



Decision Maker:	Cllr Geoff Barraclough, Cabinet Member for Economic Development & Planning
Date:	26 September 2024
Classification:	General Release
Title:	HOLBA BID Proposal and Renewal BID Proposals: Piccadilly and Jermyn Street Property Owner Renewal BID Proposal 2025 – 2030 Leicester Square and Piccadilly Circus Property Owner Renewal BID Proposal 2025 – 2030 St Martins Occupier and Property Owner Renewal BID Proposal 2025-2030 St James’s Occupier and Property Owner BID Proposal 2025-2030
Wards Affected:	St James’s and West End
Key Decision:	No
Financial Summary:	<p>Subject to the successful Business Improvement District (BID) ballots, the City Council will be responsible for the collection of the BID levy payments in respect of each BID.</p> <p>The total amount of levy that will be due and payable by the City Council to the Leicester Square and Piccadilly Circus Property Owner BID during the new five-year BID term is £83,421.00.</p> <p>The cost of administering all the ballots is accommodated within existing budgets.</p>
Report of:	Debbie Jackson, Executive Director – Growth, Planning & Housing

1. Executive Summary

- 1.1 In August 2024, the City Council received 4 BID proposals from the Heart of London Business Alliance (HOLBA) to:

Renew

1. The Property Owner Business Improvement District (BID) in the Piccadilly and Jermyn Street area (formerly known as the Piccadilly and St James Property Owner BID).
2. The Property Owner Business Improvement District in the Leicester Square and Piccadilly Circus area
3. The Occupier and Property Owner Business Improvement Districts in the St Martin's Area and;

Establish and set up a new BID(s)

1. The Occupier and Property Owner Business Improvement Districts in the St James' Area.

- 1.2 This report outlines HOLBA's vision and focus over the next five years for the BID areas. The BID proposals have been submitted to the City Council regarding holding 6 ballots in respect of the four BID proposals. The BID ballots are proposed to take place across February and March 2025 with the results of all 6 ballots to be announced on 13 March 2025.
- 1.3 HOLBA's BID proposals reflects the priorities of the BID's business community following extensive engagement. It ensures that the BID's priorities align with the work undertaken by the City Council to achieve the best outcomes for the local economy and community within the BID areas.
- 1.4 HOLBA represent more than 600 businesses in the Heart of London's West End across three districts including Piccadilly and St James'; Leicester Square, Piccadilly Circus and Haymarket; and St Martin's. These areas generate £345m in business rates and attracts over 158 million visitors per year.
- 1.5 This report describes HOLBA's BID proposals in respect of 4 renewal BIDs and 2 new BIDs to be established, which have all been reviewed and shaped by the relevant Council services.
- 1.6 The Cabinet Member for Economic Development & Planning is responsible for BIDs and so is asked to approve the recommendations in the report.

2. Recommendations

- 2.1 That the Cabinet Member:
Approve HOLBA's BID proposals for:

- Piccadilly and Jermyn Street Property Owner Renewal BID Proposal 2025 – 2030
- Leicester Square and Piccadilly Circus Property Owner Renewal BID Proposal 2025 – 2030

- St Martins Occupier and Property Owner Renewal BID Proposal 2025-2030
- St James's Occupier and Property Owner BID Proposal 2025-2030

2.2 Request the Chief Executive as the City Council's Returning Officer and "ballot holder" to hold a ballot for HOLBA in respect of:

- Piccadilly and Jermyn Street Property Owner Renewal BID
- Leicester Square and Piccadilly Circus Property Owner Renewal BID
- St Martins Occupier and Property Owner Renewal BID
- St James's Occupier and Property Owner BID

2.3 Approve 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 documentation which the City Council is required to enter with HOLBA to deliver relevant services in relation to the 4 BID areas throughout the BID's first terms and any other necessary legal matters as instructed and in consultation with the appropriate Council officers.

2.4 Approve the budget spend of £83,421.00 for BID levy payments that may become due from the Council to the Leicester Square and Piccadilly Circus Property Owner BID for the 5 year BID term if the ballot is successful.

3. Reasons for Decision

3.1 Business Improvement Districts (BIDs) can continue for an unlimited number of terms, providing they are successful in their ballots. Heart of London Business Alliance (HOLBA) have submitted their Piccadilly and Jermyn Street Property Owner Renewal BID, Leicester Square and Piccadilly Circus Property Owner Renewal BID and St Martins Occupier and Property Owner Renewal BID proposals to the City Council for its consideration to enter their second term. HOLBA have also submitted their St James's Occupier and Property Owner BID proposal for consideration to establish a new BID. The City Council is statutorily bound to consider each proposal and, subject to its approval, to hold a ballot on behalf of HOLBA in respect of their proposals.

3.2 HOLBA have successfully managed to generate and invest over £42million directly into the heart of London's West End and are seeking to amplify their reach, delivery and impact.

HOLBA has a strong collaborative relationship with the City Council and over the last two decades since their inception in Westminster, they have accomplished the following notable achievements for the area and their business members:

- Secured funding to commence construction of the Sackville Street and Vigo Street public realm schemes
- 5.7 billion press reach generated from Art of London projects
- Over 2,000 rough sleepers received support

- 11,000 tonnes of CO2 emissions were saved through HOLBAs waste disposal methods
- £1bn saved in business rates, payroll, and VAT relief for members
- HOLBAs 24/7 security team resolved 16,777 incidents, with crime falling by 4%
- Helped to secure a £1.75bn support package for the Arts and Culture sector during the pandemic.

4. Background, including Policy Context

- 4.1 The City Council has a statutory duty to consider the proposal and hold the occupier and property owner ballots on behalf of HOLBA.
- 4.2 The ballots for the proposed BIDs are due to take place across the period of February and March 2025. If the majority of voters who vote in the ballots, both by aggregate rateable value and number voting, support the proposals, and the City Council does not exercise its right to veto the BID proposals, then the BIDs will formally start their first terms on 1 April 2025 and terminate on 31 March 2030.

5. The BID Proposals

- 5.1 HOLBA (Company Number 04293930) is a not-for-profit company limited by guarantee. It was formed to operate the HOLBA BIDs and is the BID proposer putting forward the BID proposals for:

- Piccadilly and Jermyn Street Property Owner Renewal BID 2025 – 2030
- Leicester Square and Piccadilly Circus Property Owner Renewal BID 2025 – 2030
- St Martins Occupier and Property Owner Renewal BID 2025-2030
- St James’s Occupier and Property Owner BID 2025-2030

Assuming successful ballots, it is this legal entity that will continue to provide governance and run the activities of the BIDs supported by an experienced and effective team. The BID’s Board is made up of representatives, key stakeholders and businesses from within the BID area to ensure balanced representation. The BID finances will be independently audited and reviewed each year.

5.2 BID Levy Rules

Leicester Square and Piccadilly Circus Property Owner Renewal BID

The BID levy of 1.5% of the rateable value (RV) for all eligible hereditaments will be applied on all properties in the BID area which appear in the rating list with a RV of £130,000 or more.

Piccadilly and Jermyn Street Property Owner Renewal BID

The BID levy of 1.5% of the rateable value (RV) for all eligible hereditaments will be applied on all properties in the BID area which appear in the rating list with a RV of £225,000 or more.

St James's Property Owner BID

The BID levy of 1.5% of the rateable value (RV) for all eligible hereditaments will be applied on all properties in the BID area which appear in the rating list with a RV of £225,000 or more.

St James's Occupier BID

The BID levy of 1.35% of the rateable value (RV) for all eligible hereditaments will be applied on all properties in the BID area which appear in the rating list with a RV of £225,000 or more.

St Martins Property Owner BID

The BID levy of 1.5% of the rateable value (RV) for all eligible hereditaments will be applied on all properties in the BID area which appear in the rating list with a RV of £80,000 or more.

St Martins Occupier BID

The BID levy of 1.35% of the rateable value (RV) for all eligible hereditaments will be applied on all properties in the BID area which appear in the rating list with a RV of £80,000 or more.

All 6 BIDs will have the following BID levy rules:

An inflationary increase of 0.03% will be applied annually on 1 April thereafter. A levy payer will not be liable to pay more than £50,000 on any hereditament in each HOLBA BID in any fiscal year. The BID levy will be a daily charge, paid annually in advance and will be calculated based upon the RV as of 31 March 2025.

- 5.3 Where the rateable value for individual hereditaments (rated properties) changes and results in a lower BID levy, it will only come into effect from the start of the fiscal year in which the change is made. Charitable organisations in receipt of mandatory charitable relief from rates will receive 80% reduction.

The BID levy will not be increased other than as specified in these levy rules. There will be no VAT charged on the BID levy. The BID levy is to be paid in full within 14 days of receipt of invoice. The liability for the daily BID levy will fall on the eligible ratepayer.

- 5.4 The priorities for the BIDs have been identified following extensive consultation and engagement with ratepayers within the proposed BID footprint and other local businesses.

If HOLBA have successful ballots, their vision and attention has been structured into five key areas of focus for all 6 BIDs over the next 5 years:

- **Shape** - *We will revitalise the area, secure its sustainable future, attract new investment, guaranteeing tangible results*
- **Promote** - *We will deliver standout experiences that delight visitors, showcasing the West End as the world's most iconic cultural destination*

- **Manage** - We will create an environment that is clean, safe, and well-managed, elevating the experience for everyone
- **Advocate** - We will protect, defend, and promote our members' interests, listening and campaigning on the issues that matter most
- **Support** - We will empower, inform, and raise our members' profiles, providing a one-stop shop of support and services to help your businesses thrive

Shape

The West End attracts 158 million visitors per year and is a global hub of commerce, culture, and tourism. HOLBA aims to revitalise the area, secure its sustainable future and attract new investment. HOLBA aim to do this by undertaking the following 4 action plans:

A vision and strategy for the West End

Working with key stakeholders, HOLBA will aim to maintain the area as a world-class destination, understanding that there are changes in consumer trends and the need to ensure the area remains successful for years to come.

Net Zero Carbon West End

HOLBA have proven a commitment to deliver the Net Zero plan. This will be continued via various programmes, including:

- Net Zero Carbon Strategy and action Plan, which involves retrofitting older buildings, change to zero emissions deliveries, increasing recycling levels and reducing waste.
- Sustainability Members Engagement Group, which provides businesses with support and advice
- Sustainability Toolkit, which includes free energy assessments and grants to members

Transform the public realm

Over the next five years, the ambition is to drive forward HOLBA's Place-Shaping Strategy, focusing on improving the streets, reducing traffic and refining experiences in the area, to appeal to visitors and inward investors.

24/7 Destination

HOLBA have introduced a very thorough and intricate Evening & Nighttime Economy Strategy and Action Plan, in addition to WCCs ENT policy. The Strategy aims to make the West End safe and welcoming 24 hours a day, recognising the value that the ENT Economy would bring to the West End, with Gross Value Added currently standing at £14bn a year.

Promote

London's creative economy is worth £52 billion, and the West End is at the forefront of this, being a world-renowned cultural hub owing to its unique and first class culture offer and heritage.

HOLBA's Arts and Culture Strategy over the last 5 years has been responsible for delivering and facilitating hundreds of cultural experiences that have attracted people to the area that in turn, drives footfall and generates investment in the area. A great example of this was the 'Take a Moment mental wellbeing' art campaign, that reached over 398m people. This is in addition to the awarding winning Art of London projects that have a press reach of 5.7b.

Over the next 5 years, HOLBA plan to continue to build upon the promotion of the West End, to attract international audiences, which the West End relies on. HOLBA will do this through various programmes such as:

- Art of London
- Art after Dark
- Scenes in the Square
- Festive lights
- Loyalty scheme

Manage

For the HOLBA area to continue to attract residents, visitors, business owners and workers, the area has to offer a clean, safe, healthy, sustainable and easy to navigate space. Over the last 5 years, HOBLA have removed 1,059 items of graffiti, 1.9m pieces of chewing gum and 10,250 fly-posters. In addition to this, HOLBAs 24/7 security team have resolved 16,777 incidents, and the rapid response service have dealt with 30,000 street cleansing issues. Over the next 5 years, HOLBA plan to focus on the following:

Safety

HOLBA's dedicated seven-days-a-week private security team, respond to on-street disruptions, anti-social behaviour, low-level crimes and working closely with the Metropolitan Police Service (MPS) to create a safer and secure place. HOLBA plan to deliver a crime-reduction strategy and share crime intelligence with both the Police and WCC.

Safety during the Evening and Night-time

Alongside the ENT Strategy, HOLBA plan to deliver Welfare and Vulnerability Engagement (WAVE), support the Night Haven services and hope to keep Purple Flag accreditation.

Cleaning

HOLBA's environmental cleansing team, work seven days a week beyond the public service provision to ensure hot-washing of pavements, on-street janitorial response service, graffiti removal and litter-pick-up teams.

Caring for the community

HOLBA are committed to working with the City Council to seek long-term solutions for homelessness within the area. HOLBA are keen to continue engaging positively with people who are rough sleeping, increasing the chances of being able to identify positive outcomes for these individuals.

Sustainable Management of the West End

HOLBA are thinking about the carbon footprint in the West End and trying to mitigate this where possible. Members undertaking waste and recycling collections, receive subsidised members rates as an incentive to do so and in turn reduce their costs. HOLBA's preferred supplier schemes help to reduce traffic and thereby vehicle emissions by minimising the number of deliveries within the area.

Advocate

HOLBA have been able to develop and foster relationships with people in local and national government, the BID are therefore able to act as the voice on behalf of its members to address some of the key concerns and challenges, but to also influence policy.

By joining various boards such as the London's Deputy Mayor for Business's Strategic Coordinating Group and Westminster MP Business Advisory Group, HOLBA will continue to advocate for the best interests of its members and the West End.

The diverse strategy plans that HOLBA have and continue to fulfil, such as the Night-Time Economy, Net Zero and Arts & Culture are a combination of the efforts HOLBA are making to advocate for their members interests.

A few examples of some of the key issues HOLBA are seeking support and intervention over the next 5 years from local and national government on are:

- A review of the current business rates system
- An implementation of a new licensing and enforcement regime by TFL, regarding pedicabs
- Tax-free shopping

Support

With a diverse membership of 600 members, HOLBA are committed to adding value to and serving its members and over the next 5 years will:

Provide a dedicated Engagement Team

The dedicated Engagement Team will connect personally with all HOLBA members, to keep them abreast of information and be a hands-on support for businesses. HOLBA plan to introduce an online booking service for the Engagement Team, so businesses can in their own time meet a representative from the team and discuss their needs or concerns.

Support Teams to be safe

HOLBA will provide free training to keep staff and visitors safe. Through the security management platform, businesses can share intelligence and ask for help, alongside Pub Watch meetings, which brings together different partners and businesses to exchange and discuss various information.

Provide Insights to the Area, economy and Investments

HOLBA will provide a data and insights programme, which will provide businesses with various performance reports for the area, including HOLBA's new Economic and Real Estates insights. This will allow businesses to have an enhanced insight and awareness of the area, benchmarked against central London, to hopefully aid businesses to make informed decisions.

Keep businesses informed

Through various networking events, HOLBA will aim to connect the abundant number of businesses within the area. In addition, HOLBA will ensure that businesses are kept abreast of relevant information and key updates, whilst listening and reacting to members issues.

6. Financial Implications

- 6.1 The services provided by the BID will be in addition to those provided by the City Council.
- 6.2 The Business Improvement Districts (England) Regulations 2004 require the City Council to pay for the ballots, which is only recoverable in the event of a very low turnout of votes supporting the BID proposals. Staff time in relation to administering the BID ballots, 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.
- 6.4 Subject to a successful BID ballot, the City Council will be responsible for total amount of levy payable for the City Council across the new five-year term, which would total £83,421.00 for the Leicester Square and Piccadilly Circus Property Owner BID. The levy payable would be taken from the Corporate Property budget and the funds are available.
- 6.5 Financial implications verified by Westminster City Council's Corporate Finance department.

7. Legal Implications

- 7.1 Business improvement Districts (BIDs) are regulated by the Local Government Act 2003 ("the Act") and the 2004 and 2014 Regulations which sets out the process for a BID ballot to be held for the BID to be formally established, renewed and or altered.

- 7.2 HOLBA, as the BID proposer must give at least 84 days' notice to the City Council and the Secretary of State to request the Councils' ballot holders to hold a BID ballot. HOLBA gave such notice in March 2024 for a BID ballot to be held in March 2025.
- 7.3 As required by the 2004 and 2014 Regulations, HOLBA has 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 plans, 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 HOLBA 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 HOLBA in writing explaining the nature of that conflict.
- 7.6 Regulation 21 of the 2014 Regulations states that all expenditure properly incurred by the ballot holder in relation to the holding of a ballot under the 2014 regulations shall be paid by the relevant billing authority.
- 7.9 Where the City Council is satisfied that the documents provided by HOLBA, 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):

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

7.10 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:

7.10.1 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

7.10.2 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.

7.11 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:

7.11.1 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;

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

7.11.3 in relation to **Section 5.1 – 5.4 of this report**, 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;

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

7.11.5 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.

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

7.12.1 HOLBA's proposals are in line with Council policies and priorities; and

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

7.13 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.

7.14 A legal agreements between the City Council and HOLBA 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 HOLBA.

8. Carbon Impact

The BID has set out within their BID proposal, their objective of monitoring and reducing their activities to help the City Council reach it's ambition of becoming a net-zero carbon City by 2040.

9. Equalities Implications

There are no equalities implications.

10. Consultation

- 10.1 HOLBA has carried out its own consultation with businesses in formulating the 4 Proposals.
- 10.2 Ward Members have been consulted during the drafting of this report. All of which welcome and support the renewal and establishment of these BIDs.

BACKGROUND PAPERS

Piccadilly and Jermyn Street Property Owner Renewal BID Proposal 2025 – 2030

Leicester Square and Piccadilly Circus Property Owner Renewal BID Proposal 2025 – 2030

St Martins Occupier and Property Owner Renewal BID Proposal 2025-2030

St James’s Occupier and Property Owner BID Proposal 2025-2030

If you have any queries about this report, please contact:
 Kealy Peachey, BID & Business Support Coordinator by Email:
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APPROVED BY

Name and Title	Date sent	Date approved
Executive Director of Regeneration, Economy and Planning		26 September
FM Planning, Corporate Finance		13 September
Solicitor – Contracts & Procurement Team		20 September
Portfolio Advisor		26 September

For completion by the **Cabinet Member for Economic Development & Planning**

Declaration of Interest

I have no interest to declare in respect of this report

Signed:  Date: 4 October 2024

NAME: **Councillor Geoff Barraclough**

For the reasons set out above, I agree the recommendation(s) in the report entitled and reject any alternative options which are referred to but not recommended.

Piccadilly and Jermyn Street Property Owner Renewal BID Proposal 2025 – 2030

Leicester Square and Piccadilly Circus Property Owner Renewal BID Proposal 2025 – 2030

St Martins Occupier and Property Owner Renewal BID Proposal 2025-2030

St James’s Occupier and Property Owner BID Proposal 2025-2030

Signed 

Cabinet Member for Economic Development & Planning

Date4 October 2024.....

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 & Democratic Services, Chief Operating Officer and, if there are resources implications, the Director of Human 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.