

# **REPORT FOR: HARROW TOWN CENTRE FORUM**

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**Date of Meeting:** 21 September 2010

**Subject:** Harrow Business Improvement District

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## **Section 1 – Summary**

This report summarises progress to date towards the establishment of a Harrow Business Improvement District (BID).

Recommendations:

The Forum is requested to:

- Agree that the Town Centre Forum will continue to act as a consultation body to the Shadow BID Board

## **Section 2 – Report**

Following a decision of the Harrow Town Centre Forum in October 2006, the Council has been working with businesses in Harrow Town Centre towards establishing a Business Improvement District (BID) in the Town Centre.

### **What is a Business Improvement District?**

A **Business Improvement District (BID)** is a partnership arrangement through which the local business community, the local authority and other statutory service providers can implement plans and improvement projects that directly benefit their area. The improvements must be in addition to services already provided by the local authority.

These proposals must be agreed upon by a majority of ratepayers in the BID area before they can be enacted. The cost of the proposal is met by a supplement on the rate bills of the businesses within the BID area along with other voluntary contributions.

All businesses that pay the supplement levy are entitled to a vote in a ballot conducted by the local authority to determine if the BID proposal should go ahead.

A formal company is set up to organise the BID and to agree how the money that is collected is spent. Usually a Board is established to develop and

approve the proposal and business plan and monitor these proposals following a successful vote.

The legislation on Business Improvement Districts requires that the mandate for a BID is renewed at least every five years.

### **BID Development**

Over the period from February 2008 to February 2009, Council officers worked closely with town centre businesses to develop proposals for the Business Improvement District with the intention of holding a ballot in March 2009.

The key stages and achievements over this period were:

- a questionnaire survey of businesses in the town centre to identify key issues [January – February 2008]
- a BID launch event at the VUE Cinema to introduce the BID concept to all businesses in the town centre BID area [May 2008]
- a BID event linked to offices to promote the idea to business occupiers in the proposed BID area
- A draft Business Plan was produced and following consultation with all retail and office businesses in the BID area, a revised version was produced to reflect feedback [September – October 2008].
- Two demonstration projects were organised including a Business Support Event in conjunction with Business Link for London (March 2009) and lunch time walks for town centre businesses in conjunction with the PCT [July 2009]
- Harrow Town Centre BID Company has been formally set up with board members from town centre based businesses.

In addition, the software to bill businesses has been installed and is currently being tested by Revenues team in Finance Department.

In autumn 2008, the BID Board was ready to recommend going forward for a vote for Spring 2009. Harrow Council formally backed the BID process at their Cabinet meeting in November 2008.

However, the “credit crunch” began to affect the property, retail and public sector around that time.

As a result, a number of key town centre projects such as the public realm improvement works in St Ann’s Road, and the Harrow College development were hit by lack of funding and some of the businesses, who were initially supportive of the BID, had to withdraw because of financial issues or changes in personnel.

A survey of major retailers in early 2009 suggested that there was reluctance at head offices to support BIDs given the economic climate at the time. Reluctantly, the shadow BID Board decided to postpone the vote.

Since that time, the shadow BID Board has continued to meet to assess the situation and decide when to reinvigorate the BID process. It also deals with

other town centre issues including coordinating promotional events in the town centre and the role of HBAC.

### **Harrow Town Centre BID Company**

A Harrow Town Centre Company was formally established in early 2009 to act as the formal company to promote and organise the BID and to agree how the money that is collected is spent.

The BID Company is effectively dormant at this stage as there is no income or need for it to trade until a decision to go for a BID vote is made.

### **Current situation**

Currently, the BID development process is on hold due to a number of both national and local issues including the perceived fragile trading environment, and the position of St George's shopping centre.

## **Section 3 – Recommendation**

It is recommended that Harrow Town Centre Forum seeks the views of businesses on the development of a BID.

The Shadow BID Board would continue to meet on a monthly basis to monitor BID support from within the business community and report back to the Town Centre Forum in early 2011 to update the group on progress.

If it was decided to progress towards a vote at this time, the shadow BID board would request that the Town Centre Forum money, which is made up of contribution from the Core Funders, was used to fund the publication of material related to the BID including the Business Plan.

## **Section 4 – Legal and Financial Implications**

### **Considerations**

#### Legal

The Local Government Act 2003 provided the legislative framework to enable BIDs to be established in England.. The Business Improvement District Regulations (England) 2004 relating to BIDs were passed in September 2004. These give details of precisely how BIDs should be set up and the ballot process.

#### Financial Implications

If agreed by the Town Centre Forum, the BID Board would decide on how the Town Centre Forum's budget is spent in progressing towards a BID ballot.

Council officers within the Council will continue to support the development of the BID during this period through officer time within the existing budget.

## **Section 6 - Contact Details and Background Papers**

**Contact:** David Sklair, Regeneration Project Manager, 020 8736 6084

**Background Papers:** Nil