



City of Westminster Cabinet Member Report

Decision Maker:	Cllr Geoff Barraclough, Cabinet Member Planning & Economic Development
Date:	10 October 2022
Classification:	General Release
Title:	Whitehall Business Improvement District Renewal & Alteration Proposal 2023-2028
Wards Affected:	St. James's, Vincent Square
Key Decision:	No
Financial Summary:	No additional costs to the City Council. The cost of administering the ballot is accommodated within existing budgets.
Report of:	Debbie Jackson, Executive Director – Growth, Planning & Housing

1. Executive Summary

- 1.1 In July 2022, the City Council received a proposal from the Whitehall Business Improvement District (BID) Ltd for the renewal and alteration of the Whitehall BID. The proposed BID area for 2023 – 2028 includes an extension to the south of the existing BID footprint to align with the neighbouring Whitehall BID boundary. The BID will run from Trafalgar Square in the north to Tate Britain (Atterbury Street) in the south; bounded to the west by Horse Guards Road, Tufton Street and John Islip Street; and to the east by the River Thames. The proposed extension of the existing BID boundary will enable the BID to scale-up its operations and activity to achieve greater impact and value for money. The BID will also be able to support local charitable initiatives in and around the existing BID footprint which includes tackling homelessness.
- 1.2 This report outlines the BID's vision and focus over the next five years for the area. The BID's proposal has been submitted to the City Council with regard to holding a ballot in respect of a second term for the Whitehall BID which spans the St. James's and Vincent Square wards. The BID ballot is proposed to take place during the period across February and March 2023 with the result of the ballots to be announced on 3 March 2023.
- 1.3 The Whitehall BID five-year renewal and alteration proposal reflects the priorities of the BID's business community following extensive engagement

and also ensures that its priorities align with the work undertaken by City Council to achieve the best outcomes for the local economy and community within the BID area.

1.4 Whitehall BID's vision for the next five years has been split into five key areas of focus:

- Cleaning and Greening
- Strategic Placemaking
- Community Safety and Business Resilience
- Destination
- Environmental, Social & Governance (ESG)

1.5 This report describes Whitehall BID Ltd's renewal and alteration proposal in respect of the existing Whitehall BID which has been developed closely with the City Council's service portfolios.

1.6 The Cabinet Member for Planning & Economic Development is responsible for BIDs operating within the City Council's jurisdiction and is asked to approve the recommendations in this report.

2. Recommendations

2.1 That the Cabinet Member approves the Whitehall BID renewal and alteration proposal.

2.2 To request the Chief Executive as the City Council's Returning Officer and ballot holder to hold a ballot on behalf of Whitehall BID Ltd in respect of their Whitehall BID renewal and alteration Proposal.

2.3 To authorise the Director of Law 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 into with Whitehall BID Ltd to deliver relevant services in relation to the Whitehall BID area throughout the BID's renewal and alteration term and any other necessary legal matters as instructed and in consultation with the appropriate Council officers.

3. Reasons for Decision

3.1 BIDs can continue for an unlimited number of terms, providing they are successful in their ballots. Whitehall BID Ltd have submitted their Whitehall BID renewal and alteration proposal to the City Council for its consideration to enter into its second term. The City Council is statutorily bound to consider the proposal and, subject to its approval, to hold a ballot on behalf of Whitehall BID Ltd.

3.2 Whitehall BID has a strong collaborative relationship with the City Council and over the last two-year term, has been able to accomplish the following notable achievements for the BID and its members:

- 'People Wanted' Whitehall – we've commissioned urban designers BDP to develop this public realm strategy for the Whitehall BID footprint, building on the one written in 2020 for Victoria. This focuses on improving the

pedestrian environment by exploring opportunities for vehicle traffic reduction, greening and tree planting, wayfinding, activation, lighting, public art and street furniture. Work is still underway and the strategy should be complete early 2023. Renewing the BID and expanding its footprint will allow us to replicate this process for the new area and begin to implement the strategy's suggestions.

- Additional street cleaning service Monday-Friday 6.30am-4pm
- Hosted over 100 online events for local employees to attend.
- Our Ambassadors interacted with 860 visitors, helping them find their way around the area.
- Launched an Emergency Notification System which alerts businesses to major incidents, civil emergencies or other disruptive events. Most recently, this was used extensively to convey messaging from the police to businesses around local arrangements and restrictions for Operation London Bridge (death of Her Majesty Queen Elizabeth II).

3.3 It is anticipated that Whitehall BID will continue to play an active part in the joint working arrangements with the City Council and other key partners to enable the delivery of new schemes and initiatives of mutual concern.

4. Background, including Policy Context

4.1 Since its establishment in 2020, Whitehall BID has been delivering vital projects and services to enhance the area, some of which involve - improving air quality, reducing congestion, a stronger focus on security and resilience, nurturing a sense of community and facilitation of local-giving.

4.2 Whitehall BID was first voted in by businesses in 2020 as both businesses and landowners had aspirations to build on the area's strengths and establish it as first class for those working there, visiting and living in the area.

4.3 The ballot for the proposed Whitehall BID renewal and alteration is due to take place across the period of February - March 2022. If the majority of voters who vote in the ballot, both by aggregate rateable value and number voting, support the proposal, and the City Council does not exercise its right to veto the BID proposal, then the BID will formally start its second term on 1 April 2023 and terminate on 31 March 2028.

5. Whitehall BID Renewal and Alteration Proposal

5.1 Whitehall BID Ltd (Company Number 13291239) is a not-for-profit company limited by guarantee. It was formed to operate Whitehall BID and is the BID proposer putting forward the Whitehall BID renewal and alteration proposal for 2023 - 2028. Assuming a successful ballot, it is the legal entity that will continue to provide governance and run the activities of the BID supported by an experienced and effective team. The BID's Board is made up of representatives from businesses within the BID area to ensure balanced representation. The BID finances will be independently audited and reviewed each year.

5.2 The BID levy of 0.9% 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 £150,000 or more. The BID levy payable for any business shall not exceed £44,000 per annum plus an increase for inflation of 2.5% applied annually on 1 April, however as the second BID term will commence on 1 April 2023, it is proposed that the inflationary rate is applied from 1 April 2024. The BID levy will be a daily charge, paid annually in advance and will be calculated based upon the RV as at 31 March 2023. All hereditaments in the Parliamentary Estate will be fully exempt from the BID levy.

5.3 Where the rateable value for a hereditament is changed by the Valuation Office Agency, the BID levy will not be recalculated for previous financial years unless it relates to:

- a new entry in a Rating List (whether as the result of a new Hereditament or the split or merger of previously existing hereditament(s)); or
- a reduction in the Rateable Value to £0 or £1; or
- a deletion of the hereditament from the Rating List, when the Council will calculate/recalculate the BID levy due pursuant to the effective date of such change.

5.4 Properties that come into the Rating List during the BID term will be subject to the BID levy from the effective date that the property is brought into the rating list and the rateable value effective at that time.

5.5 Ratepayers in receipt of mandatory charitable relief from business rates will be fully exempt from the BID Levy. A ratepayer will be liable to pay the BID levy on an unoccupied property without any void period allowance or any empty property allowance. There will be no VAT charged on the BID levy.

5.6 The board of the Whitehall BID will be able to alter the BID arrangements, without an alteration ballot, so long as any alterations do not:

- Alter the geographical area of the BID
- Cause anyone to pay the BID levy who was not liable to pay it before or increase the amount of the BID levy for anyone.
- Conflict with the Local Government Act (2003) or The Business Improvement District Regulations (2004); and
- Whitehall BID Ltd consults on such alteration with the City Council.

5.7 The priorities for the BID's second term have been identified following extensive consultation and engagement with Whitehall BID's current levy payers and other local businesses. Priorities for the BID's next term are as follows:

5.8 **Cleaning and Greening**

Maintaining clean streets and ensuring that it is reflective of its prestigious location is a top priority for Whitehall BID. The BID's dedicated Street Cleaning team provide additional services to the BID area, alongside on-street planting to enhance the public realm and improve the areas overall

attractiveness. The additional services also ensure that any environmental issues are resolved swiftly. Objectives for 2023-28 include:

- Identify opportunities for specialist cleaning to heritage assets and street furniture.
- Provide an on-call street cleaning service that addresses urgent issues reported by members at their premises.
- Monitor, report and resolve environmental issues and street defects on a daily basis.
- Increase network of on-street planting to improve the biodiversity, tranquillity and aesthetic appeal of the area's public spaces.
- Commission area-wide green infrastructure and biodiversity surveys – identifying opportunities for street trees, enhancing the ecological value of existing green spaces and introducing sustainable urban drainage measures.

5.9 **Community Safety & Business Resilience**

The area's safety and resilience is a top priority for Whitehall BID. The area's political significance poses increased security risks and therefore the need for multi-agency solutions. Over the last two years, the BID has worked with the City Council, the Metropolitan Police Service (MPS) and other key stakeholders to reduce criminal activity within the area. In particular, building the area's resilience is vitally important now, in light of the increased risks of protesting, terrorism and other emergencies.

Objectives for 2023-28 include:

- Introduce a security patrol team for the BID area.
- Continue to operate the BID's Emergency Notification System, providing businesses with fast, accurate intelligence and information during security incidents, protests and other disruptive events.
- Collaborate with the Metropolitan Police, British Transport Police, Westminster City Council, West End Security Group, BID members and landowners to enhance resilience to terrorism and civil emergencies. This includes the roll-out of the City Council's Business Resilience Toolkit to the BID's members.
- Help deliver the Women's Night Safety Charter in partnership with BID members and the Greater London Authority.
- Continue to provide businesses with an array of free training and resources on topics such as personal safety, business continuity & resilience, counter-terrorism and crime reduction.

5.10 **Environment, Social & Governance (ESG)**

The BID has established a set of ESG initiatives to be delivered on an area-wide scale across the next five-year term. ESG values have become increasingly pertinent to businesses in helping to address and tackle key issues such as climate change, skills and employment and health and wellbeing.

Objectives for 2023-28 include:

Environmental

- Support businesses and the general public to reduce waste and improve recycling rates in line with new regulations under the Environment Act.
- Provide businesses with professional guidance on how to reduce their energy consumption and environmental impact, for example Westminster City Council's Business Energy Audit Scheme.
- Adapt streets to reduce vehicle congestion and encourage sustainable, active travel by partnering with businesses, landowners, TfL, Westminster City Council and the Mayor of London.
- Reduce the environmental impact of the BID's activities and as an organisation become net zero by 2030.

Social

- Work with an outreach charity to fund a Community Intervention Team (CIT) for the Whitehall BID area who actively support the homeless in finding a route off the streets.
- Further develop the BID's grant funding programme which supports local Westminster community projects and charities.
- Partner with the BID's members and Westminster City Council to provide employment and training opportunities for the local community, particularly through the 'Westminster Works' programme.

Governance

- Continue to develop the BID's Youth Steering Group, a group of 16 - 25 year-olds who help guide the BID's work and increase the participation of young people in the local economy with career development, training and industry experience opportunities.

5.11 Destination

The Whitehall area is the political heart and one of the most unique districts in the country. At a time where global competition between cities is increasing, the BID is keen to continue celebrating and showcasing the assets of the area. This will be achieved through the delivery of a robust and innovative calendar of events and destination marketing campaigns.

Objectives for 2023-28 include:

- Work with organisations such as London & Partners and BusinessLDN to revive international tourism and investment. This includes partnership working with the Westminster Investment Service to attract and support new business occupiers into the area that add value to the local economy
- Host and support high profile cultural events and activations in public spaces to drive footfall and increase consumer dwell time.

- Participate in pan-London promotional campaigns such as Let's Do London and London's Love Affair.
- Develop a mobile app for the BID as a comprehensive guide to the area with event listings, news, discounts & offers, itineraries and more.
- Collaborate with neighbouring south Westminster BIDs under the London Heritage Quarter (London HQ) banner to lobby central and local Government on issues affecting the BID's community, and for investment in the BID area.

5.12 Placemaking

Placemaking is a significant priority for the Whitehall BID. A study was commissioned by the BID to look at the proposed new area of the footprint and to understand what significant improvements could be made to the streetscape. Creating high-quality spaces and curating a sense of "place" has been the vision since the inception of the BID.

Objectives for 2023-28:

- Deliver a series of short, medium and long-term public realm improvement projects to activate the Riverfront and better connect it with the rest of the BID area and neighbouring districts.
- Focus initiatives on key gateways into the BID area such as Trafalgar Square, Parliament Square, St James's Park and Lambeth Bridge.
- Work with local stakeholders to enhance the quality of public gardens and green spaces, making them more biodiverse, accessible and welcoming; explore opportunities for creating more where possible.
- Work with developers to incorporate green infrastructure into their schemes and encourage sustainable design standards.
- Undertake an accessibility review for those with limited mobility and disabilities, explore solutions accordingly to create a more inclusive built environment.

6. Financial Implications

- 6.1 The services provided by the BID will be in addition to 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 account before passing it over to the BID.

6.4 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 Whitehall 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 City Council's ballot holder' to hold the BID ballots. It is understood that Whitehall BID Ltd gave such notice in July 2022 requesting for the BID ballot to be held in February and March 2023.

7.3 As required by the 2004 and 2014 Regulations, Whitehall BID Ltd must also provide the Council with the following:

7.3.1 a copy of the BID proposal (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 Whitehall 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 proposal conflicts 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 BID proposal, notify Whitehall BID Ltd, in writing explaining the nature of that conflict.

7.5 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.

7.6 Where the City Council is satisfied that the documents provided by Whitehall 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):

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 Proposal;
 - 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 5.2 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 proposal 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 proposal and canvassing in relation to the BID proposal.
- 7.12 At the time of writing, it is understood that the City Council is of the opinion that:
- 7.12.1 Whitehall BID Ltd proposal to renew and alter the Whitehall BID, is in line with Council policies and priorities; and
 - 7.12.2 The proposal is 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 Two legal agreements between the City Council and Whitehall BID Ltd will need to be drawn up to cover in respect of the City 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 the BID term which may be subject to periodic review and consultation with Whitehall BID Ltd.
- 7.15 Legal implications verified by Sharon Cudjoe, Senior Solicitor (40007971)

8. Carbon Impact

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

9. Equalities Implications

- 9.1 There are no equalities implications

10. Consultation

- 10.1 Whitehall BID Ltd has carried out its own consultation with businesses in formulating the Whitehall BID renewal and alteration Proposal.
- 10.2 Ward Members have been consulted during the drafting of this report. All of which welcome and support the renewal and alteration of this BID.

BACKGROUND PAPERS

None

APPENDICES

Appendix A – Implications

Appendix B – Draft Whitehall BID Proposal 2023-28

If you have any queries about this report, please contact:
Rachel Thevanesan, Business Support Programme Manager
by Email: rthevanesan@westminster.gov.uk or Tel: 07971092914.

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

Declaration of Interest

I have no interest to declare in respect of this report

Signed:  Date: 10 October 2022

NAME: **Councillor Geoff Barraclough**

State nature of interest if any

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(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 BID Renewal & Alteration Proposal 2023 - 2028

and reject any alternative options which are referred to but not recommended.

Signed 

Cabinet Member for Planning & Economic Development

Date ...10 October 2022.....

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.

