

CABINET MEMBER DELEGATED DECISION 29 JULY 2021

Report title: Station to Station Business Improvement District Renewal Ballot Proposal

Wards: Thurlow Park, Knight's Hill, Gipsy Hill

Portfolio: Cabinet Member for Voluntary Sector and Leisure: Councillor Donatus Anyanwu

Report Authorised by: Eleanor Purser and Sara Waller, Strategic Directors for Sustainable Growth & Opportunity

Report Author: Nabeel Khan, Director, Economy, Culture and Skills, nkhan@lambeth.gov.uk

Report summary

The council has formally received a request from Station to Station Business Improvement District (BID) to hold a renewal ballot for the BID's second term. This report sets out the process described in the Business Improvement Districts (England) Regulations 2004 (as amended in 2013) which the BID and the council must follow. It then outlines Station to Station's BID renewal proposals, which have been developed closely with local businesses and the council.

The council is not required to formally agree any BID proposal and may only veto BID proposals if they are contrary to formally adopted and published council policy. Station to Station BID's proposal is in line with council policies and priorities and this report therefore recommends that the council formally endorses the renewal ballot and requests the Returning Officer to hold a renewal ballot on the BID's behalf.

The council is liable for six properties within the BID area and it is recommended that votes are cast positively in favour of the BID's second term in respect to these hereditaments.

The Cabinet Member for Voluntary Sector and Leisure, Councillor Donatus Anyanwu, is responsible for BIDs and is asked to agree the recommendations in the report.

There has been a successful renewal ballot for WeAreWaterloo BID in Lambeth in 2020/21, following the impact of the Coronavirus pandemic on the business community. Businesses in the WeAreWaterloo area voted to renew the BID with a strong business turnout and large majorities voting for the BID.

Finance summary

The projected £4,000 cost to hold the renewal ballot for Station to Station BID will be funded through existing Electoral Services budget.

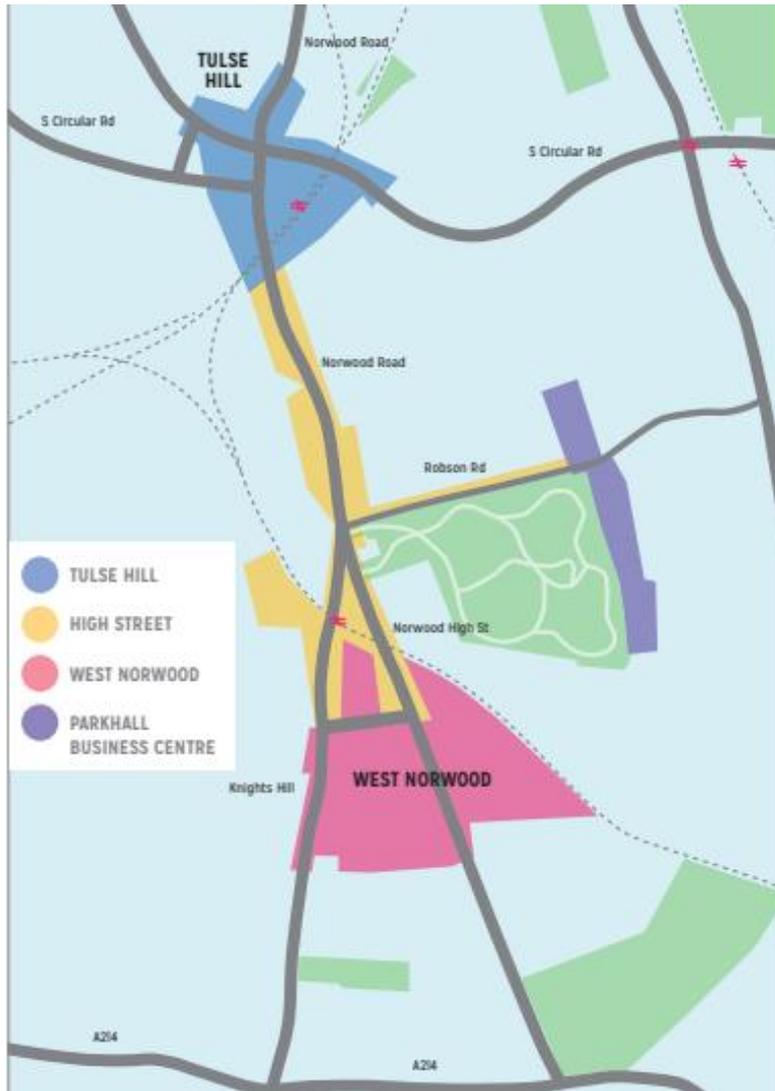
If the renewal ballot is successful, it is projected to raise £120,000 per annum in levy income for sole use by the Station to Station BID.

Recommendations

1. To authorise a renewal ballot for Station to Station BID.
2. To request that the Chief Executive as Returning Officer and “Ballot Holder” holds a ballot for Station to Station BID at a cost of £4,000.
3. To authorise the Director of Legal & Governance to delegate authority to the appropriate officer complete the necessary legal agreements required for the operation of the Station to Station BID levy, the ballot and service arrangements, and any other matters required for the Station to Station BID proposals in consultation with the appropriate officers.
4. To delegate authority to the Director of Finance and Property to complete the ballot papers on behalf of the council in favour of the BID proposal.

1. CONTEXT

Map showing the boundary for Station to Station BID



- 1.1 The council is committed to creating an inclusive and resilient economy. One that creates opportunities for local people, the space and conditions for growth and contributes to tackling inequality.
- 1.2 The council wants its town centres to thrive as vibrant centres of their neighbourhoods, contributing to the economic vitality of the borough. The London Plan identifies parts of West Norwood/Tulse Hill as being a Strategic Area for Regeneration and the Norwood Planning Assembly has aspirations for West Norwood to be the greenest town in London. The Draft Revised Lambeth Local Plan 2020 identifies West Norwood/Tulse Hill as an area which has a good selection of independent retailers and a strong community, with events such as Feast running monthly. It also identifies West Norwood/Tulse Hill as a location to enable a creative business cluster. However, it is also identified that the northern end of the centre of Tulse Hill would benefit from further investment. The Plan details the council's ambition to increase confidence and investment in the wider area, and its commitment to this through the development of Site 18.
- 1.3 Business Improvement Districts (BIDs) are a vital part of Lambeth's business support ecosystem, with seven established across the borough. BIDs are not-for-profit business-led organisations, primarily funded by a mandatory levy on eligible businesses within the BID area after a successful

ballot. The BID levy is then used to provide additional or improved services, the need for which is identified by local businesses within the BID, for the duration of its term.

- 1.4 Station to Station BID has played a substantial role in delivering the council's emergency response to the Coronavirus pandemic crisis. All 7 BIDs are part of our Business Taskforce which was set up to coordinate our response and continues to meet regularly. This taskforce fed into designs of new proposals to support local business, such as our Local Economy Hardship Fund and Economic Resilience Fund. Station to Station worked to notify businesses in their BID area of their eligibility for both Government and discretionary Lambeth Grants. The Taskforce also supports out close working with BIDs on high street recovery activities.
- 1.5 The council regularly collaborates with Station to Station BID in addition to the Business Taskforce. The BID team regularly work with officers in Economy, Culture and Skills and Regeneration teams, as well as officers from a range of other service areas in relation to securing required permissions for projects and activities (such as planting and public realm improvements). Our joint working is currently focused particularly on addressing high street vacancy, exploring opportunities to repurpose vacant units for workspace use and introducing potential workspace operators in the area to the team in relation to Lambeth's Future Workspace Fund. The BID has recently applied for the GLA's High Streets for All Challenge, and should they be successful this would unlock £20,000 revenue funding to work in partnership with the council and local stakeholders to repurpose several vacant units on the high street and improve its overall look and feel.
- 1.6 Station to Station Business Improvement District ('the BID'), was first established in 2016 with support and facilitation from the council. Since 2016, the BID has delivered positive change to the local area in addition to existing council provision and alongside the council such as through West Norwood Feast, a monthly community market, and Norwood Works. The BID has focused on its 4 platforms: Growing, Marketing, Managing, and Advocacy. These 4 platforms support the BIDs in the area alongside the BIDs other focuses on crime and safety making the area clean and pleasant; and facilitating savings for businesses.
- 1.7 Station to Station BID has and will continue to have a Board made up of representatives from the businesses within the BID. The Board is composed of a mix of businesses reflective of the BID area and a local resident, ensuring fair representation of all those who fall within the BID boundary, as well as having officer and member representation from the council from the Economy, Culture and Skills Team, enabling ongoing consultation and strategic alignment of the BID and council priorities.
- 1.8 In addition to this, 'Local Authority Observers' (with no voting powers) are invited to BID board meetings, including councillors.
- 1.9 The current term of Station to Station BID expires on 30 September 2021 and a re-ballot is necessary to allow for the continued operation of the BID. Station to Station BID submitted a notice of intention to request to re-ballot for an additional BID term on 23 March 2021. The BID must allow 84 days before requesting the council to hold the ballot. The BID has now formally made this request and has submitted its final proposals to the council so that a decision can be made.
- 1.10 The council is statutorily bound to consider its proposal and hold a ballot of their businesses on its behalf. BIDs can continue for an unlimited number of terms, providing they are successful in their ballots.

- 1.11 The process by which a prospective BID seeks to become formally established or renewed is set out below in accordance with the 2004 BID Regulations (as amended by the 2013 Regulations to allow for cross boundary BIDs):
- Formal notification to the local authorities and Secretary of State; and,
 - Request to the lead local authority to hold a ballot, which must be accompanied by:
 - A copy of the BID proposals;
 - A summary of the consultation it has undertaken with those liable for the BID levy;
 - The proposed business plan with estimates of cash flow, revenue and expenditure, the predicted budget and the contingency margin included in the budget;
 - The financial management arrangements for the BID body and the arrangements for periodically providing information to the council on the finances of the BID;
 - Information to satisfy the council that it has sufficient funds to meet the costs of the ballot in case the BID is required to meet the ballot costs.
 - The council must consider whether the BID proposal conflicts with any formally adopted and published policy and whether they are likely to 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).
- 1.12 If the council is satisfied that the information provided by the BID body meets the requirements of the legislation, the council must instruct the ballot holder to hold the ballot. The ballot holder for the council is the Chief Executive in their capacity as the Electoral Registration Officer/Returning Officer.
- 1.13 The regulations state that the council has until 14 days after the day of ballot in which to notify the BID Proposer if they want to veto the BID Proposals. However, the Regulations also state that the local authority should notify the BID Proposer “as soon as reasonably practical” after receiving the BID proposal to explain its concerns. Given the unobjectionable nature of the proposals, it is considered that the council should formally decide as part of this report that it does not wish to veto the BID proposals, unless they are substantially changed after this report is agreed.

2. PROPOSAL AND REASONS

Station to Station BID proposals

- 2.1 Station to Station BID formally submitted their final proposal documents on 19 May 2021.
- 2.2 The proposed period for the second term is from 01 October 2021 to 30 September 2026.
- 2.3 During their second term, the BID proposes to continue and expand their existing services provided to businesses in the BID area – Growing, Marketing, Managing and Advocacy.
- 2.4 The Growing service is focused on making business ‘better, cheaper and easier to do’. The BID proposes to build on their existing services, which have previously seen them save nearly £15,000 for businesses with First Mile recycling and waste services, and £30,000 saved on utility bills for businesses through group procurement. In this next term, the BID will provide members with further Growing services such as group procurement opportunities, access to local talent through free recruitment services to BID members, and working with landlords and workspace providers to match prospective tenants with their premises. Building on these activities, the BID also hopes to work closely with workspace providers, planning groups and landowners to access funding to

create new affordable and flexible workspaces in the area and to work with the new West Norwood Youth Hub to place local young people in work and apprenticeships with businesses in the area.

- 2.5 Through their Marketing service to businesses, the BID successfully set up an online directory which reached 35,774 residents within a 4km radius of the area and their website has nearly 17,000 new users since its launch in December 2019. In the next term, the BID will continue to promote the area via regular sponsored social media posts of the online directory and through the dissemination of print directories. The BID will also build on this and propose to develop an online presence for the whole BID area and support those businesses who are new to social media with engagement and online marketing, and to increase collaborations with local community groups, festivals and markets such as West Norwood Feast.
- 2.6 Through their Managing service, the BIDs have secured £30,000 of external funding for a greening project in the area, have improved community safety efforts by increasing convictions of burglars and shoplifters through collaborative working, and have contributed to improvement of the public realm through projects such as monthly targeted extra 'deep cleans' of pavements, clearing of 'grot spots' and convictions of fly tippers. In the next term, the BID will continue to work with neighbourhood police teams, Lambeth council, local youth groups and schools to help prevent antisocial behaviour, and will introduce extra street cleaning, as well as maintain existing planting and introduce more green spaces. They propose to extend this service through working with local businesses to build planting in areas where fly tipping regularly occurs and to secure extra funding to decrease pollution in the area.
- 2.7 Through their Advocacy service throughout the Coronavirus pandemic, the BID worked to ensure as many of their businesses as possible received a grant. This saw 100% of eligible businesses within Station to Station receive their government funding in Summer 2020, with over a quarter of these businesses assisted by Station to Station when they had difficulties accessing the funding, as well as aiding 45 businesses to apply for and receive the first phase of the Economic Resilience Fund at a total of £389,000 and 5 businesses to receive the second phase of the Economic Resilience Fund at a total of £50,000. They propose to continue their advocacy work and act as a collective voice for local businesses on issues such as environmental sustainability, crime and community safety and to work with the council's Local Economy Team to continue to support businesses in the wake of the Coronavirus pandemic, as well as providing planning and licensing advice so that members are able to grow their businesses. In the future, Station to Station will make new applications for external funding to support the wellbeing and prosperity of BID members, workers and the environment.
- 2.8 If the renewal ballot for a second term is successful, Station to Station BID will be a vital asset to engage businesses in the area to work constructively with the council and maximise the value of the Business Taskforce, Economic Resilience Fund outputs as part of Covid-19 recovery and our focus on High Streets. Station to Station BID's aspirations to further improve the public realm and increase security and cleanliness also work towards our Borough Plan priority to create strong and sustainable neighbourhoods.

Alternative Options Considered

- 2.9 The option of not running the ballot on behalf of the BID has been considered but is not recommended. Under the Business Improvement Districts (England) (Amendment) Regulations 2013 the council should only veto the BID's renewal request if "the proposals conflict with any existing local authority policy nor propose a disproportionate burden on particular businesses by way of an unfair levy charge on a certain 'class' of levy payers". The BID has consulted its

members on the proposals for a second term, including the levy rates, and their consultation shows that the majority of members will vote in favour of a second term. The BID's proposals are also not in conflict with the council's existing policies and a veto is likely to be challenged by the BID. Consequently, vetoing the BID's proposals is not a recommended course of action.

- 2.10 Given that the BID's ambitions are aligned with the council's values and the BID has been a keen collaborator to promote economic development and after consideration of all options, it is therefore recommended that the council endorses the BID proposal and holds the renewal ballot.

The BID levy

- 2.11 The proposals do not expand on the existing BID area in the second term.
- 2.12 The BID levy will be payable on any commercial property that falls into the National Non-Domestic Rate register at any point during the duration of the BID, with the following exemptions:
- Businesses with a rateable value of lower than £6,000
 - Advertising rights, telephone masts, kiosks and cash points
 - Schools
 - Central list properties not included on the list
 - Car parks and car parking spaces
- 2.13 The BID propose that the following categories of business will receive a discount on their BID levy:
- Registered charities will receive a discount of 50%.
 - Unoccupied properties will receive a discount of 50%. Where a property is unoccupied, the owner of the property will be liable to pay the BID levy.
- 2.14 The levy rate in the Station to Station BID area is 1.5% of rateable value on commercial properties (hereditaments). The levy rate will vary on an annual basis, depending upon the average rate of inflation in the six months prior to the board's annual decision. The rate of inflation will be adjudged as the average between Retail Price Index (RPI) and Consumer Price Index (CPI). The new rate will be implemented as of 1st April in any year of the BID's duration.
- 2.15 Other than the discounts detailed in above, there will be no further discounts.
- 2.16 The council is liable for six properties within the BID area and it is recommended that votes are cast positively in favour of the BID's second term in respect to these hereditaments.

3. FINANCE

- 3.1 If the renewal ballot is successful, its projected to raise £120,000 per annum for sole use by the Station to Station BID. The projected income will be collected by Lambeth council and forwarded to Station to Station BID.
- 3.2 In the 2019/20 and 2020/21 financial years, £122,573 and £96,119 was respectively collected.
- 3.3 The Station to Station BID have the sole responsibility to manage the funds in accordance with their proposals in their 5-year programme.
- 3.4 The Council is liable for business rate payments on six properties in the Station to Station BID area.

- 3.5 The projected £4,000 cost to hold the BID renewal ballot will be funded through existing Electoral Services budget. BID regulations permit Lambeth council to recover their ballot costs if less than 20% of businesses vote in favour of the renewal.
- 3.6 The proposed renewal term is for 5 years, commencing October 2021.

4. LEGAL AND DEMOCRACY

- 4.1 Legal agreements between the council and the BID will need to be drawn up to cover:
- a. the BID levy collection; and,
 - b. the service specification for services which the council will continue to deliver throughout the BID period, subject to periodic review and consultation with the BID.
- 4.2 The council is entitled to veto the BID proposals under Regulation 12 of the 2004 Regulations if it is of the opinion the BID arrangements are likely:
- a. To conflict to a material extent with any policy formally adopted by and contained in a document published by the council (whether or not the council is under a statutory duty to prepare such document); or,
 - b. To 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.
- 4.3 The recommendations in this report are in accordance with the provisions of the Business Improvement Districts Regulations 2004 (as amended).
- 4.4 This proposed key decision was entered in the Forward Plan on 30 April 2021 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. CONSULTATION AND CO-PRODUCTION

- 5.1 Consultation between Station to Station BID and businesses in the BID area is carried out on a regular basis with the Board of businesses meeting every 6-8 weeks.
- 5.2 The BID conducts regular business surveys which are sent to all levy payers. In the two most recent surveys, a total of 114 responses were received, which represents over 25% of the total number of levy paying businesses. The overall response on the performance of the BID was very

positive. The surveys also ask what levy payers would like the BID to do more of and therefore shape the work of the BID.

- 5.3 In addition to the survey, the BID team are in regular contact with levy payers through their variety of projects taking place at any given time. BID officers regularly email, phone and visit members to engage them on these specific projects, with their responses shaping the initiatives. Comments given by businesses as part of the survey note this availability with one business saying “*they are always there at a touch of my phone, messages are replied to immediately with correct information*”.
- 5.4 Station to Station BID continue to be an active member of the Lambeth Business Taskforce which was set up in response to the Coronavirus pandemic and currently meets every three weeks after meeting weekly in the height of the emergency response. The Taskforce works to coordinate the borough’s response to the crisis and create new proposals to support local business.
- 5.5 The Business, Culture and Investment team has worked with Station to Station BID to develop proposals which suit their needs.
- 5.6 Further internal consultation has also taken place between colleagues in Democratic Services, Finance, Legal, and Business, Culture and Investment around the BID renewal ballot.

6. RISK MANAGEMENT

- 6.1 The BID proposal complies with legal requirements and does not contradict formal council policy.

Table 1 – Risk Register

Item	Risk	Likelihood	Impact	Score	Control Measures
1	The Station to Station BID does not get elected for its second term	2	4	8	Significant consultation has gone ahead with businesses in the area, showing likelihood of re-election
2	The ballot is contested as void	1	4	4	The council undertake BID re-ballots fairly regularly and therefore have measures in place to ensure the ballot process is run properly and without risk

Key

Likelihood	Very Likely	4	Likely	3	Unlikely	2	Very Unlikely	1
Impact	Major	8	Serious	4	Significant	2	Minor	1

7. EQUALITIES IMPACT ASSESSMENT

- 7.1 The Station to Station BID proposal has been drawn up to reflect the needs of its constituent businesses and affected businesses have been engaged as part of this process as highlighted in section 5 of this report. All liable businesses are able to take part in a democratic ballot and so this report does not give rise to any inequalities.

7.2 It is considered that no significantly disproportionate financial burden is proposed on any person or class of persons as a result of the recommendations in this report. Therefore, the council does not consider the prescribed circumstances for triggering a right of veto over BID proposals to be present.

8. COMMUNITY SAFETY

8.1 There are no community safety considerations arising from the proposals in this report. Conversely, a second term would see Station to Station BID continue new security provision, and continued working with the council and authorities to reduce crime and antisocial behaviour in the area.

9. ORGANISATIONAL IMPLICATIONS

Environmental

9.1 The Station to Station BID proposals will have a positive impact on the BID area environment if the renewal ballot for a second term is successful that will complement the council's existing environment programme. A second term would see continuation of the BID's 'Managing' service which will see the increase of cleaning and greening, including deep cleans of pavements and tackling fly tipping.

Health

9.2 None.

Corporate Parenting

9.3 None.

Staffing and accommodation

9.4 Staff from Electoral Services will carry out the renewal ballot and subsequent count. Discussions with the Electoral Services Manager assure that there is sufficient resource for this and therefore there are no negative staffing implications.

Responsible Procurement

9.5 None.

10. TIMETABLE FOR IMPLEMENTATION

10.1 It is recommended that Lambeth carries out the renewal ballot on behalf of Station to Station BID, and a provisional timetable has been drawn up to support the proposals in this report.

10.2 The BID ballot process, if these options are approved, is scheduled to begin on 22 July 2021. The following table summarises the ballot timeline and has been approved by Electoral Services:

Date	Activity
21 July 2021	CMDRR to be published
29 July 2021	CMDRR signed
21 July 2021	Instruction to hold renewal ballot
26 August 2021	Ballot papers sent by post

29 September 2021	Ballot deadline (5pm)
30 September 2021	Declaration of ballot result
01 October 2021	Second Station to Station BID term commences (if successful ballot result)

AUDIT TRAIL				
Consultation				
Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Councillor Donatus Anyanwu	Cabinet Member for Voluntary Sector and Leisure	15/07/21	16/07/21	Throughout
Eleanor Purser & Sara Waller, Co-Strategic Directors, SGO	Sustainable Growth and Opportunity	08/07/21	15/07/21	Throughout
Chris John, Head of Electoral Services	Electoral Services	24/06/21	05/07/21	Throughout
Matthew Gaynor, Assistant Director, Finance and Investment	Finance and Investment	21/06/21	08-/7/21	3.1-3.6
Greg Carson, Legal Services	Legal and Governance	21/06/21	21/06/21	4.1-4.3
Marianna Ritchie, Democratic Services	Legal and Governance	21/06/21	23/06/21	4.4
Matt Blades, Assistant Director, Economy and Inward Investment	Business, Culture and Investment	28/06/21	07/07/21	Throughout
Nabeel Khan, Director, Economy, Culture and Skills	Sustainable, Growth and Opportunity	24/06/21	08/07/21	Throughout
Nathan Vasey, Business, Culture and Investment Manager	Business, Culture and Investment	21/06/21	22/06/21	Throughout
Brodie Turner, Senior Business & Inward Investment Officer	Business, Culture and Investment	21/06/21	21/06/21	Throughout

REPORT HISTORY	
Original discussion with Cabinet Member	29 April 2021
Report deadline	N/A
Date final report sent	N/A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	30.04.2021
Key decision reasons	3. Meets community impact test
Background information	The Business Improvement Districts (England) Regulations 2004 The Business Improvement Districts (England) (Amendment) Regulations 2013
Appendices	Appendix A – Station to Station re-ballot proposals

APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Signature: _____ **Date:** _____

Post: Nabeel Khan
Director, Economy, Culture and Skills

I confirm I have consulted the relevant Cabinet Members, including the Leader of the council (if required), and approve the above recommendations:

Signature: _____ **Date:** _____

Post: Councillor Donatus Anyanwu
Cabinet Member for Voluntary Sector and Leisure:

Any declarations of interest (or exemptions granted): None

Any conflicts of interest: None

Any dispensations: None