

Committee(s): Property Investment Board	Date 17/07/2019
Subject: Fleet Street Business Partnership (City Fund)	Public
Report of: City Surveyor	For Decision
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Summary

This report presents for agreement a request for the Property Investment Board to contribute £20k per annum for a maximum of two years to become an active member of the newly established Fleet Street Business Partnership. The City Corporation would have Member and Officer representation on the Board established to run the partnership. The Business Partnership will, in the first instance, seek to engage with property owners and a number of occupiers who are keen to promote the ongoing regeneration of the area. The City Corporation has been asked to consider being an active paying member given its significant land holdings as part of the Fleet Street Estate. The group will comprise of circa 10-12 members. The initial focus will be on developing an action plan which sets out key priorities for the area and incorporate a number of demonstration projects around the key actions identified. It is anticipated that following a successful initial two-three year period, the partnership will seek to promote the delivery of a more formal Business Improvement District (BID) for the area.

Recommendation(s)

Members are asked to:

- Agree, in principle to fund a total contribution of £40k over the next two financial years (£20k for 2019/20 and £20k for 2020/21) from the City Surveyors local risk budget provided that officers in consultation with the Chair and Deputy Chairman are satisfied there are enough paying partners to make the partnership viable.

Main Report

Background

1. Following on from engagement with a number of key stakeholders in the Fleet Street area, in January 2019, the City Corporation commissioned specialist BID consultants Primera, to explore the feasibility of developing a more formalised business partnership for Fleet Street and the surrounding area. Primera currently

manage The Aldgate Partnership and Cheapside Business Alliance, as well as managing a number of Business Improvement Districts and business led partnerships across other parts of Central London. The aim was to explore the appetite to bring together a range of business stakeholders including the City Corporation, to create a voluntary business partnership and to identify the key areas of focus for any such partnership.

Current Position

2. Following discussions with key property owners in the area there was strong interest to develop a voluntary partnership and a first inception meeting was held in May 2019. The attendees included 10 representatives of the key landowners in the area, including the City Corporation. The meeting was chaired by Tom Sleigh, although for future meetings it is hoped that a non-Corporation Chairman will be elected. As part of the agenda the key challenges for the area were identified as follows:
 - Key occupiers relocating within and outside the area.
 - Large number of key office buildings about to become vacant.
 - Poor quality retail and leisure offering.
 - Heavy traffic flow (buses).
 - Lack of business community.
 - Not pedestrian friendly / poor permeability.
 - Poor area branding.
3. Consensus from the meeting was that a partnership would be a positive development for the area. There are two stakeholders already committed to becoming a full paying partner, but this is subject to a number of others agreeing to come on board. Given the City Corporation's significant property interest in the area including the Fleet Street Estate and Fleet House, New Bridge Street it was considered that the Corporation should come on board as a full paying member with a place on the board for a nominated Member and the CPAT Manager. If the City Corporation were to agree to be a paying member it is likely that others would commit so as to provide a significant enough budget to take the business partnership forward.
4. A not-for-profit company limited by guarantee has been set up by Primera as a vehicle for the partnership to hold the funds. Quarterly meetings of the partnership will be set once there is clear support for the initiative. The pace of financial commitment to the partnership will vary given that a number of the potential partners are foreign investors and so the necessary board approvals may take longer. In the first instance funding will go towards developing an action plan for the Board to approve that will set out the areas of initial activity. Provided there is a core group of six partners it is felt that this would be enough to kick start the partnership. It is considered that funding should not be released until such time that five other paying partners have agreed to fund the partnership.

Proposals

5. It is proposed that your Committee agree in principle to fund a total contribution of £40k over the next two financial years (£20k for 2019/20 and £20k for 2020/21) from the City Surveyors local risk budget provided that the Chair and Deputy Chairman are satisfied there are sufficient paying partners to make the partnership viable.

Corporate & Strategic Implications

6. The proposal to develop a business partnership for the Fleet Street area aligns with 9 of the 12 Outcomes of the Corporate Plan 2018-2023
7. The proposal will accord with top line objective number 4 of the City Surveyors Business Plan 2019-2022 to “support and promote the City as a business location” The plan identifies that the City Corporation will “engage with the business community in the Eastern Cluster and the Fleet Street area with the view to bringing forward local network partnerships in these areas”.

Financial implications

8. The £20,000 annual contribution can be met from the budgetary provision for professional fees within the City Surveyor’s local risk budget for City Fund Estate

Conclusion

9. The current Fleet Street area is facing a number of structural and physical challenges. It is considered that the formation of a formal business partnership will support in the ongoing regeneration of the area where the City has a key strategic asset in the Fleet Street Estate. The agreement to become one of the paying partners over two years will demonstrate City Corporation leadership and encourage other stakeholders to become full partners. In the first instance the funding will support the engagement of an executive team to deliver an action plan for the area with several demonstration projects. The formation of a business partnership will be a precursor to establishing a more formal BID for the area.

Appendices

- None

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