

Living Lerwick

Working Toward Renewal 2026



Living Lerwick Business Improvement District - Background

Living Lerwick Ltd manages the Lerwick town centre Business Improvement District which operates to improve the physical, trading and community conditions in the area. Members last voted to renew the BID in August 2021 with a 74% 'Yes' vote.

2021 to 2026 is the third BID term, having originally launched in September 2012 with an 82.6% 'Yes' vote and a return in 2017 of 55% 'Yes'.

All business properties in the BID area which are listed with the Scottish Assessors Valuation Role for non domestic rates are automatically members of Living Lerwick under the Planning etc. (Scotland) Act 2006 (part 9), except where specific exemptions, as detailed in the BID proposal apply.

What Happens Next?

The Lerwick town centre Business Improvement District will go to member ballot in August 2026 for businesses to decide if they wish to carry on for a fourth term.

This Next Steps document sets out the remaining timeline for that process, and a summary of the questionnaire responses from Member businesses which will shape the format and delivery of services for that term.

The physical structure of the BID looks likely to change, due to clear feedback from those who responded to the questionnaire, and this does impact on the format and cost of services that can be provided. This is an opportunity for the focus of BID work to adapt and change to fit the landscape we operate in now, which has changed from when the BID first started in 2012. It does not mean the work of the BID cannot continue to develop and change during the next term, but rather that we focus planning on the items current members see as their main priorities for now.

Consultation to date

The consultation and activities to date in the journey towards renewal have been as follows:

- 6th January 2026 - Invitation issued to all members to attend Ballot Launch event
- 19th January – Letter to local authority declaring intention to put BID to ballot
- 19th January – Member meeting and presentation of BID Ballot timeline
- 19th January – Member questionnaire launched – issued by combination of post, email and manual distribution
- 20th January to 20th February – Member feedback through questionnaires and regular reminders. (46 responses from 147 businesses)
- March - analysis of Questionnaire responses
- 4th March – Contact other stakeholder organisations requesting letters of support for the BID
- 30th March – Next Steps document issued to members outlining key dates and revised BID format.

Questionnaire Responses

The Renewal Questionnaire issued to 147 members formed the basis for the structure, budget and operating plan for the next five-year term. 46 members provided full or partial feedback.

The feedback was largely positive in regard to the services provided to date, with the significant majority of respondents stating they felt Living Lerwick had had a positive impact on the town centre, and that there was a preference to continue all existing services. There were no specific suggestions for any new developments, though some suggestions for amendments to existing promotional practices were noted.

The key activities businesses noted as being beneficial going forward were:

1. **Promotion and Marketing**, including social media sharing, advertising support and shop local campaigns. A specific focus was on marketing support for service based businesses who do not rely on casual footfall.
2. **Environment and Events** was a priority, with members concerned about the visual appearance of the area, having a safe environment and ensuring all members benefit from visual amenities. Parking issues were also raised here.
3. **Increasing Footfall** was regularly referenced as a priority, though with events and environment linked to this, the indication is that increasing footfall levels is an outcome rather than an action in itself.
4. **Parking and Council Engagement** were referenced in tandem by around 25% of respondents.
5. **Revision of the BID Boundary** was a priority for a number of periphery location members who do not want to be part of the collective initiative.

Revision to BID Boundary

One aspect to note is the high level of respondents on the outer edge of the area requesting to be excluded from the BID. This needs to be taken into account, and has been addressed with a proposed revision of the BID boundary map.

35% of the 44 people who responded to the question did not feel the BID boundary was appropriate. In order for the BID area to remain viable, and services to be delivered in an efficient and properly coordinated way, the core area of the BID must remain as a cluster so only those on the edge have been proposed for removal. This results in the removal of up to 39 businesses and a corresponding decrease in levy income.

A revised BID Map will be produced providing a visual representation of the area. The proposed areas to be excluded are:

- **Market Street and North Hillhead**
- **Harbour Street**
- **Esplanade from Alexandra Building to Stewart Building**
- **Commercial Road from Harbour Street to Mill Lane**

BID Finance and Future Services

With no increase in levy charges for 14 years, and a real time increase in costs of 50.91%, members were asked if they would consider an increase in levy, or a standstill / reduction with corresponding reduction in service. A BID must be financially viable and able to deliver services with the levy charged. 50% of respondents were willing to pay an uplift.

Prior to a BID term beginning, there can be no guarantee of external funding sources to cover costs, so budgets must be prepared based on baseline service provision costs. The removal of businesses, and therefore levy income, will have an impact on funds and therefore services which can reasonably be delivered, though additional funding can be sought later.

In considering the priority services to continue, should there be a reduction in viable delivery, the primary goals were identified in the questionnaire as:

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|-----------------------------|--------------------------------------|
| 1.Flowers and bunting | 5. Gutter Cleaning |
| 2.Christmas lights and tree | 6. Holiday Trails |
| 3.Christmas parade | 7. Spend at da Street Loyalty Scheme |
| 4.Street events | |

Future Service Costs and Levy Charges

Baseline service costs have been calculated to continue the BID. With visual amenities being the highest identified priority to keep, and the impact that this has on the business and public perception of the area, these have been prioritised to continue. A scaled back promotional service has been maintained in addition to the popular Spend at da Street scheme. Staff support costs have been streamlined to cover coordination of these core services, with a small allowance for identification and development of additional projects and external funding applications. This will include the requirement to seek external funding or sponsorship for events and any other activities or project work.

A funding application will be submitted to Shetland Islands Council Development Service in advance of the BID term which will specifically request support for administration expenses, though additional support for assistance with visual amenities will also be requested.

In order to cover these costs, a 20% uplift in current levy fees would need to be applied to members. Levy 'bands' would remain the format of charges, based on Non Domestic Rateable values. While in previous years no inflationary increases have been applied during the term, this would need to change to include annual increases in line with the Consumer Price Inflation rate, taken at September 1st each year.

		Current Levy	New Levy
Office and Admin expenses	£11,100		
Environmental Enhancements	£33,200	£200	£240
External Promotional Costs	£3,080	£300	£360
Spend at da Street	£1,250	£400	£480
Staff Coordination Costs	£14,640	£500	£600
Contingency and Bad Debts	£11,400	£600	£720
TOTAL	£74,670	£700	£840
		£850	£1,020

Next Steps and Ballot Process Timeline

The next stage of the renewal process is to prepare and submit the formal BID Proposal documentation to Shetland Islands Council and the Scottish Government. Shetland Islands Council have the power to approve or veto this proposal, ultimately deciding if members will have an opportunity to vote in a renewal ballot in August.

The ballot timeline is dictated by legislative deadlines for action, but also partly by local authority committee meeting cycles and paper deadlines.

Further activity will be scheduled as follows:

- **6th April** – Submission of draft BID Proposal to Scotland's Improvement Districts for feedback
- **1st May** – Submission of final BID Proposal to Shetland Island's Council and Scottish Government
- **1st May** – BID submits written instruction to local authority to go to ballot (98-day notification)
- **21st May** – Shetland Islands Council meet to decide whether to accept or veto BID proposal (Continuation of ballot process only on the basis that Shetland Islands Council approve the BID proposal)
- **May / June** – Development and publication of Living Lerwick Business Plan 2026 – 2031
- **18th June** – Shetland Island's Council publish notice of Ballot
- **9th July** – Ballot Papers issued
- **20th August** – Final day to return ballot papers
- **21st August** – **RESULT Announced**



Questions and Feedback

With significant changes expected to the structure and service delivery possible in a fourth BID term, Living Lerwick Directors and the Project Team appreciate there will be questions and concerns from member businesses.

We welcome all feedback and encourage you to get in touch to discuss your questions. There is still time to discuss the finer details of the support services which can be offered and integrated into the preparation of the Business Plan during May and June.

To arrange an appointment or visit with a member of the team, please email info@livinglerwick.co.uk with your availability.



Next Steps - FAQ's

Who pays for the BID?

The BID is paid for by the collective member businesses – each sharing the costs of making our town centre better for everyone. Member businesses who occupy premises within the BID boundary with a non domestic rateable value are charged a levy based on the banding of their non domestic rates.

Can I opt out – or in?

If your property remains in the core area of the BID and the ballot returns a YES vote, then you cannot opt out of being a member. The democratic process is binding. If you are on the periphery of the BID area and you would like to be included on a voluntary basis, this can be considered on application.

When is the Ballot Decided?

Ballot papers will be issued on 9th July. These must be returned by 5.00pm on 20th August. The results will be collated and announced on 21st August 2026.

What Happens if the Ballot returns a No Vote?

In the event of a 'No' vote, the Lerwick Town Centre Business Improvement District will cease to operate as of 31st August 2026. There will be no collective support service provided; no coordinated marketing of town centre businesses and services; no summer flowers or bunting; no coordination for Christmas lights, tree or parade; no representation of businesses views to stakeholders and no simple option to reinstate any of this at a later date.

What Happens Now?

The timeline stated in this document will be followed, with documentation prepared and submitted as required.

Will a new term cost me more?

The honest answer is yes. With no price increase for 14 years and inflation at 50% over that time, the ever increasing costs for services can no longer be sustained without a significant increase in charges. With the removal of a number of properties from the BID area, this adds further unavoidable cost increases for remaining members.

How is the Ballot decided?

All eligible members will receive a ballot paper by post. There is no option for an online vote, but you can appoint a proxy. A minimum of 25% of businesses by both physical number, and rateable value, must vote in the ballot for it to be a valid vote. There are currently 147 member businesses in the BID area and a simple majority of voting members must vote 'YES' in a valid vote in order to progress to a fourth term.

Who will Manage the BID?

The BID is overseen by a board of volunteer Directors, made up from Member businesses. Day to day operations have been carried out by Realta Events Management since 2018, however the contract will go to tender for a new Project Manager for a fourth term in September.