

Committees	Dated:
Policy and Resources Committee	20/10/2022
Subject: Culture Mile Business Improvement District	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,3,4,5,9,10,11,12
Does this proposal require extra revenue and/or capital spending?	No
Report of: Executive Director Environment	For Decision
Report author: Simon McGinn, Assistant Director Partnership and Engagement	

Summary

The purpose of this report is to seek your agreement for the submitted BID Proposal, enabling the City Corporation and the Culture Mile Partnership to formally launch the proposals in advance of a ballot in January 2023 to establish a BID in April 2023.

When considering BID Proposals, the City Corporation needs to be satisfied that the BID proposal does not 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. These are the only grounds that the City Corporation should consider when reviewing the BID Proposal. Matters such as the BID boundary have been determined by the Partnership in consultation with local businesses and will be subject to consideration for determination by the BID Ballot

This report sets out the strategic themes and subsequent proposed project delivery of the BID, how these were arrived at through the perception analysis and from further consultation with businesses to agree the levy multiplier and BID budget for the first term (5 years). The proposed levy multiplier has been set to provide a viable BID Budget that will be able to deliver on the key themes set out in the BID Proposal. The strategic themes align with the outcomes set out in City of London Corporate Plan 2018-2023, and will support delivery of key strategies and visions including Destination City, the Culture Mile Strategy, the emerging City Plan 2040 and the Climate Action Strategy.

The BID is being promoted by the City Corporation who will be the accountable BID Proposer and BID Body. The BID will follow the previously agreed management arrangements for Fleet Street Quarter and EC Partnership BID where the City Corporation appoints the Partnership to deal with the day-to-day implementation of the Business Plan.

Recommendations

Policy and Resources Committee is asked to:

- Agree the BID Proposal to allow progression to formal Ballot
- In the event of a successful ballot, authorise the Executive Director Environment to appoint the Culture Mile Partnership to deal with day-to-day implementation of the BID Proposals on behalf of the City Corporation and delegate to the Executive Director Environment, in consultation with the City Solicitor, authority to agree the terms of the appointment in accordance with the principles in this report.
- In the event of a successful ballot, delegate authority for the day-to-day management of the BID Body's functions to the Executive Director Environment (subject to this being exercised in accordance with the contracted arrangements and with the BID levy receipts credited to the BID account).

Main Report

Background

1. In July 2021, the Culture Mile Partnership was established by local businesses and landowners, in partnership with the City of London Corporation and the founding cultural partners of the Culture Mile initiative. The aspiration was to build on the creative animation seen across the area through the Culture Mile programme, which launched in 2017, but broaden its scope and geographical footprint. Covering an area slightly larger than the original Culture Mile footprint, the new BID would embrace all businesses and sectors, while also seeking to embed culture and creativity into the future shape of the area.
2. In January 2020, the Policy and Resources Committee agreed a BID Strategy that supported the involvement of the City Corporation in establishing Partnerships where it holds significant property assets in the area. In May 2021, given the significant assets held at Smithfield Market, the Property Investment Board (PIB) agreed to contribute a total of £20,000 from the City Surveyor's local risk budget towards funding for the Partnership for its first two years pending a BID ballot. PIB would not provide any further funding or have any further participation in the Partnership following a successful BID Ballot, other than as described in this report.
3. When considering BID Proposals, the City Corporation needs to be satisfied that the BID proposal does not 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. These are the only grounds that the City Corporation should consider when reviewing the BID Proposal. Matters such as the BID boundary have been determined by the Partnership in consultation with local businesses and will be subject to consideration for determination by the BID Ballot

4. The boundary identified for the Culture Mile Partnership is as illustrated at Appendix 1. The Culture Mile Partnership considers that the proposed footprint and boundary constitutes a coherent and manageable area. It is worth noting that the Partnership believes that the area beyond the eastern boundary in the Finsbury Circus / Liverpool Street station area should be incorporated within the footprint. Appendix 2 provides a map of the BID boundaries together with the proposed Culture Mile BID boundary. Discussions have been held with the owners of Broadgate Estate about whether they would wish to pursue a BID to incorporate Broadgate and Finsbury Circus together with the surrounding hinterland that presently is not within a BID boundary. As this was not something that they wished to pursue it is felt that Finsbury Circus would benefit from being incorporated into the culture Mile BID footprint. This will also allow for the potential animation of the Finsbury Circus area through the activities of the new BID and would provide a more coherent eastern conclusion to the 'culture spine' – the thoroughfare originating at the new Museum of London site detailed in the Culture Mile Look and feel Strategy (2018). The viability of the remaining areas in the Broadgate hinterland that do not fall within a BID footprint could be reviewed as part of the Cheapside and EC BID boundaries for their next five-year term.
5. The Culture Mile Partnership has undertaken a perception analysis with the proposed BID levy paying community to test their appetite for the establishment of a BID and to identify the strategic priorities for its first five-year term. As part of the perception analysis views were sought on what business would like to see delivered. There has been overwhelming business support (96%) to the idea of taking forward a BID.
6. In developing the Draft BID Proposals, Members of those Wards in the footprint have been consulted and invited to comment. Concerns were raised in respect of resident engagement / involvement in respect of developing and delivering the BID proposals given the large concentration of residents that live within the footprint (Barbican and Golden Lane). There has been some confusion between the City of London led 'Culture Mile' project and the Culture Mile Partnership so work was undertaken to distinguish the two entities.
7. An interim brand for the Partnership was developed, along with a BID ballot focused website. This approach was shared with Ward Members twice during the summer, offering follow up meetings, sharing the evolving BID proposal and encouraging a dialogue to develop in a meaningful way to engage with residents. The Partnership has also fed into a local blog, *The Social Reporter*, as well as

placed a feature with *City Matters* about how BIDs across the Square Mile engage with their wider communities. Whilst BIDs are a specific vehicle for business engagement and will be funded by business, the BID proposal makes it clear that there is a strong commitment from the Partnership and future BID to work collaboratively with the wider community. A specific reference to this commitment has been included in the Governance of the BID proposal, the wording is as follows:

“The Culture Mile BID wants to work collaboratively with its residential communities, recognising the valuable contribution the wider community makes to the vibrancy and identity of the area. We want to develop a framework for meaningful engagement, which enables residents to feed into the work, not simply be informed of its plans. This could take the form of a Community Forum, facilitated by the BID, resident involvement with steering groups and development of agreed channels of communication between residents and the BID. Together, we can build a stronger more resilient, more inclusive and welcoming Culture Mile to benefit residents, businesses and visitors”.

8. BID arrangements are not to come into force unless the BID proposals are approved by a ballot of the non-domestic rate payers in the BID area who are liable for the levy. The BID Proposal sets out business's priorities for improvements for the area and areas of services, as well as how the BID will be managed and operated. Under BID legislation, all proposals must be approved by the local authority before moving towards a Ballot.
9. The proposed timetable for the Ballot will be 18 January 2023 for four weeks with the results announced 15 February 2023, with the BID going “live” on the 1 April 2023, subject to a yes vote.
10. The BID delivery team has agreed the dates of the ballot with the Electoral Services Team.

Current Position / Perception Analysis

11. Following consultation through the perception analysis, the Culture Mile Partnership has developed a Business Plan and is seeking approval from the City Corporation for the City to propose the BID to move towards a formal Ballot. The Culture Mile Partnership perception analysis received responses from 40% of the business community, located within the BID footprint. The overall findings from the perception analysis identified that businesses wanted to see a BID for the Culture Mile area being delivered, with an overwhelming majority (96%) of

businesses in the area responding that a BID would add value and they agreed, in principle to support the Culture Mile BID and its activities, delivered through four strategic themes:

Sustainable Environment – More than half of respondents would like to see more initiatives to improve area quality, and more campaigns to promote walking and cycling. 67% of respondents are keen for there to be more knowledge sharing on climate resilience.

Connected Community – 76% of respondents felt that being more connected to other local businesses was important, with 84% saying they would like to collaborate more with businesses outside their sector. Wellbeing activities were ranked most highly when it came to the sort of activities respondents would like to see delivered (57%).

Inspiring Places – 83% of respondents believe that the external environment plays a role in the overall experience of being in the area, and crucially, in encouraging employees back to the office. 83% of respondents would like to see more good quality public spaces and 79% more enhanced greening.

Cultural Destination – 95% of respondents felt that culture can add value to the area, with 98% believing that an enhanced cultural offer would support economic growth in the Culture Mile area.

Projects

12. Within the full BID Proposal, four strategic themes have been identified. These are intended to encapsulate all views gauged in the perception analysis from businesses and stakeholders. All interventions delivered by the BID will demonstrate additionality and a focus on activities that concentrate on promoting the Culture Mile area as a destination, reinforcing the area's identity, supporting businesses to tackle climate change and sustainability, to promote growth and work with partners to deliver on their agendas.

Four project areas have been identified:

- Sustainable Environment
- Connected Community
- Inspiring Places
- Cultural Destination

Sustainable Environment

As a valued partner in the delivery of the City of London Corporation's Climate Action Strategy, the BID will drive an ambitious sustainability agenda in line with UN Sustainable Development Goals and play an integral part in making the City greener, cleaner, less polluting, and more resilient. It will partner with the City

Corporation, Transport for London, the GLA, landowners and other bodies to drive and realise ambitions, and invest in projects and programmes that find better ways to do business in more sustainable, climate resilient ways. Proposed projects include the support to help local businesses as they transition to Net Zero and a significant increase in on-street planting to improve biodiversity. The BID would establish freight and recycling consolidation schemes to reduce vehicular traffic and emissions and commission a green infrastructure audit to identify other areas for improvement and investment.

Connected Community

The BID will help the area's businesses to make new connections, provide a means to collectively address challenges to business growth and help to unlock the huge potential for innovation across the area. It will provide practical opportunities for people working and living in the area to collaborate and learn. It will champion diversity, inclusion, and social mobility while providing a bridge between commerce and culture. Projects to be delivered include the creation of a business directory to connect the area's diverse business sectors and develop an events programme for networking and skills and knowledge sharing, such as workshops, pitching sessions and talks. The BID would share footfall and economic insight data with members, helping them adapt to changing consumer behaviour. Working with the local residential communities, the BID would matchmake local resident needs with relevant business offers to increase direct support 'on the doorstep' for residential communities. The BID has discussed with ward members developing opportunities for residents to participate in the BID, get involved with steering groups for example, to ensure their views are fed into developing programmes and initiatives.

Inspiring Places

The BID will drive a high-quality placemaking programme to bring vibrancy to the streetscape and deliver a culture-led public realm – stimulating imaginations and supporting wellbeing and productivity. It will ensure that Culture Mile attracts and retains the very best talent - in turn encouraging investment in the area. The BID will take action to improve wayfinding, highlight the area's remarkable heritage, and support its independent retail and hospitality offer to thrive. Projects to be delivered include the development of a Public Realm Vision for the area that maps public and private spaces and opportunities for activation and enhancement, building on the City Corporation's Culture Mile Look & Feel Strategy of 2018. This will provide a blueprint for future work and investment, some of which can be delivered solely by the BID and on other projects working collaboratively with the City Corporation and statutory partners. The BID would deliver high-quality wayfinding and creative pop-ups across Smithfield, Moorgate and around the Barbican, mitigating the impact on those travelling through the area of the construction works being delivered over this period, in partnership with the City Corporation. Also delivered

under this theme would be the creation of a safety group to coordinate the needs of businesses, visitors, and residents around the area's late evening economy.

Cultural Destination

The BID will work within the City Corporation's *Destination City* approach and with the area's world-class cultural institutions to promote Culture Mile as a major UK destination for culture and leisure. It will support the area's visitor base to increase and become more diverse by bringing great arts experiences to more people - so enriching people's perceptions of the area, boosting the local economy and helping retail and hospitality businesses to thrive. Among a range of activities under this theme, the BID would work with organisations such as London & Partners and BusinessLDN to revive international tourism and investment, participate in pan-London domestic tourism campaigns, and partner with platforms such as OneCity and the *In the City* app to promote the area's destination venues and activities. The BID would commission new research on the area's visitors to help inform future activities, alongside developing an area-wide 'What's On' service for the area's businesses and wider stakeholders. The on-street experience would be enhanced too, with the deployment of Ambassadors to provide a multi-lingual welcome and information service to visitors, and artists would be commissioned to engage the public with the area's remarkable heritage in creative ways.

13. The activities identified within each project area are considered to align and reinforce the City Corporation policies and will support delivery of key strategies and visions including Destination City, the Culture Mile Strategy the emerging City Plan 2040 and the Climate Action Strategy together with the Corporate Plan 2018-2023. This will be delivered by working with a range of stakeholders and in partnership with the City Corporation. For further details or more information contained within the BID Proposals can be found on the following link:

<https://culturemilebid.co.uk/>

Budget and BID Levy

14. When setting the business rate multiplier, consideration was given to ensuring value for money in order to deliver the projects outlined in the BID Proposals. This was set by the Culture Mile Board as 1.0% together with a threshold of excluding properties below a rateable value of £200,000 and a capped contribution so that no business would pay more than £40,000. Businesses that occupy multiple hereditaments, individually rated, will be charged the BID levy payment and will not be discounted. This would generate an estimated annual income of £1.8m from the BID to support the proposed activities.

15. As an example, this would mean a small business would be exempt; a business with a rateable value of £200,000 would pay £2,000 annually; a large business with a rateable value of £3m or greater will pay £40,000 per annum.
16. Over the five-year period of the BID, the proposed generated income from the levy is estimated to be £9.4m from 265 businesses, with an additional expected income of £250k from additional voluntary contributions (property owners). All levy income would be collected and administered by the City Corporation.

Governance

17. The City Corporation will remain as the BID Body and BID Proposer, therefore ultimately formally retaining accountability for the BID. As the BID Proposer, the City Corporation is responsible for putting forward the BID Proposal for the BID ballot, for the implementation of the BID Arrangements, and for applying the BID Levy.
18. An important consideration in developing any BID proposals for the City is their relationship with the City's business franchise. Both elements have been discussed with the Comptroller and City Solicitor and Remembrancer. The proposals set out in paragraph 19 have been guided by these discussions.
19. It is proposed that the Culture Mile BID adopts the new arrangements put in place when the EC and FSQ BIDs were established earlier this year and agreed at Committee in late 2021. Following a request from both the Fleet Street Quarter Partnership and EC Partnership, a change to the previous management arrangements adopted by the City Corporation for the City BIDs now provides these two new BIDs with greater day-to-day input in implementing the delivery of the Business Plan. The BIDs are appointed to deal with day-to-day implementation of the Business Plan in place of the previous Memorandum of Understanding arrangements where implementation is carried out directly by the City Corporation with the local business partnerships having a consultee role. Subject to a successful ballot outcome, the City Corporation will contract with the Culture Mile Board (a not-for-profit company limited by guarantee) to act as the delivery agent to implement the five-year BID Proposal. It is proposed that the terms of the contract be delegated to the Executive Director Environment in consultation with the City Solicitor. The Culture Mile Partnership will manage the implementation of the BID Proposal, overseeing the executive team
20. Subject to a successful ballot outcome in February 2023, the BID would be activated on 01 April 2023. In order to ensure a smooth transition and continuity from partnership to BID, the Culture Mile partnership recommends that the

existing executive team remains in place. The current resource is provided by Primera Corporation and this will remain in place until March 2024 to allow the Board to undertake a full review of options in respect of the ongoing executive support.

21. The City Corporation's previous participation and funding would cease upon a successful BID ballot. Thereafter, it is proposed that a Member representative from one of the Wards in the footprint would attend Partnership meetings as an observer, together with the Assistant Director Partnership and Engagement (who will be delegated to deal with day to day matters by the Executive Director Environment) to provide officer support. The BID will draw down the BID levy from the City Corporation on a monthly basis and will manage the delivery of projects in accordance with the BID Proposals. Once appointed to implement the BID Proposal, the Partnership would then budget for and undertake their own contracting with regard to suppliers and staff resourcing. All income and expenditure will be subject to an annual audit and published for approval at the BID's AGM. The arrangements have been discussed with the City Solicitor and Remembrancer who have confirmed approval.

Proposals

22. It is recommended that the City Corporation approve the BID Proposal so that the Culture Mile Partnership can formally begin the BID development process on the City's behalf with eligible businesses in the area in advance of progressing to Ballot in January 2023. As proposer of the BID, the City Corporation will enter into a legal agreement with the Board to set out agreed arrangements for governance and implementation of day-to-day operations in accordance with the BID Proposal.

Options

23. If Members were minded not to approve the BID Proposal in its current form and a further report was required, then it would impact on the BID timetable which seeks to launch in November 2022 to go to Ballot in January 2023 and have a BID "go-live" date of 1 April 2023. The BID Proposals are in accordance with the City Corporation policies and will not impact on the delivery of existing services and so it is recommended that the City Corporation approve the BID Proposal to enable the commencement of formal consultation in advance of the BID Ballot.

Corporate & Strategic Implications

24. Strategic Implications

The proposal to develop a BID for the Culture Mile Partnership area aligns with eight of the twelve Outcomes of the Corporate Plan 2018-2023. In addition, the proposed project areas identified in the BID Proposal will support delivery of key elements of Destination City, the Climate Action Strategy, the Culture Mile Strategy, Transport Strategy, and the emerging City Plan 2040. In addition, many of the projects will focus on supporting the business ecosystem, so whilst the levy payers will come from the larger businesses in the area, support will be provided to the SME community to foster future growth and retention.

25. Financial and Resource Implications

All funding generated from the BID would be collected and administrated by the City Corporation with the BID drawing down the BID levy from the City Corporation on a monthly basis. Billing and collection of the BID Levy will be conducted by the Chamberlains Department and the associated costs will be recharged to the BID. There would be a cost associated with running the ballot that is estimated at about £2,000 that will be covered by the Electoral Services Team as part of their budget. The Assistant Director Partnership and Engagement will provide support in delivering the BID Proposals on an as needed basis which is part of the team's remit to support the needs of City businesses.

26. Legal Implications

The terms of the appointment should provide for oversight to ensure the appointed Culture Mile Partnership facilitates compliance by the City with its BID Body responsibilities for implementation of the BID Arrangements and application of the BID Levy.

The Culture Mile Partnership being an entity functioning as a private law operator and managing its own budget derived from the BID levy, would be seen as an independent body promoting the interests of its membership. Any procurement relating to the affairs of the Culture Mile Partnership would be affected entirely by the Culture Mile Partnership without involvement of the City. The delimitation of the respective roles would be maintained through the arm's length contractual arrangement at paragraph 17

All other legal implications are in the body of the report

27. Equalities Implications

Promoting and supporting diversity in the workplace is an important aspect of good people management – the Culture Mile BID will strive to support businesses to ensure they promote a diverse workforce. It will ensure its own management team meets these criteria through an inclusive environment where everyone feels able to participate and achieve their potential. While UK legislation – covering

age, disability, race, religion, gender and sexual orientation among others – sets minimum standards, an effective diversity and inclusion strategy goes beyond legal compliance and seeks to add value to an organisation, contributing to employee wellbeing and engagement. As with the established Cheapside Business Alliance, Aldgate Connect, FSQ and EC BIDs, the Culture Mile BID will develop a strategy to meet the UK legislation.

An effective strategy for the workplace can support an organisation's business objectives and the Culture Mile partnership will take the relevant steps to implement and manage a successful Diversity and Inclusion strategy.

Conclusion

28. The BID Proposal is in accordance with City Corporation policies and strategies and will complement the work of established service operations and partnerships. Approval of the Proposals will allow the Culture Mile Partnership to launch the Proposals to the affected businesses to enable progression to ballot.

Appendices

- Appendix 1 Map of the Culture Mile BID boundary
- Appendix 2 — Map of all City BIDs and Partnership boundaries

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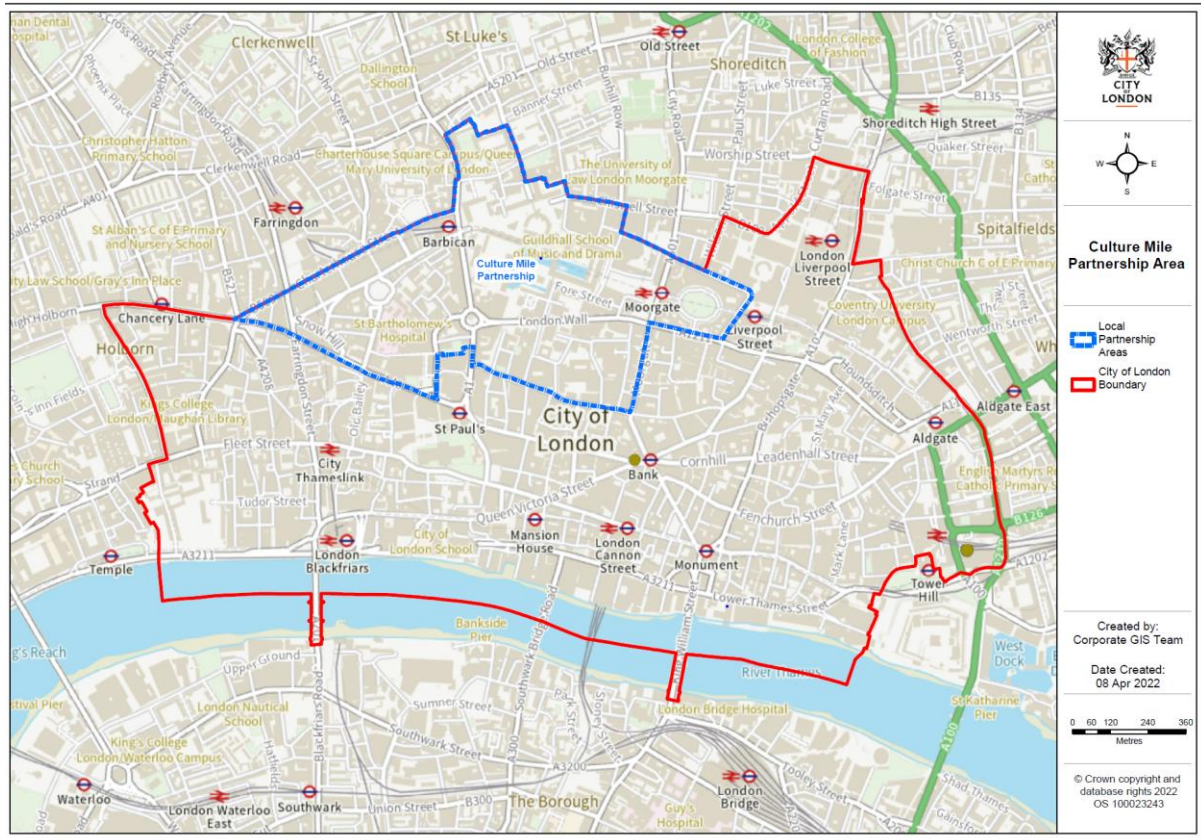
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Appendix 1

Map of Culture Mile BID Boundary-Area



Appendix 2

Map of Culture Mile BID- Key area of activity

