

<p><u>Member requested update meeting, BID arranged it for 13th August – BID represented by BID Chairman Brian Harrison and BID Manager Sarah Williams</u></p> <p><u>BID Members attending were Shelagh Wilson (SW), Zoe Wilson (ZW), Clare Todd (CT), Marian Graveson (MG) and Al Strong (AS)</u></p> <p><i>Member Questions and responses as follows</i></p>	<p>Uninterrupted member questions and comments were invited and recorded on post-its and a mobile phone. With members leaving the meeting after the question & comment session BID promised to supply written and website published answers.</p>
<p>Who is BID for? (ZW):</p>	
<p>BID is a business-led initiative, its purpose is to develop projects and services that will benefit the BID area (Kendal Town Centre) with the objective that it remains competitive and healthy in extremely challenging economic conditions. After a long period of research into BID by a business led provisional board that board presented its findings to prospective members (businesses). A secret postal ballot of those prospective members was held with the majority voting in favour of a BID being established.</p>	
<p>Why was BID established? (ZW):</p>	
<p>Kendal Business Improvement District was formed in 2014 as a Limited Company. Directors are elected by members. The key objective was to establish an independent business-led and business funded body formed to improve the defined area, that for Kendal BID is generally defined as Kendal Town Centre. Regulation demands a rebalot of members is held every five years for BID to continue. Business membership elected from member nominated candidates</p>	
<p>What is the purpose of BID? (ZW):</p>	
<p>All businesses in the BID zone are given the opportunity to voice their opinion on what they want going forward. This consultation is reflected in the BID BUSINESS PLAN. Businesses are represented by BID and have a voice in issues affecting their trading area.</p> <ul style="list-style-type: none"> - BID levy money is ring-fenced for the benefit of businesses in the BID area. - To increase footfall and spend. - Arrange collective marketing and promotion -To facilitate networking opportunities with neighbouring Businesses Improvement Districts. -To represent BID members in discussions with local authorities and other public bodies. 	
<p>How could my BID payment be used? (AS)</p>	
<p>The business members pay a levy of 1% of rateable value of their business premises. For the sake of this exercise the average was calculated for the three members attending at £3.02 each per week. This average figure is used again later in these replies.</p> <p>The total BID levy varies with rateable values and vacant properties in the BID Zone. The anticipated Kendal BID income for year 2019/2020 is estimated at £138,000 in total.</p> <p>It is fundamentally important to realise that levy funds cannot be used to subsidize council spending on traditional council services. There are also a number of restrictions that are highlighted in the BID BUSINESS PLAN that are considered as the domain of others.</p>	
<p>Why do I not have a choice on membership of BID? (SW)</p>	
<p>BIDs are established under Local Government Finance Act 1988. If a majority of qualifying businesses in the proposed BID Area collectively vote to establish a BID then all businesses become members. Under 'The Act', membership is both an obligation and a right for qualifying businesses.</p> <ol style="list-style-type: none"> 1. Membership is a statutory obligation. Businesses cannot opt out. 2. Membership is a statutory right. Qualifying businesses cannot be excluded. 	

There is an opt in facility where businesses that are not located in the BID Zone or where businesses do not automatically qualify for membership. A number of businesses have taken up this option.

In order for the BID to be voted in it must satisfy 2 counts:

more than 50% of the total voting hereditaments must vote yes.

More than 51% of the total rateable value of the hereditaments must vote yes.

BID runs on a five-year term basis. There must be a rebalot of the members every five years and only if the majority of member electorate vote is in favour will the BID continue. A rebalot for Kendal BID was undertaken 2018 and the members voted in favour of BID continuation for a further five years.

How does the BID Board spend members levy money? (Included is who is not paid) (AS/ SW/ CT)

Kendal BID is a not for profit Limited Company and as such it has all the regulatory reporting and audit processes that require professional services and their associated fees. There is also a cost of collecting levy payments and to pursue those who default in payment. Kendal BID has one part time self-employed member of staff and occasionally employs casual employees for such things as delivering newsletters where it is more cost effective than postal services.

Directors and Board members are not paid by BID for undertaking their Board and Director duties, neither are they paid expenses by BID. BID does arrange and pay for liability insurance to cover the Directors work and they have limited liability.

BID Grants are all subject to a formal written grant application process and a scoring process carried out by Board Members. Approval of expenditure is subject to a ballot of Board Members and there must always be a majority of Business Board Members for any vote to take place. This means the local authorities do not control BID, they are members but not directors.

All BID Board decisions are taken seriously. On many occasions the background work in order to make an informed decision is not reflected in the minutes. A project, such as ShopAppy, might require three months research or more and in some cases member consultation over many weeks. These evaluation periods are to test feasibility and potential member participation, before being submitted to the board for them to decide on funding.

We object to receiving a BID DEMAND notice for our BID levy payment. (CT)

The word demand is used where there is a claim for payment by right and is a word regularly used where payment is not optional e.g. income tax, VAT and council tax. BID has received similar member comment in the past and the question has been asked. We are advised Kendal as with other BIDS are not able to change the wording. It is grammatically, legislatively and legally correct.

Haven't seen the benefit to my business. (SW/ AS/CT)

Taking the average BID levy for those members attending £3.02 per member, collectively with other member levies it has allowed BID to make several benefits and services available to members. The ethos behind a BID is about working together as a zone (BID zone) with the objective of making it an economically vibrant area to do business. Based on footfall statistics festivals and events do seem to attract potential customers into the BID zone. BID also knows how many trails have been printed and issued. However, it is individual businesses that must decide how and if they want to market to those potential clients.

In terms of the marketing package put together by BID, it is not a coincidence that it's a similar marketing basket of initiatives that are being used throughout the world by the larger corporate entities and are seen as the route to gain customer loyalty and sales.

Small businesses quite obviously don't have the same economy of scale or financial muscle as those large corporation. What BID has done is negotiate with product providers on a collective BID Zone basis and are now offering its members large and small a similar range of tools to the nationals. A business can choose to either use all, some or none of those tools to help their business and hopefully develop Kendal as a more vibrant economic zone. As examples;

The global gift card market was worth \$585,311 million in 2016 and is projected to reach \$1,591,461 million by 2023. Kendal BID was the first English town to introduce a town wide gift card. It is a known and accepted statistic that a person utilising a gift card will spend up to 40% more of the value of that gift card in any one purchase.

Loyalty programs are proven to increase customer lifetime value by up to 30% or more by increasing visit frequency, increasing spend per visit, and winning back lost customers Kendal BID was the first British town to introduce the SWIPPI loyalty card, this card attracted over 23,000 local people (population 27,500) who regularly used it , and saw quantifiable increases in spend and loyalty in participating businesses. All businesses had the option to participate.

Contrary to rumour SWIPPI has not gone bankrupt it has changed its format in line with more modern practices. It is now offered free to all Kendal BID businesses.

All businesses have also been offered participation in visit-kendal.co.uk, marketing training, social media training, network meetings, infrastructure for Christmas trees, hanging baskets or flags, Participation in the trails, rediscover Kendal and festivals.

BID Zone member benefits, as examples –

- Regular newspaper advertising,
- Car parking initiatives, including £1.00 all day,
- Coach tourism initiative,
- Christmas free park & ride,
- Free parking offers,
- Festival grants to Lakes Alive, Comic Art, Torchlight, trails, additional Christmas lights and others.,
- Free park and ride,
- Generic newspaper advertising,
- Supply street maps and leaflets, marketing trails,
- Radio advertising.
- Lobbying councils to minimize disruption of road and bridge work.
- Competitions with Gift Card prizes to encourage 'Shop Kendal'. (Prize spent in BID businesses winners must visit Kendal).
- Initial funding for TIC.

This package is presently costing attending members £3.02 per week per member.

The majority of BID levy payers have been clear they want Kendal BID to continue support for the Festivals, we can only surmise that this is because they benefit from the festivals taking part in the town, with associated increased footfall and awareness of their businesses. Nearly 45% of Kendal BID's levy is paid out to provide support for those festivals and in some cases, it prevents them from looking at alternative towns as potential venues. Support is not just in cash it is also the business case for other funders that the 'festival' has the support of the collective businesses in the town under the guise of Kendal BID. By providing this support we can also influence the makeup of the festivals for example the comic art window trails and the use of new venues incorporating the whole town.

Trails don't benefit my business (AS/CT/SW)

Trail objectives are –

- To encourage potential customer mobility between shopping areas and yards.
- To reinforce Kendal's historic reputation as a quality and interesting place to visit.

- To reinforce the reputation in the public's mind that Kendal has a first-class business offering.
- To introduce locals and visitors to new businesses and the reinforce the public's awareness of the established quality offering.
- To create a welcoming reputation for Kendal shops.
- Link to successful and original displays that have attracted thousands of pounds worth of publicity examples of which are the Umbrella displays and the Spitfire displays

26 towns in the UK are now following Kendal's example of the town trails and successfully following this format.

In the last 3 years Kendal BID has put over 40,000 people directly in front of participating businesses shop windows.

- 13th August 19 children with accompanying family members came into TIC and requested the Armed Forces Trail.
- The Armed Forces Trail helped Kendal to qualify for a £3,000 Ministry of Defence grant for Kendal.
- The Armed Forces Trail was a joint project with Morecambe BID cutting cost by 50% to the respective BIDs whilst cross promoting tourism.

There was a comment from a member that trail treats cost the business money (CT).

There is no requirement to give treats. Businesses have a captured audience in front of their premises it is up to them how they use that opportunity, a good example of this is Paul Holland Photography, who does not give trail treats but above the picture the children see is an advert to the parents offering summer children's photography- this has worked for him.

Experience of the chair suggests your product and service providers might give you some of their marketing material. Pens, key rings, pencils, note pads or product samples. These small gifts are widely available on request from such service providers as banks.. You would in reality be using the products for what they are intended, increasing name awareness. They literally have the products to give away.

I haven't seen anyone use the gift card and what's the point? (AS/ SW). My children don't like store gift cards they ask me to exchange them for cash.

The objectives of the marketing tools have been outlined BUT the key objective is that if you have a town that has more to offer than other areas as a collective, then it will likely attract more people. If only three people can offer a place to spend the Kendal Gift Card then people may not bother, if 150 businesses offer the opportunity then that makes it an exciting and viable offer for any consumer. So even if your business only has one card presented in 12 months then it has done its job, you and your businesses have helped create a more exciting offering for the WHOLE town. If you accept Mastercard then it makes good business sense to accept the Kendal Card.

Requests to exchange for cash should be less likely with the Kendal Gift Card because it's not one store or shop specific. There are over close to 150 BID Zone businesses accepting the Kendal Card. The card holder can choose where the gift is spent and it can be spread across any participating shops and services, in part or the whole, buy a coffee or piece of jewellery. With café's, hairdressers, galleries, dog grooming, coffee shops, supermarket, bars, restaurants, jewellery, electronics, chocolate, leather goods. To suggest there is nothing to spend the gift money on would be a dis-service to those over participating businesses.

What is the value of Gift card to BID? (AS) How many gift cards have been issued, how many have been redeemed? (CT)

The BID objective is to encourage people to buy a gift card that can ONLY be spent in Kendal businesses.

As with other gift cards there is no facility to exchange monetary values on the card to cash. There is NO ulterior or hidden motive, BID simply want card values to be spent in Kendal businesses.

If there is money unspent on cards, known as 'breakage', then after the card expires the only option is for it to go into the BID funds which directly benefits BID members. There is no personal or corporate gain to be had. The card works the same as any Mastercard payment and does not require specific changes to tills.

The card is a part of a marketing tool kit that once established has the potential to offer all businesses big and small the opportunity to buy into either none, some or all the parts of what is a cost-effective marketing tool kit. The kit has the potential offer to members of all sizes

- A Kendal gift card, available now.
- Webpage advertising available now.
- A virtual high street. In development Shopappy
- Loyalty card, available now
- Click and collect. Potential in Shopappy

Kendal Gift Card Stats: £6519.00 has been loaded onto 270 cards with redemptions £4,269.53 in 12 months. If the average spend is 40% more then more than £5k has remained and been spent in the Kendal under this scheme.

Coach passengers spend zero in my shop, why are we giving them free gift cards and encouraging them into the town? (SW)

The Kendal BID coach tourism trial is to encourage coach drivers to bring their passengers to Kendal.

After the council was unable to provide coach parking within the BID zone in any of its parking initiatives thus far, Kendal BID in association with Better Leisure has created a scheme that breaks down the barriers for coach parties to come into the town and they are responding positively. All BID can do is attract potential customers into the town and some members already use the facility to promote products and special offers.

The BID expenditure only incentivises the drivers of the coaches to bring their passengers to Kendal BID Zone, it copies a long standing and recognised coach tourism marketing model.

The average cost per passenger to a BID levy payer is around 20p per visit. Businesses that have bought into the facility report a notable difference in trade when coach parties are in town.

The driver incentive package includes-

- A free £15 Kendal Gift Card that can only be spent in Kendal businesses
- Free use of the facilities at the leisure centre, showers etc.
- Free taxi journey to and from the leisure centre, utilising a Kendal BID taxi firm
- Information on the town and drop off points

Coach tour operators are coming back to Kendal that have not visited for 5 years, this is solely due to the efforts of Fantastic Kendal TIC volunteers and Kendal BID enabling a robust process.

Most of the coach parties are dropping into Kendal with little time to arrange information for their passengers. We are hoping this will change and booking will be in advance enabling us to target market the coaches' pre-season.

Kendal BID is also enabling Daishes Travel (County Hotel) to facilitate their coach parking and has formed a robust relationship with this accommodation and travel provider.

What has the BID Done for future generation? Taking this as cleaner less pollution more attractive. (AS)

There are two fundamental future generation considerations - environmental and economic

- Environment - BID funded trials of
- Park & Ride to reduce traffic pollution in Town Centre, take up by drivers was limited.
- Park & Cycle with cycle hire (rejected by council & cycle groups).
- Found external funding to provide more passenger shelters to encourage bus usage in the town.
- Introduced new cycle storage facilities including bike boxes and more secure racks.
- Worked with SLDC to create a cycle hub in Westmorland Car Park, waiting for new foot/cycle bridge to officially launch.
- Trialled water bottle refill scheme presently being relaunched by SLDC.
- Lobbied for increased public park area and traffic free connectivity of foot/cycle paths between Wildman Street and Kirkland. Footbridge closure has delayed this project.
- BID has work in progress for a Memorial Tree Arboretum from Gooseholme to Leisure Centre along the canal route. Easier now that Leisure Centre opted into BID membership.
- BID has work in progress for more planting on riverside route to give year-round colour and water take up.
- BID has work in progress for historic art trail along river route.
- Talking to Environment Agency on options, need land and cooperation of others.

Member suggestions

- GPS logging of trees a good idea and can easily be included as objective

We take the idea of bulk buying bio Kendal Green branded bags on board.

Economic – BID sits on Kendal Futures Board alongside such groups as Kendal College of Further Education and Croppers to develop infrastructure for business, start-ups and longterm development plans, Kendal Technology Business Park, affordable houses and improved employment prospects.

Armed Forces & Blue Light Tribute – Why Sunday? (AS) Why no food stands?

Follow on from the Spitfire display in 2018 that attracted thousands of hits on Facebook all adding to positive Kendal name awareness.

Board only asked for forces associated event in January 2019 to be held June 2019.

Very tight time window, many approvals needed application in September previous year.

Requested and obtained help from Armed Forces Day (AFD) event in Morecambe via Royal Air Force Association connections.

Morecambe AFD event was already in planning for Saturday, clash would potential damage both events.

Agreed Kendal AFD would not be same day as Morecambe to avoid dilution of Armed Forces support spread between 2 events.

Morecambe BID embraced idea of Armed Forces Day Trail using Kendal model. Morecambe had different questions, obviously their own map.

Morecambe & Kendal BIDs shared costs of design and production saving Kendal BID over £3,000 in trail alone.

Joint project with Morecambe BID meets objective to work with other BIDs, shared cost in trail, advertising etc.

- No food stand because food franchises usually take money away from BID members.

Kendal BID wanted to attract business to members not to invite competition to established businesses.

- Town Hall not available Saturday already had regular bookings.

- Abbot Hall Park not available on suitable Saturday.

- Market Place not available Saturday.

- Armed Force Day is a specified Saturday date, but events qualify to use name and imagery within a 10 day time window.
- There was a national programme of Armed Forces events on the same Sunday as Kendal.
- Needed to stay in time slot to qualify for Ministry of Defence Grant. (BID received £3000).
- Using Armed Forces Day qualifying dates for free national advertising for Kendal.
- Wanted to test Common Law to run music event on New Road.
- Wanted legal approval to set precedent of music event on New Road. Now open to others.
- Needed acceptable Risk Assessment for New Road Event that had to be negotiated.
- BID wanted to test potential for Sunday events and member buy in.

Lessons learned –

- Offer food stalls to BID members before putting out to tender.
- Sunday trading popular with public but difficult for some businesses.
- Need portable loos, can't rely on Community Toilet Scheme when businesses are closed.
- Start planning early if event wants such thing as free fly past, Red Arrows, Battle of Britain Flight etc.

This year's event feedback included offer of greater involvement from big business.

- Lord Lieutenant of Cumbria commented Carlisle had lessons to learn from Kendal.
- Morecambe Armed Forces want to copy parts of Kendal BID event.
- Event received considerable pre and post event free positive newspaper coverage for Kendal.

BID is not accessible to us and all my ideas are not taken on board (AS)

In all our communications it is made clear that BID can be contacted through email, there is also telephone, by letter and more recently via Kendal TIC.. We aim to respond to ALL emails within 24 hours, even on a Sunday. There is also an enquiry form on the BID website and in addition messages for BID can be left messages at the new TIC.

There was reference to a conversation between BID and a BID member where the BID member claimed that all their ideas were cast aside. They were not cast aside, but as in the conversation the majority had already been bought into the BID Board previously. ALL ideas are considered, and all processes have been carefully thought out to create value for money. An example of this mentioned is delivery of newsletters;

* we do not email through mail chimp because the response and open rate was too low

* we do not use royal mail for a number of reasons- one being that it costs around £650 per mailing, two being that the addresses we have for the big businesses are their HQ's which means the local managers do not get to hear about the activities within the town.

* we do hand deliver as it costs us £67 to produce the newsletter and £100 to deliver it to all 700 levy payers. It is of course up to the levy payers if they read it.

The conversation ended with BID hoping that the member would continue to provide suggestions.

Barrow BID has been nominated for an award, why hasn't Kendal BID? (AS)

The Barrow BID website has been checked, there is no mention of an award. There are many local awards made by newspapers, tourism, radio stations and trade associations such as FSB, it is not unreasonable to believe Barrow BID was nominated for an award, category unknown. Kendal has had nominations and according to tradition imitation the most sincere form of flattery. Its accepted nominations might have happened.

On their website Barrow BID acknowledge a quiet start since 2016. They suggest they have a programme for enhanced appearance of buildings, (Kendal have done that) car parking initiatives (Kendal has done that) and support for three festival, (Kendal support more) all replicating Kendal initiatives. One event is a comedy pub crawl, Police warned Kendal BID against encouraging drinking events. We wish Barrow well with their development but in truth Kendal is not a comparative town to Barrow or Lancaster in demographic make-up nor BID levy finances nor layout. We have meetings on an ad hoc basis with a number of other BID's and our ideas have been copied by those BID's as an example Lancaster is presently using our umbrella displays idea, towns throughout the UK are using our trails idea and concept, Lancaster is also looking at the gift card as is Skipton and also Shopappy.

For information the new elected Kendal BID Directors carried out a confidential appraisal of all staff and administrative procedures and contractual terms. Taking into consideration our managers formal qualifications (including a degree in Marketing), extensive business experience, work ethic, commitment to and love for Kendal, the Directors unanimously voted in favour of renewing the present BID managers contract with variations so that the job description included both administrative and project management responsibilities.

Barrow is really moving. Barrow BID sacked its manager. (AS)

Barrow did **not** sack its manager.

Meeting close 19.00 hrs

Members needed to leave after questions and comments. There being no time allowed for BID response this written response was promised.