amount of unpaid levy has increased year on year since year 1.

Steps are now being taken to collect arrears from years 1, 2 and 3 and ensure that 100% is collected in years 4 and 5.

In addition to the levy issue, two large funding bids were not successful. Living Lerwick had hoped by the mid-point of its term to be delivering larger projects that would leave a lasting legacy and ensure a successful re-ballot. Funding has been secured from SIC on an annual basis to help with BID management and operational costs. External funds, excluding core funding grants, have been secured from Lerwick Community Council, Awards for All, BID Scotland, Community Development Fund and World Host amounting to £49,678 for the first four financial years of the BID from 2012/13 to date. Including core funding grants the overall figure is £129,568.

Living Lerwick made a profit for the first two years of operation, for the third year ended August 2015 a loss of £12,158 was reported.

Outcome: Red Rating

The administration of the levy and enforcement of arrears needs to be addressed as soon as possible, the time taken to progress this issue has had a negative effect on Living Lerwick. This will enable Living Lerwick to consider how much external funding can realistically be secured and what projects can be delivered from the business plan over the remaining term of the BID. Every effort must be made to ensure Living Lerwick does not make a loss for year ended August 2016. Amongst other things this will affect future funding bids as three years' worth of accounts are required to be submitted along with most applications, and a loss making organisation is less likely to be considered for a funding award from external funding bodies.

4.2 Financial Governance

Living Lerwick is a company limited by guarantee and must produce accounts each year. Accounts have been prepared and filed with Companies House at the end of each year since 2012. Summary account information is included in the Annual Report prepared each year. Copies of current and past accounts as well as Annual Reports are available for download from the Living Lerwick website. These are circulated to all members each year.

Living Lerwick made a loss for year ended August 2015, following on from this stricter controls were placed on budgets. The Finance Officer prepares budgets and cashflows for the Directors. All project expenditure is approved by Directors after reviewing budgets. Any item of expenditure over £200 must be approved by a Director. Living Lerwick does not have a finance sub group as finance is the responsibility of the Operations sub group. All Directors are aware of the financial situation of the BID by receiving regular updates at Directors meetings.

Outcome: Green Rating

Living Lerwick has established good procedures for setting and sticking to budgets. Accounts are available from the Living Lerwick website.

4.3 Audit Trail

The Directors are regularly provided with budget breakdowns and updates. Directors are aware of the need to stick to approved and agreed budgets as there is only a certain amount of funding available. This is very important as the BID currently has less levy income available than anticipated. Draft accounts are prepared and Directors have the chance to comment before they are submitted as final accounts to Companies House.

Living Lerwick has clear processes detailing authorisation to spend. These are in line with BID Scotland Good Practice.

The level of delegated authority for spend could be increased to £500 against approved commitments, other BID managers have approval up to a £750 threshold.

The BID Manager prepares an end of year management report. This highlights what has worked well and what could be improved for the coming year. Suggestions have been made for staffing, training and organisational structure. Where these changes have been adopted positive progress has been noted.

Outcome: Green Rating

Living Lerwick follows clear processes for delegated authority. Budgets are drafted, approved and adhered to. Directors are aware of the costs of individual items within each project.

5. Project Activity

Consultees were asked questions about monitoring the projects of the BID and design of future activity.

5.1 Monitoring

The business plan identified five objectives with a range of projects;

1. Small Town, Big Heart
2. Park and Bide
3. Improve What We Have
4. Give a Little – Gain a Lot
5. Let's Keep Lerwick Safe

Budgets were set for the five objectives for each year of the BID term. The figures were based on a 100% collection rate for levies with a 5% contingency for non payment of levies built in. External funding could not be included in the business plan but it was assumed and accepted that some of the levy could be used as match funding towards larger funding bids that would enable bigger projects to be delivered within objectives 1 and 3 in particular. Funding from the SIC would contribute to management and operational costs leaving the majority of the levy to be used to fund projects.

At the end of year three 11% of the total invoiced levies were unpaid, in addition 9% of the year 2 total and 5% of the year 1 total remain unpaid. Overall 8% of total invoiced levies for years 1 to 3 remain unpaid. The amount of funds spent on project management increased from £10,000 in 2013, to £17,037 in 2014 and £21,495 in 2015. The increase reflected the extra staffing required and the amount of time spent providing information to the SIC on the non payment of levies as well as administration of the levy collection.

These issues have meant that less time and money were available to spend on projects and project plans have had to be amended accordingly.

Directors are provided with regular updates detailing progress against the five objectives. The updates provide information on projects under each objective. For example, the latest update outlines where the project/activity is at and what has happened in the last month for the five current projects/activities under "Talk for the Town", objective one and the four current projects under "Streets Alive", objective 1 and so on. The update does not include a measurement relating to the business plan as this document has measurements relating to the overall project such as "Talk for the Town". The business plan does not have quantifiable targets for measurements or benefits to businesses but states an increase or decrease to certain aspects. Directors should be provided with an update on progress against measurements and benefits to businesses in the business plan on an annual basis. This could include both quantifiable and qualitative aspects, and could be included in

the annual report which provides a fuller narrative on the activities undertaken each year.

The BIDS Good Practice Framework details how important it is for members to be kept updated including progress with projects, measurements against KPI's and new funding sources accessed. It states;

“It is essential that the BID area businesses are kept fully informed of the activity, performance and impact of project activity that is, in part at least, funded through their levy contributions.”

Consultees were generally happy with the level of monitoring undertaken on projects.

Surveys were undertaken after festivals and events to gauge success. Return levels were low but the information provided was useful and Directors were able to tailor future events based on the feedback. Some retailers and businesses providing feedback found it easier than others to gauge the impact of Living Lerwick events and activities on their footfall and sales.

Outcome: Amber Rating

Reduced income and increased costs have left Living Lerwick with a smaller than anticipated budget to spend on projects, however a wide range of activities have taken place and progress is underway on further projects. A more formal monitoring system is required to be able to measure the impact of activities undertaken as well as tailor future activities. This information can be circulated to members as well as stakeholders through existing communication channels. It is suggested this is undertaken annually.

5.2 Delivery

Consultees were happy with what has been delivered with existing resources. There was disappointment that larger sums of money had not been secured to deliver extra projects. The availability and accessibility of funding had altered significantly since the BID preparations began. The business plan only takes account of levy income when drawing up objectives and included a wide range of activities. Several projects have been successfully delivered under each of the objectives and many more are underway.

As the BID term has progressed the activity plan has been refreshed and updated in response to a number of factors such as feedback from members, budget considerations and other issues affecting viability of projects. The latest annual report for 2014/15 clearly details Living Lerwick's priorities for the coming year for each objective. Budgets have been drawn up for the year taking account of these objectives.

Outcome: Green Rating

Living Lerwick has a clear focus for what the activities of the BID should be on an annual basis. A recommendation would be to take account of annual reporting on progress against the business plan when considering priorities. To date income has played an important part in considering the focus, this is crucial but care needs to be taken to ensure that the impacts identified in the business plan have been achieved at the end of the five year term.

6. Maintaining BID Status

The BIDS Good Practice Framework includes a section on maintaining BID status. It highlights the following key issue;

Failure to maintain the support of the business base after the initial ballot is likely to result in a negative outcome in subsequent BID extension ballots.

Given that 16% of members failed to pay the levy in year 3 this is a serious issue for Living Lerwick to consider. It is anticipated that the majority of members will pay their outstanding levies once the arrears collection process starts however, that does not guarantee they would support the BID for another term.

The funding provided by SIC towards BID management and operational costs has been critical in supporting the BID so far. This funding could amount to a maximum of £100,000 over the five year term, subject to successful annual applications and claims. This level of funding may not be guaranteed for a second term. If no funding is available 100% of BID management and operational costs would have to be met from the levies collected as it would be difficult to find an external funder willing to fund project management and running costs. Based on the current figures this could mean around 25% of levies collected would be spent on BID management and operational costs.

If there are difficulties and delays in collecting levy income at a second term it would provide serious cashflow issues for the BID. These issues have had a negative effect on Living Lerwick since the start of the BID.

The BIDS Good Practice Framework identifies five key elements that can maintain the support of the businesses and BID status;

1. Deliver projects that make an impact and a difference
2. Maintain regular contact with businesses to inform them of key projects and activities and impacts
3. Develop marketing and communications material for distribution to businesses
4. Undertake a proactive press campaign with the local newspaper to ensure regular (positive) coverage on project activity and
5. Respond quickly and efficiently to all queries and complaints from BID area businesses

Based on the findings in this review. Living Lerwick regularly undertakes points 2, 3 and 5. Projects are being delivered that make an impact and a difference but this needs to be monitored and evidence provided to members. This information could be part of an updated targeted press campaign. However, the achievement of the

five points above may not be enough to ensure a successful outcome at re-ballot if the other main issues concerning finance are not swiftly resolved.

7. Conclusions

This report has presented a review of the current practice, operations and activities of Living Lerwick. It is designed to be a formal review against which changes can be identified that would improve the chances of the BID securing a successful re-ballot for a second term.

The table below shows a summary of the ratings for each of the areas evaluated.

Summary Review Table

Section	Area	Rating	Comment
2.1	Staffing	Amber	Current staffing levels are felt to be adequate. The main issue to be resolved is the amount of time staff spend on the administration and non payment of levies issue. If these can be resolved the BID can focus on project delivery for the remainder of the first term.
2.2	Board of Directors	Green	The current Directors all work well together. Since Living Lerwick started the Directors have found the most suitable structure to use in order to best deliver the actions in the business plan.
3.0	Communications	Amber	Communications with members has been reviewed to ensure more engagement, participation and feedback. Communication is a two way process, Living Lerwick shares lots of relevant information with members and offers an open door policy but more thought needs to be given as to how to engage members in order for them to feedback useful information to Living Lerwick. Given that an increasing number have chosen not to pay the levy it is even more important to ensure that they are fully engaged with and aware of the aims and objectives that Living Lerwick are trying to achieve.
4.1	Financial Resources	Red	The administration and collection of outstanding levies needs to be addressed as soon as possible. This will enable Living Lerwick to consider how much external funding can realistically be secured and what projects can be delivered from the business plan over the remaining term of the BID. Every effort must be made to ensure Living Lerwick does not make a loss for year ended August 2016. Amongst other things this will affect future funding bids as three years' worth of accounts are required to be submitted along with most applications, and a loss making organisation is less likely to be considered for a funding award from external funding bodies.
4.2	Financial Governance	Green	Living Lerwick has now established good procedures for setting and sticking to budgets. Accounts are available from the Living Lerwick website.
4.3	Audit Trail	Green	Living Lerwick follows clear processes for delegated authority. Budgets are drafted, approved and adhered to. Directors are aware of the costs of individual items within each project
5.1	Monitoring	Amber	Reduced income and increased costs have left Living Lerwick with a smaller than anticipated budget to spend on projects, however a wide range of activities have taken place and progress is underway on further projects. A more formal monitoring system is required to be able to measure the impact of activities undertaken as well as tailor future activities. This information can be circulated to members as well as stakeholders through existing communication channels. It is suggested this is undertaken annually.
5.2	Delivery	Green	Living Lerwick has a clear focus for what the activities of the BID should be on an annual basis. A recommendation would be to take account of annual reporting on progress against the business plan when considering priorities. To date income has played an important part in considering the focus, this is crucial but care needs to be taken to ensure that the impacts identified in the business plan have been achieved at the end of the five year term.

The review has identified that Living Lerwick is operating and managed well when evaluated against the criteria. Changes were made to how the BID operated in the early years to ensure maximum performance. Some areas have been highlighted where improvements can be made, these concern staffing, communications and monitoring. The area requiring most immediate attention is finance.

Living Lerwick faces an issue that could affect a re-ballot with non payment of levies from a proportion of members. Living Lerwick has been fortunate to benefit from support from the SIC Economic Development Service both financial and in-kind. There is no guarantee the financial support would be able to continue should Living Lerwick enter into a second term. In the absence of this support the levy would have to be used to fund 100% of BID management and operational costs. This would reduce the amount of project activity Living Lerwick would be able to undertake without external project funding.

The main aim of the Interim Review is to identify areas for improvements to ensure a successful re-ballot. These have been highlighted. The first bid term will run until August 2017. Living Lerwick must act quickly to make the necessary changes, particularly regarding the administration and collection of levies, and communicate these to members before committing to prepare for a second term.

Appendices

Questionnaire for BID Interim Review Consultees

1. Governance Arrangements

Staffing

1. Number of staff compared to the budget/levy
2. Role of staff – specific to BID or more general role in TC or LA
3. Amount of levy set aside for admin/management/staffing

Board

4. Number of Board Members
5. Number of sub-groups – topics/themes
6. Frequency of meetings/regularity of attendance
7. Protocols for removing Board Members
8. Board input – strategic guidance and/or project management

2. Communications

Levy Payers

1. What media forms are used
2. How frequently is contact made
3. What method/extent of face-to-face contact and feedback
4. How do you know if levy payers remain supportive of the BID

Local Authority

5. Named contact point
6. Frequency of contact
7. Level of support – political, strategic and/or operational levels
8. Extent of resource input – financial and/or others

Local Media – Newspapers/Radio

9. Frequency and method of contact
10. Level of support for BID

Other Stakeholders

11. Are all key stakeholders involved
12. Frequency and method of contact
13. Level of support

3. Financial Management

Financial Resource

1. What proportion of levy is collected
2. Additional budget available beyond the levy
3. Source of this funding
4. How much, in comparison to levy
5. Is it guaranteed or core income

Governance

6. Does the Board have a Finance Sub-Group
7. What process for approving and authorising spend
8. Do all project approvals require Board authorisation

Audit Trail

9. Who in the BID has responsibility for BID finances
10. Are all cheques/payments countersigned
11. Does all spend have a project authorisation – or is there financial delegated limits for BID Manager

4. Project Activity

Monitoring

1. Are there quantitative and/or qualitative targets in the Business Plan for the BID overall
2. Do individual projects have KPI targets
3. Do all projects have clear / agreed SMART objectives emphasis on M/T
4. What mechanisms are in place to monitor project impacts / outcomes

Delivery

5. How many projects is the BID team delivering
6. Does the BID team have a role in delivery of other projects – for LA/Others

7. How does project activity relate to that originally outlined in the Business Plan
8. Does the BID produce a year-end report and if so what is included, who gets copy and how much detail