1. Executive Summary

1.1 In October 2020 the City Council received a draft Business Improvement District (BID) Proposal from Victoria Westminster BID Ltd for a new BID for Whitehall. The proposed BID boundary covers the business district to the east of Victoria BID running from Buckingham Gate to Parliament Square and as far south as Page Street. It includes historical areas such as Westminster Abbey and Wellington Barracks, incorporating the Guards Museum. The ballot is proposed to take place during January and February 2021 with the result of the ballot to be announced on 26 February 2021.

1.2 The Whitehall BID Proposal reflects the priorities of their business community and ensures that City for All is at the forefront of their thinking. The area is one of the most instantly recognisable and politically significant locations in the world. Flanked by the Palace of Westminster and Trafalgar Square, this special part of London has been home to our most powerful institutions since the 11th Century. From the Cenotaph to Horse Guards Parade, from the Cabinet Office to Downing
Street, Whitehall has become a national symbol of history and politics, epitomising the UK’s status on the world stage. However, underinvestment into its public spaces and parks, combined with security threats and a lack of recognition of its cultural and leisure offer, has resulted in a clear case for a new direction and strategy to be implemented. The formation of a Whitehall BID will help fund vital improvements to the urban landscape, opening up access to the riverfront, investing in and improving green spaces and creating a safer and more engaging pedestrian experience. It will do all of this while strengthening the cultural and leisure offer of Whitehall to ensure the rich history of this area is expanded and celebrated.

1.3 This report describes Whitehall BID’s proposal, which has been developed closely with Council service portfolios. It then sets out the process described in the Business Improvement Districts (England) Regulations 2004 and The Business Improvement Districts (Property Owners)(England) Regulations (the 2004 and 2014 Regulations), which Victoria Westminster BID as the new BID’s proposer and the City Council are required to follow to secure the new proposed BID.

1.4 The Cabinet Member for Business & Planning is responsible for BIDs and so is asked to agree the recommendations in the report.

2. Recommendations

2.1 That the Cabinet Member endorses the Whitehall BID Proposal.

2.2 To request the Chief Executive as the City Council’s Returning Officer and “ballot holder” to hold a ballot for the Whitehall BID Proposal.

2.3 That the Director of Law be authorised on behalf of the City Council to enter into the necessary legal agreements for collection of the BID Levy. In addition, deal with related service specifications for all other connected services which the City Council is required to deliver throughout the BID’s term and any other necessary legal matters in respect of the Whitehall BID Proposal as instructed and in consultation with the appropriate officers.

3. Reasons for Decision

3.1 The proposed Whitehall BID will be the fourth South Westminster BID under Chief Executive Ruth Duston. Ruth’s other BIDs have well established successful collaborative relationships with the City Council. Victoria Westminster BID Ltd has been instrumental in delivering significant changes within the area over the last two years and has contributed to and created meaningful achievements during this time. Examples of these are:

- Working with the Victoria BID and Westminster City Council to regenerate Christchurch Gardens as a world class urban green space
Joining a radio link system connected businesses to local Met Police teams
Providing dedicated cleaning teams including night-time cleaning and security teams
Daily reporting of issues to the local authority and relevant stakeholders for action
Delivering an updated public realm strategy for the area
Installing an annual Christmas installation near Parliament Square on Storey’s Gate
Circulating thousands of local discount ‘Privilege Cards’
Commissioning a Vibrancy Report to help inform strategic decisions
Local businesses have donated thousands of Christmas gifts to nominated charities

3.2 It is anticipated that as with the other South Westminster BIDs, the proposed Whitehall BID will play an active part in the joint working arrangements the City Council has set up for all BIDs to liaise with City Council members and officers, to enable new ideas, plans and initiatives of mutual concern to be discussed prior to public launch. Officers will also continue to encourage all BIDs to work collaboratively with each other on joint initiatives so as to avoid duplication of resources and contact with the City Council.

3.3 This report describes the Proposal that has been submitted by Victoria Westminster BID to secure a new BID for Whitehall. These do not conflict with City Council policies. The Cabinet Member is therefore asked to endorse the Whitehall BID Proposal and other recommendations contained in this report. This report has been placed on the forward list of executive decisions.

4. Background, including Policy Context

4.1 The proposed new BID’s first term would commence of 1 April 2021 and terminate on 31 March 2023. The City Council has a statutory duty to consider the proposal and hold a ballot of their businesses on Victoria Westminster BID Ltd’s behalf.

4.3 The ballot for the proposed Whitehall BID is due to take place during January and February 2021. If the majority of voters who vote in the ballot, both by aggregate rateable value and number voting, support the proposals, and the City Council does not exercise its veto option of the BID proposals, then the BID will formally start its first term on 1 April 2021.

5 Whitehall BID Proposal

5.1 Victoria Westminster BID Ltd (Company Number 11554476) is a not for profit
company limited by guarantee. It was formed to operate the Victoria Westminster BID and is the BID Proposer putting forward the proposal for the new Whitehall BID. Assuming a successful ballot, it is Victoria Westminster BID Ltd in its legal entity that will provide governance and run the activities of the BID supported by an experienced and effective team. During the development phase Victoria Westminster BID Ltd made an in-kind contribution of staff time to develop the BID Proposal. The development has been supported by the Victoria Westminster BID Board, with Victoria Westminster BID being responsible for the financial management of the BID. They will work collectively to agree and oversee the strategic plan for the BID. A number of steering groups will be established to shape and influence the day to day delivery of the BID’s activities, represented by business levy payers and the wider stakeholder community.

5.2 Victoria Westminster BID Ltd formally submitted its Whitehall BID proposal in November 2020 (available as a background paper).

5.3 The BID Levy of 0.85% applies to premises with a rateable value equal to or greater than £150,000. The BID levy will assume a growth rate for inflation of 2.5% applied on 1 April each year. The levy per hereditament will be capped at £40,000 plus the inflationary rate of 2.5% per annum. A “closed year” BID rule means that backdated rateable value reductions, following ratepayer Valuation List appeals, settled by the Valuation Office, are only backdated to the start of the current financial year. No refunds or collections of the BID levy will be made for previous years. All BIDs when introducing the Closed Year Rule are made aware that the restriction of recalculation of BID levy to the current financial year applies equally to rateable value increases and decreases. The rule excludes changes relating to RV£0, RV£1, deletions and insertions, splits and mergers. The rule is included in the published BID rules so that individual businesses are aware of the rule at the point of ballot. The BID will raise an estimated £611,700 in its initial two-year term.

5.4 The ballot period lasts for a minimum of 28 days and is due to start on the 28 January 2021 and finish on 25 February 2021. To ensure neutrality the ballot will be administered by Westminster City Council.

5.5 Priorities for the BID’s initial term include:

Public Realm
It is widely known that public realm within the Whitehall footprint needs improvement to ensure greater vibrancy and a more engaging pedestrian experience is achieved. Equally, with ongoing plans to improve Parliament Square, the Whitehall BID will be sure to work with partners to ensure that coherent public realm improvements sit high on all agendas. The BID will:

• Develop a public realm strategy aligned to Victoria Westminster BID
• Improve signage and wayfinding
• Improve vibrancy and street level activation
• Deliver vehicle and freight management congestion initiatives
• Encourage provision of walking programmes
• Improve street furniture
• Develop partnership working and/or lobby statutory partners ensuring additional investment is for the benefit of Whitehall
• Respond to all planning applications shaping the future of the area

**Clean & Green**
An improved environment is a core component of what a BID can bring to an area. Whitehall has the potential to utilise and make the most of its access to existing green spaces, and riverfront, yet also has the scope for new greening opportunities to really bring the area to life, encouraging staff and visitors to experience a greener, healthier place to relax and enjoy. The BID will:
• Enhance tree planting and safe community seating, where appropriate
• Deliver additional street cleansing above and beyond the statutory duty of the Local Authority
• Provide monitoring and reporting of environmental issues
• Improve utilisation of green space and/or addition of new green space
• Deliver a business recycling scheme
• Develop partnership working to improve business sustainability
• Deliver an air quality pledge scheme

**Destination Whitehall**
With an abundance of history and culture, Whitehall really is a place that should be celebrated by Londoners. The hospitality offer is significant and could even be expanded. A hub for visitors, Whitehall would benefit from increased dwell-time and encouraging tourists to sample the local offering. It is important to support and build on the retail offer and leisure offer to enhance the vibrancy and experience of the area. The BID will:
• Develop a marketing strategy and event programme
• Extend and grow the existing Victoria Westminster BID privilege card
• Replicate the successful street ambassador programme in Victoria Westminster
• Enhance a dedicated destination website and provide social media support

**Safe & Secure**
Unfortunately, there will always be a need for an area as high-profile as Whitehall, to not only be well protected by the Police and security services but also by a well-planned safe urban design. Whitehall already enjoys many enhanced security measures, but more can always be done to ensure the area feels safe. The safe and secure strategic priorities will also focus on the day
to day issues that need to be addressed, including homelessness, begging and anti-social behaviour. The BID will:

- Ensure the area is represented on safe & secure steering groups
- Ensure best practice through police and business engagement
- Foster positive community relations
- Offer high level business advice on areas such as business continuity, counter terrorism, fraud and economic crime
- Develop bespoke local crime prevention initiatives
- Provide safety information

**Sustainable Prosperity**

The appeal and vibrancy of the area along with corporate social responsibility (CSR) are both important to businesses. Although a large number of businesses already support the local community through CSR activities, the BID will strengthen these links. The BID will:

- Commission evidence-based research to inform future policy decisions
- Implement a corporate social responsibility scheme supporting local community and volunteering engagement
- Develop a work placement brokerage scheme
- Develop an annual networking event plan
- Provide a united lobbying voice to influence Local and Central Government policymaking

### 6. Financial Implications

**6.1** The services provided by the BID will be integrated with those provided by the City Council. Other than staff time spent on negotiating the precise details of their provision, the services will not cause additional cost to the City Council.

**6.2** The Business Improvement Districts (England) Regulations 2004 require the City Council to pay for the ballot, which is only recoverable in the event of a very low turnout of votes supporting the BID proposal. Staff time will be funded from existing budgets and the cost of the ballot will be met from Civic Enterprise Fund reserves so there will be no additional cost to the City Council.

**6.3** The City Council will be responsible for collecting the BID Levy through the existing business rates system into a ring-fenced BID fund before passing it over to the BID.

7. Legal Implications

7.1 Business improvement Districts (BIDs) are regulated by the 2004 and 2014 Regulations which sets out the process for a BID to become formally established, renewed and or altered.

7.2 Victoria Westminster BID Ltd, as the BID proposer must give at least 84 days’ notice to the City Council and the Secretary of State to request the Council’s ballot holder to hold a BID ballot. Victoria Westminster BID Ltd gave such notice in September 2020 for a BID ballot to be held in February 2021.

7.3 As required by the 2004 and 2014 Regulations, Victoria Westminster BID Ltd have also provided the Council with the following:

7.3.1 a copy of the BID proposals (the required contents of which differs depending on whether it is a new proposal, a renewal proposal or an alteration proposal);
7.3.2 a summary of the consultation the BID proposer has undertaken with those liable to pay the BID levy;
7.3.3 a summary of the proposed business plan, to include estimates of cash flow, predicted revenue and expenditure, and the predicted budget over the duration of the BID arrangements and the contingency margin included in the budget;
7.3.4 the financial management arrangements for the BID body and the arrangements for periodically providing information to the City Council on the finances of the BID body;
7.3.5 and information to satisfy the City Council that Victoria Westminster BID Ltd has sufficient funds to meet the costs of the ballot should it be required to do so as permitted by the 2004 and 2014 Regulations.

7.4 The City Council must consider whether the BID proposals conflict with any formally adopted and published policy by the City Council (whether or not the City Council is under a statutory duty to prepare such a document). If the City Council is of the view that they do conflict, then it must, as soon as reasonably practicable after receiving the proposal, notify Victoria Westminster BID Ltd, in writing explaining the nature of that conflict.

7.5 Where the City Council is satisfied that the documents provided by Victoria Westminster BID Ltd meet the requirements of the 2004 and 2014 Regulations and have sufficient funds to hold a BID ballot, the City Council shall comply with the 2004 and 2014 Regulations to instruct the ballot holder to hold a BID ballot. The ballot holder for the City Council is the Chief Executive in his capacity as the Returning Officer. Having reviewed the documents, the City Council is satisfied that they do indeed meet the requirements. The City Council’s ballot holder must
make arrangements for conducting the relevant BID ballot in accordance with Schedule 2 of the 2004 and 2014 Regulations, the proceedings for the ballot shall be conducted in accordance with the following (which may be subject to change in accordance with the Regulations):

<table>
<thead>
<tr>
<th>Proceeding(s)</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publication of Notice</td>
<td>At least 42 days before the day of the ballot</td>
</tr>
<tr>
<td>Day of the Ballot</td>
<td>must be a working day and at least 28 days after the date on which</td>
</tr>
<tr>
<td></td>
<td>the ballot papers were sent to voters (or where the ballot papers</td>
</tr>
<tr>
<td></td>
<td>were sent on more than one date, the last such date and;</td>
</tr>
<tr>
<td></td>
<td>No later than 90 days from the date on which the ballot holder</td>
</tr>
<tr>
<td></td>
<td>published the notice</td>
</tr>
<tr>
<td>Declaration of the</td>
<td>The ballot holder shall certify:</td>
</tr>
<tr>
<td>results</td>
<td>the total number of votes casted excluding any ballot papers</td>
</tr>
<tr>
<td></td>
<td>rejected</td>
</tr>
<tr>
<td></td>
<td>the aggregate rateable value of each hereditament in respect of</td>
</tr>
<tr>
<td></td>
<td>which a person voted in the ballot;</td>
</tr>
<tr>
<td></td>
<td>the total number of votes cast in favour of the question asked in</td>
</tr>
<tr>
<td></td>
<td>the ballot; and</td>
</tr>
<tr>
<td></td>
<td>the aggregate rateable value of each hereditament in respect of</td>
</tr>
<tr>
<td></td>
<td>which a person voting in the ballot has voted in favour of the</td>
</tr>
<tr>
<td></td>
<td>question asked.</td>
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<tr>
<td></td>
<td>The ballot holder, having made the certification above shall (a)</td>
</tr>
<tr>
<td></td>
<td>forthwith make a declaration of the matters so certified and (b)</td>
</tr>
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<td></td>
<td>as soon as reasonably practicable give public notice of the matters</td>
</tr>
<tr>
<td></td>
<td>so certified.</td>
</tr>
</tbody>
</table>

7.6 Regulations 12 and 14 of the 2004 and 2014 Regulations grant the City Council a power to veto a BID proposal after it is approved by a ballot, which is exercisable only if it is likely to:

7.6.1 conflict to a material extent with any policy formally adopted by and contained in a document published by the City Council (whether or not the council is under a statutory duty to prepare such a document), or

7.6.2 be a significantly disproportionate financial burden on any person or class of persons (as compared to the other non-domestic ratepayers in the geographical area of the BID) and (i) that burden is caused by the
manipulation of the geographical area of the BID or by the structure of the BID levy; and (ii) that burden is inequitable.

7.7 Where the City Council wishes to exercise its power to veto, it must do so within 14 working days from the day of the ballot, and must have regard to all of the following:

7.7.1 the level of support (as evidenced by the result of the BID ballot or re-ballot of a BID ballot, as the case may be) for the BID proposals;

7.7.2 the nature and extent of the conflict referred to in paragraph 7.6.1 above;

7.7.3 in relation to paragraph Error! Reference source not found., the structure of the proposed BID levy and how the financial burden of the BID is to be distributed amongst ratepayers in the geographical area of the BID;

7.7.4 the extent to which the BID proposer discussed the BID proposals with the authority before submitting the BID proposals to the authority; and

7.7.5 the cost incurred by any person up to the end of the 14-day period in developing the BID proposals and canvassing in relation to the BID proposals.

7.8 At the time of writing, the City Council is of the opinion that:

7.8.1 Victoria Westminster BID’s Proposals for a new Whitehall BID are in line with Council policies and priorities; and

7.8.2 the proposals are not a significantly disproportionate financial burden on any persons or class of persons.

7.9 As such, currently the City Council has no intention to exercise its right to veto but may review the situation in the event of any significant change in circumstances.

7.10 Two legal agreements between the City Council and Victoria Westminster BID Ltd will need to be drawn up to cover in respect of the council’s obligations for the BID Levy collection, and the service specification for various services under a Baseline Service Level Agreement for services such as cleansing and highways which the City Council will continue to deliver throughout each BID term which may be subject to periodic review and consultation with Victoria Westminster BID Ltd.

Legal implications verified by Sharon Cudjoe, Senior Solicitor, Bi-Borough Legal Services

8. Consultation

8.1 Victoria Westminster BID has carried out its own consultation with businesses in formulating the new Whitehall BID Proposal.
8.2 Ward Members have been consulted during the drafting of this report. All of which welcome and support the establishment of this new BID.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact: Haylea Asadi, Head of Business & Enterprise by Email: hasadi@westminster.gov.uk or Tel: 07816 219476.

BACKGROUND PAPERS

For completion by the **Cabinet Member for Business & Planning**

**Declaration of Interest**

I have <no interest to declare / to declare an interest> in respect of this report

Signed: ___________________________ Date: ___________________________

NAME: ___________________________

State nature of interest if any …………………………………………………………..……

…………………………………………………………………………………………………..

(N.B: *If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter*)

For the reasons set out above, I agree the recommendation(s) in the report entitled **Whitehall Business Improvement District Proposal 2021-23** and reject any alternative options which are referred to but not recommended.

Signed …………………………………………………

Cabinet Member for *Business and Planning*

Date …………………………………………………

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment: ……………………………………………………………………

……………………………………………………………………………………………………

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal and Democratic Services, Strategic Director Finance and Performance and, if there are resources implications, the Strategic Director of Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.
Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.
Appendix A

Other Implications

1. Resources Implications

There are no implications.

2. Business Plan Implications

There are no implications though it is worth noting that BIDs make a valued contribution to City for All and Economic Development and Place Shaping priorities. Significant additional investment in economic development and place shaping is generated through Westminster’s BIDs. The funding is used to implement the projects prioritised by the business community in the BID business plan. BIDs are taking an increasing role in place leadership, stewardship and driving local economic growth. While BIDs are business-led, they benefit those working, living and visiting the area.

3. Risk Management Implications

There are no implications.

4. Health and Wellbeing Impact Assessment including Health and Safety Implications

There are no implications.

5. Crime and Disorder Implications

There are no implications though it is worth noting that ‘Safe & Secure’ is a priority workstream for the new proposed BID.

6. Impact on the Environment

There are no implications though it is worth noting that ‘Clean & Green’ is a priority workstream for the new proposed BID.

7. Equalities Implications

There are no implications.

8. Staffing Implications

There are no implications.

9. Human Rights Implications
There are no implications

10. **Energy Measure Implications**

There are no implications

11. **Communications Implications**

There are no implications though it should be noted that ‘Destination Whitehall’ is a priority workstream for the new proposed BID.