

<b>Committee(s):</b> Policy and Resources Committee – For Decision	<b>Date:</b> 15/12/2022
<b>Subject:</b> Member Observers on BID Boards	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	1,3,4,5,9,10,11,12
<b>Does this proposal require extra revenue and/or capital spending?</b>	N
<b>What is the source of Funding?</b>	N/A
<b>Report of:</b> Executive Director Environment	<b>For Decision</b>
<b>Report author:</b> Simon McGinn, Assistant Director Partnerships and Engagement, Environment Department	

### **Summary**

This report concerns arrangements in respect of the Member Observer roles on Business Improvement District (BID) Boards in the City, following the receipt of a letter from the Chairman of the Eastern Cluster (EC) BID which seeks agreement, in the interest of good governance, to the option of being able to rotate the Member Observer over the five-year term of the EC BID, so to allow for better representation of Members from the Wards across the BID footprint.

As the BID Body and BID Proposer, the City Corporation requires representation on the BID Board to support the delivery of the BID Proposal. A Member Observer sits on each of the BID Boards to provide the necessary guidance and advice to support implementation of the various projects to be delivered during the five-year term of the BID. This report sets out the existing position in respect of Member Observers and provides options for consideration in terms of providing BID Boards with appropriate flexibility to determine how frequently they wish to change the Member Observer, to enable a more diverse, inclusive, and effective representation of Wards falling within the BID footprint.

The report also sets out the process for seeking approval to the Member Observers as part an annual report to your Committee.

### **Recommendation**

Members are asked to consider which of the options in relation to Member Observer roles in BID Boards they would wish to progress, as set out at paragraph 10.

## **Main Report**

### **Background and Current Position**

1. A letter has been received (Appendix 1) from the Chairman of the EC BID seeking agreement, in the interest of good governance, to the option of being able to rotate the Member Observer over the five-year term of the BID, to allow for better representation of Members from the Wards across the BID footprint.
2. As the BID Body and BID Proposer, the City Corporation requires representation on the BID Board to support the delivery of the BID Proposal. Each of the current four BIDs in the City has a Member and an Officer Observer from the City Corporation who sit on the Board of the respective BIDs.
3. Boards normally comprise between 10-15 representatives drawn from the BID levy payers. In the interest of keeping Board numbers streamlined, it is not considered appropriate to have more than one Member overseeing Board activity.
4. As an Observer, the Member representative is there to provide guidance and advice and to provide updates on policies to support the decision making of the Board in line with the approved Business Plan. The Member Observer does not have any voting rights in relation to final decisions on items.
5. The current Member Observers on the BID Boards are as follows:
  - EC BID, Shravan Joshi
  - Cheapside Business Alliance, Alastair Moss
  - Fleet Street Quarter, Martha Grekos
  - Aldgate Connect, Henry Jones
6. The approach to Member Observer appointments on BID Boards has been somewhat inconsistent or non-specific to-date in respect of term length and whether these should be made for the full five-year term of the BID, or for a shorter period.
7. At the time of relevant reporting to this Committee, the Member Observer had already been identified for both Cheapside and EC BID and were confirmed by the Committee as part of the overall proposals. For both the Fleet Street Quarter and Aldgate Connect BIDs, the Member Observer appointments were subject to a further report following engagement with Ward Members in the footprints to identify nominations for consideration. Whilst the Aldgate Connect BID proposal specifically referenced confirmation of the appointment of the Member Observer for the full term of the BID, none of the other reports were specific about how long a Member Observer would sit and whether this should be rotated.

### **Consideration and Options**

8. A letter from the Chair of the EC Bid (see appendix 1) has recently been received, requesting consideration of the arrangements in respect of Member Observers which, in short, requests that annual consideration be given to the appointments made. Whilst the request made relates solely to the EC Bid, in the interests of

consistency and transparency your Committee is likely to wish to consider the matter in the context of approach for all current and future BIDs.

9. It is recognised that there are benefits to rotating the Member Observer through the BID term, as this would provide an opportunity to have a more diverse and inclusive representative involvement across the various Wards within the BID footprint and would further strengthen the symbiotic relationship between the BIDs and the wider business ecosystem in their area. Equally, there are benefits to the retention of incumbents in many cases, in the interests of continuity and maximising accrued knowledge and experience to the benefit of the BID.
10. A number of options, therefore, present themselves for consideration by your Committee:-
  - i. **Decline the request and retain the status quo, with incumbent Member Observers retained for the full length of the relevant BID.** Given the specific request of the EC BID and the somewhat inconsistent approach taken to date, it is likely that this would not be in the best interests of either the EC BID or the City.
  - ii. **Agree to allow rotation of the Member Observer for solely the EC BID, in line with their request.** This would have the benefit of supporting the EC BID in their moves towards best practice, but the disadvantage of embedding an inconsistent approach across BIDs. Granting the ability to one BID in isolation would also appear somewhat inequitable and could well result simply in individual requests further down the road and the need to then spend more time considering these on an ad hoc basis.
  - iii. **Agree to grant each BID the ability to rotate the Member Observer each year, or to retain incumbents.** Empowering the BID Boards with the flexibility to determine the frequency of rotation and whether they wish, for continuity purposes, to retain a Member Observer for more than one year, or whether they feel it would be beneficial to rotate, would provide for consistency of approach whilst also enabling the individual Boards to propose membership arrangements which support their individual local requirements so far as possible, strengthening the collegiate approach between the City and the BIDs in the management of the relevant areas.
  - iv. **Agree to rotate the Member Observer each year across the Wards that sit within the BID footprint.** This would provide an opportunity to have a more diverse and inclusive representative involvement across the various Wards within the BID footprint and would further strengthen the symbiotic relationship between the BIDs and the wider business ecosystem in their area.
11. Should Members wish to pursue either option (ii), (iii), (iv), it is suggested that it would be most appropriate for each BID to take initial ownership of engagement with Ward Members in their footprint in an effort to identify who they would like as the Member Observer for each year. If option (iii) were preferred, then BID Chairs would be able to seek the views of their Boards (as well as the incumbent Member) about whether they would like to continue with the existing appointment or whether they wish to seek a change. If rotation were considered beneficial,

then interest from Members within the Wards would be sought and a consolidated report would be brought before your Committee in May of each year, confirming which BIDs wish to retain the existing Member Observer or seek rotation and, if the latter, for options ii), (iii), and (iv), which Members have expressed an interest and their reasons for doing so, alongside any specific recommendations from the BIDs, to be subject to consideration and determination by the Committee.

12. This oversight by the Policy & Resources Committee in terms of ratification would provide for an appropriate yet light-touch check and balance, to ensure the City Corporation's interests are represented adequately and that appointments are made with the benefit of the wider context of the Corporation's activities.
13. In relation to timescale for such an approach, BID Boards currently meet four times a year, normally in June, September, December and March, with 1 April being the commencement of each year of the BID term. It is considered that, if rotation of the Member Observer is to be permitted, then it would be appropriate to facilitate this between the March and June Board meetings (hence the suggestion of an annual report to your May meeting).

### **Corporate & Strategic Implications**

- Strategic implications – As BID Proposer it is necessary for the City Corporation to have Member representation on the Board. BIDs are focussed specifically on supporting the needs of businesses within the footprint of the BID boundary. The BIDs support eight of the twelve outcomes set out in the Corporate Strategy 2018-23
- Financial implications - None
- Resource implications – Member Observers appointed to BIDs will be expected to attend BID Board meetings and to engage with the BID Chairs throughout the year to inform the delivery of the BID Proposals. Beyond this, there would be a modest officer time involvement from the Assistant Director of Partnerships and Engagement in collating and submitting to Committee the various BIDs' annual proposals.
- Legal implications - None
- Risk implications - None
- Equalities implications – The proposals potentially provide BIDs with flexibility to broaden engagement with Members within their footprint ensuring a more diverse and inclusive representation.
- Climate implications - None
- Security implications - None

### **Conclusion**

14. The existing arrangements for the appointment of Member Observers to sit on the BID Board have been highlighted by an existing BID as lacking the necessary flexibility to broaden the diversity of engagement with the various Wards across

their footprint. This paper provides options for consideration including the opportunity to rotate Members, to support and inform the workings of the BID.

### **Appendices**

- Appendix 1 – Letter EC BID

### **Simon McGinn**

Assistant Director Partnership and Engagement, Environment Department

E: [simon.mcginn@cityoflondon.gov.uk](mailto:simon.mcginn@cityoflondon.gov.uk)

**APPENDIX 1 - Letter EC BID**



By Email

28<sup>th</sup> October 2022

Dear Chair and Deputy Chair of Policy and Resources,

**City Corporation Elected Ward Member Representation on BID Boards**

As you are aware the EC BID is now moving forward at pace and our strategy is well aligned with the City Corporation's own policies around Destination City and climate action.

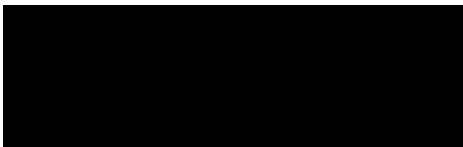
We currently have a Board Observer from the City Corporation attend all our Board Meetings as do the other City BIDS, which helps to keep us closely aligned and able to keep up to speed with City Corporation policy.

As the EC BID covers several Wards within the City, we believe it would be good governance if the position /appointment of the City Board Observer was to be reviewed on an annual basis by the relevant committee within the Corporation, this would ensure that during the course of our 5 year BID mandate we are able to properly represent all the Wards and be more inclusive. This would also sit well with the City's own annual committee turnarounds and internal elections.

To date we have been very pleased with our working arrangements with the EC BID City representatives, and I would emphasise that this letter is in no way a complaint, but at our recent Board Meeting the question of good governance was raised and we therefore felt that this would be a good way to ensure that scrutiny is maintained at the City level across all the City's BIDS.

I would of course be happy to discuss the foregoing with you both at your convenience.

With kind regards



A J Reynolds  
Chair EC BID

CC Shravan Joshi

**Eastern City Business Improvement District**  
EC BID, 15 Bishopsgate London EC2N 3AR

**E** [info@ecbid.co.uk](mailto:info@ecbid.co.uk)  
**W** [ecbid.co.uk](http://ecbid.co.uk)

**Company Registration Number** 12096445