

Regeneration Committee – 13 October 2015

Transcript of Agenda Item 6 – Business Improvement Districts

Gareth Bacon AM (Chairman): Item 6 is Business Improvement Districts (BIDs). Can I welcome all five of our guests this morning? If you could just introduce yourselves? Then we will get on with the questions.

Ros Morgan (Chief Executive, Kingstonfirst BID): I am Ros and I am the Chief Executive, Kingstonfirst BID.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I am Anna Minton. I am a writer and a journalist and I am Reader in Architecture at the University of East London. I wrote a book called *Ground Control* in 2009, which includes a chapter on BIDs and takes quite a critical stance.

Debbie Jackson (Assistant Director – Regeneration, Greater London Authority): I am Debbie Jackson, the Assistant Director of Regeneration here at City Hall.

Cllr Guy Nicholson (Cabinet Member for Regeneration, London Borough of Hackney): I am Guy Nicholson, Councillor and Cabinet Member for Regeneration in the London Borough [LB] of Hackney and currently [we do not have any] BIDs within [Hackney].

Dr Julie Grail (Chief Executive, British BIDs): I am Julie Grail, Chief Executive of British BIDs. We are concerned with BIDs all the way around the country.

Gareth Bacon AM (Chairman): Thank you very much. Welcome to all of you.

The first question I am going to put to Ros because I believe Kingstonfirst was the first BID in London. Is that correct?

Ros Morgan (Chief Executive, Kingstonfirst BID): That is right, yes.

Gareth Bacon AM (Chairman): What was the driving force behind setting it up in 2004?

Ros Morgan (Chief Executive, Kingstonfirst BID): I have prepared a few notes because, as Julie [Grail] will tell you, I can talk for quite a long time. I am happy to go through it and then you can stop me anytime you want.

First of all, I thought I would give you a bit of context about Kingston. It is an outer London borough. It is the Royal Borough of Kingston upon Thames. The first king of England was crowned there and the subsequent six kings. It has a very strong retail offer, a flourishing night-time economy, art café culture, great heritage and of course the beautiful setting of the River Thames. Today, it is the safest London borough, it has the highest occupancy rates in the United Kingdom (UK) and it is the third-best performing retail centre outside central London. That is where we are today with Kingston, but we were not always that way.

That is really where the story begins. We had a very strong town centre management partnership over the 1990s and they were relatively successful. However, as many town centre managers – including me – back in the day will tell you: you can have a lot of support, a lot of goodwill and a lot of fantastic ideas in terms of how to improve a trading environment – a town, a high street or a place – but without money there is a limit to how far you can succeed. Therein lies one of the key problems. In my experience – not in Kingston but elsewhere –

you had the same group of business coming forward and helping to fund these initiatives. Really, that was not a sustainable model for funding in the town centre.

Therefore, Kingston took the lead and became the first BID in the UK and now we have in excess of 200 --

Gareth Bacon AM (Chairman): Can I just ask you at that point: who drove the creation of the BID, the businesses or the Council?

Ros Morgan (Chief Executive, Kingstonfirst BID): It came from the businesses. The partnership existed. They set themselves up as a limited company and it was primarily retail-led initially but they had the support of the local authority. We needed both parties to come together and agree.

Gareth Bacon AM (Chairman): It was the businesses that initiated it?

Ros Morgan (Chief Executive, Kingstonfirst BID): It was the businesses that initiated it, absolutely, yes.

Just as a bit of background on Kingstonfirst: we have almost 1,000 business properties in the town centre, which is a relatively small town centre. We have no threshold and so every single business contributes and gets a say. We charge a 1% levy. It is primarily retail-led. About 43% of the members are retail and they contribute about 64% of the overall levy income. That generates about £900,000 a year to spend. That makes up about 56% of our overall income, but it is supplemented by other income, which makes up about 44%.

That is crucial, actually. I remember as a town centre manager, when I needed money, I could not get it because I did not have any. However, when you have money, it is much easier to secure funding and support because you are able to match it, you are able to partner and you are able to draw alliances.

From Kingstonfirst's perspective, we followed what I would describe as a traditional route. Actually, it was the only route because we were the first in the UK, but it was a traditional route. In the first five-year term, we concentrated on the short-term tangible projects that focused around making the area safer, making it cleaner and making it greener and really focused on place-management, if you like.

As we progressed into BID 2 and certainly into BID 3, we started to realise that we were able to prove we could take on a much greater role and a much greater remit and we were able to demonstrate place leadership. In fact, for BID 2, we really focused on what I would describe as 'total town' marketing. It was not individual organisations trying to promote Kingston as the place to come; it was this independent company - ie Kingstonfirst - promoting Kingston and promoting it as a good place for all whether you are retail, office, etc.

Then, by BID 3, we really started to establish ourselves as a collective voice and really began to recognise the value of having 1,000 businesses' views and the influence and impact that that could have on decisions being made about the area and the surrounding borough, for that matter. We also recognised that we could help to reduce operational costs for businesses on the ground by joint procurement or group purchasing of anything from energy to recycling. We were able to demonstrate to businesses that return on investment, "You pay us X amount of levy every year and though this one service" - for argument's sake, say it is recycling - "we are able to save money off your bottom line". There are lots of good examples right across the BID community that can demonstrate that.

We started from the ground up, but now at Kingstonfirst we have a track record of making things happen, which is the key. You can talk a lot and plan for a long time, but one of the key values, I believe, in BIDs is we

can make things happen. Kingstonfirst is recognised as a credible contributor to the success of the Kingston that I just described.

We have established effective partnerships and relationships with the local authority and other partners and our business community. We are at the table for critical decisions being made. I sit on the Strategic Partnership as well as the Safer Strategic Partnership, ensuring that the business voice is part of that conversation. We collaborate on policies and planning and we influence now the growth and regeneration of Kingston town centre.

Just to give you another example of how far we have come, we now deliver a number of services on behalf of the local authority, which I will give you an example of and explain but I have to state that this was correct and proper for Kingston at the time. It may not be correct and proper for all BIDs but it worked for Kingston. Five years ago, we negotiated the transfer of a number of services, which included community events, open-space management, street activities and markets.

Today I am just going to focus very quickly on the markets element. What was our motivation? We believed that these services were critical to the success of the town centre and we believed they were being delivered to an incredibly poor standard and were having a negative impact on the town centre as a whole. It was a real barrier to our vision and we felt it was a real barrier to the borough's vision also. We felt we could do a much better job in the driving seat and that is where the journey began.

We have agreed certain conditions. We did not just say, "We will do that for you". We agreed that Kingstonfirst would not lose out financially and so it comes with funding each and every year; that it could not impact on our core purpose as a BID; and that it could not jeopardise the BID. Once that was agreed, these services were transferred.

We had quite a few challenging years because we were the first BID to have services transferred across and so we were learning as we went along on both sides, but we got there in the end. During the whole process, the local authority and Kingstonfirst came together and we sought funding from the Greater London Authority (GLA) under the Outer London Fund (OLF) and we did that jointly. That allowed significant investment in this marketplace and in this market. The aim was to reinvigorate the town centre.

The result was absolutely worth it. It was blood, sweat and tears in between but the result was worth it. We are now an award-winning market. There has been a complete transformation. We have taken something that was an ancient, 13th-century market and have merged it with the modern world. We took something that was failing the town centre and turned it into one of the core assets of the town. We have created a vibrant market right at the heart of the town centre, which creates quite a large part of Kingston's personality. We have created a new shopping destination that complements what is already there. Also, we have enhanced the assets for property investors and owners across the town centre as well, which is the key to creating employment, entrepreneurship and opportunity.

The market itself has a turnover of £3 million. That is with 35 stalls. We are all in the wrong business; we need to set up a market somewhere! However, 75% of the people who come to that market shop in the town centre. They have come specifically for it but they shop elsewhere. We estimate that about £250,000 is the economic impact on the wider community. Something very small was having such a negative impact and we were able to turn that right around.

Gareth Bacon AM (Chairman): Can I ask you just a couple of points on the markets? The funding you talked about initially came from the Council. Is that correct?

Ros Morgan (Chief Executive, Kingstonfirst BID): Yes.

Gareth Bacon AM (Chairman): The OLF is a much more recent innovation. How were you actually working on the markets before the OLF came in and provided grant funding for you?

Ros Morgan (Chief Executive, Kingstonfirst BID): We were able to change the fabric. It was the standard, the quality, the policies, the procedures and the product that was there. We were able to create a brand for the market itself. However, it was a little bit like making a silk purse out of a sow's ear because the physical appearance of the market was very poor. It had been set up 10 or 20 years ago on a temporary basis and seemed to end up in the 21st century looking pretty shabby. What I would say is that the public finance acted as a catalyst to really advance that market in Kingston, but it was Kingstonfirst that drove that.

Gareth Bacon AM (Chairman): You mentioned that there were meetings at the beginning when the Council sat down and you drew up your operating procedures, one of which was that you would not lose out financially and so it gave you the money. Did it give you complete autonomy to do what you needed to do to reinvigorate the market?

Ros Morgan (Chief Executive, Kingstonfirst BID): Within reason. We are not considered as a contractor for the Council. It is much more of a partnership between the local authority and us. We agreed what the strategy was. We formulated our views and our opinions, then we presented it to the Council. It was agreed and we were able to move ahead for five years. We present an annual report and, as and when things came up that we believe the Council should be involved in, we involve them in that as well¹.

Gareth Bacon AM (Chairman): Over time, how has the support or otherwise for the BID been amongst the businesses in the BID? Has it gone up, gone down or plateaued?

Ros Morgan (Chief Executive, Kingstonfirst BID): We have just had our renewal ballot - it feels like quite a long time ago now - in June last year. That was our second renewal ballot, our third ballot overall. We had the greatest turnout we have had so far and 81% of those who turned out voted in favour of the BID. In our experience, our businesses are incredibly challenging and incredibly demanding and, each BID term, they want to see what more you can bring to the area. That is correct and proper. They should be challenging us. The turnout that we had we were incredibly happy with. The turnout increased year-on-year and the number of businesses increased as well².

Gareth Bacon AM (Chairman): Thank you. That was a very helpful introduction.

Len Duvall AM: On the phase of development as you move from public realm and the interest of the town centre and move into the services that you provide to your members - the club, if I can refer to it as that - it is almost moving into a chamber of commerce type of role. Was there an active chamber of commerce in Kingston at the time and was there any conflict? Also, is there any move to widen those services that you provide to other businesses in Kingston?

Ros Morgan (Chief Executive, Kingstonfirst BID): That is a couple of questions in one. First and foremost, yes, there was a chamber and, yes, there still is a chamber. I sit on the chamber board and the

¹ Following the meeting Ros Morgan (Chief Executive, Kingstonfirst BID) clarified this: "We formulated our views and our opinions, drew up a strategy and then we presented it to the Council. It was agreed and we were able to move ahead for five years. Now we meet regularly to provide an update, present an annual verbal report and, as and when things came up that we believe the Council should be involved in, we involve [them] in that as well."

² Following the meeting Ros Morgan clarified that: "The turnout increased year-on-year in each ballot and the number of businesses voting in favour increased as well."

chamber chief executive sits on my board and we meet alongside other key business support organisations to collaborate and see what we can deliver together. We do a number of projects jointly. However, the focus is very different for the chamber and us: they are very much networking and helping businesses do business with one another; ours is very much focused on improving the trading environment on behalf of our businesses within the town centre.

To answer your second question, absolutely, if there are businesses outside the BID area that want to be involved, there is an opportunity for voluntary contributions and we have done that with the hotels. When we are promoting Kingston as a destination, we want to draw visitors to Kingston first and foremost. Therefore, we market the borough, including Chessington and Hampton Court, as it is mostly about trying to get people to Kingston and to then bring them into the town centre. There are conversations currently with some of the businesses in various districts so that they can benefit from the opportunity of the network that we have established. For example, in Surbiton, we have a gentleman who runs a stationery business. We are now talking to him about whether he could provide stationery for a group of businesses within the town. It is keeping the economy in Kingston. There are lots of opportunities, yes.

Gareth Bacon AM (Chairman): Debbie, from a City Hall perspective, what value do the BIDs bring to London's high streets?

Debbie Jackson (Assistant Director – Regeneration, GLA): It is quite tough to follow on from Ros, I am learning. Before I come on to my more scripted answer, just one of my observations on what was said and I am sure we will talk about it some more today. What is really interesting is the different value that BIDs provide at different stages in their life cycles. Almost the pre-BID stage has its own value, and then BID 1, BID 2 and BID 3, as I have helpfully heard it called. They move through different stages in their life cycles and they are different things to that business community at different stages. I am sure we will talk some more about that.

Clearly, we are very supportive of BIDs in City Hall and they play an important part in the place-shaping, regeneration and co-ordination of high streets. We have relationships with all of the BIDs in London through our BIDs programme and, indeed, through our funded regeneration programmes that we have talked about here before as well.

They provide a very helpful focal point for the public sector to engage with a community of businesses in a locality and enable the public sector to communicate with businesses of all sizes as well, rather than needing to work through perhaps a smaller number of businesses.

Linked into the life-cycle point, we are seeing that as BIDs move into maturity – if I can say that – they are developing a lot of innovative thinking. As we heard Ros describing, in the initial stages a lot of BIDs are concerned with tidying up and keeping safe kinds of activities, but then we are seeing a lot of BIDs moving into more innovative territory.

We have heard about the taking-on of the markets management, which is really positive because, quite often, one of the challenges for markets is that they are managed from an enforcement perspective in local authorities. The ability of a BID to approach a market for its economic potential and its regenerative potential is a really positive thing. Because that is the *raison d'être* of a BID, it has the ability to see the market from that perspective. That is just one example of a number of innovative practices happening in London in other BIDs as well.

Another point is that they help to attract inward investment. A number of London BIDs have international profiles. For example, South Bank, the New West End Company and Inmidtown, the central London BIDs, all

have international profiles and provide a focal point for international stakeholders and partners to get into a place.

At the risk of stating the obvious, they provide a sustainable revenue stream for ongoing capital projects and services. Just before I came here, I had been in a session being scrutinised about Tottenham. One of the things we were talking about there was that there is not a BID in Tottenham at the moment but, in terms of ongoing investment on the back of the investment we already have there, perhaps we can foresee in the coming years that it might be an appropriate next step for Tottenham, which does create that ongoing investment targeted at the town centre so that it is not as reliant on the punctuation points of the funded programmes. In London, obviously, some of the locations have some really quite significant revenue-generating potential and so we are not talking about small amounts of money. Particularly some of the larger ones can attract some quite significant funding into their areas.

I will leave it there. I am happy to come back on any of those.

Gareth Bacon AM (Chairman): Anna, you have been quite critical of BIDs, as you said yourself in your opening remarks.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I have, yes.

Gareth Bacon AM (Chairman): Do you want to offer a contrary view?

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I can give what I would describe as a 'competing narrative'. I also began my investigation, like you, in Kingston as Kingston was the first BID. When I was doing my research in 2007/8, it was the first BID and so I went to Kingston. I was quite open about my research and I was shown around by your predecessor or perhaps a couple of predecessors before you. What we have heard from Ros [Morgan] is a from-the-ground-up perspective. I would provide quite a different context.

The context I describe in the chapter relating to BIDs and ground control, which has the heading "Clean and Safe", is that in 2003 the Office of the Deputy Prime Minister was very interested in town centre management policies and was very interested in the particular approach taken in the United States (US) and in particular by New York and the New York Mayor's Office. They visited the New York Mayor's Office. They visited New York. They saw what had been done under a whole raft of policies to clean up New York. There was a whole raft of rhetoric around the need to 'reclaim the public realm' of New York. Jack Straw [former Home Secretary] at the time was talking about the need to get 'squeegee merchants' and vandals off the streets and there was a big wave of support for what was called the 'broken windows' policy: clear up the small things and the big things will take care of themselves. That drove this interest in New York.

Our officials went over to New York and saw that many BIDs by this time had been set up in New York. Perhaps 100 by 2003 - I do not have the exact figures; it is all in my book - had been set up in New York and they thought, "This is a policy that we should emulate". They literally brought the policy over here lock, stock and barrel. Possibly there will be another competing narrative to challenge my own, but our British BIDs adopted the New York Mayor's guidelines about what is essentially a marketing strategy for places, place-making that is centred around the creation of BID companies, which are organisations funded by businesses in an area to manage place. It is a management strategy towards place.

This has actually proved quite controversial in the US and many American downtown districts had organised and had not wished to see it. It continues to be controversial. It is now controversial in parts of Britain despite all the advantages you may bring to downtown areas - I am using the American terminology because we seem

to have just imported it – and I am not saying that you do not. In fact, BIDs have invited me and they are saying, “Why are you pointing your guns at us? We are trying to do good things here”.

A lot of people do not see this as a democratic approach, basically, because your ballots do not involve residents. I query that. I cannot see why the ballots do not involve residents. This is an organisation for businesses that recreates place in the image of business. That is a very different way of looking at the city. I was just going to read you out what the Kingston BID manager said to me when he showed me around. Out of respect for him and his helpfulness, I did not name him in the book. A lot of the book relies on off-the-record research. I talked to a lot of people and I wanted them to be open and so I did not name them, but I am telling you that this was in fact your [Ros Morgan] predecessor.

We were having a discussion as he showed me around Kingston about democracy and the democratic rights of residents in local authority areas. This is what I have written:

“One manager [it was the manager of the Kingston BID] declared that it was precisely the undemocratic nature of the approach which is the unique selling point, because it means ‘you can get things done’ without getting bogged down in the competing needs of different groups. As we walked around his area, he occasionally stopped to scrape a piece of chewing gum off the pavement, before exclaiming: ‘Bugger democracy. Customer focus is not democratic. You ask the customer what they want and you deliver it. The citizen is a customer and the aim is to respond best to the needs of the customer. The second it becomes involved with politics, it becomes diluted down and the pure vision of the customer is lost’.”

This was off the record, but I just felt that eight years later in the context of this discussion and sitting next to the Kingston BID it was fair to bring it up.

Gareth Bacon AM (Chairman): OK. We have put it on the record.

James Cleverly AM MP: It was quite interesting. In the answers you just gave, the implication was that the only legitimate stakeholders in a local area are the residential population. Do you not feel that the business population has an equally legitimate right --

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): Absolutely. You misunderstand me. I did not say that they are the only. My big concern is that with BIDs it is the businesses that are the only stakeholders.

James Cleverly AM MP: You could argue that in local government the voting residents are the only --

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): You could argue that, but voter turnout and a series of democratic failures in local government means that local government, unfortunately, does not represent our citizens in the way that it perhaps might do. We need some sort of --

James Cleverly AM MP: Could you just expand upon that? I do not understand what you mean by that.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): We all know that turnouts in local authority elections are lamentably low. There are also many examples that I cover in my work where some of the more contentious aspects of what might be called ‘regeneration policy’ see a lot of local residents’ groups come very frequently into serious conflict with local authorities, particularly in

London at the moment over housing policy, for example, but in a whole sequence of areas where they do not feel represented by their local authorities.

Whatever your view on the matter, the fact of voter turnout being so low is a very strong indication that unfortunately having one local authority member on a BID board does not represent the population of a place. You may have one or two members from the local authority on the BID board and you may say, "That is where you get your democratic accountability". That may work on paper and in the relevant management flow diagram, but it does not give people a voice. No, it is not only the residents who should have a voice. It is a consortium of residents, citizens of the wider area and businesses in the area, which includes smaller businesses as well as larger businesses.

Other critiques of BIDs would say that it is a certain kind of business that benefits very much from BIDs. There are certain types of business that actually do not want BIDs. There are parts of London such as Fitzrovia where there was a huge campaign against the establishment of a BID there because a certain kind of smaller business thought they were going to get steamrolled out of existence, the sort of business that Fitzrovia and Soho have been famous for over generations.

No, I am not at all saying that I do not think businesses should be a key part, but it is a certain type of management approach to the city that promotes a certain kind of business and, I would say, a certain blandness and homogenisation, which means that all our high streets and town centres actually look the same. I cover this in the book as well. BID managers, in my experience, find this a real conundrum. One of their aims is to create a unique, exciting, interesting destination and yet the places they create are all the same wherever they might be because they all have the same strategy. They said things to me like, "We try to make it exciting and so we import excitement". That is the ultimate outcome of this management approach: you clear out the excitement, you clear out the diversity already existing, for example, in an area like Fitzrovia, you create a bland, duty-free departure-lounge environment and then you have to make it exciting and so you import some street theatre. That is not the way to create an exciting, diverse, democratic place, but doubtless it brings in big revenues for a certain kind of business. My critique would be that it is a certain kind of business in particular that benefits from this management approach to the city.

It is about looking at cities as something to apply business school principles to and management textbooks to and that has something that has been the case in the UK since we went over to the US in 2003 and, I would say, uncritically adopted the policy. I am by no means the only critic but I am simply --

James Cleverly AM MP: Hang on. The 'blandification' of the high street predates 2004. Making them bland predates 2004 by quite some decades and so how --

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I would trace it back myself very much to the rise of the out-of-town superstore in the mid-1980s, which sucked a lot of the lifeblood out of high streets. The way I understand this is that it was about saying, "Out-of-town superstores took business away from the high street; we are going to bring business back to the high street". I would say that this 'business-first' approach has created a certain kind of city space, which means that we have lost a lot in the process.

I would just like to say that I am not by any means the only or even like a leading critic. I just happen to be someone who is also a journalist. Perhaps as my job I take on complex concepts and try to explain them, but there are many academics who write very critical work on this and upon whose work I draw. These are not actually my own ideas. There are two academics in particular. Professor Kevin Ward at Manchester University works with someone called [Dr] Ian Cook [Senior Lecturer in Social Sciences, Northumbria University] and they have for many years been working on some very prestigious academic research funded by the Leverhulme

Foundation, which has an incredibly good reputation internationally. The sorts of things I say they have said long ago but they say them in forums which are unfortunately not widely heard, which is another tangential problem.

James Cleverly AM MP: Thank you.

Ros Morgan (Chief Executive, Kingstonfirst BID): Just to pick up on a few points, I am here to talk about the Kingston BID and so that is what I am going to do. Just to pick up on a few of the points, I recognised the person you were describing when you said he scraped chewing gum off the ground. He probably still does it because he is a resident in Kingston. Parts of what he says I would agree with; parts of what he said I might not agree with.

What I would say is that BIDs have evolved and advanced since this piece of research took place and so I am glad that I am here today because it demonstrates how far we have actually come. You will have some people who do not support it and a lot of people who do. That is democracy. In fact, if at every single turnout we had 100% of people voting 'yes', we would start to query that. It is correct and proper that this is challenged and that BIDs are able to stand up on their own two feet and demonstrate value.

However, ultimately, it comes down to the voters. If businesses do not want a BID, they will not vote in favour of it. It really does come down to that bottom line. We have evidence that we have consulted with every single potential voter and we have to record all of that. It is part of our legal obligations.

In terms of Kingston, we have 1,000 members and 200-plus of those are independent. They make up the reason that Kingston is not bland and is an independent³. On Thursday, we will sponsor the Independent category in the Kingston Business Awards. Therefore, I do not recognise a lot of what Anna [Minton] is describing because it might be back in time now, whereas there are plenty of BIDs that embrace all businesses and, actually, all of their communities. I run a monthly stakeholder forum that is made up of councillors, residents, residents' groups, private properties and businesses and they will come together and we debate and discuss various topics affecting the area.

Therefore, it is just worth saying that we have progressed significantly since then⁴ and BIDs come in all shapes and forms. It is important to recognise that as well.

Gareth Bacon AM (Chairman): We will hear a bit more about that later on. Anna, you wanted to come back on that?

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I just very quickly want to come back on two points. First, the back-in-time point, obviously, I am going to challenge. I would like to point out that Kevin Ward [University of Manchester] and Ian Cook's [Northumbria University] most recent piece of research was published last year. I am getting more emails now from local community areas concerned about the setting-up of BIDs in their areas than I have ever had before. I brought up Kingston because you [Ros Morgan] were here. It was the basis of my research. Of course that was a long time ago, but the concerns are, if anything, considerably greater today than they were then.

My final point is on ballots. We are talking a lot about ballots. If we are going to talk about the democratic process in cities, we perhaps really need to go back to the drawing board ourselves: forget about the

³ Following the meeting, Ros Morgan clarified this: "In terms of Kingston, we have 1,000 members and 200-plus of those are independent businesses. They make up the reason that Kingston is not bland and is an ambassador for independent business". Ros Morgan added after the meeting that she is an Ambassador of Small Business Saturday.

⁴ Ros Morgan was referring to Anna Minton's research.

North American BID model, forget about the international BID model and ask ourselves, “Should we not be trying to create a more democratic model in our own local areas?” Why on earth do ballots not include local residents? It just seems a very basic point.

Len Duvall AM: The basic point is that the ballot is the trigger point for the businesses to pay extra. Local residents are not being asked to pay extra. Therefore, I am taken by your arguments in terms of the lack of democratic involvement, but it also seems to be about whether this consultation is real or not. There are some tension points as we try to get more residential into our town centres with some of that payoff around that. You make some very powerful arguments but, on the ballot issue, it is more than just a ballot; it is also about involvement and where, ultimately, some decisions lie over residents, which do not lie with the BID but lie with the council. We are going to go on to explore that relationship and where decisions really are taken and in what context, but you are making some powerful points.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I would just question that. I see you are saying that businesses pay and that is why they are being balloted. It is not just ability to pay that determines one's experience of the city. My own view would be that there should be three ‘stakeholders’, to use one of my non-favourite words: there should be the residents of the area, the businesses within the area and the wider citizens who access that particular part of the city. I am sure that would be an almost impossible technical challenge, but those are the minimum groupings that you have to consider democratically.

Navin Shah AM (Deputy Chair): Ros, from your experience, would you say that generally there is support for the BIDs that are being put forward from small businesses and residents? I am talking about accountability, etc. Also, how do you consult those wider communities and stakeholders and who does it?

Ros Morgan (Chief Executive, Kingstonfirst BID): In Kingston, we consult with every single business and that is in whatever shape or form it takes, whether it is face-to-face, verbally, surveys, telephone conversations, group meetings, one-to-ones and a whole variety of forums. Ultimately, what we are trying to achieve is an overview of the businesses’ priorities and needs and being able to consolidate that into a business plan for a five-year period.

In terms of the residents, I will give you the example of Kingston again. When we started the most recent renewal ballot, we had a stakeholder forum and we invited all members of the community to come and that was where the conversation started on how we want to improve Kingston. We had a whole mixture of businesses, residents, councillors, police, any other statutory body, etc, and we brought them all together. That is where our initial conversation started and that really started to shape our consultation, which we then honed down to the businesses that would ultimately contribute and vote.

Navin Shah AM (Deputy Chair): Thank you.

Len Duvall AM: My main question is directed to Julie. To what extent do you think BIDs are moving from high-street enhancement to taking a more strategic, long-term role not just in shaping our town centres but, interestingly, in providing services to their members and some of that business support work? I would be quite interested to hear of your experiences around the country.

Are London BIDs acting differently than elsewhere in the UK? I recognise that all BIDs are slightly different in terms of their development and focus, but is there a trend that you can identify?

Dr Julie Grail (Chief Executive, British BIDs): If I may, I shall just step back a moment and try to just cover off some of the things that have been said already.

Anna [Minton] will be surprised to hear that I am starting by agreeing with her. It is that basic principle of a place having a whole series of different stakeholders at different levels and layers of interest. It is absolutely right that any place has all of those stakeholders at the table. However, what we are getting confused with a little bit is when they are at the table and for what purpose.

In terms of the establishment and evolution of BIDs, we see that the model evolved. Anna [Minton] may be disappointed to hear that I was part of that delegation to the US and bringing it back and I was one of those writing the legislation. I do not think we wrote a US model into the legislation. It is very different what we do here to the US. However, on the basic principle of having the ability to manage places, yes, we have the same principles.

The motivation for BIDs coming here and the reason why we do this is that we have done partnership through a variety of different ways with various different levels of success from the mid-1980s. We had four town centre management pilots that started in 1986 around the country, three in England and one in Scotland, and they proved this basic principle that businesses, residents and communities wanted to work together and were willing to jointly invest together. However, they spent 15 years doing that and I was one of those professionals doing that and getting constantly frustrated, as Ros [Morgan] described, with wanting to do so much and having so much capacity but just not having the money to do it.

What BIDs do, actually, more than anything else and the single purpose of BIDs in the legislation is to allow you to create a sustainable income stream. We can do everything else without the BID legislation. That is the only thing that is different. Once we start layering on the various different quality checks of BIDs we start improving the model, but it is actually just about securing income.

Therefore, when we are establishing a BID, as Ros [Morgan] has described, building from an existing partnership, having a wider consultation and engagement - and we will come to this in relation to the local authority role later - and coming through a position of being able to create what we believe is a business plan for the place that the businesses, which are going to be asked to fund that income stream, are willing to invest in. It has to be seen as business-led and business-governed and with a business case for them so that they genuinely believe they are willing to invest in this place. Otherwise, they are just not going to do it. However much we would like people to be philanthropic, they are not. They are running businesses. We have to create a business plan that demonstrates that case for investment. Then we put those businesses and only those that are going to be paying through that ballot process so that they are balloted to ensure that the mandatory levy can be charged.

Then, once we have established the BID, we create the governance arrangements that have usually been set up and should have been set out in the business plan. We then start saying at the start the journey, "Now who is going to manage this fund and this activity?" In the vast majority of BIDs around the UK, not all of them but the vast majority, all of those stakeholders are at that board table, those who pay and those who do not pay. Residents are involved in lots of BID board, not all of them but lots of them, and lots of different layers and interests of businesses. It is not just about retail; it is about all sorts of stuff and different types of businesses. It is about large and small.

If we just step back, in terms of the numbers there are 215 BIDs that exist around the UK today and that is over ten-and-a-half years. There are 46 in London. It is important to recognise that the BID is one single concept but it has huge amounts of flexibility within the concept. Therefore, BIDs exist in many different types of places and they are quite different in those different types of places. If I take the 28 industrial BIDs around the country out into a different sector, they are very different. They do a great job but it is very different to what the pure town centre ones are doing. We have town centre ones of a large scale and of a

small scale. In London, we have the central London commercial ones that are quite different on a large scale to the typical high street model. We have ones that are focused predominantly on leisure and that ends up being quite different and being driven by a retail base, and we have those that capture the entire place.

Leeds has a BID that I took through a ballot in February of this year that is its first BID, established in the fifth-largest city in the UK, but with the entire city. They wanted to all be part of one city voice. It is 1,000 businesses of all sectors, all wanting to invest together. What then plays out in terms of its governance, its business plan and its operating procedures is what that place needs and it is quite different in different places.

I am not sitting here telling you that all 215 are fantastic because they are not. I know Ian Cook [Northumbria University] well. I do have to pick you up on that: there are not 'loads' of academics talking notably about this. There are very disappointingly few academics talking about BIDs at all and I have been trying to conjure up some academic interest in BIDs because we need the academic literature but it is not there. There is some but there is not enough.

However, there are concerns. There is an 'Abolish BIDs' Facebook page that was created two-and-a-half years ago that came out of concerns in Plymouth. There is an 'Against BIDs' website that has a steady stream of concern. There have been some e-petitions come out as a result of ballots. Canterbury had one and was found in favour and went forward. St Ives had one. There are places that are hitting problems. We should all be aware of those and we should all recognise those. From an industry perspective, we embrace it and try to ensure that the model works well.

If I just go to the principles: the BID is therefore there to secure an income stream that is sustainable to make a difference in that place. From a business perspective, you have to design a BID for them [businesses] that ensures you can either increase their trading performance - and that is not just retail; it is whatever they are doing - and/or reduce their occupancy costs. That is what makes them a business case. There are lots of other things they love you doing, but how am I going to ensure that a law firm in a city is going to vote for a BID? I am going to show them that it is going to have a levy of £2,000 a year and I have to demonstrate that it is going to get £2,000 worth of value back in some way. That is the basic principle. They like it because it is self-help for the business community.

However, when it comes into delivery, then it does all sorts of other things. As Ros [Morgan] said, BIDs have to therefore then measure their impact to prove their value to then continue. One of the best things we created in the UK model - and I stand very firmly on this and we have done a lot of work in London and New York - is we created a fixed-term BID that gives you a maximum of only five years and ensures you have to be transparent and accountable. You have to be able to demonstrate impact because you can never have a life of more than five years. In the US, there is different legislation across the different states but the vast majority of them have what they call no 'sunset clause': they can run on and on. New York is slightly different and they are more tightly governed by the New York City Council than we are in the UK and we might go on to that debate later. I would not advocate that you copy the New York model for London. However, the basic principle of ensuring we have that accountability and transparency is really important.

Coming then to a question of place-shaping, what I would pick up is something Debbie [Jackson] said earlier about this evolution. There is undoubtedly an evolution with BIDs. We see the very basic principles in year one, term one that you have to get the basic janitorial stuff on the ground right, the practical stuff that businesses are saying on the doorsteps every day of the week is a problem to them, their waste, their litter, their safety, their lighting, all the basic principles of operating in that place. It is different to the extent that industrials are always focused on security and town centres are largely focused on clean first, but then they start evolving into other things. They start evolving into promotion, marketing, branding and managing the place in the way Anna [Minton] described that she does not like, but businesses want to ensure from their

stake in this place that this place is managed. From a consumer point of view, we all drive that now. Consumers follow brands. Whether we like it or not, that is what consumers are doing. Whilst Bluewater [shopping centre in Kent] does it wonderfully and Westfield does it wonderfully, a town centre has to do it and drive that agenda from a consumer point of view, too. What we then see is that gradual evolution once we have the maturity of the BID and we have demonstrated some basics on the ground and it is the businesses that generally are driving that leadership agenda.

In terms of defining what place-shaping is, I would step back and say it is perhaps threefold. There is the leadership role first. When you have some of the basics sorted, you have a broad partnership and you have the stakeholders at the table, there is a need for leadership and co-ordination. That generally then often kick-starts the need and desire for place-making. I would say that place-making is before place-shaping. Place-making is about creating that activity and that animation. The markets I would describe as place-making in Kingston; events and festivals, public realm investments. It is about making a place desirable, whatever that might be. From there, it evolves into a much greater role of place-shaping, which is much more about forward-thinking about what this place is longer term. BIDs are gradually in a number of the more mature locations in that space.

I will give you a few examples from London. She happens to be sitting here actually; I am not saying who because she is sitting here. Team London Bridge had a very good example of place-shaping. At the time leading up to the London Bridge Station redevelopment, it was the BID that brought its businesses together and commissioned a jointly funded piece of work, led from the BID, about the planning requirements and planning consultation on London Bridge Station and there was significant take-up of those recommendations. That was the voice of businesses in that place being articulated through the BID model, which was incredibly valuable to all the stakeholders of that place. That is the conduit you can be when you are in that kind of position.

Heart of London and Baker Street [BIDs] have both done a variety of public realm investments and particularly have also been leading parts in renewing two-way carriageway schemes. They have been a leading part in, again, creating that business voice and that commercial view of the benefits and disbenefits.

Camden Town [BID] I would use as another example, particularly the work they have done on the Camden Collective, which is essentially about investing in incubator space and bringing the creative industries up and into the area. They have started place-shaping by that kind of evolution.

Victoria and some of the other central London [BIDs] have been physically investing in public realm and that starts creating a change in a place. We are definitely seeing that.

What I would then come back and say, though, is that we must continually be very aware that there are 215 BIDs out there of vastly different scales. To come on to your question about London and whether London is different, it definitely is for a number of reasons but there is not entirely a London style and a non-London style. We have 46 BIDs in London. A number of the BIDs in London are more non-London. If I take Kingston, Bromley when it is established, Croydon and Ealing, they tend to operate much more like a county town BID in the way that historically they would have done before London was stretched out. They are operating as outer London town centres, typical large high-street BIDs, doing a whole load of different things across all sectors. When you come into central London, the big central London commercial districts are undoubtedly the most advanced in the country, but they were the first. We ran the first Circle Initiative pilot programme, as you know, from the Central London Partnership and it was the first BID to be established in the UK. They are undoubtedly further ahead but they also have a greater and more complex landscape to deal with.

We are gradually starting to see that in some of the other big cities. I am putting together at the moment an informal grouping of the northern cities linked to the Northern Powerhouse agenda. We have two BIDs in Liverpool. We have one in Manchester under CityCo. We now have one in Leeds, a new one in Sheffield and ones in Newcastle and Sunderland. They are all coming together, looking at each other and realising they are similar.

Then in London we have a whole load of others. There are much smaller and we might call them high streets but you would probably call them district centres. Then there are the six industrial ones, which are very different again. Therefore, there are a whole load of different scenarios going on in London that must be taken in their individual sectors because they cannot be all seen as one homogenous mass of 46. Their greater comparisons are actually elsewhere in the country.

Len Duvall AM: Is the offering of services like clubs and support services and buying collectively to win some gains a trend across London and across the UK?

Dr Julie Grail (Chief Executive, British BIDs): Yes, very much so, and it comes back to that point of the basic principle of how you demonstrate to a business that it is worth investing in a BID. You have to give them something and often the thing you are giving them is the ability to jointly invest in something and therefore reduce cost or, indeed, to jointly invest and achieve something that could not be achieved without a joint mandate.

One of the very common ones now across the country is some kind of – and some are greater than others – waste management initiative that is run out of the BID and gives the BID levy-payers either a free service or a subsidised service. It could not almost be done any other way, but a BID has the ability to create that. Often, you will find you have 200 or 300 business benefiting. In Kingston, certainly in this case, you had 200-odd businesses and that was the one single ticket that was required to get a ‘yes’ vote out of those businesses. If the BID did nothing else, they were still happy from that one single thing because there was a basic cash benefit to them.

There are increasingly all sorts of different joint procurement initiatives and joint voice initiatives. As I say, Leeds is totally at the other end of the spectrum and will do some joint procurement but for them it is about the joint voice. It is the big city voices wanting to come together and do it together.

Len Duvall AM: It is responding to the needs of people who have come together for that and that is why they are taking on some of those responsibilities. Are there any roles that BIDs should not take on?

Dr Julie Grail (Chief Executive, British BIDs): Oh yes! Part of it lies in the answer that Ros [Morgan] gave right at the beginning, which was very important. She said in relation to a service transfer that one of the conditions of the service transfer was that it should not be detrimental to the core focus of the BID. The important thing must be that a BID must maintain its majority focus on the investment of those businesses because it is those that are funding. If you end up having the tail wag the dog, you will lose the BID and you will lose the basic premise of having that investment. Therefore, whilst they can start growing out and doing all sorts of other things, they must stay very true to the basic principle that this only exists because of the money that is there and that is driven by the businesses that fund.

As to what they should and should not do, it becomes quite noticeable in some locations that things just are not right for a place. Waste management would be a good example. In some communities, it just is not relevant. In industrial areas, one of the single biggest things is about gating private roads at night, about signing roads that have never been adopted by local authorities and are absolutely critical and about vehicle recognition cameras at access points. None of those things are ever going to be done by anybody else.

My starting point often when I go to a new location with a 'new BID' hat on and talk to them about the basic principles - and Anna [Minton] will hate this - is that the principle of a BID allows you to take that basic principle. If this entire thing was in single ownership and had a roof over it, we would call it a shopping centre and we would manage it. We would manage it for the best economic benefit, we would manage it for the best impact and we would manage it for the best commercial benefit, but we would take into account the views of everybody. Shopping centres may be seen as hugely commercial operations but they exist only if they serve the consumers that come to them to buy the goods.

Actually, particularly retailers - and forgive me, councils - often are better in touch with the local community than the councillors are because they are the ones who employ them. Kingston has 28,000 retail-associated jobs. They have the staff in those locations day in and day out and they have the customers in those locations day in and day out. They tend to know the local community incredibly well. We must not see them as the bad guys and not understanding. They have to understand the local community to be able to sell to them.

Len Duvall AM: In reality, BIDs need a responsive local council to work with to deliver because they do not take decisions. They offer up evidence for decisions to be taken.

Dr Julie Grail (Chief Executive, British BIDs): Absolutely, yes.

Len Duvall AM: Without an effective council being responsive to those issues and making some of those final decisions on the public realm, it would not happen, would it?

Dr Julie Grail (Chief Executive, British BIDs): No, you are quite right, which is why I started my point by agreeing with Anna [Minton]. The managing of place is for all of the stakeholders. The ballot for a BID is capturing the money to enable us to reinvest. The BIDs that are working really well are undoubtedly, you can demonstrate, working because their local authorities also are really receptive and work really well.

Len Duvall AM: The reason I asked that, Chairman, is that we might want to look at local councils' roles in terms of response to BIDs and some of the issues that they have in response to wider residents, not just the BID area. We might want to look at that in terms of evidence when we come to write the whole report.

Gareth Bacon AM (Chairman): I agree. We have written to the local authorities, all of them, and asked for their views on this. That is one of the things that is an interesting thing to tease out.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): Yes. I am going to keep my remarks brief. I just wanted to come back on the core point, which is what BIDs actually do. As has just been explained articulately to us, they deliver an income stream from businesses. What does that income stream provide to an area? The essential core services, I believe, come under the 'clean and safe' banner, which is cleaning, marketing and security. To bring the picture up to date, quite a lot of BIDs have cut back in austerity times and so they are back on their core services, which are cleaning and security. That means you have two different types of uniformed officials in the area doing lots of cleaning and you have lots of security guards and you have a closed circuit television (CCTV) network. Those are the core services.

Do we need all these security people in our cities? Do they make us feel safer? I would argue that all of the security personnel does not make us feel safer. It makes us feel, actually, more unsafe. That is a whole problematic area in itself that we probably do not have time to go into in too much detail, but it is part of the core role of BIDs: increasing the private security presence in an area.

The other point that Julie [Grail] raised was with regard to looking at the BID as an entire single-ownership entity, which she said I would not like. Yes, that is one of my criticisms. She has probably heard the phrase 'malls without walls', which is what critics in the US call BID areas. They are like open-air shopping malls but simply without the walls. They have the security guards, they have the CCTV, they have the business-led management ethos and they are malls without walls.

My concern with the discussion today, is that it is starting from the assumption that we have X number of BIDs; how can we work better to improve the situation for BIDs in the UK? That does not start from a position of criticality. Actually, we did not question why this policy came into the UK. We now have something like 246 BIDs.

Dr Julie Grail (Chief Executive, British BIDs): We have 215.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): We have an awful lot of them. I lived in Brixton for 15 years, during which time Brixton did not have a BID. That may have changed. It has also changed in ways that have disturbed the local community very much since I left two-and-a-half years ago. I now live in East Dulwich, which does not have a BID. I do not think that BIDs enhance the parts of London I know well enough. I am not going to comment on every part of the country, but this discussion does not proceed from a starting point of criticality of the policy. It is more about how we can tweak it to make it work better.

Dr Julie Grail (Chief Executive, British BIDs): Sorry, very briefly just on two points: you have jumped to an assumption that there is a proliferation of people put on the streets by BIDs, but what I actually said was that the starting point of having them on the ballot means that BIDs are then governed by the stakeholders of that place and in partnership with that place. It is very rare that you see a BID go and put a whole load of uniformed staff out on top of the crowd that is there because they are actually about adding value. If there is a whole crowd of people doing that, the BID does not need to invest in that and needs to do something else. They work in partnership. Often, a BID will put money into an existing scheme and enhance it. It is not about layering one thing over another. It absolutely is not.

On the other point, I would ask it almost rhetorically in response to the point about why BIDs exist. BIDs exist because our town centres needed reinvestment and they still do and everybody believes that that is an important initiative. BIDs have become the only mechanism to ensure money is part of that because, without money, we cannot do it. The public sector does not have any money left and this is bridging a gap in reinvestment in our high streets and our commercial areas. If you can come up with a great alternative I am really happy to work with you on it, but they do not exist.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I live there [in East Dulwich] and we do not have one. It is great.

Dr Julie Grail (Chief Executive, British BIDs): Maybe it [East Dulwich] does not need reinvestment, then.

Len Duvall AM: Guy, Hackney is well-known on regeneration issues and no doubt you would have considered the issue around BIDs with your partners. Why has Hackney not gone into that work? Why has it not developed a BIDs policy?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): It might be an opportune moment within the Hackney context to take a quick step back just so that we are all starting from the same context. As part of Mayor Jules Pipe's administration, which started just after 2000 in 2002, Hackney as a local authority - as I am sure many in the room are more than aware of - was in an very, very chronic and

catastrophic place, quite literally. If it had been a commercial company, it would have been bankrupt and it would not have existed. It was as simple as that. It was politically dysfunctional and it was corporately dysfunctional.

What that meant, of course, more crucially in all of this was that anybody in the local community - whether they were living there, whether they were working there, whether they were a business-owner, whether they were an employee or whether they were a resident - was not receiving the kinds of public services that they should have been. We as an administration, under Jules' [Pipe] leadership, embarked on a programme of quite comprehensive renewal and turned the local authority around.

One of the fundamental principles behind delivering quality public services was the understanding that we could not really go off and ask anybody else, a third party, whomever they may be, to invest in the public services around them - whether that was to do with businesses and the business community or whether it was to do with residents - because, to be quite frank, there was such a chronic lack of trust in the local authority and its ability to do anything that that needed to be resolved first. Therefore, we set about rebuilding public services and turning the efficiency and the effectiveness and the responsiveness of public services across the piece, whether it was to do with the regulatory framework and all of those services under the regulatory functions, whether it was to do with creating a safer space, a cleaner space and a greener space, all of that; and also a socially responsive place, a place where social investment could be brought about and reaching out to the wider community, businesses and residents alike. That continued apace.

One of the great catalysts in helping in that process of rebuilding was undoubtedly the 2012 project and, in the 12 years leading up to 2012 itself, we were very heavily involved in that whole process. I cannot underestimate the catalytic effect that that gave us amongst a number of different activities and functions that the Council was engaged in.

One of those was around economic development in the broadest sense of the word. One of the philosophies that we had taken forward as a political administration was to ensure that, as growth began to emerge in the borough's local economy, the wider community was connected to that growth so that we did not get this fragmentation going on within a community. Some would call it 'gentrification'. Some would just call it 'change'. Some would call it 'growth', 'prosperity' and so on. However, to avoid a situation where nearly 250,000 people ended up becoming a fragmented community, our business community remained very firmly connected with the wider residential community and that community we interpreted, of course, as people of all ages. The relationship that we built with businesses as we came into 2009/10 and onwards to where we are today was a very collaborative one with the local authority sitting there alongside the business community and sitting there alongside the community of residents, too.

I should just remind everybody of the economic context and the business base itself that Hackney has now arrived at. Hackney had always had a reputation for hosting a very creative and very innovative economy; micro and small business, yes, but nevertheless very innovative. What has gone and happened since 2008/9 and the global crash has been quite an extraordinary step-change in what Hackney as a borough and as a community has been experiencing in terms of economic growth. It has become very clear that since the global crash there has been consistent double-digit economic growth in Hackney's economy and that growth is showing no signs of flagging.

However, this economy is driven by micro- and small businesses. It is not driven by large corporations. Large businesses and large corporations are beginning to move into the area. Very shortly, Amazon will be locating its European regional headquarters into Shoreditch, for example. Google has a presence, obviously not on the scale of King's Cross, but it does have a campus presence. All of this is geared and designed to tap into that

innovation and those new ideas that are coming out of what is, in effect, a small-business community. It totals some 12,000 small businesses clustering around a number of different areas.

They are beginning to take on their own identities. Around Shoreditch and Hoxton, the Silicon Roundabout proposition is creative tech. Around Dalston, there is undoubtedly more of a digital media presence that is emerging and product design, research and development. Around Hackney Central, what is becoming very clear - alongside the public sector that is based in Hackney Central as a major employer of some many thousand employees - is also the fashion industry that is starting to cluster around design and manufacture as well as retailing. Then, when you move to Hackney Wick and the changes that are coming forward in Hackney Wick, they are quite profound. Again, they are creative-led; they are arts-led.

This is the important aspect of the Hackney economy. We have an economy that has quite a sophisticated and complex ecosystem in all senses of the word. If you look at it from the sectors of activity, it has the arts, the sciences and the humanities embedded within it and it is the way it is functioning, creating and setting about creating quite an advanced digital economy, which on the one hand bodes extremely well.

The challenge that this throws up is that that is all very well for the 60,000-odd people who are working in these businesses, many of whom are Hackney residents, but what about the other 100,000-odd, some of whom could be in employment but are not and some of whom are in work but are commuting long distances to get to that work. Can they be part of this growth and prosperity? The role of the local authority is instrumental in collaborating with local businesses at all age groups from paid London Living Wage internships and apprenticeships through to full-time and part-time jobs through the local authority's job brokerage and positioning residents into this new economy at many different levels.

It has become so collaborative that we now have businesses investing back into the schools and into the curriculum. The creative tech industries - in the very broadest sense of the word, which involves everything from digital media, advertising and marketing at one end through to quite sophisticated software and app design and application - are now investing in the curriculum. The reason for that is to be teaching the next generation at the earliest possible opportunity an understanding of coding and to ensure that there is a new generation of men and women growing up in Hackney who understand coding and its contribution to that economy, which is a critical skill to have.

On top of that, there are of course great initiatives being taken forward around more vocational-based skills and development around that and then positioning those individuals in the local economy. Often, of course, as one would expect, not everyone going through some form of skills development or coming out of either college or university is going to end up in a job in Hackney. Of course not. They will probably end up in a job somewhere else. It is as likely that they may end up in a job in Hackney. Who knows? The point is that we are providing a route into employment for a far wider community. These kinds of collaborations are proving their worth on the ground, but I must stress that it is a very complex business landscape and that has to be recognised.

Just to pick on perhaps a final point, if I may, I would just summarise your point and I scribbled down here, "Democratisation of growth", really, in whatever shape or form it comes along. That could be about finding a job or it might be about starting up your own business or it might just be the fact that you live on the other side of the street from the Tech City cluster. There is an interface there that needs to be thought about and acted upon.

As has rightly been said, this is all about one community. We do not see it just from the point of view of customers. Customers are of course important but because this is not predominantly a retail-led economy - although there is retail there and it is an important ingredient in this wider creative economy - they are not the

primary driver. It is high-street based, predominantly, and it thrives around pop-ups and it thrives around cultural expression of one description or another and that is crucial. However, when we talk about cultural participation - and, Anna [Minton], I think you were mentioning this - the arts are the platform for bringing people together. There is no question about that, whether it is pop-up theatre or live performance or whether it is other forms of artistic expression such as fine arts, sculpture or music, for example. All of these various activities are very important social activities for bringing a community together and developing a higher level of understanding.

That understanding is equally as important - and this has been stressed, actually, around the table - with a local authority and that a local authority understands what it is that its business community and its local entrepreneurs require. If it is around commercial waste services, for example, there is a local authority waste service. Why is that local authority not able to fast-track any application for a commercial waste contract and just deliver it? If you have an efficient, publicly owned waste service, including a recycling service as well, then it should be easy to do because that collaborative relationship between local councils and local business is such that the local councils will have a portfolio of efficient, effective, responsive, considered and considerate local services that are of value to a local economy and a local business community as much as they are, of course, to a community of residents. You can empty bins cheaply, efficiently and effectively for businesses and for residents at the same time.

The same thing goes around a safer place. Community safety in its broadest sense is to do as much with managing the public realm and managing it in a safe way, as well as looking after it. One of my great, perhaps, challenges out to the wider community is: where does the liability rest? If you are the one that is going around enforcing in the public realm, if you are the one whose responsibility is to take care of the public realm, then one must be very clear about where liability rests. At the moment, certainly and happily, it adopts that full responsibility. It is absolutely right and appropriate that a public body, an accountable public body in the broadest sense of the word, remains liable for the public realm and ultimately should be responsible as to when issues arise within that public realm, whether it has impacted on a specific individual - because they have gone and fallen over because the pavement is in a rotten condition, for example, and they have gone and hurt themselves - or whether it is more institutional than that and it is actually to do with a neighbourhood of businesses that require an investment to be made to market to encourage footfall one way or another, whether it is coming from local or further afield, as you were saying.

Len Duvall AM: We get the complex background and the different relationships you have. Is it fair to say that if Tech City did not have the central Government grants that it receives, it would be a BID if your businesses decided to come together to do that co-ordinating work within that sector?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): It has not received any central Government grants.

Len Duvall AM: It has not?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): No.

Len Duvall AM: I am sorry. I have confused it with the --

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): No, not at all. I think you were right. Rumour had it that there was to be a £50 million investment that was set out in the Chancellor's Autumn Statement a couple of years ago. Unfortunately, Tech City has not seen this money and we understand that the Mayor of London has received this money, but we are not sure where it has gone.

Len Duvall AM: All right.

Debbie Jackson (Assistant Director – Regeneration, GLA): I am not going to answer that question, but perhaps what you are thinking of is Tech City UK, which was the inward investment agency that existed to support and promote Tech City organisations, very different to what a BID would do.

Len Duvall AM: Is it very different in terms of certain areas and clusters of businesses that come together and that could decide – let us not talk about demographic – to come together to take a vote among those businesses to vote to put money into their industry for the very issue of marketing or supporting each other in terms of their business activity? Why is that different then?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): First of all, the Tech City UK organisation, which the [Hackney] Council does collaborate with very closely, is responsible UK-wide. That is the first point to make just at this stage.

Debbie Jackson (Assistant Director – Regeneration, GLA): Yes, it is now. You are right.

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): Therefore, it is not just, for example, a corner of east London that it focuses on. Indeed, within the London context, as you can probably imagine, it focuses far wider than just that corner of east London. It is an organisation that is there to assist with advocacy, brokerage and, to a degree, marketing. It sits alongside, as we would see it from a local authority perspective, UK Trade & Investment, the Government department [non-ministerial department]. Could there be a closer and more, perhaps, meaningful and relevant relationship? If you talked to some businesses, they would say, “Yes, that would be really helpful if in fact there was more of a localised area-based initiative that was more focused on that specific area”. For others who perhaps have a slightly higher-level corporate view of the world and indeed of their business activities, they may think slightly differently. They may think it is better to have a national organisation rather than just a local one. The jury is out.

What I would say from a council perspective, looking to the future, is that we would welcome an area-based partnership that remained fully accountable in terms of its mandate and in terms of its governance, collaborating with businesses, collaborating with central Government and regional government, and perhaps it is the role of regional government to be the curator of that, whereas actually what is happening is the area-based partnership itself is taking forward what in effect would be the growth strategies for those activities of businesses in the area, and bringing the local regulatory framework into bearing alongside that.

Len Duvall AM: Just to clarify in terms of pressures on your budget to deliver in terms of localities, high streets and other maybe business support issues that you would entertain, how would you see that fitting into the legislation framework that allows the private sector to invest more in those activities? That is the BID legislation. Is that an alternative? Do you just think we might need to lobby for changes in the way this BID legislation works to deliver what you just told the Committee?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): Two things very briefly, Len, just to respond to that. The first is that we are already gathering a levy. It is sector-specific and it is to do with a number of new hotel developments that are coming forward, some of which are already on the ground and others to come over the next couple of years. What has been very rewarding for everyone involved to date has been the establishment of a room levy, which is a obviously a voluntary levy per night, per room, paid for by the guest. It has three very clear focuses on spend, which have already been referenced one way or another: employment, skills, marketing the local area one way or another and so on and so forth. That is a collaboration with the local authority. In a sense, we could already do it.

What I would say perhaps around any sort of improvement district legislation is, if anything, it is just to enable more flexibility. The other point that has been made is that I am talking about Hackney in a very specific set of circumstances and, as has been pointed out, Kingston is very different, as you were saying; likewise around the rest of country. They are all different with different environments and all sorts of different reasons and challenges. It just feels as if this is more about flexibility, perhaps, rather than saying, "This should change to this or to that". However, I will not let go of the business around accountability and transparency and increasingly that is becoming more important. We are seeing some changes beginning to emerge in the Olympic Park around this and its future and its future management, and perhaps another way of interrogating this agenda is to look at the Canary Wharf Group, for example, and the way in which it runs and manages, to all intents and purposes, the Canary Wharf estate. Clearly that is an organisation in a slightly different position, but there we go.

Len Duvall AM: Thank you.

James Cleverly AM MP: Councillor Nicholson, I am paraphrasing and I might be paraphrasing badly, but the message I had from you was that, with regard to Hackney, your view was there was no need for a BID because basically the Council did the things that a BID would do. Obviously, all local governments are facing constrained budgets and so I am just curious as to what would be the resolution if a local cluster of businesses in a particular area or particular sector said, "Look, we want this. This is the bells-and-whistles solution and we regard it as unfair to demand of local government something that is outside its core responsibility of delivery", and saying, "Look, we completely understand that we are asking for the platinum-plated as a time when really it is only fair to ask you to deliver the basics, but we are willing to fund it. You are providing this foundation-level, good-quality service. We are very happy with that, but there is this additionality: we are happy to fund it". Are you suggesting that that could be precluded and, if not precluded, how would that work within the non-BID environment that you are describing?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): James, indeed, thank you for that question. There is quite a straightforward response to that. Again, that is already happening, where the borough, as you say, goes beyond the remit of either being a broker or an advocate or a service provider of some description, and you end up into that territory where there are bells and whistles or we want that thing that is not really the competency of the local authority.

For example, we have just opened the third iteration of Hackney House Black and Hackney House Black is, to all intents and purposes, a building given over to promotion and marketing. It is accessible to the wider business community, and not just within Hackney but from abroad. In addition to that, it is part of a portfolio of Hackney Houses, and Hackney Houses are basically pop-up and temporary, but it goes off to the South by Southwest Festival in Austin, and each year there will be Hackney House Oslo. There are conversations going on with Hackney House Barcelona and so on and so forth.

These bells and whistles, which the local authority has no jurisdiction, competency or indeed resources for, are done in exactly that kind of collaborative way that I was talking about, the finances coming from the wider business community for those very specific interventions. If we can make these things pay for themselves, that is great. If it is to do with increasing trade for Hackney businesses - South by Southwest being a case in point and taking Hackney House to Austin - then the most recent figures, £7 million worth of contracts signed by Hackney businesses, that is good. That is good for a small borough.

James Cleverly AM MP: Who pays for that?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): It is a combination. It is businesses of different types and sponsorship of different types. The only costs put in by the local authority are the wages of the town centre managers and the business development officers and so it is a no-cost --

James Cleverly AM MP: What I am reading from this is that because you are able to, you do --

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): Yes.

James Cleverly AM MP: -- rather than thinking, "It needs to be done, but does it need to be done by us?" In the whole 'can I, should I, must I' in terms of the delivery of functions, it strikes me that the tone from Hackney is that you encompass the 'must I', the things we must do, the things that in the ideal world you should do, but also you are encompassing things that you are able to do just by virtue of the fact you are able to do them, rather than perhaps looking at whether there is someone else that could do that just as effectively without --

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): No, our objective is about spreading prosperity and using that local economy. The opportunity about Hackney House, with its particular economy, to spread that prosperity as far into the community as we possibly can. That is very much around skills and jobs, and that is the ultimate objective. With that come a number of other different nuances and so on and so forth to do with the corporate social responsibility and the understanding of that, and indeed the additional contributions that may be being made for specific outcomes. The hypothecation proposition. That has already been touched upon through BIDs. That is where we are today.

Looking to the future, as has been pointed out, is that, like all local authorities, Hackney at the moment is going through an exercise where it has to take another £60 million out on top of £130 million it has already taken out of its base revenue budget. That is profoundly going to change the very nature of Hackney, as indeed it will every single council. They are being structurally reformed, quite literally, and it is being forced down from above. That opens up a very different set of problems, and there is no question that the regeneration portfolio sits as one of those issues going forward. It is not a statutory service. It is very important and very relevant to the wellbeing of a community, but it is not statutory. I fear that the business rate proposition is --

Gareth Bacon AM (Chairman): Can I just stop you on that because we are going to ask a question --

James Cleverly AM MP: I am going to come on to that later, actually.

Gareth Bacon AM (Chairman): All right. Sorry to have interrupted you. I have two other witnesses who have indicated, Anna and then Ros [Morgan], and then we are going to have a short video. This is one of those subjects, BIDs generally, that we have learned very rapidly that we could spend probably until about 5.00pm talking about. Sadly, we have another hour and there is a lot of ground to cover. The contributions we have had from witnesses so far have been absolutely excellent and exactly what we wanted. If they could be slightly more concise over the next hour as well, though, that would be greatly appreciated. Anna and then Ros [Morgan], and then we are going to have a brief video.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): I will try to keep my comments brief.

I thought Councillor Nicholson's presentation was really fascinating, actually. The key word for me in it was 'nuance'. We need a nuanced approach if we want to keep creativity in our cities. What does 'creativity' really mean? It is another buzzword. Artists; interesting, innovating people who are in tune with today's economy,

who have horizontal networks, who work in a really contemporary way. How do we do that? Obviously, artists do not make a lot of money. We all know that. I have not talked to Guy [Nicholson] about what Hackney does. I know what Hackney used to do. I suspect they have some policies that subsidise artists. I suspect they have some spaces that give artists cheap rent and enable them to stay there. They give them cheap studio space and they give them cheap housing, I suspect, because otherwise you do not get these creative people in an area. Once it starts to be successful, it begins to boil up and bubble, a bit like Shoreditch has done, and they all move out and it becomes the much blander corporate picture that we are all familiar with.

I did quite a lot of work on this creative economy around 2002 and 2003 in Newcastle, where there was some really interesting work being done by the local authority there and other local authorities, where, for example, the property department was working in collaboration with the environmental services department to give cheap spaces to artists in the former industrial parts of the city which were being regenerated. These were really brilliant and inspiring policies, and they included proper affordable and social housing at the same time, and they were about building a real, balanced economy. I was really supportive of these policies. They were not perfect, but this is one of the things that have driven my critique of the management approach to cities. It is not nuanced. It is about the bottom line. It is about bringing in as much revenue as you can for a place, and that is first and foremost what it is about.

We talked about how legislation could be improved. You mentioned flexibility, and you also stressed accountability. Democratic accountability is absolutely the key. Approach is the key, though, too, and you did mention the Canary Wharf estate. The Canary Wharf estate is obviously managed with the bottom line and high security in mind. Hackney clearly is not. It is also about approach and the spirit of the place and public - if we can slightly reclaim that word for that discussion - ethos of a place you want to create. If you want to create a balanced economy, you need to have that public, democratic-driven ethos. I will just leave it there.

Ros Morgan (Chief Executive, Kingstonfirst BID): I will be short. I would be very concerned if we were saying that it had to be either/or in terms of local authorities or BIDs. I do not think that should be the question. It is whatever is right for a particular area, and I am hoping that today some of the examples that have been given just demonstrate that each BID tailors to the area as opposed to the other way around.

What does concern me about the conversations today is I personally believe there are lots of assumptions being made about BIDs, which are, in my view, inaccurate. Using the term 'doing things that a BID would do' conjures up all sorts of things and I could not pinpoint that, because, in my view, again, it is only limited by what those businesses want in that area. There are areas that would not look at safety or cleaning or greening, and it is about public realm or it is about regeneration, because that is what is right for that area.

That leads me on to what may be a question you are going to get to. If I was to ask support of the Mayor and the GLA it would be: we need your support in dispelling some of these myths and eroding some of these assumptions and actually providing much more clarity around not just what a BID is now but what a BID has the potential to be in the future. We need better understanding and better communication.

Gareth Bacon AM (Chairman): We are going to slightly vary what we are doing now. We have a short two-minute film. Our external relations people went out to the Streatham BID and they interviewed four of the businesses that were there. This is not necessarily representative of the views of all of the businesses within the BID. It is merely a straw poll or vox-pop that we have taken. This video will be made available online afterwards but it is just two minutes long and then we will take some questions on this straight afterwards.

[Video played]⁵

⁵ To watch the video: <https://www.youtube.com/watch?v=Kiwr5FI1MGU&feature=youtu.be>

Gareth Bacon AM (Chairman): Apologies for the awful music. It is not my doing, I assure you. Julie, do you recognise some of the issues that were described there by some of those businesses?

Dr Julie Grail (Chief Executive, British BIDs): Absolutely. It is interesting that the recycling project was used as an example. It often is the very tangible, easy to understand example, where a business sees a direct financial saving and, therefore, they think it is a great thing, and there are many other projects of that nature.

It is interesting just to pick up on the first one first, though, where the first chap was saying he is not happy because the first thing he knew about it was when he got a bill, and he did not think the ballot was run properly, and that just absolutely smacks of poor consultation and engagement, which I would absolutely concur with. The examples I gave right at the beginning: some locations have done this very badly and have not engaged their business communities properly.

If I bring one of the most recent examples, Greater Yarmouth BID, which has called itself the Tourism and Business Improvement District, and I do not know how much you have seen about this but it is very, very noisy in the media. It went to ballot in February/March of this year. It is outside the town of Great Yarmouth. It had huge discontent from its business community at the point the bills went out in April because most businesses knew nothing about it until that point and it was only a 19% turnout at ballot. That is just not acceptable. We do not think that is acceptable and I do not think anybody does. One of the major levy-payers there is a power station, and he is a perfectly articulate guy who is saying, "Do not get me wrong, I am happy to support my local community, but just remind me: what does a power station have to do with investing in tourism? I did not know about it, either". That first point really comes to the nub of a lot of the concerns we have been bringing to Government for the last few years about sharpening up the practices of BIDs so that the transparency and accountability thing is really core.

We published in July of this year *The Guiding Principles of a Well-Managed BID* and it is about coming to the nub of the principles: consultation and engagement, the transparency and accountability point, governance and management once it is established, and then reporting and monitoring once it is delivering. We put into Government, through the Government review of BIDs, quite a number of detailed propositions, having worked with our members and worked through with Government how we can sharpen this up.

If I just pick up two or three points, one is this principle of open engagement and consultation should absolutely be a must, but the legislation is quite weak on this. At the moment, the starting point is a notification to the Secretary of State from a BID proposer to flag that a ballot is going to take place. That comes 84 days out from the point where the notice goes to businesses that they are going to have a vote. Therefore, it is 126 days out from the final day of ballot. That absolutely should be long enough if people have done things correctly. However, there is nothing in the legislation that is tight enough to insist a local authority tests the consultation proof of evidence from a local BID proposer before it allows that location to go to ballot, and we are saying all of that has to be brought forward to that notification point - we have written this up and we can supply this to you - so that actually the publicly open information becomes available 126 days out. We have recommended, for example, that the local authority should hold a public page for each BID location on its own site from that day forward with all of the checklist of the legal obligations from that point forward, so that there is not anything hidden here. It is not in any of our interests to have this hidden. Nobody wants to run a bad BID. What that would enable is much more openness. It is a stick and carrot, because if those that are not engaging and consulting well know that is going to happen, they are going to have to do it better. I completely recognise that first guy's point [in the video] and absolutely concur with

him. If that was the case, that is not acceptable, that is not reasonable, and we have to make sure we sharpen this up. There are quite a lot of other things about local authorities that I am happy to come back to.

It is interesting. The other two points: it would be an interesting debate about what the lady [in the video] thinks more responsibility means. I wonder what she wants and whether she could deliver it if she had it. The final point about now knowing: again, it is communication, is it not? No business in a location receives a welcome pack from anybody. The welcome pack is a business rates bill. The second welcome pack now is a BID bill. What BIDs are getting much better at doing is ensuring they get data from a local authority at the point at which a business is on a business rates bill, or indeed often it is the other way round: the BID finds the business first and does genuinely provide a welcome marketing pack for the place before they get their bills, because that is not a good welcome to Streatham or anywhere else, is it?

Gareth Bacon AM (Chairman): It is not great.

Navin Shah AM (Deputy Chair): A couple of questions. I know you already mentioned the current environment of hostility during that situation. If councils can no longer afford to employ town centre managers or run particular services, is it really a bad thing that BIDs can take over either providing those services or taking up some of the roles which traditionally local authority plays?

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): Yes. To be honest, I am critical of the town centre management approach because that is what preceded BIDs. I am critical of taking a business management approach to how we create the most vibrant and diverse and balanced economies in our cities. As I said before, it is all about nuance and delivering democracy alongside growth is a very nuanced and complex, creative activity, which is not actually, to my mind, about business management.

I am really sorry, but I would go back much beyond that to a totally different approach to looking at how we manage local parts of the city and I would look much more to continental European examples, to Scandinavian examples, and indeed perhaps to some of the work of Hackney. I do not actually think that managers are the people who should be necessarily running high streets. I do not actually think that is the most compatible approach with the contemporary, horizontally networked economy and the creative tech start-ups that Cllr Nicholson has been describing.

By the way, I am sure that Hackney is not perfect, but –

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): No.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): -- I know it a little, and there is a vibrancy about Hackney that I am very concerned that Brixton seems to be losing. Brixton is now the centre of local protests and demonstrations and broken windows outside Foxtons, and I know that Hackney has gentrification protests and issues as well. We need to revisit the way we look at our cities altogether, I am afraid, and perhaps that is just simply too big a task for this report, but I would like that to be noted down. As I said before, some of the work I was looking at in the early 2000s was really exciting and there were some really good people in local government. I do not know what has happened to them. I am afraid a juggernaut approach took over, which was very much, "Let's deliver as much growth as quickly as we possibly can based on property and land values, and everything else is by-the-by".

Navin Shah AM (Deputy Chair): Obviously you do promote very strongly alternative strategy, but in a sense we are where we are. What accountability mechanisms would you like to see in place to make the best of what we have with the BIDs there are?

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): It is a really difficult question because it comes back to how we can tweak it to make it work better when actually – I am sorry, Ros [Morgan] and Julie [Grail], it is difficult in this context – it has been very damaging to parts of the city, and right now it is changing Brixton and I can see it happening. I do not want it to change East Dulwich, where I live at the moment.

That is a very difficult question for me to answer. We should rethink the policy. We already have too many. We should do what Cllr Nicholson is doing and stop rolling them out; end of. If you insist upon having them, then we need to have some sort of mechanism for including residents in the ballot because they are not democratic at the moment.

The final point is security. Perhaps I am mistaken, but I understood that more security under the banner of making places safer, ie uniformed security guards, was very much part of BIDs.

Gareth Bacon AM (Chairman): Debbie, you used to work in Brixton for many years.

Debbie Jackson (Assistant Director – Regeneration, GLA): I live near East Dulwich. It is very much my manor.

Gareth Bacon AM (Chairman): Is the BID damaging Brixton, in your view?

Debbie Jackson (Assistant Director – Regeneration, GLA): It is a very recently balloted BID and so I do not think we can blame the BID for anything. It is worth noting in Brixton that it is quite an unusual and complex BID insofar as it includes all businesses. Usually there are thresholds and things that mean that some businesses are not included, but the Brixton BID includes all businesses and I do not know but I assume that that was done in order to include everybody and not just the bigger players.

Gosh, we could go way beyond 5.00pm if you are going to talk about Brixton and there are clearly a lot of complex issues there. One of my views about Brixton is that I do not agree that change is just happening now. Property in Brixton has been astronomically expensive since I worked there many years ago. It is at the end of the Victoria line. It is a very convenient place to live with some great housing stock. That change has been happening for some time now. What has triggered the current controversy is the Network Rail situation and the arches. That is my understanding of what has happened there.

To come back to your question, “Has the BID changed things?” No, because it is so recent and it is just part of the landscape. It is a positive thing that all the businesses are involved there. I wrote down a couple of the phrases that you said there, Anna [Minton], and one of the points that I would disagree with is that you said BIDs are running high streets. High streets are still open places. To contrast it with More London [the managed estate within which City Hall sits] here, which is a private space – there are things you are not allowed to do in More London – a BID does not have bylaws. It does not stop anyone doing what they want to do on those high streets. It provides a way of co-ordinating resources and local opinions in a place, and my opinion is that that is a positive thing.

One of the other points that I would make as well is this question of growth keeps on popping up. Growth is going to happen whatever. The housing agenda and the housing crisis: the general consensus is that we need more housing. That can create real tensions for town centres. To my mind, any mechanism which creates a focal point for the local community, be it business, be it residential, and one of the points I will make later on is that there are many models of town centre governance, and BIDs are just one of them. Anything that can

provide an opportunity for local places to have a voice and make sure that growth is good and not just a crusade for housing numbers, because that will threaten the lifeblood of what characterises our town centres.

Navin Shah AM (Deputy Chair): Guy, you wanted to come in.

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): It was only to very briefly pick up on the point that Anna [Minton] raised and Debbie [Jackson] was touching upon it as well. It just goes back to that point about looking to the future, and you were mentioning about pressures on public budgets and so on and so forth and this continuing retraction of local authorities' resources, basically, to be able to deliver stuff.

I do see into the future that there is a need for a more collaborative and localised model of local service delivery. The balance and the tension is around ensuring - I am just beginning to repeat things a little bit, so forgive me - that accountability, call it democracy, call it what one will, and governance is equal to that of the growth imperative. I do agree with the proposition around the tension that is emerging certainly in some parts of London between what in effect is work space and the demand for more work space and the demand for housing in one form or another. We are continually having to engage with the development sector in and around Hackney to strike that balance, but there is a generation of developers coming forward who recognise the commercial opportunity as well as the real need to be able to provide both in the developments that they bring forward in these very inner London and working environments and neighbourhoods. There are some positives there, but it relies upon that very close collaboration and that close relationship and, I suppose, a degree of trust between all of the parties involved, and that includes the residents as much as it might do the business community, with a local authority.

Navin Shah AM (Deputy Chair): If I can ask a question to Julie, followed by Debbie [Jackson]: what leeway do local authorities have to challenge poor decision-making in BID areas?

Dr Julie Grail (Chief Executive, British BIDs): It is an interesting point. If we take it back a stage, as I started to say earlier, the legislation for BIDs is pretty flexible and non-prescriptive, and with that have come a few loopholes that could and should be sharpened up. This is an area that I believe should be sharpened up and that we have made representation in the Government review on [BIDs]. In essence, a local authority has a whole series of different responsibilities that make it effectively custodian of the BID legislation. However, in some cases they are just not doing that role. Some are excellent. I would hold Westminster City Council up as excellent in doing this. Some are just not performing their role, and by not performing their role what we often see - and the story of Streatham and the story of Greater Yarmouth have just described - is if you get it wrong at the beginning, at the pre-BID ballot stage, you have got it wrong for the duration, really. Putting the things in place that tighten the model at the beginning to ensure good quality consultation is done, and evidence ahead of a local authority allowing a BID proposer to take this BID to ballot, and ensuring that all of the relevant mechanisms and legislative elements are in place before ballot will help enormously. However, once you establish a BID, there is a legal requirement in the BID legislation to have a baseline services agreement documented out to document the local authority's commitment ongoing in that space, and a local authority should not allow a ballot until it has put that in place. Too often even that is not put in place and so the local authority is failing its business community by not doing that bit.

There is then an obligation - but not a legal obligation - to put that and the other relationship elements into what we call across our industry an operating agreement, but it is a contractual relationship between the BID and the local authority that defines levy collection and enforcement and the mechanism for doing that and service monitoring, both sides. Monitoring of the baseline service commitment, monitoring of the delivery of the BID services, and ensuring that ongoing solid and robust relationship carries on and must carry on. Again, too many are not doing that and not committing to that and not putting enough weight into the importance of

that relationship. These are the kind of things that we have put in place to ensure that a BID starts well and, therefore, has the propensity to be delivered well, but then is also managed and governed well.

If those things are put in place and sharpened up, we see scope for a local authority having comfort that a BID is managed well, but a local authority should not be controlling what a BID does because that is about spending the business community's money. It is about having that wider debate and relationship and partnership to ensure that the things that are delivered are not contrary to other initiatives in an area.

I will jump right to the end. What is interesting in the legislation - we debated this at length when we did the Government review - is that there are very, very limited powers at the moment within the legislation of termination of BIDs, and that is probably a good thing because, ultimately, coming back to Ros's [Morgan] point, the essence of the BID model is merely the joint bank account, is merely the money element, not the partnership and not the company even. It is the money. If the businesses that are paying that money are not happy, they have the ability to terminate that BID. Coventry, city-wide, right back in 2006 - 2008, had a BID that ran outside the Coventry city centre one. It was 2,500 businesses. Businesses hated it from day one. There was really bad consultation and 500 of those 2,500 disliked it from the start of it, and by the third year got themselves on the board and terminated the BID, and quite rightly. That is what businesses should be able to do: terminate the obligation to pay that money. That does not mean they terminate the partnership company or any of the relationships that are going on, but terminate the mandatory levy element. We must be very careful, I think, to see the difference between the obligation on paying a mandatory levy, the relationships that exist, and that absolute need of formality of relationship and partnership between a local authority and a BID. The local authority does not approve or control that BID, and neither does the other way. They are in a partnership together.

Debbie Jackson (Assistant Director – Regeneration, GLA): Julie said everything I would have said. I have one further point to add that occurs to me on listening to Julie's response and actually something that Cllr Nicholson said as well.

One of the challenges that we have is that regeneration is not statutory for local authorities. Therefore, the amount of resource in that service differs wildly from local authority to local authority. Everything that Julie has just said, what that tells me is there needs to be a resourced client within the local authority for the BID from the moment it is an idea, and if that capacity is not there, then that is when you are going to see some of those levers. The levers are pointless if there is nobody to pull them in the town hall. That is the only point that I would add.

Dr Julie Grail (Chief Executive, British BIDs): That is absolutely right, and that is why Westminster is so good because it allocated somebody from day one. That post has existed all the way through and has been the co-ordinating function at officer level and member level, and has ensured that all legislative stuff has been adhered to, but relationship stuff too.

Debbie Jackson (Assistant Director – Regeneration, GLA): Yes. That is the only point I would add.

Navin Shah AM (Deputy Chair): Thank you.

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): Sorry, Chairman. Just to pick up on both Debbie's and Julie's comments, and from a local authority perspective, if I could just for a moment put the BID into the context of the Government's localism agenda, so neighbourhood planning, for example. I know there is a reference to that in some of the questions. There is a set of criteria that the local authority has set and the administration have set for the local authority to ensure that what comes forward as part of a submission is both inclusive and it conforms. Then something of worth, something that is challengeable and

can withstand challenge can be determined, basically, supported or approved or whatever the decision is that needs to be taken.

Increasingly, under the localism agenda, both of those two criteria are proving to be extremely difficult to fulfil, that what you bring forward is inclusive and what you bring forward conforms to higher legislation. For example, the London Plan, if it is a planning document. They are crucial, absolutely crucial, because only at that point can one really turn around – and my heart and sympathy goes out to everybody involved in public consultation and communication because you can never get it right – but it is being able to prove that obviously you have gone out there with the best intentions to reach as many people as possible and you have resourced it fully. Sometimes you have to fall back on that rationale. Nevertheless, picking up on that business around consultation and communication is crucial in delivering the inclusivity side of the criteria set and, if you can prove that when you come forward with your submission, then a council representing a community and certainly a group of elected councillors would feel far more comforted that those two very important criteria have been embraced and delivered as part of an application, and I think that applies to a BID as much as it might do about a neighbourhood plan in a neighbourhood forum, for example.

Gareth Bacon AM (Chairman): Thank you for that.

Andrew Dismore AM: Going back to the relationship between BIDs and local communities, I think it is probably a question for Julie and Anna [Minton]. Do you have any real examples of where BIDs have been in conflict with a local community and how do you resolve those conflicts?

Dr Julie Grail (Chief Executive, British BIDs): There are some of the examples I gave earlier. Let us come back to what we define as community first. I believe the definition of community is everyone that works, lives and visits that community, not just those that live there.

Andrew Dismore AM: Let us take residents.

Dr Julie Grail (Chief Executive, British BIDs): When we talk about residents, there are probably three-quarters of all BIDs that have residents' voices, through a variety of different means, on their boards. That might be through their elected councillors. It might be through residents' groups, if they already existed, or indeed had been created. There have been some great examples, and Bankside would be one of them, of really working in partnership with those communities.

Andrew Dismore AM: What happens when that does not work and when you do have a conflict between residents and BIDs?

Dr Julie Grail (Chief Executive, British BIDs): Yes, and around the other way. If it does not work, yes, of course, in some cases – Anna [Minton] would be one of these people in one of these locations – residents in part may not like some of the things that BIDs are investing in, but I would go back to this taxation without representation issue. Businesses will only invest in our places if they have representation. We know that. We know that you can get a few willing investors into something historically – and obviously Guy [Nicholson] has achieved this at the moment – whilst they feel they have some control over the spending of their money, but you cannot get the whole unless you give them a representative model, and that is what we have given them through BIDs. Through BID boards we are seeing local residents getting involved.

If they want full representation, and there have been advocates doing this – and I have to say I am not one of them – we could extend the model to allow residential representation as well, and charge them. We could put a residents' levy onto a BID model as well. Then there is fair representation and taxation, is there not?

Andrew Dismore AM: That does not actually answer my question, though. What happens when a BID wants to do something and all the residents nearby say, “No, we do not like it”?

Dr Julie Grail (Chief Executive, British BIDs): I cannot give you an example of where that has happened at the moment because there is --

Andrew Dismore AM: Take Baker Street, for example. I understand that the two-way traffic proposal for Baker Street in Westminster is being proposed by the BID and all the neighbouring streets where residents live say, “No, we do not want it. We are happy with the way the roads are now”.

Dr Julie Grail (Chief Executive, British BIDs): I do not know whether that is all residents, and it is certainly not all the community, is it? From my knowledge of that one, there has been a much amount of support for doing that and there have been some residents that have been anti. Fitzrovia, for example, is one. Yes, there were some very vocal residents --

Andrew Dismore AM: Fitzrovia is the Midtown one.

Dr Julie Grail (Chief Executive, British BIDs): No. Fitzrovia had Griff Rhys Jones [actor and comedian] being the leading anti-resident at the point of ballot. I cannot tell you whether that was because there was poor consultation or whether residents have a negative feeling towards the BID, but what I do know from what I am being told now is that there is a very different relationship in that place. Often the negativity is created through lack of communication. In the Baker Street one, I do not know it well enough to tell you whether that means the business community should not invest in the change of a road network in that area, but as Guy [Nicholson] just said, we know in anything we do, whether it is BIDs, whether it is through GLA investment, whether it is through regional/central Government, not everyone will be happy all the time, but what everybody does in this should be good attempts, very good attempts, at comprehensive representation and consultation so that they genuinely know the majority are supportive of the action.

There will undoubtedly be situations where residents do not like what a BID is doing, but I would come back to the point that if we have had good governance and we have had local elected councillors sitting on BID boards shaping that future alongside the businesses, we should not come to that situation because we should have an understanding of what is coming. We should have ensured that good governance says we understand and can anticipate where the problems are going to arise. That is not happening everywhere, but that is what we should be seeking to do.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): It comes back to where we initially began, really, where I was talking about democracy and I said that a couple of councillors sitting on the BID board was not equivalent to democratic representation, and I do not think it is, although of course you will hear from advocates of BIDs that in different places there are different outcomes. I do not know the Baker Street example in any detail: but the BID is not about the residents; it is about the businesses and the views of the businesses. Therefore, the views of the residents are not actually first and foremost the consideration. The issue of good governance coming back to a couple of local authority representatives I just do not think is enough.

Dr Julie Grail (Chief Executive, British BIDs): Can I just ask? Is that because you do not think those local ward councillors are representative of that community? That is a different question, is it not? It should be.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): That is perhaps 10% of the answer. There is a huge democratic deficit in local authority democracy full stop, but that is only a small part of the answer. The BID organisation is a Business Improvement District. It is a company for

the local businesses. It is not an organisation for the businesses and residents and citizens of the wider city. That is the main part of the answer.

Just to address your question on specific areas, my job is not as a researcher of BIDs. Ros [Morgan] and Julie [Grail]; that is their job. I just have encountered BIDs in wider work I have done on my research into the privatisation management and I would say consequent segregation of the city, and also a look at alternative economic strategies which favour, I would argue, more creative and balanced economies. I am not by any means a BID expert, but I have encountered the Fitzrovia example because I was approached by quite a number of residents. Griff Rhys Jones had the publicity because he was the chairman of Civic Voice, which is the inheritor organisation to the Civic Trust, a pretty important organisation, but he was just the representative famous face of a wide body of local opinion there. Of course you will hear that now there are people happy with it. I am sure there are people unhappy with it.

I can just give you a couple of examples from my own research. I visited Sheffield a few years ago and there were concerns about the security operation in the centre of Sheffield. Most of the concerns I encounter around BIDs, partly because I have done quite a lot of work on the impact of private security, whether or not we need it, whether or not it is good for us -- I tend to say we do not need it and it actually makes us rather fearful. It is driven by this private mall approach. They like it. It is not people who say, "I want private security companies here". It is the businesses who like the private security companies. There were concerns in Sheffield about the private security guards. There were concerns in Coventry about how some minority groups were being treated, ranging from homeless people to photographers and students. The CCTV cameras are monitoring the behaviour of various groups in ways that some people find undemocratic and do not like. You may tell me different, but I know that certainly BID groups that I have looked at have been very focused on making sure that there are not homeless people or street drinkers in town centre areas and they are moved on. I have covered this in the report I have written a few years ago, which preceded my books. We could talk on for hours. There are many, many examples of concerns.

I will end with a final point, which is that BIDs were controversial in the US in the mid-1990s, way before we brought this policy over, and the concerns were around how marginalised groups were treated by the BID. It all exploded with a huge *New York Times* investigation which showed what was happening to marginalised groups, who were being swept out of the city, and the city was subsequently cleaned up. That was the starting point for all my work into this, that *New York Times* investigation. It is all in my book. I will stop now.

James Cleverly AM MP: Ros, I am going to start with you if I may. The Chancellor [Rt Hon George Osborne MP] has announced a localised retention of business rates which is going to provide a steady stream of income from businesses for the delivery of public services, and obviously it will give businesses by default quite a powerful voice in the delivery of public services. Does that not make BIDs obsolete?

Ros Morgan (Chief Executive, Kingstonfirst BID): It is an interesting question and one that we are debating as an industry, but certainly my view is that there is always an opportunity to do more, better. Certainly Kingston is very keen to retain its business rates because we have a particularly successful business community, but I believe that it is not about being obsolete. It goes back to what I said earlier. I do not think it needs to be either/or, the local authority or a BID. There is always the opportunity to work better together, and there are always things that businesses will want above and beyond what their business rates can deliver, and whether that is security or whether that is development, still, there is a role. I should say it is not BIDs for BIDs' sake. That is not what I am promoting today. I am promoting BIDs as a model for sustainable funding in an area if the businesses in that community choose it. Time will tell, and certain areas will decide whether or not they want to pursue their local authorities because more of their business rates is being retained, but in my own personal opinion, there will always be an opportunity to do more, better.

James Cleverly AM MP: Do you think that that retention of business rates will provide a focus at local government or an enhanced focus at local government level towards the business community? The old adage that 'he who pays the piper calls the tune' has a degree of relevance here. When you are a residential population or a significant funder, you listen to them. When the Government is also a significant funder, you listen to them, and when businesses are not, you perhaps do not listen as intently as the other two funding streams. Do you think that that may well mean that there is a convergence of function? I am not going to say 'make obsolete', but there is going to be a convergence of function between what the BIDs do and what local government will increasingly do in the future.

Ros Morgan (Chief Executive, Kingstonfirst BID): Possibly, but it is still very important that, whether it is the residents' views or the businesses' views, they feel that they can trust the body that they are feeding into, and I feel that the BID community offers businesses that trust, that independent representation. There are many issues that affect a town centre, and very often I find myself representing businesses that do not want to come forward on their own, and want to approach it more as a sector. There is a need to ensure that both residents feel represented and businesses feel represented, because they will not always agree, and that is the benefit of democracy. We have to look at all the parties' opinions and views to come out with what is best for all. I suppose my only fear really is that by bringing them as equal parties to the local authority, it could be quite a challenge for the local authority. Who do they favour and how are they going to make that choice? It is an interesting debate.

James Cleverly AM MP: Cllr Nicholson, should businesses be able to have a vote in local government elections, like they do in the City of London?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): Because their business rates are all financing local services?

James Cleverly AM MP: They are stakeholders. Therefore, increasingly they will be paying for the delivery of local services in their area, and decisions made in the council chamber affect them just as they affect the resident population. They pay the tax, just like residents. They are physically located, just like residents. They have a dog in the fight, but they do not have a say. Is that something that you think ultimately should be addressed?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): You are running the electoral reform agenda at the moment, so I will leave that one to you! We are about to have a million people drop off the electoral register and so should we just deal with the million who are entitled to vote first? Sorry, Chairman.

James Cleverly AM MP: We might just be removing a significant number of duplicates.

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): Possibly. Are you suggesting that business owners are already signing up on the register and are distorting the electoral roll?

James Cleverly AM MP: No, the students. You and I both know that in parts of the country with a large student population, those students are often registered where they study and where their parents are. I am not suggesting --

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): Yes. No, it is okay, James.

James Cleverly AM MP: I am being a little bit facetious on this because I am very taken by the point that you made, which was that when local government is firing on all cylinders it puts a big question mark over the

necessity for BIDs at all. Again, I am paraphrasing your position but that is reflective of the point you are making. With that local retention of business rates, I am guessing - and I welcome your view on this - you feel that probably would reinforce that symbiotic relationship between local government and business. Is that fair?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): One would hope that it would encourage where encouragement might be needed - and hopefully endorse, where endorsement is appropriate - that relationship between a local business community, whether it is made up of large businesses - industrial, for example - or whether it is smaller businesses, and a local authority.

What I would just flag up at this point - and this is as much for those who are, as I say, local businesses and those who are part of a BID as it is about local authorities - is that the Chancellor has been a little vague about what exactly this proposal is all about. At the moment, if one reads the script as it currently stands, there is every indication that what is going to happen here is that business rates will go towards the revenue of local government and there will be a dramatic reduction in the Revenue Support Grant.

There are various local services that need to be paid for that go well above and beyond voluntary, non-statutory services. At the moment those services are incredibly high-value, for example, children's services, children's needs, social services, primary and secondary schools and environmental services, and that includes all the regulatory functions. There is no full cost recovery in any of those activities. At the moment, it is difficult to see just quite where this business rate stream is going to be spent. I fear that where we are going to end up is that those vital services, which are there to support vulnerable people in real need - from housing need to avoiding destitution, tackling poverty and tackling abuse in the community - are going to be the very services that will consume that business rate revenue as far as all the local government institutions are concerned around the country.

James Cleverly AM MP: Indulge me for a minute: let us say - and we can argue perhaps outside this meeting - the quantum of funding is maintained and all that changes is the balance between what is collected locally and what is received from central Government. Let us say you are not out of pocket, it is just where you get the money from that changes. Do you feel that that will enhance the relationship between local government and local businesses by virtue of the fact that there is now a much closer financial relationship between those two organisations?

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): I would hope that that would be the case. I am sure other colleagues in local government from all parties would say exactly that and respond in the same way. I do think that there is a need, as I said earlier, for us to collaborate and work quite closely together in the months ahead as the current Chancellor's plan is shaped and formed for implementation. He clearly wants to implement this very soon and I fear that it may not be all that it is cracked up to be. That is all.

James Cleverly AM MP: It strikes me that as a borough you are in a potentially outstanding position with regards to local retention of business rates. You have, by a whole load of metrics, clusters of population within the borough that are in real, very severe need, but you are close to the City of London. You are close to one of the global financial centres. There is a well-established series of businesses which are potentially high-value, obviously the tech businesses and the high-end creative industries, and you have cereal bars, which is the way forward. There is huge business opportunity there.

Yours is a borough where I can see the relationship with a vibrant and unlocked business community would be a very significant revenue stream, which would then be able to be used to support your residential population. However, ultimately - and I go back to a slight repeat of a question we had earlier on - that being the case, if

some of those businesses were starting to say, “We want you as a borough to provide us with faster digital connectivity”, and there are lots of tech business in Hackney --

Gareth Bacon AM (Chairman): Could I just interrupt briefly? This is a fascinating subject, but the subject of today’s meeting is BIDs, not the relationship between businesses collectively and local government, fascinating though it is. It absolutely is a subject that is going to get a considerable airing over coming weeks. With all due respect to Cllr Nicholson, it might be a more tightly focused question aimed at BID experts and people with BIDs.

James Cleverly AM MP: Fair enough. Speaking of which --

Ros Morgan (Chief Executive, Kingstonfirst BID): Just while you were talking, I was thinking about the fact that obviously, within the BID context, a levy is charged on the rateable value of a property. Just because you have the biggest rateable valued property in the place, it does not mean to say your voice is any stronger than the property down the road that is paying £75 a year to be part of that big picture. The BID ensures that you are offering a view that is representative of the whole business community.

I suppose one of my reservations about the local authority taking on the business rates is whether it will be that the person that pays the most gets heard. That is a question that does need to be answered. The BID industry is absolutely about taking all parties’ views and then coming up with an opinion that is for the greater good and not just that of one very affluent, particular business.

Gareth Bacon AM (Chairman): Sure. I will bring Julie in and then I am going to have to ask a sweep-up question right at the end. I am afraid we are going to have to stop because we are pushing our time limit.

Dr Julie Grail (Chief Executive, British BIDs): Very quickly, it is interesting, this Chancellor’s announcement. I published on my LinkedIn blog last week the question, “Radical shake-up or shift of liability?” Without the detail, we do not really know what difference it is going to make.

In answer to your first point, I certainly hope it does reconnect business communities better to the local authorities because it desperately needs doing. Does that mean that we lose BIDs? No, it does not. Throughout all of what we have been talking about – you referred to it as ‘platinum service’; we have all referred to it as different things – there is for the foreseeable future in this country, with the level of public sector investment that we have, at best probably a bronze service. Where businesses wish to see a platinum service, they will be willing to invest in it and they will be willing to invest in it through a BID model that then creates the conduit of that voice back into a local authority. Local authorities will benefit from having a BID in place to have that communication process.

I just wanted to raise two more points related to that, though. What worries me is the redistribution mechanism. We do not know what it is going to look like yet and without being clear what that is going to look like -- local authorities have had the ability now at only 50% cost to vary their business rates and they have not done it because they cannot afford to. At 100% cost, are they really going to do it? We need to see what the detail is.

Really, it is more about two other things. There is a potential unintended consequence of relaxation of planning to see out-of-town investment because it will bring the business rate revenues in, and that is a worry for our town centres without a doubt.

Secondly, on a second point but desperately related, is that a bigger concern for the relationship between business and local authority, or at least a focus, should be what is happening with combining authorities and

the vast reduction in physical resources and people on the ground; not money but people and skills. That is having a massive effect in London. I am not saying it is having a negative effect but it is having an effect. We have to open up and manage because we are no longer seeing 33 local authorities with 33 local authority sets of teams; we are seeing a whole load of combined services, a load of different places and just a client role. That then prevents the ability and the resource to have a relationship role. That is where we bring BIDs back in. They are going to need BIDs to have that relationship role.

Gareth Bacon AM (Chairman): You are completely right about the detail. I was in the room when the Chancellor gave his speech and made that announcement and it all sounded terribly exciting at the time, but in preparation for today I reread his speech in its entirety and there is an awful lot of detail that needs to come out before it is a reality. There is a whole load of questions, some of which James [Cleverly AM MP] was beginning to touch on with Cllr Nicholson, which will be played out over the coming weeks and months.

There is a final sweep-up question I would like to ask all panel members to answer. The current Mayor is very keen to push the creation of BIDs and to act in a co-ordinating role. Is that something that the future Mayor from May next year should continue or should he or she – and it will be a ‘he’ – take a different path? I will start with you, Ros, and work down.

Ros Morgan (Chief Executive, Kingstonfirst BID): Absolutely, the Mayor should support the concept of BIDs and what BIDs can achieve. I would – and I am referring to the question that was on the documentation – not support the Mayor setting targets for BIDs because, as I said earlier, it should not be a given that a place will have a BID. If an area wants to have a BID, it should only then come through.

Certainly from my perspective, the Mayor and the Mayor’s family absolutely need to have a much greater understanding of BIDs now and BIDs in the future. They really need to be ensuring that there is a senior person who has ownership of this conversation at a senior level, a bit like the local authority: a custodian of the BID. Also at a very senior level in the Mayor’s office. I have had conversations with Kit Malthouse [AM MP, former Deputy Mayor for Business and Enterprise] quite a long time ago where, through lots of these debates and conversations, I established that there was a lack of understanding and appreciation of the ability of BIDs. We need better communication and better understanding.

Anna Minton (Writer, Journalist and Reader in Architecture, University of East London): You will not be surprised to hear me say that the policy needs serious, critical review. Growth, representation and democracy are not compatible under the BIDs model, I am afraid. The policy was rolled out uncritically and we are reaping the consequences. The business rates conversation is massively important. It is probably the area where all of us around the table agree that we have to make sure it does not become a smokescreen for relaxing out-of-town regulations and funnelling money into essential services rather than the high street. That is the only area we agree on. BIDs should be critically reviewed and I am afraid that we should go back to the drawing board.

Debbie Jackson (Assistant Director – Regeneration, GLA): I very much agree with the points that Ros [Morgan] made. The Mayor should continue to support local stewardship and governance in all its forms but still show strong support for BIDs. I echo Ros in that the target has been very helpful to date at the stage we are in London’s life cycle of BIDs, but logic dictates there comes a point where going after more BIDs is not necessarily the right place to focus the Mayor’s activity. It is about strategic help and support continuing on some of the work that we have done now and high-level support from the mayoral team for BIDs. I should mention the London Enterprise Panel, which has a strong role on BIDs at the moment. That is also important to continue.

Cllr Guy Nicholson (Cabinet Member for Regeneration, LB Hackney): I would hope that the next Mayor, of course, is there for all Londoners and that we will be looking at it through that prism.

On a parting note, one feels and senses that whether it involves a BID or whether it does not involve a BID at the moment, this landscape that we are looking at is now ripe to evolve and move on to the next step. The next Mayor of London has a great opportunity to start to realise that coming together of growth, economy and prosperity with governance, accountability and transparency.

There is a real opportunity to build out that relationship between businesses and the wider residential community, as well as local and of course regional government acting in its role as a curator of all of this, with local government being around that table as a representative and regulatory body. There is a relationship that can be formed around that - and perhaps I am looking at it through too much of a Hackney prism - through a networked and social media-savvy generation of entrepreneurs of workers and a wider community that is growing up in that connected environment. In there is a proposition for a new form of BID to come forward. The policy coming from the Government for 2020 about some kind of redistribution of business rates revenue and so on might perhaps be an opportunity to realise that new iteration of the BID for the rest of this new term.

Dr Julie Grail (Chief Executive, British BIDs): I will try to answer in shorthand because I concur with lots of what people have said, particularly Debbie [Jackson]. It is important to recognise we have been on a journey of evolution of BIDs. It has been really helpful having the slight carrot/stick approach of a target number and a development grant scheme that has helped the facilitation of set-up.

I would particularly say - not to sound pedantic - that you said 'push'. Absolutely, the Mayor should not be pushing BIDs; the Mayor should be enabling the concept to develop in the locations that are relevant. It is a really important distinction. We should be focusing more on quality now than quantity. We should not just be rushing to get more and more. I would be concerned to see, in the next [Mayoral] term, another number. It was 50 for this term. I would be worried about seeing another number. We should be focusing more on quality.

I particularly also encourage a better appreciation and understanding, as Ros [Morgan] has said, about what is going on in the 46 we have now and a better relationship and dialogue with them. It is not strong enough. We have a very large group of BIDs out here now, as I described, of different types, shapes and sizes and with different issues going on. There is no longer a coherent voice coming from the BID community back in to you. Working on creating some kind of coherent and inclusive voice of all of the BIDs in to you, where you have a better level of understanding, and at a senior level of the Mayor's team, will really pay dividends in creating quality relationships across the capital. Putting a target on it I would be very concerned about.

Gareth Bacon AM (Chairman): Can I thank all five of our guests. It has been a really good discussion.