

Housing and Growth Committee 17 January 2023

The management of the	
Title	Edgware Business Improvement District
Report of	Councillor Ross Houston, Chair of Housing and Growth Committee
Wards	Edgware
Status	Public
Urgent	No
Key	No
	Appendix A – Edgware Business Improvement District Anticipated Timeline
Enclosures	Appendix B – Edgware Business Improvement District Anticipated Boundary
	Appendix C – Letter to the Secretary of State notifying of the intention to develop an Edgware BID
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Summary

This report provides an update on proposals for a Business Improvement District (BID) for Edgware Town Centre. This includes:

- Background to the proposal;
- o Details of what Business Improvement Districts are and how they operate;
- o Outline proposals for an Edgware Business Improvement District; and
- o An overview of local authority involvement and obligations.



Officers Recommendations

- 1. That the Committee notes that proposals are being developed for an Edgware Business Improvement District and the Council has received formal notice in accordance with the statutory BID regulations (Appendix C).
- 2. That, upon receipt of the Edgware Business Improvement District Proposal, and the proposed Business Plan from the BID proposer, the Committee delegates authority to the Director of Growth in consultation with relevant council services and the Chair of Housing and Growth to:
 - a. Consider, on behalf of the council as billing authority, whether the BID Proposal conflicts with any council policy or places an unjust financial burden on rate payers, and, if it does, gives notice of this veto in accordance with the Business Improvement Districts (England) Regulations 2004 ("the BID regulations");
 - b. Determine whether the council should support the Edgware BID Proposal including by voting in favour in the BID ballot;
 - c. Ensure compliance with BID regulations and oversee the ballot process accordingly.
- 3. That the Committee notes section 4 of this Report and, subject to a "yes" vote at ballot, agrees that:
 - a. The council will act as the relevant billing authority and will manage the billing and collection of the additional levy, and its transfer to Edgware BID:
 - b. The council must meet its obligations in paying the BID levy, as a nondomestic ratepayer in the BID area, in accordance with the BID regulations over the life of the BID;
 - c. The council will enter into operating agreements with the Edgware BID Company regarding the operation of the BID and its engagement with council services.

1. Why this report is needed

- 1.1 In 2021, the council's Policy and Resources Committee adopted the Edgware Growth Area Supplementary Planning Document (SPD). The SPD, drafted jointly with Harrow Council, provides a planning framework for attracting investment through a coordinated approach that allows renewal and recovery, enabling Edgware to better serve as a destination for local residents and business. The SPD sets out a vision for this Major Town Centre and proposes 16 objectives and nine development principles to guide a comprehensive approach to redevelopment.
- 1.2 The objectives of the SPD specifically identify priorities for economic growth, including local jobs and businesses, highlighting the importance of supporting local businesses, the local economy and generating investment that leads to sustainable economic growth.
- 1.3 Following the adoption of the SPD, Ballymore, the owners of the Broadwalk Shopping Centre, and TfL formally committed to combine their landholdings in Edgware and

- entered into a joint venture partnership (the JV) to develop proposals for the key site of the Broadwalk Shopping Centre and the Station in Edgware. A Planning Application is anticipated to be submitted in 2023.
- 1.4 As part of its approach to redevelopment of the Shopping Centre and supporting the wider town centre, Ballymore has appointed a specialist company, British BIDs, to undertake feasibility analysis and develop proposals for a Business Improvement District (BID) for Edgware.

Business Improvement Districts

- 1.5 Business Improvement Districts are business-led organisations that aim to improve the economic prospects of a defined area through the delivery of short, medium, and long-term projects and initiatives identified in consultation with the local business community. They are independent organisations, financed principally through a small, compulsory annual levy based on the rateable value of businesses in the BID area. This income is ring-fenced to provide improvements to the local area that would otherwise not occur.
- 1.6 The BID regulations allow any local business community to set up a Business Improvement District. However, they can only exist if they have been sanctioned through a formal ballot conducted among business ratepayers that operate in the BID area in which at least 51% of votes, both by number and aggregate rateable value, needs to be secured. The vote for a BID is carried out by anonymous postal ballot, which is organised by the local authority. Eligibility to vote is based on one vote per eligible business premises (hereditament) situated in the defined BID area.
- 1.7 BIDs generally operate for up to five years, after which a further ballot is required.

Edgware Business Improvement District - Proposals

- 1.8 In line with procedural guidelines, the Business Improvement District proposer is required to develop a proposal and submit this to the local authority, along with a business plan. It is anticipated that this will be submitted in March 2023.
- 1.9 On 16th December 2022, a letter (Appendix C) was sent by the BID body to the Secretary of State and both Harrow and Barnet Councils, to provide notice of the intention to request that the authorities put the BID proposal to ballot in June 2023.
- 1.10 An timeline of anticipated dates in the BID process is included in Appendix A.
- 1.11 The emerging BID area for Edgware broadly matches that of the SPD boundary, spanning the A5 into the London Borough of Harrow. This results in a cross-boundary Business Improvement District. As the majority of the BID area is located within Barnet, both geographically and by number of businesses, it has been recommended by officers at both Barnet and Harrow Councils that the London Borough of Barnet will act as Lead Authority. A map of the anticipated BID boundary can be found in Appendix B. The BID boundary will be under review ahead of the ballot.
- 1.12 The BID proposal is currently being developed with the business community in Edgware through extensive engagement, workshops and meetings, in addition to the establishment of a BID Steering Group. The proposal will set out the services to be provided and the size and scope of the Business Improvement District. It will also set

- out which businesses will be liable for the levy, the amount of levy to be collected and how it is calculated.
- 1.13 The draft priorities for the Edgware Town Centre BID for the next five years will be confirmed after further consultation and formal submission of the BID Proposal to the council. Early engagement suggests that priorities will focus on the following areas:
 - **One Voice:** Providing an independent platform to give the businesses of Edgware a voice during on-going change in the area.
 - **Clean:** Enhancing Edgware town centre's appeal through targeted intensive cleaning, alongside practical solutions to support businesses.
 - **Green:** Enhancing the town centre through the addition of planting and other green initiatives.
 - **Safe:** Investment into the safety of businesses, staff and customers. Working with partners to improve safety and security, reducing business crime, anti-social behaviour while improving the feeling of safety for those that live, work and visit.
 - **Welcoming:** Attracting a diverse range of customers into Edgware through seasonal events and marketing and promotion.
- 1.14 Current financial modelling for the Edgware Business Improvement District suggests that there would be an income in excess of £200,000 per annum to support these activities.
- 1.15 Not all businesses within the BID area will be liable to pay the levy, or eligible to vote in the ballot. Rateable value thresholds for levy payment and ballot eligibility will be set out within the BID proposal to ensure that smaller businesses are not unjustly burdened.
- 1.16 During the engagement process, a general record of voting intent is maintained. If this suggests that businesses are not supportive of the Business Improvement District proposal, then the process for establishment will not be progressed.

Edgware Business Improvement District – Implications for the council

- 1.17 There are statutory requirements placed upon the local authority by The Business Improvement Districts (England) Regulations 2004 (as amended).
- 1.18 Under the regulations, where the council considers that the proposal conflicts with any formally adopted and published policy of the council, it shall notify the proposer in writing explaining the nature of that conflict. By giving its approval, the local authority is satisfying itself that the proposal conforms to the regulations. The council also needs to satisfy itself that the BID proposal has sufficiently demonstrated:
 - That business consultation has been undertaken;
 - The financial management arrangements for the Edgware BID body are robust;
 - The proposed business plan is acceptable; and
 - That all necessary steps have been taken to ensure the proposal is robust.
- 1.19 The council has voting rights on the ballot for the BID if there are council-owned hereditaments in the confirmed BID area.

2. Reasons for recommendations

- 2.1 Barnet's high streets and town centres are at the heart of the community. As well as providing opportunities for shopping and services, they are important sites of employment, recreation, religion and cultural life. Town centres are home to many of the borough's almost 30,000 businesses, the vast majority of which are small, family-run or independent.
- 2.2 The emerging vision of Barnet's new Corporate Plan is that the council will 'care for people, places and planet'. An important part of the Plan will be support for attractive, sustainable town centres in which local businesses and residents are encouraged and enabled to lead renewal. The council is already working with businesses and community representatives across the borough's town centres to create healthy high streets that serve their local community, are accessible and safe, with high quality public realm that is easy to navigate.
- 2.3 The proposal for a Business Improvement District in Edgware directly supports the objectives of both the emerging Corporate Plan and the adopted Edgware SPD, enhancing the business community and generating investment for the town centre, creating opportunities to improve the high street, improve the cultural offer and enhance Edgware's status as a destination for a wide catchment area.
- 2.4 Following the adoption of the SPD and as a result of associated forthcoming planning applications, Edgware Town Centre is anticipated to undergo significant transformation within the next ten years. The establishment of a Business Improvement District will give the business community a platform to engage with this on-going change, providing an independent business voice, offering support, networks and activities to promote the town centre and attract footfall to the area.

3. Alternative options considered and not recommended

3.1 There are no perceived alternative options for the council. If the business community chooses to pursue the legislative BID route and votes 'yes', then the council is obliged to play its role in the process.

4. Post decision implementation

- 4.1 Following the decision, the BID proposers will continue to undertake their obligations under appropriate BID regulations and submit a BID Proposal to the council. This is anticipated to be in March 2023.
- 4.2 On receipt of the Edgware BID proposal, the council, alongside the London Borough of Harrow, will:
 - Consider whether the proposal conflicts with any formal adopted policy of the council and if it does, give notice of this in accordance with the Business Improvement Districts (England) Regulations 2004 ("the BID regulations");
 - Determine whether the council should support the Edgware BID proposal and to vote on its behalf in the BID ballot.

- Formally manage the ballot process in accordance with the BID regulations. This is anticipated to be May/June 2023;
- That subject to a "yes" vote at ballot:
 - act as the relevant billing authority and manage the billing and collection of the levy, and its transfer to Edgware BID;
 - ii. meet the council's obligations in paying the BID levy, as a non-domestic ratepayer in the BID area, in accordance with the BID regulations over the life of the BID;
- iii. enter into key operating agreements with the Edgware BID Company regarding the operation of the BID.

5. Implications of decision

5.1 Corporate Priorities and Performance

- 5.1.1 As noted, the Edgware Business Improvement District supports the emerging vision of Barnet's new Corporate Plan.
- 5.1.2 By working in partnership with the Business Improvement District, the council will be able to support initiatives that align with priorities to enhance art, culture and events by celebrating the diversity of the community of Edgware and the broad range of businesses within the town centre.
- 5.1.3 Additionally, partnership working will support the safe, attractive neighbourhoods priorities by improving safety and security, reducing business crime and anti-social behaviour while improving the feeling of safety for those that live, work and visit the town centre.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 There are potential financial implications for the council in the creation and operation of the Edgware Business Improvement District. These will be further clarified once the BID proposal has been submitted, and will be approved by relevant officers or committees, if required. This includes costs associated with:
 - Managing the ballot every five years the current estimate is approximately £3,500 per ballot;
 - Collection and management of the BID Levy the cost of collection and management of the levy has not yet been defined and a budget will need to be identified when the costs are confirmed; the council may decide to re-charge the BID for these costs or to cover them as part of its contribution;
 - Levy contributions for council-owned property if the ballot is successful currently, this includes one property, Edgware Library, and is estimated to be approximately £500 per annum.

5.3 Legal and Constitutional References

5.3.1 The council's Constitution, Article 7.5 Committees, Forums, Working Groups and

Partnerships, sets out the functions and the Terms of Reference of the Housing and Growth Committee and includes:

- Responsibility for housing matters, regeneration strategy and overseeing major regeneration schemes, asset management, development of Council land, Economic Development including: employment strategy, business support and engagement and town centres.
- To receive reports on relevant revenue and capital expenditure, contracts, performance information and risk on the services under the remit of the Committee.
- To submit to the Policy and Resources Committee proposals relating to the Committee's budget (including fees and charges) for the following year in accordance with the budget timetable.
- 5.3.2 Part 4 of the Local Government Act 2003 provided for the establishment of Business Improvement Districts. Business Improvement Districts are subject to The Business Improvement Districts (England) Regulations 2004 (as amended). Business Improvement Districts are business led partnerships which are created through a ballot process to deliver additional services to local businesses. The council is responsible for managing the ballot process in accordance with the BID regulations.
- 5.3.3 A Business Improvement District is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses in the local area. The only requirement is that it should be something that is in addition to services provided by local authorities.
- 5.3.4 If the local authority is of the opinion that the Business Improvement District arrangements are likely to conflict to a material extent with an existing policy, place a significantly disproportionate financial burden on any person or class of persons compared to other non-domestic rate payers in the geographical area of the BID, and that burden is caused by the manipulation of the geographical area or by the structure of the levy, and is inequitable, it can decide to veto the proposals. The council can only veto proposals within 14 days from the date of the ballot. Any person entitled to vote in a BID ballot may appeal to the Secretary of State within 28 days of the veto notice being given by the billing authority.
- 5.3.5 The Business Improvement District proposer (which can be the local authority, a business rate payer or a person or company (a) one of whose purposes is to develop Business Improvement District proposals, or (b) that has an interest in the land in the area) is required to develop a proposal and submit this to the council, along with a business plan. The proposal should set out the services to be provided and the size and scope of the Business Improvement District. It will also set out who is liable for the levy, the amount of levy to be collected and how it is calculated. At least 84 days before submitting proposals, the ballot proposer should notify the local authority and the Secretary of State of their intention to put the BID proposal to ballot. At least 42 days before the final ballot date, the ballot holder should publish a notice stating the date of the ballot, and send a copy of this to the Secretary of State. If it appears that a significant breach of the rules has occurred during the ballot process a request to declare the ballot void may be submitted to the Secretary of State for Housing, Communities and Local Government within 28 days of the result of the ballot being published.
- 5.3.6 A Business Improvement District may only be established where those entitled to vote

approve the Business Improvement District proposals. A Business Improvement District is managed by a Business Improvement District body. This is often a private company but can be a partnership with the local authority. The Business Improvement District body is responsible for developing and implementing the proposal which sets out how the Business Improvement District will operate. They will provide the local authority with this proposal along with the business plan (including the estimated cash flow and predicted revenue to be generated by the Business Improvement District) along with the financial management arrangements for the Business Improvement District body. The council is responsible for managing billing and the collection of the levy and will hold the levy in a ring-fenced revenue account on behalf of the Business Improvement District body.

5.3.7 The maximum period that a Business Improvement District levy can be charged is for 5 years and will automatically cease at the end of the term.

5.4 Insight

5.4.1 Evidence supporting the benefits of Business Improvement Districts is detailed within the GLA's report, The Evolution of London's Business Improvement Districts which suggests that BIDs are instrumental in bringing in vital investment and forging useful partnerships with the public and voluntary sectors, as well as with other BIDs. In addition to their traditional 'bins, branding and baskets' remit, BIDs are now directly involved in regeneration, place-making, air quality and employment initiatives.

5.5 Social Value

5.5.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. A Business Improvement District is a separate entity to the council and provides services that are over and above those undertaken by the council.

5.6 Risk Management

5.6.1 There is a risk that businesses in Edgware will not be supportive of the Business Improvement District. To mitigate this, during the engagement process, a general record of voting intent is maintained. If this suggests that businesses are not supportive of the Business Improvement District proposal, then the process for establishment will not be progressed.

5.7 Equalities and Diversity

- 5.7.1 The Equality Act 2010 ("the Act") outlines the provisions of the Public Sector Equality Duty which requires public authorities to, in the exercise of their functions, have due regard to the need to:
 - Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.7.2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having

due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 5.7.3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 5.7.4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - Tackle prejudice, and promote understanding.
- 5.7.5 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:
 - Age
 - Disability
 - Gender reassignment
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Sex
 - Sexual orientation
- 5.7.6 The Act also covers marriage and civil partnership with regard to eliminating discrimination.
- 5.7.7 The broad purpose of this duty is to integrate considerations of equality into day-to-day business and keep them under review in decision-making, the design policies and the delivery of services.

5.8 Corporate Parenting

5.8.1 The decision will not have a direct or indirect impact on looked after children and care leavers.

5.9 Consultation and Engagement

- 5.9.1 Consultations and discussions regarding the content of the report have been held with internal colleagues across different teams including Governance, Electoral Services, and Revenue & Benefits, as well as with officers from the London Borough of Harrow.
- 5.9.2 British BIDs has been engaging and consulting with businesses within the proposed BID

area and initial feedback from hereditaments has been favourable. Consultation on the key proposed BID themes and activities will continue through to the production of the formal BID proposal document that will be used for canvassing throughout the ballot period.

5.10 Environmental Impact

5.10.1 There are no direct environmental implications from noting the recommendations. Implementing the recommendations in the report will lead to a positive impact on the council's carbon and ecology impact, or at least it is neutral.

6. Background papers

- 6.1 Housing and Growth Priorities update, October 2022: Committee Report (moderngov.co.uk)
- 6.2 Information and guidance on Business Improvement Districts: Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities & Local Government: Guidance
- 6.3 Business Improvement Districts: Technical Guide for Local Authorities, Department for Communities and Local Government, 2015. Technical Guide.