

## Community Engagement Committee

26 March 2019

### Kingston Business Improvement District (BID) Ballot Election

Report by Director of Growth

#### **Purpose**

To approve the commencement of the ballot process for Kingston First (Business Improvement District 4).

#### **Recommendation that -**

1. The Kingston First (BID 4) ballot process commence and the Returning Officer appoint the Electoral Reform Services to make ballot arrangements; and
2. The Director of Growth, in consultation with the Leader and relevant opposition spokesperson, be given delegated authority to vote 'yes' in the Kingston First (BID 4) ballot process subject to the ballot offer being satisfactory.

#### **Benefits to the Community:**

The establishment of the BID has been a key part of ensuring the Town Centre remains a vibrant and economically prosperous part of the borough. It benefits the community by providing safer, cleaner and accessible streets; enhancing the customer/visitor experience; and driving higher footfall in Kingston town centre.

#### **Key Points**

- A. This report seeks authorisation for the Director of Growth, in consultation with the Leader and relevant opposition spokesperson, to be given delegated authority to commence the Kingston BID 4 ballot process. This will set in motion the following next steps:
1. The Committee approve the council's Returning officer (Ballot Holder) to make ballot arrangements upon formal request from Kingston First (BID Proposer) to hold a ballot.
  2. The Committee resolve the council vote 'yes' in the ballot with the decision to be exercised by the Director of Growth, in consultation with the Leader and opposition spokesperson, and subject to the detail of the final offer from Kingston First being satisfactory.

#### **3. Draft timeline**

<b>Key Dates 2019</b>	<b>Meetings/Actions</b>
12 Feb	BID Renewal Exec Group
25 Feb	Draft Report deadline

March	Complete internal baselining - three areas for agreement
<b>26 March</b>	<b>Community Engagement Committee: Ballot / approach sign off</b>
Apr-Jun	Discussions with Kingston First: service delivery
<b>27 June</b>	<b>Ballot</b>
June/July	Kingston Town Neighborhood Committee
<b>Autumn 2019</b>	<b>Service agreement(s) sign off</b>
<b>Jan 2020</b>	<b>New BID Term</b>

### **Context**

- Following a successful ballot the first Business Improvement District for Kingston Town Centre (and, indeed, the first BID in the country) commenced in January 2005 and concluded in December 2009. The second BID commenced on 1 January 2010 and ran until the end of December 2014. The third BID commenced on 1 January 2015 and will run until the end of December 2019.

*Please see **Annex 1** for the BID map boundary.*

- Officers have been in discussion with Kingston First for some months to review the success of BID 3 and to consider options with regard to a fourth BID. Initial discussions were reported to Kingston First's Board who have since formally agreed that the Council should be informed of their wish to start the legal process for a fourth BID.
- The current plan is to hold the ballot during May and June 2019 which, subject to a successful outcome, would enable BID 4 to commence from 1 January 2020. Further details of the ballot process and timescales are set out later in this report.

### **Proposal and Options**

- The current legislation states the council is required to make provisions to hold a ballot for the BID. Under Part 4 of the Local Government Act 2003 (the 2003 Act) the Council, as the billing authority for its administrative area, may make arrangements ('BID arrangements') with respect to an area (a BID) comprising all, or part of the area of the authority. The 2003 Act is supplemented by the Business Improvement Districts (England) Regulations 2004, as amended, (the Regulations) which make detailed provision for, amongst other things, holding a ballot and the procedure for approving to a BID. A BID may only be established where those entitled to vote approve the BID proposals.

### **Context**

**Why should the council should vote 'yes' in the Kingston First ballot ?**

8. Kingston First are a key partner in the development and delivery of the key strategic economic and growth priorities for the town centre. The BID company are currently delivering a range of town centre focused services under contract to the council. The BID company also provides a strategic partnership framework which enables the council to engage effectively with a wide range of commercial interests in the town centre. In recent months the BID have been working with the council on the following strategic themes/projects: Reimagining Kingston Town centre; Kingston Town Centre Vision work; and supporting a number of initiatives around digital connectivity which includes free public WiFi, small cells and the Internet of Things (IoT). Going forward it is expected that the BID will play an important role in facilitating businesses' engagement in the development of strategic sites within the town centre.
9. The council as a full BID member and rate payer will reserve its final position of support until the ballot 'offer' has been issued and considered by the Director of Growth in consultation with the relevant Portfolio Holders and opposition spokesperson prior to the ballot being undertaken.

### **Kingston First Achievements**

10. Kingston First have highlighted a number of activities and achievements in their latest Annual Report (2017-18) - some of which are:

### **Representation and Strategic Projects**

11. Kingston First represents the views of the town centre business community to ensure Kingston's business agenda is represented locally and across the capital. Kingston First have also been a co-partner in the commissioning of the Reimagining Kingston Town Centre public realm project and emerging Visioning work which is taking place focussing on the future of Kingston town centre.

### **Supporting businesses and employees**

#### ***Free skills workshops and training***

12. Kingston First introduced a new series of free business workshops and training to help upskill workers and educate businesses in Kingston. In the past two years, 500 employees have attended organised workshops which covered the following topics Emergency First Aid at Work; Fire Marshall Training; Employment Law & GDPR; Social Media Skills; and Counter Terrorism.

#### ***Keep it Kingston Card***

13. In May 2017, Kingston First launched the the Keep it Kingston Card which enables Kingston employees to save money, while providing local businesses with a platform to promote their services, products and offers. A total of 11,500 cards have been distributed across 580 businesses, with 160 businesses providing an offer to be part of the scheme.

#### ***Everyday Cost Savings***

14. Kingston First experienced a 10% increase in the number of businesses accessing the First Mile free recycling and trade waste scheme, and helped more than 25 businesses save £26,000 across utility bills, telecoms, and core costs. Over 200 businesses have saved money using Kingston First initiatives. Alongside this Kingston First has also secured exclusive parking discounts and season ticket deals for over 300 town centre employees.

## **Marketing and Promotion**

### ***Christmas***

15. Kingston First have developed Kingston's Christmas market and campaign such that it is now recognised as one of the top Christmas market destinations in London. They invest in and install the town's Christmas lights and regional marketing activity.

### ***Events***

16. The company run family events such as 'Thumbs Up It's Thursday', the new Children's Literary Festival and Christmas Lights Switch on. Recently, Kingston First has introduced an 'outdoor museum' concept working with Kingston Museum to commemorate the centenary of the end of World War One.

### ***Sector support***

17. The company is a co-founder and partner in the Kingston Business Excellence Awards, it has most recently introduced promotional guides to support the town's independent and evening economy, as well as producing maps and town wide marketing materials which are used for targeted campaigns.

### ***Online presence***

18. The company runs the town's online channels 'In Kingston' with the website being used more than 10,000 times per month.

## **Streetscene and Operations**

### ***Ranger Response service***

19. There is a team of town rangers employed by Kingston First to maintain the streetscape, and respond to support local businesses and visitors. Kingston First introduced a new ranger response vehicle to allow rangers to respond more effectively by using a new green electric-powered vehicle which is small enough to be permitted access through pedestrian areas. In total, the ranger response service removed 704 pieces of graffiti, 2,495 posters and flyers and dealt with 10,000 incidents between January 17 to March 2018.

### ***Attractive town centre***

20. Kingston First invests in seasonal displays and additional deep cleansing programmes, including an array of on-street floral and horticultural enhancements and 98,000 metres squared pavement deep cleaned. Further information about Kingston First's achievements can be found on their [website \(www.kingstonfirst.co.uk\)](http://www.kingstonfirst.co.uk).

## **New Business Plan: Emerging 2020-24 themes**

21. Following consultation with members and partners, four key themes will form the pillars of the new business plan:

- Quality Streets and Spaces/ Enhancing Experiences
- Attracting and Promoting
- Supporting and Informing
- Representing and Influencing

### **Quality Streets and Spaces/Enhancing Experiences**

#### ***Transforming navigation and connectivity***

- Enhance and invest in connections and ease of navigation across the town centre to improve people's ability to find and access all areas of the town.

#### ***Enhancing the experience – ensuring quality public spaces which are clean and attractive***

- Expand town centre areas and increase regularity of deep cleans.
- Invest in improving quality of streets and public spaces.
- Provide responsive cleansing to public streets and spaces.

#### ***Our environment- greener and air quality***

- Continue to deliver seasonal planting and quality green infrastructure; invest in flexible and engaging green spaces or initiatives which support a greener town centre.
- Work with partners to introduce schemes which contribute to improved air quality.
- Lobby for improved access and connectivity to the town centre.

#### ***Markets and Market Place management***

- Manage and maintain crucial Kingston space, ensure it adds to the vibrancy of the town, as well as Kingston's broader visitor offer whilst making sure it doesn't compete with town centre businesses.
- Make the Market plastic free and the most environmentally friendly market in London.
- Support community events in the space, and provide member opportunities to promote themselves.
- Work with RBK to develop a strategy for ongoing development of space, market stalls and the space's assets.
- Direct additional income made from the space back into town centre, and projects and service to support all businesses.

### **Attracting and Promoting**

#### ***Managing Kingston's central online presence***

- Enhance our online presence to be the 'go to' source for everything in Kingston.
- Redevelop website to become complete business and events directory with free marketing for all members.
- Produce editorial content shining a spotlight on sectors and seasonal campaigns.
- Manage and develop engaging and interactive social media channels.

#### ***Greater London's number one Christmas destination***

- Invest in new, town-wide Christmas decorations.

- Improve and enhance the popular Christmas market, and bolster the associated activity programme to drive footfall at this key period.

### ***Arts, culture, our heritage and the river***

- Continue with production of the town's printed map, and explore expanding it further through a town wide cultural/heritage trail.
- Public exhibitions and installations to activate spaces and showcase art and culture.
- Partner with cultural organisations to promote, support and provide opportunities to enliven and activate the town centre.

### ***Campaigns and profiling***

- Continue with 'Thumbs up it's Thursday' , seasonal campaigns such as Summer and Halloween, and produce profile-raising activities such as Children's Literary Fest.
- Introduce town wide student 'Welcome Week' opportunities.
- Increase use of digital and online tactics and advertising.

### ***Sector spotlighting and support***

- Continue to support the Kingston Business Excellence Awards, Independents' Guide, and Evening and Night Time economy promotion.

### **Supporting and Informing**

#### ***Saving you money***

- Provide 5 years' worth of free recycling and reduced trade waste collection costs.
- Continue with negotiated car parking cost reductions for employees, and explore further opportunities for cost saving for businesses.

#### ***Complimentary training and workshops***

- Continue with the development and expansion of free skills sessions and training opportunities. Focus on feedback from members to help curate programmes which support business needs and help their bottom line.

#### ***Expanding Keep it Kingston***

- Continue growing the Keep it Kingston card and improve its online/digital features for businesses and users and invest in a Keep it Kingston app.
- Introduce new events for cross sector networking and cost-effective team socials and networking, focussed on improving the connections and B2B opportunities for Kingston's business community and saving costs for employees (e.g. Film Clubs, Sports Days, team events for B2B profile raising).

#### ***Safe and resilient***

- Continue supporting Pubwatch.
- Oversee the introduction of digital radios and online reporting/data sharing, introduce a 'try before you buy' radio scheme to help businesses gain more understanding of the service.
- Build on our trial of an on-street, regular, 'high visibility' personnel/ team through key trading and footfall periods.
- Continue to work with our partners: RBK, Police, KCAH all supporting Kingston as one of London's safest boroughs.

## **Influence and Leadership/ Representing**

### ***A shared vision***

- Taking on the town's future together - champion a dedicated purpose and vision, working with partners to deliver a shared plan of action for Kingston and its future.

### ***Your town, your voice***

- Continue to have a dedicated team to represent and support Kingston businesses.
- Regeneration and development agenda - managing the town and supporting members through major change with forthcoming developments and ensuring 'business as usual' for visitors and nearby businesses through the build works.
- Work in partnership with RBK, TfL and others to lobby for and invest in new ideas and solutions to tackle Kingston's transport network.

### ***Keeping you informed- insights and data from consumer, business and town-wide perspectives***

- Continue providing unparalleled data and insights on Kingston town centre.
- Provide regular updates on town centre information, from timely traffic news to town events updates.
- Invest in professional consumer data and research to keep track of perceptions and sentiments about Kingston.

### ***Working with our partnerships***

- Act as a link and work closely with our local MP, RBK, Police, London & Partners, and property owners, as well as national industry bodies to support the interests of a successful Kingston town centre.

22. The Council will be providing its response and working with the BID to shape their priorities going forward after a successful 'yes' ballot.

*Please see **Annex 2** for a summary of the Kingston First consultation results.*

## **Consultations**

23. Kingston First has been consulting with partners and its members to gauge feedback on current services, and steer direction of the key themes for 2020-24 term over the past 6 months - in particular the consultation activities include:

- Written/online survey sent to members (21% response rate)
- 200+ meetings with businesses and organisations
- Hundreds of phone calls to consult with members and their staff, invitations for one-to-one meets offered
- Regular emails and updates on the ballot process.

*Please see **Annex 3** to view the questions asked as part of the Kingston First member consultation in September 2018.*

## **The Ballot Process**

24. The process for undertaking a ballot for a BID is prescribed in some detail in Regulations. The main steps of the process are as follows:

- a. The BID proposer (Kingston First) requests the Billing Authority (the Council) to instruct the Ballot Holder (the Council's Returning Officer) to hold a ballot.
- b. Subject to being satisfied that the BID proposer has met the various requirements of the Regulations, the Billing Authority instructs the Ballot Holder to proceed with a ballot.
- c. The Returning Officer gives notice of the ballot and an explanation of the BID Proposals to all persons entitled to vote (i.e. those listed on the Business Rate Payers database held by the Council for each property in the proposed BID area) giving details of the time scale for the ballot etc.
- d. The ballot itself is to be a postal ballot and takes place over a minimum of a 28 day period and will be undertaken by the Electoral Reform Services on behalf of the BID and appointed by the council.
- e. Following the count, a statement of the result of the ballot is prepared and public notice of the outcome given.
- f. There is then a period of 28 days during which interested parties can object to the outcome of the ballot to the Secretary of State on the grounds that 'material irregularities' as defined in the Regulations have occurred.
- g. Assuming a "yes" vote, the BID can commence.

25. The Regulations lay down detailed time scales for the various stages of this process. The timetable agreed with Kingston First envisages a ballot being in late May 2019 with the despatch of ballot papers on Tuesday 28 May 2019. During this time the BID will also publish its offer document to eligible businesses. The day of ballot is Thursday 27 June 2019 and the counting of votes and publication of results will take place on Friday 28 June 2019.

### **Resource Implications**

26. Apart from officer time, the main costs incurred are likely to be those associated with the conduct of the Ballot. As before, it is proposed to engage Electoral Reform Services to ensure independence in the process. The cost of this is estimated at around £3,100 and will be met from existing Budgets.

27. Assuming a positive outcome to the ballot, there will be additional costs for the Council due to the administration of the billing process - which includes billing business rate payers in the BID area; chasing up non payment; and updating changes regarding business rate payers. The legislation states that the Council, as the billing authority, is the only legal entity that can collect the levy. The Council has the existing resources and processes to conduct this service as it has in respect of the past three BID terms. Costs incurred for this levy collection service are recouped via a service charge to Kingston First on an annual basis, with the costs being charged against the BID levy. It is envisaged that these arrangements will continue for a fourth BID.

28. As now, the Council will itself incur an on-going cost through the levy on the business rate in respect of the various properties it owns in the BID area ranging from the Guildhall Complex to a number of bus shelters. This equates to

approximately £35,000 per year in 2020 based on current property ownership and tenancy. Again this cost is built into existing budgets and has been built into the medium term financial plan that is set for the period 2014 to 2018.

29. During the existing BID 3 the Council has provided core funding of £34,800 for Kingston Town Centre Management. This figure will be subject to review as part of the business case approval process.
30. A range of town centre focused services were transferred from direct council control to Kingston First to deliver under contract as part of BID 3. The Council's revenue budget will continue to reflect the fact that it has agreed to pay Kingston First to provide these services. In 2018-19 the net budget transferred was £106,766. However, this figure will be subject to review as part of the business case approval process.
31. The Directors of Growth and Corporate & Commercial, in consultation with the Leader of the Council, will review the provision of these contracted out services as part of the sign off of the 2020-2024 business plan and service level agreements for BID 4, covering baseline services, enhanced services and transferred services. This will also allow the council to review the existing contract management arrangements and if necessary introduce more robust contract management processes and Key Performance Indicators. Given the estimated value of the contract, under the current scheme of delegation, any future contract approval will be delegated to the Director of Growth.

### **Legal Implications**

32. Under Part 4 of the Local Government Act 2003 (the 2003 Act) the Council, as the authority for its administrative area, may make arrangements ('BID arrangements') with respect to an area (a BID) comprising all, or part of the area of the authority. The purpose of BID arrangements is to enable the projects specified in the arrangements to be carried out for the benefit of the BID, or those who live, work or carry on any activity within it; and for those projects to be financed (in whole or in part) by a levy ('BID levy') imposed on the non-domestic ratepayers, or a class of them, within the BID.
33. The 2003 Act is supplemented by the Business Improvement Districts (England) Regulations 2004, as amended, (the Regulations) which make detailed provision for, amongst other things, holding a ballot and the procedure for approving to a BID. A BID may only be established where those entitled to vote approve the BID proposals.
34. The Body of this report details the procedural requirements which must be satisfied under the provisions of the 2003 Act and the Regulations for the ballot etc. and, provided these are satisfied, there are no legal implications at this preliminary stage.

### **Risk Assessment**

35. If the ballot outcome was a 'No' then the council would have no BID in place for Kingston town centre which would lead to a loss of the additional day-to-day

operational services provided to residents, visitors and businesses in the BID area. Without the BID there would also be no strategic voice and single point of contact representing the interests of the businesses in the town centre. The council would either have to directly provide or procure alternative service providers for the services currently provided under contract by the BID. The council is likely to be under pressure from businesses to reintroduce town centre management function with limited resources.

36. There are reputational risks associated with running any ballot for the council, especially if it wasn't well run or if there were issues or complaints are raised by BID members meant for Kingston First which are then redirected at the council.

37. Potential changes to business rates legislation could leave the BID with a reduced income through their levy and/or broader macroeconomic factors with businesses relocating or particularly retail businesses at risk of going into administration.

### **Equalities Impact Assessment**

38. This is not required at this stage because the ballot does not seek to choose between or promote a particular strategy, policy or approach.

### **Health Implications**

39. This is not required at this stage because the ballot does not seek to choose between or promote a particular strategy, policy or approach.

### **Road Network Implications**

40. This is not required at this stage because the ballot does not seek to choose between or promote a particular strategy, policy or approach.

### **Environmental and Air Quality Implications**

41. This not required at this stage because the ballot does not seek to choose between or promote a particular strategy, policy or approach.

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### **List of reports and supporting information**

Annex 1 - [Kingston BID map](#)

Annex 2 - [Kingston First Consultation Results](#)

Annex 3 - [Kingston First Consultation Questionnaire](#) (September 2018)

### **List of Background reports/documents**

[Kingston First Annual Report 2017-18](#)

[Kingston First Business Improvement District report](#) (Kingston Town Neighbourhood Committee 13 November 2013)