Stratford-upon-Avon (SUA) Business Improvement District (BID) Initial Response to Health Check Report by Andrew Cooper October 2022

Andrew Cooper's wide knowledge and expertise in the BID industry is recognised. He not only helped establish a BID in Stratford but he is closely associated with the Institute of Place Management (IPM) and BID Foundation (BF) - two key organisations in the BID world - which Stratford upon Avon BID already work closely with.

The SUA BID Board welcomes his observations as part of their work to prepare the organisation in readiness for 2023, when it will publish proposals for a fourth term, prior to a renewal ballot in the autumn.

Indeed, the SUA BID is currently carrying out a series of reviews of its own to ensure the most appropriate Business Plan possible is developed and published in the Spring for consultation prior to the ballot of members.

One of the major strengths of BIDs is that by having a five year cycle they constantly have to evolve and develop to reflect the ever changing needs of their members, locality and of course the current economic situation. A Business Plan for a post pandemic, post Brexit Stratford facing a cost of living crisis and likely recession, is going to be necessarily different from previous ones.

Whilst happy to receive this report, it should be noted that the SUA BID Executive and Board (as an entity) were not at any time approached by Mr Cooper for assistance in writing it. The Chair and one recently appointed Board Director were contacted to ask for a “chat”. However, this was initially without details of the remit or timescale of his work, so an invitation to have face-to-face meetings with both the Executive and Board during November was extended to him. The Board was not aware at that time that Mr Cooper had only been commissioned to conduct a remote paper-based report on a very tight timescale. The Board feels the declining of this invitation was a missed opportunity by Mr Cooper to formulate a fuller and more accurate report.

It also wishes to state on record that although it absolutely recognises Mr Cooper's expertise and established links with Stratford - giving him a unique insight into the workings of the town - it could be argued that this is therefore neither an independant or objective report.

Having said all that, the Board agrees with many key points of the report. In particular, how vital BIDs are to town centres and how important it is for businesses to work together and alongside stakeholders for the best outcomes. Some would say that the challenges facing our members have never been greater and BID support is never more important - which is why a fourth term BID in Stratford is so vital.

Having received this report on Monday 7 November, the Board reviewed its content as part of its scheduled November meeting on Tuesday 8 November. Below is its initial feedback. For ease, at this time it has taken the Section 8 recommendations and made its response to each point in turn in yellow.

8.0 Recommendations

8.1 This Report

8.1.1 That the findings and recommendations of this report are shared with the Business Improvement District Chair in person by the Stratford-upon-Avon Business Action Groups before being widely publicised. Some of the sensitive issues raised in this report can then have an opportunity to be addressed.

The Chair and SUA BID Board appreciate the opportunity to see this report before publication.

8.2 Articles of Association and Board representation:

8.2.1 Carry out an independent review of the current Articles of Association to ensure they are fit for purpose and match the Business Plan objectives.

A review of the current Articles of Association is already underway. This is standard good practice in the industry prior in the run up to any renewal ballot. Any proposals for change to the current Articles - including size and make-up of the Board which Mr Cooper refers to in his report - will be set out in the renewal Business Plan during consultation in Spring 2023, along with proposals coming out of other reviews currently underway.

8.2.2 Ensure 80% of the Board are levy payers.

The SUA BID Board is made up of predominantly levy-paying businesses, representing a cross-section of businesses within the SUA BID area. We always ensure that they make-up at least 80% of the Board. Currently it stands at 81%.

8.2.3 Remove Board observers.

Having Observers aligned to a Board is good practice widely used by BIDs to bring additional knowledge and expertise into the Board Room. In particular, it assists with making quick and informative decisions in Board meetings, rather than having to defer decisions to gather more information.

The SUA Board has four Observers. They are senior officials from each of the local authorities (STC, SDC, WCC) plus the Chief Executive of Shakespeare's England, the Destination Management Organisation (DMO) for the region. It should be noted that the DMO is a private limited company that also sits on the Board of the Coventry and Warwickshire Local Enterprise Partnership.

Removing Observers would undoubtedly slow down and diminish the quality of decision making. All Observers are clearly identified on the website and at all meetings. They do not have voting rights and have to follow the same strict rules applied to all Board members, including signing a code of conduct and declaring conflicts of interest.

8.2.4 Implement a clear policy of the period of service for Directors including maximum time of service on the Board.

Board Directors now serve for a period of three years and thereafter their position comes up for election at the next Annual General Meeting (AGM). To keep continuity on the Board, the three longest serving Board Directors step down at each AGM. Directors can get re-elected back onto the Board, but only through the election process. This ensures there is always a way for new Board Directors to join the Board.

8.2.5 Include voluntary levy payers on the Board and ensure they do not exceed 10%.

Voluntary levy payers are important to any BID. Not every business in the designated BID area is necessarily an automatic member. Those who do not meet the criteria can however choose to be a member. They do not have the same rights as a full member, but they do have a voice that absolutely needs to be heard. SUA follows best practices and has a voluntary levy payer on the Board.

8.2.6 Continue to ensure 20% local authority representation. This could be officers instead of politicians or a mixture of both. Having the Chief Executive of the District Council or Senior Local Authority Directors could be beneficial in creating communication and stability.

The BID Board already adheres to this and ensures that no more than 20% of the Board is made up of local authority representatives. The Board has three local authority representatives. This equates to one representative for each local authority that operates within the town centre ie STC, SDC and WCC.

In addition, the Board also makes sure if it has apologies from members of the Board which would leave the local authorities with more than 20% of the vote the number of votes the LA members would have is reduced for that meeting to make sure the 20% rule is adhered to.

8.2.7 Appoint a recruitment consultant to ensure Board positions are advertised and recruited ahead of the AGM, mitigating against vacant positions for long periods of time.

SUA BID has a clear and transparent policy on recruitment to the Board which works. All vacancies are advertised as soon as practical after a Board position becomes vacant and are sent to all BID members.

Candidates who put themselves forward are interviewed to make sure they understand what they are taking on, and to ensure the best possible fit for the Company. Once this has been done, a shortlist is put forward. All members in attendance at the AGM meeting can vote on shortlisted candidates. If a Board position becomes available between AGM meetings we follow the same recruitment process but the candidates are voted for by the existing Board members to ensure vacancies are always kept to a minimum. Company updates are communicated regularly to the membership through the weekly e-newsletter, updates to the website and via social media.

As a medium sized BID, it is not felt that it is neither necessary or appropriate to pay for an agency to oversee this task, particularly with so many Board directors having experience in recruitment and a strong HR committee in situ.

8.2.8 Reduce the number of Board positions and ensure they are proportionate to the levy paying sectors. For example, if sectors are split 20% public sector, 50% retail, 20% restaurant and leisure and 10% others, then this should determine the proportionate make-up of the Board.

The Board make-up is determined by the Articles of Association and indeed aims to reflect the proportional breakdown of the membership by sector. A fresh detailed analysis of the current membership, which of course changes with time, is being done now as part of the Articles of Association review underway.

8.2.9 Consider the appointment of a paid Chair in future, who can be more strategic and slightly removed from the day-to-day issues of the place. (While I normally would not go down this route, as most Directors give of their time voluntarily, it may assist the Executive to have a paid resource to support the BID on the road to renewal and navigate the current set of circumstances.)

All Directors are volunteers and do not receive any remuneration for their position. BID Boards are voluntary organisations run by and for the levy payers within the BID area. The idea of paying for a Chair is against everything the BID stands for.

8.3 Governance

8.3.1 Implement the 11 BID Industry Standards established by The BID Foundation and apply for accreditation.

This is a relatively new but important industry accreditation scheme. SUA BID has been working towards its accreditation for several months and was delighted to achieve the Kite Mark proving it met the industries' highest level of governance standards earlier this month. Full details can be found at https://stratforduponavonbid.co.uk/governance-and-legal-documents/

8.3.2 Carry out an independent financial audit ahead of the AGM.

As per best practices the BID carried out an independent financial audit of SUA BID earlier this year. Full details can be found at https://stratforduponavonbid.co.uk/governance-and-legal-documents/

8.3.3 The BID Board should investigate accusations of nepotism levelled at the Executive and report back openly on their findings.

SUA BID has robust recruitment processes to ensure openness and fairness at all points.

All BID recruitment, including interviews, are undertaken by a 4-strong HR Sub-Committee appointed by the Board for their experience and skill set in this area. The BID Board is lucky to have numerous members with relevant experience in this field. The BID also retains the services of an HR consultancy (Avensure) to advise the HR Sub-Committee and Board on HR matters and recruitment.

8.3.4 Enhance the Governance area on the website in conjunction with the 11- BID Industry standards.

This has already been completed https://stratforduponavonbid.co.uk/governance-and-legal-documents/as part of the work to achieve the Kite Mark

8.3.5 Publish the procurement policy of the BID which links to Page 20 of the Business Plan and the £10,000 spend.

This has already been completed and is on the website in accordance with the Industry Standards https://stratforduponavonbid.co.uk/governance-and-legal-documents/

8.3.6 Publish all historic 'filleted' accounts on the website along with the annual billing leaflets, annual reviews and historic documents.

This has already been completed and is on the website in accordance with the Industry Standards https://stratforduponavonbid.co.uk/governance-and-legal-documents/

8.3.7 Ensure the billing authority fulfils its mandatory requirement to chase down outstanding BID debt on behalf of the BID (July 2022 – it was 20%)

As identified in the report the pandemic and lockdowns severely curtailed members' ability to pay their levy charges to BIDs nationwide. It is only in recent months that collection levels, and chase processes, are returning to normal. Currently we have a 85.9% collection rate for this financial year and 95.4% overall collection rate for this BID term. We are working closely with SDC, which collects the levy on our behalf, to ensure maximum income is achieved. We are also working very closely with individual members who owe money for this year, and previous years, to ensure they can pay in a way they can afford (e.g. payment plans) rather than face litigation.

8.3.8 Create a register of all pecuniary and personal interests. This may already exist but was not available on the governance section on the website.

This has already been completed and is on the website in accordance with the Industry Standards https://stratforduponavonbid.co.uk/the-board/

8.3.9 Implement an annual training session for BID Directors, making them aware of their legal responsibilities and update Directors on the BID industry landscape and legislation.

This was undertaken earlier in the year by the current Board, led by British BIDs scheduled to repeated again in 2023, probably after the AGM to maximise benefit to new Board members

8.4 Market & events

8.4.1 For the BID to commission the IPM/NABMA to carry out an independent assessment of the markets in the town, which falls into its 'representing' priority of the Business Plan.

Stratford upon Avon's Market contract is managed by STC and SDC - the BID have no management control over the markets. If STC and SDC saw fit to order such a review the BID would support this in any way it could. It is suggested that anyone interested in seeing such a review should write to STC and SDC requesting this.

8.4.2 The BID should work with the market operator and the BID should lead and create an events strategy for the town. This could be a key pillar in their Term 4 Business Plan.

A comprehensive events strategy working with all partners (through a recently created Strategic Partnership Initiative) within the town is currently in development for 2023 and beyond. The 2022 unitary Christmas Lights Switch on on 19th November is an early example of how bringing stakeholders together can create a better and more joined up approach to events.

8.5 Executive Support

8.5.1 Create a system outside of the Board meetings to support the well-being and professional development of the Executive.

The Executive has access to HR, peer and mentor support from the Board, the HR committee, an outside HR provider, British Bids, the Institute of Place Management, the Association of Town Centre Managers and the BID Foundation.

8.5.2 Appoint a senior mentor for the BID Manager.

We are fortunate to have one of the most experienced and long serving BID Managers at the helm of SUA BID. She works closely with peers at British BIDs, the BID Foundation, the Association of Town Centre Managers and the Institute of Place Management as well as having access to Board members.

8.6 Business Plan

8.6.1 Review the 'shop window' of the BID which is predominately its website. Consider the audience it is speaking to and have a clear marketing strategy for the levy payers and the consumer facing campaigns and initiatives.

SUA BID's website is constantly under review and updated accordingly to ensure it is maximising communications with members and outside audiences. A new full time permanent marketing person was appointed earlier this year. This has led to parts of the website being under development to ensure it does indeed provide a better "shop window" to the organisation and its work. The site has now been accredited as part of a recent governance review by the IPM. As a result of the overhaul traffic to the site has increased. It has had 26,000 views over the last 90 days with users interacting with a combined 81,000 pages

8.6.2 Seek to use this report and the Business Action Groups' energy to recalibrate the BID for the future. Engage with all stakeholders both physically and through digital interactions. Get everyone back on board, so there is a collective objective to see the town succeed and perform well.

There is no doubt that it is vital for all stakeholders and businesses to work together for the best outcomes for the town. The town and the businesses have had knock back after knock back in recent years and faces even more serious challenges going forward.

The BID has a positive relationship with many stakeholders in the town already. SDC, WCC, STC, The Town Trust, the RSC, The Birthplace Trust, Shakespeare's England all sit on the Board. But it also works closely with many others like the police, Stratford in Bloom and Stratford Christmas Lights Ltd.

Interaction with levy payers is paramount. A BID is effectively a membership organisation. It exists to represent its members . During the pandemic many of the traditional methods of communication with members had to be suspended, but in recent months SUA BID have reinstated and indeed expanded these.

They include: dozens of daily visits to member businesses by the BID Manager and Ambassador Team; weekly newsletters to all members; weekly drop in sessions at the BID offices each Wednesday; quarterly levy-payer meetings open to all members; regular meetings of sector specific groups - including hair and beauty; nationals & retail; hospitality and accommodation; the professional sector. All meetings are published in the weekly newsletter and on the website https://stratforduponavonbid.co.uk/levy-payer-meetings/.

In addition, the popular Street Rep system is being reinstated whereby members can in the first instance talk to someone nominated on their street about issues important to them. Ambassador Tours and quarterly daytime and evening security meetings for members with the CCTV/ police/SDC are also back up and running.

The BID interacts with Levy Payers in many different ways - it recognises that each levy payer has different requirements from the BID and different preferences when it comes to communications.

It calls on all its members, including those associated with BAGs, to utilise these facilities open to them to engage and help steer the organisation towards outcomes for the benefit for all

8.6.3 The BID should seek additional professional support in the area of marketing to assist the Executive in navigating the complex consumer facing brands in their area.

As stated, SUA BID has recently appointed a new full-time permanent marketing specialist. She is already working with the Marketing teams of other key stakeholders within the BID area (including those involved in the Strategic Partnership), and wider region, to ensure marketing plans are aligned for maximum impact and benefit to the town and membership in the future. Plans are also in the pipeline to reinstate the former Stratford PRO Group (SPROG), which BID formally ran, to bring a talented set of marketing individuals from a range of organisations in the town to work together and plan future marketing activities.

8.7 Independent facilitation

8.7.1 I strongly believe that good can come from periods of disquiet and upset. Having an independent person to chair a meeting and hear grievances would be a healthy thing to do. Appointing an independent facilitator could support both the BID Executive, the BID Board and the businesses in the town to move the situation forward.

Although the BID feels it provides a wealth of opportunities for members to have input into the organisation, and is happy to meet formally with BAGs representatives (various informal meetings have already taken place), it has no objection to this proposal. It is willing to look at anything that gets everyone talking and working better together for the good of the town.

9.0 Conclusion

When the ‘Business Action Group’ from Stratford-upon-Avon called me to carry out an independent review into the town’s Business Improvement District, my radar instinctively concluded that all was not well. To have a group of 80 businesses coming together, demonstrates a groundswell of support to act and see change.

What is clear is that this group is **not** anti-BID.

Like every other town and city in the UK, Stratford-upon-Avon is recovering from Covid-19 and wants to see stability return. Stratford-upon-Avon is a town blessed with many assets and attractions and yet there is disquiet about the Business Improvement District and how it represents its members. The markets, parking, trust in the BID Board, governance, nepotism and the neglect of the local residents are just some of the concerns aired to me.

As a professional in the Industry, it is my desire to all BIDs succeed. Stratford-upon-Avon is also a town close to my heart and a place that I used to call home. I do not wish to see a ‘civil war’ and therefore I strongly advocate that the BID works closely with the Business Actions Group to reconcile differences to work collaboratively and collectively for the good of the town and its external reputation.

By not doing so jeopardises the future of the BID and the external reputation of the town. There are 330 places in the UK where BIDs are well-established, and Stratford is in a privileged position of being in its third term with the fourth term on the horizon. By not coming together, a fourth term could mean the alternative of a failed BID and a loss of investment and energy. Very few BIDs fail at renewal as they become well established and understood. Stratford-upon-Avon with its international profile does not want to find itself in position of failure.

Instead, Stratford-upon-Avon should be punching well above its weight due to its standing in tourism, international profile and the talent of the people who work and retire in the town. However these natural advantages are being subsumed by local dynamics and political and commercial self-interest, which is damaging but could be avoided.

Since 2008 there has been an above average number of BID managers employed by the Stratford BID which has destabilised the BID and affected its ability to deliver and be nimble. There have been over 35 Board Directors since its inception. This appears from the outside to be very high.There is great opportunity to use the recommendations in this report to recalibrate and unify the business community and the Business Improvement District. This is my intention in writing this report.

Failing to do so will risk a failed BID and fragmented business community. I sincerely hope that the business community in the town unites with the political leaders and business leaders, working with the local authority and established institutions to drive the town forward.

Although the BID Board was happy to receive input from someone obviously so experienced and passionate about BIDs and Stratford - particularly at a time when it is starting drawing up plans for a fourth term - it is extremely concerned that because Mr Cooper was not able to accept an invitation to meet the Executive and Board his report is one-sided and inaccurate.

It is also concerned that the report paints a picture of widespread and extreme division between businesses, stakeholders and the BID in the town - a picture which the BID simply does not recognise. There are issues and differences - there always will be anywhere - but to talk of "civil war" is grossly misleading and unhelpful. Again, if he had taken the time to visit the town and speak to the wider membership, the Executive and the Board he would have found this.

SUA BID is more than happy to engage with BAGs the committee members who commissioned the report, to move the discussion forward. It would like to arrange a meeting with them at the earliest possible opportunity to discuss the report and its response.

However, it also needs to make it clear that SUA BID is there to represent 450 member businesses and not just those who shout the loudest. It has extensive protocols in place to communicate with all its members in a fair, balanced and effective way to ensure it is doing the work that the membership has directed it to do.

It should also be noted that it is only since receiving this report, and following a request from the Chair, that the committee representing BAGs has formally identified itself to SUA BID. However, at this time we are not able to verify how many of the 80 members they claim to have are actual levy paying businesses and part of the SUA BID membership. We hope this information will now be forthcoming so we can work with them individually and collectively going forward.

SUA BID is committed to continued open and constructive discussions with this group - and many other groups in the town - in the run up to the ballot next year, to ensure the best outcome for the town. As Mr Cooper so rightly and repeatedly states, we are lucky to have a BID and we must work together to ensure it continues and delivers what its members need.

Stratford-upon-Avon Business Improvement District

Health Check Report

October 2022

Report commissioned by

Business Action Groups, Stratford-upon-Avon.

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1.0 About the Author

Andrew Cooper has been working with Business Improvement Districts and Place Management for over twenty years, proceeded by a career at Boots The Chemist. Andrew is a Senior Fellow at the Institute for Place Management and was appointed a High Street Task Force Expert in 2020.

Andrew is currently the Chief Executive of Leeds Business Improvement District, the largest BID in the UK outside of London. He successfully secured its first renewal in 2019 with a 61% turnout and 93% positive endorsement.

Andrew established the Business Improvement District in Stratford-upon-Avon in 2007/2008 following the successful revival of the Town Management Partnership. Andrew, in conjunction with Warwickshire County Council appointed the first BID Manager for Stratforward in 2007.

Andrew established Bath BID and navigated it through two successful ballots. He was the inaugural Chair of the BID Foundation and is currently an active member of the Northern BIDs group.

Andrew has supported numerous places and mentors several Chief Executives in the BID industry. This has included Bradford, York, Blackpool, Bath and Grimsby, and he recently guided Wakefield BID through its first renewal in 2021. He lives in North Yorkshire with his wife and daughter.

www.orangemaid.com

Photo Credit Jo Richie/LeedsBID.

2.0 Introduction

This independent report has been commissioned by the Business Action Groups in Stratford-upon-Avon. The brief was to carry out a desk-based piece of research on the Business Improvement District in the town of Stratford-upon-Avon.

The research covered;

- Board Directors Responsibilities
- Governance of the Board and the Business Improvement District
- External perceptions of the BID and its programme of delivery
- Example of best practice and Industry Standards (drawing on my knowledge of BIDs across the UK)
- To make objective recommendations.

Research was carried out during the period 24th October 2022 – 3rd November 2022. Information was gathered from

- from public websites.
- my knowledge of establishing Stratforward BID and interaction with the Executive over the years and
- through Director interviews past and present.

The intention of the report is to bring an independent, objective, and constructive view that will assist the current Board and Executive to work with the Business Action Group. Having a business community that is 'together' and in step with BID will assist the BID delivering its Business Plan and attaining a fourth Term.

3.0 Business Improvement Districts – UK History.

Business Improvement District (BIDs) are a concept that first started in Canada in the 1970s, developed further in the United States, before reaching the UK formally in 2004. BIDs are not-for-profit, non-political organisations, established to serve the places in which they operate under the Business Improvement District Regulations 2004. [1]

Most BIDs are established as Companies Limited by Guarantee, although there are a few in the UK that are Community Interest Companies. BIDs standalone from the statutory bodies, such as the Council and the Police, but work in collaboration and partnership with them.

BIDs are a tried and tested solution to mobilise all stakeholders in a place with the aim to work collaboratively for the collective good in addressing the challenges or objectives of the town or city. The business community comes together to develop a proposal for a 5-year business plan, that is then put to a ballot. If the ballot is successful, a BID is formed. Through a BID, the potential levy payers are voting for acting and creating new investment. This investment is clearly set out in the business plan, therefore there is accountability and levy payers can judge a BID on its results with clear discernible outcomes.

Over 330 [2] places in the UK and Ireland have taken this course of action, establishing BIDs to address projects that include marketing and festivals, crime reduction, innovation and creativity, business advocacy, costs saving projects and new environmental projects to benefit all.

Warwickshire was forward thinking in its establishment of BIDs. Rugby First, was one of twenty BIDs in the initial UK pilot. Warwickshire County Council established a development fund which saw BIDs develop in Stratford-upon-Avon, Rugby and Royal Leamington Spa. Now 20 years on, BIDs have grown across the UK with some now in their fourth terms.

BIDs were instrumental during the pandemic, as their local understanding of the business environment was critical in assisting and supporting businesses with the challenges Covid imposed on them. The Government recognised the importance of BIDs through the awarding of a 5% levy grant. [3] Local authorities also worked closely with BIDs supporting grants for businesses and mobilising the Welcome Back fund and Eat Out to Help Out schemes. While the pandemic distracted

BIDs from their business plans and most were impacted financially, BIDs stepped up and were well placed to support in a crisis. This can be quickly forgotten, but requires recognition.

Business Improvement Districts were formed during the Blair government. They receive cross party support. The regulations have not been amended, but organisations like The BID Foundation [4] continue to work closely with the Department for Levelling Up, Housing and Communities (DLUHC) to lobby on behalf of BIDs and the successful work they undertake.

1 The Business Improvement Districts (England) Regulations 2004 (legislation.gov.uk)

2 The BID Foundation/IPM State-of-the-art review of BIDS 2019
https://placemanagement.org/media/143540/BIDs-Report-Final.pdf
UK BIDs Map
https://www.placemanagement.org/the-bid-foundation/our-members/
https://cdn.britishbids.info/publications/National-BID-Survey-2021-Final22.pdf

3 https://www.gov.uk/government/news/6-1-million-funding-boost-to-help-high-streets-and-town-centres-through-pandemic

4. https://www.placemanagement.org/the-bid-foundation/

4.0 History of Stratforward BID

The foundations of the BID, Stratforward, started with the re-emergence of the Stratford-upon-Avon Town Partnership in 2003. Through a programme of funding from the private and public sector, the partnership became an established voice in the town and a force for good, delivering projects with tangible outcomes. At the time Warwickshire County Council, developed a fund for establishing BIDs across the county and in 2007 the Town Partnership started the work of laying the groundwork for a BID. Originally the town was going to vote in Autumn 2007, but instead the vote happened successfully in Spring 2008 and a new BID was created. The name of the BID was 'Stratforward', bringing together the name of the town and its advancing trajectory.

Term 1 2009-2014

The Term 1 Business Plan is no longer listed on the BID website. Archiving documents on a BID site does show the history and the journey of the BID. Term 1 built upon the work of the Town Management Partnership, but with the certainty of funding. The BID was c128th in the UK.

Term 2 2014-2019

The Term 2 Business Plan [1] can be found openly on the website. Its key objective was to drive footfall and spend into the town. The budget of £2.24m over five years covered 5 themes; events and festivals, marketing promotion, town hosts, business support and street improvements.

Term 3 2019-2024

The Term 3 Business Plan [2] can be found openly on the website. A total of 172 [3] votes were cast and 121 in favour and 51 against. Turnout was 40%. The vote occurred before the pandemic. While a strong positive endorsement, one would expect a well-established BID to have a greater turnout. There are now over 330 BIDs in the UK and clearly only a percentage of these have achieved what Stratford has achieved in getting into a third term and a fraction into their fourth. Like all BIDs the challenges of Covid-19 has meant a redirection of support and delays to levy payments received, which has affected the delivery of the Business Plan. Many BIDs now are in a strong financial position in terms of levy collection but are playing catch up.

The current priorities for the Stratforward BID are;

1. Hosting
2. Promoting
3. Saving

4. Representing

Levy income is £2.21m over the five-year period.

Renewal is on the horizon for a fourth term for Stratford-upon-Avon

Term 4 2024-2019

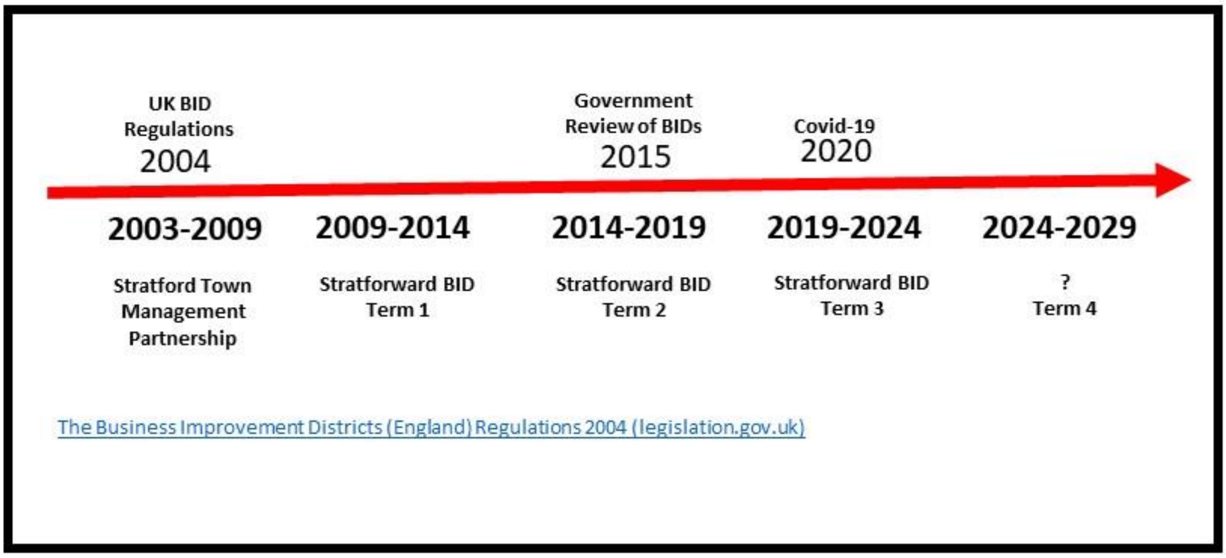
There is no indication of any renewal date in the public domain.

1 https://issuu.com/stratforduponavonbid/docs/stratforward_business_plan_2014_to_2019_1_

2. https://issuu.com/stratforduponavonbid/docs/bid3_business_plan_2019-24

3. https://www.stratford.gov.uk/news/press.cfm/archive/1/item/136695

5.0 Timeline and legislation



6.0 Governance, Directors' Responsibilities, and Industry Standards

6.1 Number of Board Directors.

There are 15 Directors listed on Companies House and 16 positions shown on the website [1a], 5 of these are permanent voting members. The Articles of Association state the minimum number of Directors should be 4 and maximum can be 16.

16 Board Directors appears excessive for the income size of the BID. LeedsBID, the largest BID in the UK outside of London, has 10 non-Executive Board Directors, Sheffield BID has 13 non-Executive Directors, while Huddersfield BID has 10 non-Executive Directors.

6.2 Make-up of Board Directors

Industry Standards (number 4) states that a BID should state the names of Board Directors, the names of their business and the sector they represent. This is not clear on the Stratford BID website. What is the proportionate make up of Board Directors and how is this reached? Also, why do 5 permanent voters carry 31% of the Board? While not all permanent voters are statutory authorities, it does look imbalanced. Board Directors are there to oversee good governance of the BID company, supporting the Executive team in the execution of the Business Plan. A Board should be made up proportionately of the sectors of the community it represents.

6.3 Levy paying vs. non-levy paying Board Directors

Board Directors can be levy paying Board members, i.e. the organisation or business they represent pay the levy and therefore have a vote at renewal, or non-levy paying Board Directors i.e. they make a voluntary financial membership contribution, but they have no right to vote when the BID comes up for renewal.

Best practice would recommend that 80-90% of the Board should be levy paying businesses and organisations. It is levy paying businesses who vote for the BID and therefore should have a stronger stake in overseeing its governance. To have non levy payers on the Board is healthy, but proportionately it should be less than 10%.

6.4 Representation of the local authorities on the Board

The local authorities, as the articles state, should not dominate, limiting their influence to 20%. Currently three councillors from the three local authorities sit on the Board, equating to 19%

6.5 Chair of the Board

It is advisable to have a Chair who is objective and slightly removed from the day-to-day combat of place issues. This enables the Chair to be strategic and more 'we than me', looking out for the broader interests of the BID and the town, seeing the bigger picture.

Not all positions on the Board are filled, most noticeably the independent sector, which are often the most vocal in any town or city. It is vital that all parts of the business community are involved and included. I note in the newsletter (w/c 24/10) that an advert was issued for applications to join the Board to be sent to the Chair.

The current Chair of the Board is Peter Monks, with whom I had an email exchange and offered to speak to as part of this review. I also spoke with ex-Board Directors Kevin Taylor, Paul Ruston and Steve Halford. I also requested a chat with current Board Director Rachel Arkle from Boots The Chemist.

Sadly the current Board Directors did not speak with me, but wanted to put the request to engage before the Board first. I explained that Business Action Groups were not anti-BID and wanted to have a constructive independent view to support the BID Board going forward. Instead, I was asked to meet in person with the Board Directors and The Bid Manager later in the month. Meeting face to face was not in the scope of my brief but something I have included in the recommendations.

6.6 Board Attendance and Board Observers

I also note that what is not listed or clear on the website is the fact that at Board meetings in addition to Directors, there are two or three observers. This happens with other BIDs, for example Canterbury, but it is made very clear on their website.

My understanding is that Shakespeare's England (The DMO 1) and the Town Clerk attend Board meetings. This means that the weight of public sector representation at the BID meeting is increased above the specification in the articles.

If observers speak in the meetings, they can influence. They also may not declare their interests as other Non-Executive Directors should do. Are Board observer levy payers, or do they make a voluntary-levy contribution to be at the table? This needs to be clearer. Observers are not Directors and can in my experience influence without the ramifications of being accountable.

My recommendation would be to remove Board Observers from the meetings.

6.7 Board Directors - period of service

The period of service for Board Directors is usually stated in the Articles of Association. A concern raised was the lack of strategy around board recruitment and a lack of transparency around succession planning. A BID should want to ensure it is supported with the brightest minds and talent from the town and that there is clear opportunity to put oneself forward. Having a 'turn over' policy is wise. For some BIDs, directors serve a two-year period and are then elected annually thereafter. Others will try and ensure a stable board for the term of the BID to ensure that Directors commit. A clear policy of period of service including a maximum tenure, would be my strong recommendation.

6.8 Board Recruitment

As with all Boards, Directors come and go. Having a clear and fair recruitment policy would be beneficial. The Business Plan states that 'applications to the Board of Directors' will be invited for vacant positions annually.' [2] My recommendation would be to appoint an independent recruiter to oversee Board recruitment on behalf of the Board. They would actively manage the process of vacancies and ensuring everyone who is eligible can apply. This would support the ongoing governance of the BID and support the Executive. The BID may be able to secure this resource in kind as some BIDs have achieved or alternatively pay a fee for this service.

6.8 Conflicts of Interest

As unpaid Directors who represent their sectors of the community, there is likely going to be conflicts of interest. The Industry Standards (number 9) supports BIDs in managing conflicts of interest.

As a distant observer I can see that a current Board Director who runs the markets may come into conflict on issues of representation, a key pillar in the BID Business Plan.

The Director from Bell Court is employed by Savills, whose sister company, British BIDs, was appointed to recruit the current BID Manger.

Council representatives are often conflicted, for examples issues of parking or tourism may fall within their day-to-day political portfolio and yet they too must carry out their duties first and foremost as a Director of the Board, when in the BID Board meeting.

While these conflicts exist, making sure they are declared and transparent will build up trust in the governance of the BID.

Declarations of interest at meetings should be minuted. Actions should include withdrawing from a discussion or the meeting altogether and this is commonplace and good practice. This should be supported by register of all pecuniary and personal interests available to levy payers upon request. When appointed, all Directors should be asked to complete a related party form, detailing information on other directorship, personal interests, and family business interests. This is to ensure complete transparency when discussing issues relating to the BID Business Plan and procurement of contracts and the appointment of staff. The register of all pecuniary and personal interest should be a standing Board agenda item, and the Chair should ensure that all Directors update this regularly and declare any new interests at each meeting they attend.

Details of Board Directors should be shared at the AGM and all governance issues should be openly made available through an email enquiry link on the company website.
From having a daughter who works as a Saturday girl in M&S to holding other directorships within the town, these must be noted and declared. This enables the Chair of the BID to chair the meetings with transparency and confidence.

As part of this review the word 'trust' came up several times from the people I spoke with. The BID may have lost some trust from those who it was established to serve. Trust needs regaining and confidence restored. The fact that 80 businesses have established a separate group to air their concerns is evidence itself that trust needs restoring.

I would strongly recommend that Stratford-upon-Avon BID undertakes the 11 BID Industry Standards [3] established by The BID Foundation to restore the trust in the BID.

Secondly, as it begins its road to renewal and seeks to gain the positive endorsement from all BID levy payers, a review of the articles to future proof the BID for both 'now' and Term 4 would be strongly recommended. Looking at best practice from other areas and as part of the renewal process, I would advise a smaller, proportionality representative and more dynamic Board to support the Executive in both its renewal and ongoing Term 4 Business Plan. Ignoring this may alienate BID levy payers, create an anti-BID sentiment and create an unnecessary 'civil war', which would be detrimental to the reputation of both the BID and town.

They are clearly governance issues, which need to be remedied quickly and speedily.

1a https://stratforduponavonbid.co.uk/the-board/

1 Destination Marketing Organisation (DMO) usually accredited by Visit England and are a public private partnership with membership subscriptions. https://shakespeares-england.co.uk/about

2. Page 19 Term 3 Business Plan – Stratforward Limited.

3 https://www.placemanagement.org/the-bid-foundation/industry-standards/

7.0 Summary of Current Issues and Observations

7.1 Procurement Policy

As part of the industry standards and business best practice, it would be normal to have a procurement policy. This would give an indication of spending limits for the BID Manager and the value of contracts above this amount that require a tender process. I could not find this on the website, although it may exist.

Businesses in Stratford-upon-Avon have raised with me concerns over nepotistic behaviours by the current Executive. This is clearly alarming and may be untrue. Therefore, an immediate recommendation would be to for the Board to investigate these accusations. It would be prudent to review and publicise their procurement policy and the findings of the review.

7.2 Financial Accounts

A letter of statutory notice was issued this year (no date on the letter) but likely to be for March 2022 for the year ahead. Financial Year 22/23 https://stratforduponavonbid.co.uk/sen-march-2022/

Financial accounts for the year ending 31/3/2021 are on the website. All accounts should be clearly available in this area of the website from 2019 to the present day. While it is not mandatory to have an audit, an independent view would be a recommendation to ensure the rhetoric of the Business Plan and the reality of running a BID are the same and in step. I recognise that Covid-19 has impacted all BIDs. In most cases now, collection of BID levy income is back on a normal level.

Stratford I am told has an 80% collection rate in July 2022. By comparison Wakefield, whose BID income is £250k has a collection rate of 79.98% (Oct 22), LeedsBID has a 6-month collection rate of 87% (Sept 2022), so Stratford is on a par and should aim for a 98% collection rate as per the Business Plan.

Without the funds the BID cannot deliver. The collection position may have changed from July, but it is vital that local authority who is charged with collecting the levy continue to do this with fairness to all. It is a mandatory requirement.

One would anticipate that no non-Executive Directors are on the outstanding debtors list.

7.2 Stratforward

The brand, Stratforward, was established in 2007 and is widely recognised in the BID industry. Like NE1 for Newcastle and NWEC for the New West End Company in central London, Stratforward created a recognisable identity, distancing itself from other Stratford brands or statutory authorities. The Stratforward brand is used on the Term 3 Business Plan and is the trading name of the company 06924156, which was incorporated in 2009.

This branding has disappeared on the website along with historic documents regarding the establishment of the Business Improvement District. While a rebrand may have been deemed to be required on the road to renewal, this process appears to have been detrimental.

The BID has lost its national identity in the BID industry. It seems to have rebranded itself in a way that is more akin to the 'Orchestra of the Swan' or the 'Civic Society'. The branding has been watered down and is now camouflage in a sea of brands for the town. The Business Improvement District should be about standing out. I doubt whether Newcastle or NWEC would change their identity after 4 successful BID terms. This I feel is a backward step.

7.4 Turnover of BID Managers

A successful BID team should include reliable and consistent leadership. A BID is a five-year period, and the leader should ideally commit to this period. The person writing the Business Plan can deliver it and then be judged accordingly at the renewal.

BathBID is in its third term and has employed three Chief Executives. Wakefield BID is on its second term and has employed two CEOs. Liverpool BID Company has two BIDs and one CEO who has been in post for 10 years.

In Stratford's case, there has been an above average number of BID Managers. Not one per term but over five since inception. This means that a new BID Manager is appointed with less than half of the BID term remaining. They must then deliver a Business Plan in a short space of time with the pressure of renewal looming, as well as needing to get to grips with a new place and all the politics that this often entails. This is the challenge that Stratford-upon-Avon will have to address.

Instead of delivery and collaboration the situation has created a distraction.

Manging a BID can feel very solitary experience at times. Therefore, I would strongly recommend that the Board support the BID Manger's well being and professional development. Teaming up with a mentor or Chief Executive from another BID, is often a useful mechanism to provide support, particularly when new in post or when leading up to renewal.

The current BID Manager has not served a 5-year period in previous roles.

7.5 Markets

Markets have always been a contentious issue in Stratford-Upon-Avon. With a Market Charter in place for Rother Street since 1553, the market brings a buzz and a vibrancy to a place, drives footfall and provides traders with an opportunity to sell.

There is evidence of disquiet about the markets in the town, some of which is being played out publicly. Markets will generate income for the local authority. There are now more markets on the Waterside, which some businesses feel are drawing footfall away from the town centre and having a detrimental impact on their business takings. The town is on a slope, so naturally if you draw people to the Waterside through a market, it will be more of an effort to walk to Windsor Street. Markets should help footfall 'move' around the town. They should exist alongside any events and animation programme for the town.

A survey of businesses regarding the markets [1] was conducted during the pandemic with a 15-20% response rate. Opinion was split about the Waterside Markets and since then further application for winter markets on Waterside have been made (October 22).

One of the key pillars of the BID's Business Plan is representing the views of its levy payers. "We will continue to..speak up and lobby on strategic issues, representing businesses issues at key meeting with partners on subjects such as parking, business support and security. We will continue to consult with our members on policy matters." [2]

Ex-Directors stated they had tried to position the view of the BID to Stratford-on-Avon District Council on these matters but were prevented. The BID would ordinarily be a consultee on such issues, representing the views of the business community and working with the local authority on solutions and gathering opinion.

Markets should form part of the events strategy of the town and dovetail into the BIDs Business Plan under the heading 'Promoting Stratford'.

I would strongly recommend that IPM/NABMA [3] carry out an independent review of the markets in the town drawing upon case studies from across the country and through the High Street Task Force's work on the importance of markets to town centres [4]. The BID should lead on creating an events strategy for the town, consulting with its members and using this as a key priority in their fourth Term business plan. The BID has a track record of running its own events successfully such as the Waterfront Festival and the Stratford-upon-Avon Food Festival as well as supporting others who run events in the town. Stratford-upon-Avon is so fortunate to have an all-year-round event programme. Creating a strategic view on this with stakeholders will enable the BID to direct its investment and energy in the correct direction. The BID's investment should be about additionality and meeting the needs of the levy paying businesses.

7.6 The BIDs Business Plan – external view

For all BIDs Covid-19 had a major impact on their operation. Levy collection slowed down for most, and for smaller BIDs, (those below £500,000 levy income) this effected their ability to deliver their Business Plan objectives. Energy was diverted to the crisis, supporting businesses, communicating regulations and accessing funds to enables places to get back on their feet. These were unprecedented times. Now with the Covid-19 cloud finally drifting away, BIDs have been able to get back on track to deliver their Business Plans, hold renewal ballots and proceed with their day-to day business.

The Business Plan has four areas; Hosting (16%), Promoting (42%), Saving (6%) and Representing (2%). Management and operational costs are 29%. [5]

The Welcome Hosts in the Town have been part of DNA of the BID since its inception. As one of the busiest tourist towns in the UK, these human signposts are warm and welcoming and an excellent asset to a BID. They have been replicated in other places and they appear prominent and well-received.

Promotion accounts for 42% of spend in the BID budget. This is not uncommon as BIDs are about place activation and animation, driving footfall and promoting what is on offer. The website is the BID 'shop window'. However on visiting the site, it appears confusing. It is trying to do two things:

1. Show levy payers what the BID is doing for them.

2. Communicate to the public what is available in Stratford-upon-Avon.

It appears to cater for two audiences and at times the two will overlap.

However, my recommendation would be to delineate the two audience as other BIDs have done. For the levy payers you want to convey the headings of the Business Plan and how you are addressing their priorities. For the consumer, this needs to be public facing and part of wider strategic marketing campaign to support levy paying businesses. This has always been difficult in Stratford-upon-Avon due to the plethora of consumer facing brands. Research and expertise is required here beyond the remit of this report.

BID Management and operations costs are earmarked at 29%. A high cost in any business is the people needed to initiate the action. 29% is slightly above average, however, it would fair to say that management costs would be and should be apportioned to the Business Plan headings.

Saving is a critical component considering the current costs of living crisis. Supporting business money saving and joint procurement schemes is critical. The BID is well placed to facilitate this as evidenced through waste and recycling, the maintenance ambassador and driving gift card schemes. These are welcome and should continue.

Representing is less about the income and more about the effort and energy of representing the levy payers' views and supporting them. This is difficult as stated earlier, particularly when considering the many different views and conflicts of interest. The BID should be able to rise above this giving a view about what is best for the place, being more strategic and at times being bold in sticking its neck out. Some have suggested that the BID has become a foil for business opinion, protecting other organisations/Councils and deflecting controversy away from them. The BID should have no other objective than what is best for the place. Therefore, it should be an authoritative respected voice that is representative of business opinion but also is prepared to 'pick up the shovel' and solve and fund the issues in line with the Business Plan. A good example of this is the 'Meaningful Change' campaign.

1. Market report reference March April 2021 Carried out by Stratford BID

2. Stratforward Term 3 Business Plan Page 11

3. Institute of Place Management and the National Association of British Market Authorities

4. https://www.highstreetstaskforce.org.uk/resources/details/?id=b431c550-ed70-40b4-ba76-127f305066d5

5. Stratforward Term 3 Business Plan Page 20

8.0 Recommendations

8.1 This Report

8.1.1 That the findings and recommendations of this report are shared with the Business Improvement District Chair in person by the Stratford-upon-Avon Business Action Groups before being widely publicised. Some of the sensitive issues raised in this report can then have an opportunity to be addressed.

8.2 Articles of Association and Board representation:

8.2.1 Carry out an independent review of the current Articles of Association to ensure they are fit for purpose and match the Business Plan objectives.

8.2.2 Ensure 80% of the Board are levy payers.

8.2.3 Remove Board observers.

8.2.4 Implement a clear policy of the period of service for Directors including maximum time of service on the Board.

8.2.5 Include voluntary levy payers on the Board and ensure they do not exceed 10%.

8.2.6 Continue to ensure 20% local authority representation. This could be officers instead of politicians or a mixture of both. Having the Chief Executive of the District Council or Senior Local Authority Directors could be beneficial in creating communication and stability.

8.2.7 Appoint a recruitment consultant to ensure Board positions are advertised and recruited ahead of the AGM, mitigating against vacant positions for long periods of time.

8.2.8 Reduce the number of Board positions and ensure they are proportionate to the levy paying sectors. For example, if sectors are split 20% public sector, 50% retail, 20% restaurant and leisure and 10% others, then this should determine the proportionate make-up of the Board.

8.2.9 Consider the appointment of a paid Chair in future, who can be more strategic and slightly removed from the day-to day issues of the place. (While I normally would not go down this route, as most Directors give of their time voluntarily, it may assist the Executive to have a paid resource to support the BID on the road to renewal and navigate the current set of circumstances.)

8.3 Governance

8.3.1 Implement the 11 BID Industry Standards established by The BID Foundation and apply for accreditation.

8.3.2 Carry out an independent financial audit ahead of the AGM.

8.3.3 The BID Board should investigate accusations of nepotism levelled at the Executive and report back openly on their findings.

8.3.4 Enhance the Governance area on the website in conjunction with the 11-BID Industry standards.

8.3.5 Publish the procurement policy of the BID which links to Page 20 of the Business Plan and the £10,000 spend.

8.3.6 Publish all historic 'filleted' accounts on the website along with the annual billing leaflets, annual reviews and historic documents.

8.3.7 Ensure the billing authority fulfils its mandatory requirement to chase down outstanding BID debt on behalf of the BID (July 2022 – it was 20%)

8.3.8 Create a register of all pecuniary and personal interests. This may already exist, but was not available on the governance section on the website.

8.3.9 Implement an annual training session for BID Directors, making them aware of their legal responsibilities and update Directors on the BID industry landscape and legislation.

8.4 Market & events

8.4.1 For the BID to commission the IPM/NABMA to carry out an independent assessment of the markets in the town, which falls into its 'representing' priority of the Business Plan.

8.4.2 The BID should work with the market operator and the BID should lead and create an events strategy for the town. This could be a key pillar in their Term 4 Business Plan.

8.5 Executive Support

8.5.1 Create a system outside of the Board meetings to support the well-being and professional development of the Executive.

8.5.2 Appoint a senior mentor for the BID Manager.

8.6 Business Plan

8.6.1 Review the ‘shop window’ of the BID which is predominately its website. Consider the audience it is speaking to and have a clear marketing strategy for the levy payers and the consumer facing campaigns and initiatives.

8.6.2 Seek to use this report and the Business Action Groups’ energy to recalibrate the BID for the future. Engage with all stakeholders both physically and through digital interactions. Get everyone back on board, so there is a collective objective to see the town succeed and perform well.

8.6.3 The BID should seek additional professional support in the area of marketing to assist the Executive in navigating the complex consumer facing brands in their area.

8.7 Independent facilitation

8.7.1 I strongly believe that good can come from periods of disquiet and upset. Having an independent person to chair a meeting and hear grievances would be a healthy thing to do. Appointing an independent facilitator could support both the BID Executive, the BID Board and the businesses in the town to move the situation forward.

9.0 Conclusion

When the ‘Business Action Group’ from Stratford-upon-Avon called me to carry out an independent review into the town’s Business Improvement District, my radar instinctively concluded that all was not well. To have a group of 80 businesses coming together, demonstrates a groundswell of support to act and see change.

What is clear is that this group is **not** anti-BID.

Like every other town and city in the UK, Stratford-upon-Avon is recovering from Covid-19 and wants to see stability return. Stratford-upon-Avon is a town blessed with many assets and attractions and yet there is disquiet about the Business Improvement District and how it represents its members. The markets, parking, trust in the BID Board, governance, nepotism and the neglect of the local residents are just some of the concerns aired to me.

As a professional in the Industry, it is my desire to all BIDs succeed. Stratford-upon-Avon is also a town close to my heart and a place that I used to call home. I do not wish to see a ‘civil war’ and therefore I strongly advocate that the BID works closely with the Business Actions Group to reconcile differences to work collaboratively and collectively for the good of the town and its external reputation.

By not doing so jeopardises the future of the BID and the external reputation of the town. There are 330 places in the UK where BIDs are well-established, and Stratford is in a privileged position of being in its third term with the fourth term on the horizon. By not coming together, a fourth term could mean the alternative of a failed BID and a loss of investment and energy. Very few BIDs fail at renewal as they become well established and understood. Stratford-upon-Avon with its international profile does not want to find itself in position of failure.

Instead Stratford-upon-Avon should be punching well above its weight due to its standing in tourism, international profile and the talent of the people who work and retire to the town. However these natural advantages are being subsumed by local dynamics and political and commercial self-interest, which is damaging but could be avoided.

Since 2008 there has been an above average number of BID managers employed by the Stratford BID which has destabilised the BID and affected its ability to deliver and be nimble. There have been over 35 Board Directors since its inception. This appears from the outside to be very high.

There is great opportunity to use the recommendations in this report to recalibrate and unify the business community and the Business Improvement District. This is my intention in writing this report.

Failing to do so will risk a failed BID and fragmented business community. I sincerely hope that the business community in the town unites with the political leaders and business leaders, working with the local authority and established institutions to drive the town forward.