



Herefordshire County Business Improvement District (HCBID) - Second Term Ballot

Decision maker: Cabinet member economy and growth

Meeting date: Thursday 30 July 2026

Report by: Economic Development Manager

Classification

Open

Decision type

Key

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To agree to vote 'Yes' in the Herefordshire County Business Improvement District (HCBID) second term ballot commencing 17 September 2026. Should the ballot be successful, the Business Improvement District (excluding Hereford City Centre, which has an existing Business Improvement District) will implement its second, five-year term, to support the growth of the tourism and retail sectors across Herefordshire.

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Recommendation(s)

That:

- a) the Director for Growth be authorised to vote in favour of the Herefordshire County Business Improvement District on behalf of the council; and
- b) should the outcome of the ballot support the second, five-year term of Herefordshire County BID, approve the payment of the levy, on liable properties in the council's ownership, calculated to be £21,398.13 per annum, for a period of five years.

Alternative options

1. The council could decide to abstain from voting in the ballot, or to vote 'no'. It should be noted that, irrespective of which way the council chooses to vote, it will still be required to pay the levy on its properties (hereditaments), should the ballot achieve a successful outcome. It should be further noted that there are benefits to Herefordshire Council and HCBID businesses from the continuation of the BID, which are mentioned later in the report.

Key considerations

2. BIDs are controlled by legislation which was passed in 2004. There are over 360 in the UK, and they continue to grow in number each year. Herefordshire supports two BIDs, the Herefordshire County Business Improvement District, and Hereford Business Improvement District, currently in its third, five-year term.
3. BIDs are a way for businesses to invest in their own futures, by making an additional contribution (in the form of a levy) on top of business rates. Businesses contribute a supplementary business rate based on each property's rateable value. The BID is proposing a 1.75% levy on rateable value and is a reduction of 0.25% based on the previous levy of 2%.
4. If the Herefordshire County BID has a successful ballot, the council will be liable for a levy of 1.75% on business rate payments on 26 units in its ownership - that fall withing the County BID area - equating to £21,398.13 per annum.
5. The HCBID undertook stage 1 consultation in November and December 2025 with levy payers, to inform the next five-year Business Plan. Stage 2 consultation, which sought views on the proposed HCBID rules, sectors for inclusion and potential projects closed on 14 June 2026. The HCBID has identified 653 hereditaments for inclusion in the 2027-2031 term. This will result in a total levy income of £537,887.88. In addition, the HCBID was very successful in raising additional income during its first term and will also seek other income and from grant sources and voluntary contributions during the second term.
6. Herefordshire Council does not have a dedicated tourism function. However, because tourism is a key sector in the county's economic strategy, a range of council services contribute to the county's tourism offer such as Growth Hub business support and grants, public realm improvements, maintaining public rights of way, public transport, licensing, and the museums service.
7. The Herefordshire County BID will once again focus on tourism and retail, complementing the existing Hereford City Centre BID (HBID) that is already in place; currently in its third, five-year term.
8. HCBID has continued to deliver strong, strategically aligned activity across the visitor economy and there is a detailed overview of this activity in the attached background paper 'Tourism in Herefordshire Report'. HCBID has seen accelerated growth in brand recognition both regionally and nationally through all of the marketing campaigns that have been delivered, and internationally through the Herefordshire Film Office and Hamnet. The BID has also launched new digital tools to showcase rural Herefordshire, and a strengthened programme of business support via SEEDL training and Place Support Partnerships business savings scheme.
9. For the second term, following consultation, HCBID has developed a coherent framework for delivering tourism across Herefordshire. The theme is 'A.G.R.I.' and aptly represents Herefordshire's rural nature. Each theme plays a distinct but interconnected role in attracting visitors, supporting businesses, activating rural life and investing in the infrastructure and partnerships needed to ensure tourism growth benefits the whole of Herefordshire. Projects will be phased across the five-year period, prioritising early quick wins while creating a pipeline of

longer-term development activity. Details of project proposals can be found in Appendix 1 - Developing Herefordshire County Business Improvement District Business Plan 2027 – 2031 Consultation Document. In brief, the four AGRI themes comprise:

A – Attracting Visitors and New Audiences

Purpose: To increase the number, diversity and quality of visitors to Herefordshire using Herefordshire's rural unique selling point as a compelling reason to visit, encouraging longer stays and movement between rural landscapes, villages, market towns and the historic riverside city of Hereford.

G – Growth for Local Businesses and Producers

Purpose: To ensure tourism directly supports, local producers, rural diversification and town-based businesses, increasing resilience, skills and local economic impact.

R – Rural Life as an Economic Engine for Tourism

Purpose: To position rural Herefordshire as a productive, investable and visit-worthy part of the economy, activating working landscapes while strengthening links to villages, market towns, and the historic riverside city of Hereford.

I – Invest in Tourism

Purpose: To provide the infrastructure, partnerships and enabling investment needed to deliver high-quality tourism experiences and long-term growth across the county.

Community impact

10. The visitor economy and independent retail are key local sectors, both in terms of direct employment, as well as creating and promoting a high-quality place for people to live, work, study and invest. The total economic impact rose to £773m in 2024, an increase of 5.03% compared to 2023 with increases to 8.05m total visitor days and 3.05m overnight stays.
11. The continuation of HCBID will contribute to the council's Corporate Delivery Plan 2025/2026 Objective 'Work with our partners and businesses to facilitate growth across the county' through the following Key Deliverables: Support County Business Improvement District (BID)/Visit Herefordshire to increase the economic impact of tourism across the county to achieve the following milestones:
 - a. Support the establishment of the Local Visitor Economy Partnership
 - b. Support the partnership to develop the Herefordshire Destination Management Plan
12. The Council's County Plan 2024 to 2028 states that 'Herefordshire has a rich cultural heritage and boasts a varied environment. Who we are, our sense of place, and our landscape, villages, high streets, town centres and rural areas are all deeply intertwined'. The County Plan also states that 'We are committed to working alongside partner organisations to grow the tourism economy'.
13. A number of community focussed projects that have been delivered by HCBID can also be found in the background paper.

Environmental impact

14. The HCBID/ Visit Herefordshire are strengthening the county's commitment to environmental responsibility and green tourism by embedding sustainability throughout the Destination Management Plan and wider tourism activity. The work promotes regenerative tourism principles, encouraging businesses to adopt practices that enhance local ecosystems, communities, and cultural landscapes. This includes developing nature-based trails, improving access to outdoor recreation, and publishing immersive digital content that supports responsible exploration of Herefordshire's countryside.
15. National media features, such as coverage in Green Traveller Magazine, National Geographic and the Guardian further highlight the county's growing reputation for environmentally conscious travel. In addition, Visit Herefordshire proudly runs the Regenerative Tourism category within the Visit Herefordshire Tourism Awards, directly linked to the VisitEngland Awards for Excellence, helping to recognise, celebrate, and elevate businesses leading the way in sustainable and regenerative tourism.

Equality duty

16. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
17. The mandatory Equality Impact Screening checklist has been completed for this decision, and it has been found to have a low impact for equality. However, the following equality considerations should be taken into account when making a decision:
 - a. Visit Herefordshire has a dedicated Accessibility page on its website
 - b. HCBID lists walks without stiles and publishes maps with walks that can accommodate electric mobility vehicles
 - c. Visit Herefordshire also has information and links to Blue Badge Parking Information, Public and Accessible Toilet Facilities and Shopmobility
 - d. The HCBID Board and Operational Team have drop-in clinics all over the county, including rural areas, to ensure they are accessible to all members
 - e. The HCBID is continually striving to make their services more inclusive and have a statement on their website that reads *'We want this guide to Herefordshire to welcome all, be accessible and provide clear access information. It is a work in progress, and we welcome feedback and additional information which could be featured here'*
 - f. An Equality Impact Assessment will be undertaken for each new activity brought forward in implementing projects in the final Business Plan
 - g. The HCBID Board will maintain oversight of the Business Plan through monthly reporting, including how related actions considered the needs of people who have different protected characteristics have different needs, experiences, issues or priorities and how existing and developing projects can be as inclusive as possible

Resource implications

18. There are 26 council owned hereditaments in the proposed HCBID area. The total rateable value is £1,222,750. This equates to levy payments of £21,398.13 per annum.
19. HCBID has also successfully applied for grant funding and seeks to do this again during the next term to add value to the levy income.

20. As the billing authority, Herefordshire Council needs to fund the cost of the ballot. Civica Election Services Ltd have been selected via competitive quote and the cost of £5,490 is being met through the Economic Development Team base budget.
21. There are no further revenue implications for the council.

Revenue or Capital cost of project (indicate R or C)	2026/27	2027/28	2028/29	Future Years	Total
	£000	£000	£000	£000	£000
Should the ballot be successful there is a negative impact on the Property Services Business Rates budget of £21,398 per annum based on a 1.75% levy on business rates on eligible premises (26 units) (R)	22	22	22	43	108
Ballot costs – Economic Development Team	5				5
R for revenue	27	22	22	43	113

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
Property Services base budget	22	22	22	43	108
Economic Development Team base budget	5				5
Total	27	22	22	43	113

Revenue budget implications	2026/27	2027/28	2028/29	Future Years	Total
	£000	£000	£000	£000	£000
<i>note any impact on revenue budget, good or bad</i>					
TOTAL					

Legal implications

22. The Herefordshire BID is regulated by the Local Government Act 2003 (LGA 2003) and Business Improvement Districts (England) Regulations 2004, which legislates all aspects of development and operation of BIDs.
23. Section 54(2) of the LGA 2003 allow BIDs arrangements to be extended for one or more periods of up to 5 years provided that the non-domestic ratepayers liable for the levy approve the arrangements.
24. This requires a majority decision under s50 LGA 2003 of the ratepayers. The majority must be by both in numbers of ratepayers and the majority of the rateable value within the BID area.
25. If the outcome of the ballot supports the continuation of Hereford BID, the BID company will be responsible for the operation of the BID and for using the BID levy for the purposes of managing the BID and delivering the projects as outlined in the Business Plan.

26. An Operating Agreement between the BID Company and the council establishes the collection regime, in relation to the BID levy, and provides for the monitoring of the regime by a Monitoring Group consisting of an equal number of representatives of both the Council and the BID Company. The Council is to use reasonable endeavours to collect the BID levy and transfer it to the BID Company, charging a collection fee for doing so. Hoople is the collecting agent on behalf of Herefordshire Council.

Risk management

27. The following are the identified key risks and opportunities:

Risk / opportunity	Mitigation
The HCBID ballot is unsuccessful, resulting in a gap in service delivery, countywide promotion and support for the tourism sector.	Should the HCBID ballot be unsuccessful, there is no alternative option available which would generate the equivalent level of funding required to support the breadth and scope of the projects being delivered by the HCBID to enhance the county's overall tourism offer. The HCBID Board has actively consulted with levy payers to ensure they are committed and supportive of the proposals for the second term. The Business Plan will incorporate input from these consultations.
BID is formed but fails to deliver the Business Plan	If the HCBID ballot is successful, it will be managed by the HCBID Company (which already exists and is nearing its first term). The council has a director appointment on the Board. The council also has the right to veto under Regulation 12 of the BID regulations.
Opportunity £1bn tourism economy by 2035	The HCBID has the ability to attract income from levy paying businesses, however, through the LVEP, Visit Herefordshire and DMP work, there is the potential to increase the tourism economy in Herefordshire up to £1bn by 2035.

Consultees

28. The HCBID Board carried out Stage 1 consultation with levy payers, during November and December 2025. Insights were then fed into Stage 2 consultation ran from April to June 2026.
29. The HCBID Chair and CEO, along with officers, presented to the Connected Communities Scrutiny Committee on 17 February 2026. This included an update on all achievements in HCBIDs first term and headline proposals for the second term. Following this, it was recorded that the council support HCBID and vote in favour at the next ballot.

30. A Political Group Consultation (PGC) will be held on 20 July 2026. Those attending the PGC were all supportive of the decision to vote in favour of a second Herefordshire County Business Improvement District term. It was recognised that the BID has very positively impacted the Herefordshire economy, the value of the visitor economy has grown to over £800m in the BID term. It was also noted that securing the filing of Hamnet in the county was a very positive outcome for Herefordshire.

Appendices

Appendix 1 - Developing Herefordshire County Business Improvement District Business Plan 2027 – 2031 Consultation Document.

Background papers

Tourism in Herefordshire Report - presented to Connected Communities Scrutiny Committee on 17 February 2026 (provides detailed overview of activity HCBD has delivered since the start of its first term).