

Stratford: Tomorrow's City Partnership
Business Improvement District Feasibility Study

DRAFT REPORT

May 2005

Tribal SDP Ltd.

DRAFT REPORT TO STRATFORD: TOMORROW'S CITY PARTNERSHIP

1.	EXECUTIVE SUMMARY	3
1.1.	Key Findings	3
1.2.	Conclusion	5
2.	INTRODUCTION & BACKGROUND	6
2.1	Background to Study	6
2.2	Purpose of Study.....	6
2.3	Methodology	6
3.	BIDS: THE NATIONALCONTEXT	7
3.1	Definition	7
3.2	UK Legislative Framework	8
3.3	BID Activity in the UK	8
4.	CRITERIA FOR ASSESSING THE FEASIBILITY OF A BID	10
4.1	Introduction	10
4.2	Is there a need?	10
4.3	BID Promoter and Partnership Arrangements.....	14
4.4	BID Income	16
4.5	Geographical Modelling and Potential BID Income in Stratford.....	20
4.6	BID Priorities	26
4.7	BID Development	27
4.8	Lessons learnt to date.....	27
5.	CONCLUSIONS AND RECOMMENDATIONS.....	29
5.1.	Key findings.....	29
5.2.	Conclusions.....	31
6.	BIBLIOGRAPHY	32

APPENDICES

1. Analysis of BIDs that have gone to vote
2. Stratford Business Survey: Analysis of results
3. Policy of multiple retailers and Trade Associations

1. EXECUTIVE SUMMARY

1.1 KEY FINDINGS

- The purpose of this study is to examine the initial feasibility of establishing a Business Improvement District (BID) in Stratford. The study also informs potential BID development work by examining good practice and identifying key issues for consideration.
- A Business Improvement District (BID) is a partnership arrangement through which local authorities and the local business community can take forward schemes to benefit the local trading environment, subject to the agreement of ratepayers.
- A BID should only be considered if there is a clear and demonstrable need. This need could for example be caused by a fall in sales, reduced pedestrian footfall and poor service provision.
- To date, a number of BIDs have been developed to respond to the potential threats and opportunities of neighbouring development, such as those in Bankside, Paddington and Liverpool. However such BIDs are all concentrated in generally stable town centres and none compare in scale to the significant development proposals that will affect Stratford, particularly the potential redevelopment of a significant core of the town centre.
- The redevelopment of Stratford Shopping Centre and the production of a town centre strategy have been highlighted by local businesses as two of their top priorities for improving Stratford Town Centre (50% and 28% respectively).
- One quarter of businesses have either plans to, or a desire to, relocate in Stratford, some of whom have clearly indicated that this would be to the new Stratford City development.
- Issues such as improved parking, more marketing and promotional events, improved retail offer and initiatives to enhance safety, are also major issues which Stratford businesses have prioritised, and which could provide further justification for a Stratford BID.
- To date the majority of BIDs have concentrated on four main themes, which include activities to: improve the environment, safety and security, marketing and promotion and transport and access.
- A 1% levy is the most common rate proposed for all BIDs and appears to be the most acceptable to high street multiples.

- Based on a 1% levy on rateable values for all of the main town centre occupiers, it is estimated that the annual revenue that could be raised from a BID is in the region of £174,000. The geographical area on which this is based includes: the High Street (from the Rex), the Broadway, Great Eastern Road, Salway Road, Salway Place, Stratford Shopping Centre, Great Eastern Road, Station Road, the Grove and a small area of Romford Road. This potential levy income is significantly less than all of the revenue forecasts by other BIDs, which have gone to vote, to date, except one.
- Voluntary contributions from land owners, the local authority and other sources, provide a significant amount of both actual cash and in kind support to the annual budgets of BIDs elsewhere in England. For example voluntary contributions make up 64% of funding in Coventry, 60% in Plymouth and 43% in West End Company.
- A BID will require staff and management costs to be included in its development and implementation. If these staff and management costs are to be paid through purely a BID levy, this would make a BID in Stratford unfeasible. As such there would have to be a commitment from voluntary contributions to fund staff and management costs.
- Local businesses appear to be very interested in issues which affect Stratford town centre. For example businesses consider that they are either very well informed or quite informed of the Stratford City and Olympic developments (72 and 70% respectively). In addition over half of businesses had either attended or had heard of the Stratford Town Centre Forum and 73% said that they would be interested in attending.
- Although only 18% of Stratford businesses had heard of the concept of a BID, encouragingly 48% of businesses said that either they would, or possibly would, be prepared to pay for additional or improved services, with only 18% saying no.
- It is clear that the attitude of multiple retailers' head offices is crucial to the success of a BID, with 50% of respondents stating that the decision would be made by Head Office.
- All of the national BID promoters have substantial private sector representation and leadership. This private sector representation ensures that they help to champion the concept of a BID and that the proposals both meet the needs of local businesses and provide added value to statutory provision. Local authority representation and support is also key.

1.2 CONCLUSION

Stratford is embarking on a new era of major change, which will help transform the area into a new Metropolitan Centre for London. Whilst proposals such as Stratford City and the redevelopment of the Shopping Centre, will inevitably create new opportunities and positive change, there is clear evidence that these developments are also causing both uncertainty and instability for existing businesses. A BID in Stratford could help to provide a partial solution to some of these issues, in the short to medium term, whilst redevelopment is taking place. A BID could also help to provide a way of beginning the process of integration between the existing and the new development.

However, potential income from a BID levy alone would probably be insufficient to address all of Stratford's needs. As such, a Stratford BID would require voluntary contributions from other sources, for example from land owners, the local authority, the Local Strategic Partnership or the proposed Stratford Renaissance Partnership. This is backed up by the attitude of multiple retailers who have stated that they would not support a BID without voluntary contributions.

Whilst a BID will obviously help to achieve business objectives they can also play an important part in helping to deliver additional outcomes that complement local and regional strategies. For example the Mayor's London Plan and Economic Development Strategy support the use of BIDs where appropriate and recognise the contribution they can make in 'maximising private sector leverage and input'. A BID could also contribute to helping to achieve the Neighbourhood Renewal agenda in the Borough, at a neighbourhood level, by helping to improve service delivery. BIDs can therefore make an important contribution in delivering a 'wider local and regional agenda' which could also help to provide justification for voluntary contributions towards the BID.

Whilst all BID promoters will obviously want to obtain a 'yes' vote, even if this is unsuccessful, valuable lessons can still be learnt! What is important is the process of working up a BID. i.e. increased engagement with the private sector, better information about needs and service provision and increased partnership working.

Tribal SDP consider that it is essential that all relevant stakeholders develop and implement a clear and comprehensive strategic vision and strategy for Stratford Town Centre. This strategy could either be produced in parallel to a BID or alternatively it could be an important outcome of the process.

If the Partnership Board and other stakeholders want to develop a Stratford BID further the next steps should include: agreeing and forming a cross representative strong partnership, obtaining in principle agreement for voluntary contributions to cover staff and management costs and finally to develop a clear strategic vision for Stratford.

2. INTRODUCTION AND BACKGROUND

2.1 BACKGROUND TO STUDY

The Mackinnon Partnership was commissioned in 2004 to produce a forward strategy for Stratford: Tomorrow's City (STC) SRB programme. One of the key recommendations of the report was to examine the feasibility of establishing a Business Improvement District (BID) in Stratford. As a consequence, a joint meeting of the STC SRB Partnership Board and the Stratford Town Centre Forum was held in December 2004 to give a general introduction to BIDs. At that meeting members agreed that they would like further work to be undertaken to examine the feasibility of establishing a BID in Stratford.

2.2 PURPOSE OF STUDY

The purpose of this study is to examine the initial feasibility of establishing a BID in Stratford. It also informs potential BID development work by examining good practice and identifying key issues for consideration.

2.3 METHODOLOGY

The methodology used to undertake this study has included:

- I. A desktop literature review of BID guidance;
- II. An analysis of the business plans of all BIDs that have gone to vote to date;
- III. Qualitative interviews with the head offices of large multiples in relation to their policies towards BIDs;
- IV. Qualitative in-depth interviews with a selection of BID pilots;
- V. Face to face semi-structured interviews with 50 businesses in Stratford Town Centre;
- VI. An analysis of rateable values of non-domestic properties in Stratford, including geographical modelling.

3. BIDS: THE NATIONAL CONTEXT

3.1 DEFINITION

A Business Improvement District (BID) is a partnership arrangement through which local authorities and the local business community can take forward schemes to benefit the local trading environment, subject to the agreement of ratepayers.

A BID can be established in any place where additional services are desired by the local business community, such as town centres, industrial estates, and business parks. The flexible and local nature of BIDs means that the model can be tailored to each location.

Services provided by a BID are additional to those which are already provided by statutory organisations i.e. Local Authority, Police etc. The type(s) and cost of the additional services is collectively agreed by businesses located within the BID area. Examples of the types of services which a BID can provide are:

- Preventative measures e.g. more frequent patrolling; additional CCTV; additional street lighting; additional litter bins.
- Remedial measures e.g. rapid response to graffiti and litter; additional maintenance of the public realm; investment in the visual appearance of an area.
- Other types of service e.g. local training schemes; local employment schemes; improvements to local transport; marketing and events; encouraging inward investment.

A BID is financed by non-domestic ratepayers (local businesses) within a designated area through an additional levy on their rate bill, based on the rateable value¹ of the property they occupy. The designation of a BID is subject to the collective agreement of ratepayers, who are able to vote on whether or not a BID is implemented.

The key 'selling point' of a BID is that it provides specifically ring-fenced funding for the BID area alone and allows businesses a direct say in how the additional funds are re-invested. In contrast, business rates are paid into a central pool and redistributed by Central Government to local authorities based on population.

¹ The rateable value of a property is based on the annual rent at which it is believed would be agreed on the open market at the valuation date. Values are set by the Valuation Office, and executive agency of the Inland Revenue (VOA, 2005).

Under BIDs legislation both a majority of individual businesses and firms representing a majority of the rateable value in an area must vote yes to push the scheme through. This 'dual key' mechanism is intended to ensure that a small number of large businesses cannot force through a measure that small businesses do not support and vice versa (ODPM, 2004).

A BID operates for a defined period which cannot exceed five years. When the initial BID period has elapsed, the BID arrangements may be renewed or revised and approved (or rejected) through a further vote.

3.2 UK LEGISLATIVE FRAMEWORK

The Government declared its intention to introduce BIDs in England when Tony Blair announced plans to introduce enabling legislation for BIDs in April 2001 (LDA, 2003). Subsequently, a section on BIDs was contained in the White Paper *Strong Local Leadership – Quality Public Services* published in December 2001, and the Local Government Act 2003 set out the legislative framework for BIDs. English BID regulations came into force in September 2004, allowing the charging of a mandatory levy for a BID.

Current UK legislation allows a mandatory levy on occupiers only, but property owner contributions are currently non-enforceable. This differs from the US BID model which is based on mandatory contributions from local property owners. Property owner contribution to urban management and strong engagement in a BID are seen as important, not least because property owners will feel the benefits of a successful BID (i.e. increased land and property values, higher rents, fewer voids) more sharply than occupiers (CLP, 2003). There has been extensive lobbying by key representative organisations on the issue of property owner involvement and the Government have committed to a initiating a formal review of the legislation in relation to the role of property owners after two years.

3.3 BID ACTIVITY IN THE UK

BID development work was underway prior to the English BID regulations coming into force. This includes a London Development Agency (SRB) funded BIDs pilot programme, and a national pilot programme run by the Association of Town Centre Management (ATCM).

The SRB funded LDA pilot know as the Circle Initiative started in 2001. The pilot companies operating within this are Better Bankside; Circle Waterloo; Holborn Business Partnership; Paddington Circle; and Piccadilly Circus Partnership. The LDA have also assisted BID development activities in Kingston.

The ATCM pilot programme was launched in 2003. It is intended to guide locations through a structured process to set up a BID and to obtain the practical experience in order to run a BID. Through this it is intended to validate ODPM

guidance and create a practical model for further locations wishing to establish a BID. The pilot programme includes 22 locations throughout the UK.

To date, BID ballots have taken place in 14 locations in the UK, most of which are in London. Ten have resulted in a 'yes' vote, and four a 'no' vote. Details of each are shown in [Appendix 1](#).

4. CRITERIA FOR ASSESSING THE FEASIBILITY OF A BID

4.1 INTRODUCTION

This section outlines the criteria which Tribal SDP has used to analyse the feasibility of creating a BID in Stratford and is based on guidelines produced by the Circle Initiative.

4.2 IS THERE A NEED?

The first step in examining the feasibility of creating a BID is to consider if there is a demonstrable need. A number of factors could provide a reasoned justification for the creation of a BID in Stratford. These include:

4.2.1 Stratford's Existing Function

- The local need

Stratford is the largest town centre in the London Borough of Newham, with approximately 51,000 sq metres of gross retail and service floorspace. However, despite Stratford's significance in the Borough's retail hierarchy, the existing town centre performs largely the function of a district shopping centre. As such, Stratford town centre has a relatively small catchment area, serving primarily local shopping needs.

In addition, Stratford also has a primarily convenience shopping role, offering a limited amount of mid-market comparison shopping. As such, according to Hillier Parker's retail study, it is estimated that approximately 84% of available comparison goods expenditure takes place elsewhere (Hiller Parker, 2002).

Furthermore, despite high levels of pedestrian footfall in the town centre, currently averaging circa 300,000 people per day through the Shopping Centre (Land Securities), spend per head remains relatively low.

Indeed 10% of local businesses cite that the range and quality of Stratford Town Centre's retail offer is a weakness, which is a higher proportion to those who considered the range and quality to be a strength (Tribal SDP BID Business Survey)

However, sales in Stratford Town Centre appear to be relatively stable. Nearly twice as many businesses report a sales increase (33.3%) in the previous 12 months, as reported a sales decrease (20.8%), with a quarter indicating no significant difference. Indeed some retailers report year on year sales increases, of which a small proportion of multiples are actually outperforming other branches in the region. Among retailers, good customer services, quality products, and

targeting of the local customer profile were cited as the primary reasons for increases in sales. Retailers who said that they were experiencing a decline in sales frequently cited national retail trends. (Tribal SDP BID Business Survey)

Another factor which can be used to ascertain the 'health' of the town centre, is occupancy levels. Based on the recent update of the town centre business database, occupancy levels in the town centre are high with very few vacant units, and the turnover of businesses appears relatively low.

As such a BID in Stratford could help to attract visitors from a wider catchment area and could potentially help to obtain greater spend per visitor.

- National BIDs

The analysis of other national BIDS shows that similar issues have been identified by other promoters. For example, attracting visitors in the face of increasing competition from other centres has been cited as a major issue in the business plans of successful BIDS such as Coventry and the New West End Company.

The problem of low spend per head has also been identified as a problem through another successful BID by the Heart of London.

4.2.2 Potential Redevelopment Of Stratford Shopping Centre

- The local need

In 2004 Land Securities submitted an Outline Planning Application for the redevelopment of both the existing Stratford Shopping Centre and surrounding sites.

The importance of the potential redevelopment of the shopping centre has been clearly identified by local businesses. 50% of businesses surveyed have stated that the redevelopment of Stratford Shopping Centre is within their top three priorities for improving the town centre. The significance of the centre redevelopment plans is higher for shopping centre tenants, than those which are located elsewhere in the town centre (53% and 45% respectively).

If and when planning permission is secured and Land Securities decide to implement the scheme, this will affect a very large and significant area at the heart of the town centre. Although attempts would obviously be made to minimise any adverse affects, it is likely that the redevelopment will have a short-term affect on shopping patterns, whereby current shoppers may use other centres.

A BID in Stratford could, for example, help to retain footfall by offering attractions for visitors whilst redevelopment takes place, thereby helping to minimise any

adverse affect on trade while redevelopment is taking place. Additional marketing and promotional activities could also help encourage new and existing customers back to Stratford once the shopping centre is redeveloped.

4.2.3 Stratford City

- The local need

The Stratford City development will have a major impact on the existing town centre in the medium to longer term, transforming Stratford into a new Metropolitan Centre for London. The Outline Planning Permission includes 150m square feet of retail and leisure floorspace, which will be part of the developments first phase, which is estimated to be completed in 2009/2010. It is envisaged that the majority of the new retail provision will be for comparison goods shopping and that this will be distinct from the retail offer currently provided in the existing town centre. The developers do however forecast that there will be a 6 - 7% reduction in turnover in the existing Stratford town centre (as outlined in the 2002 Retail Impact Assessment, conducted by Hillier Parker).

Whilst it is extremely encouraging that none of the businesses surveyed had any plans to leave Stratford, what is more concerning is that one quarter of them indicated that they either have plans, or at least a desire to, relocate within Stratford in future. In particular, some stated that they would strongly consider moving to Stratford City.

A BID, accompanied by other investment, could help to retain businesses within the existing town centre. Indeed the 2003 Stratford Town Centre Integration Study, undertaken by Urban Initiatives, and commissioned jointly by Newham Council, Land Securities and Chelsfield/Stanhope, highlights that:

“It is in the interests of all of the Development Partners,...the London Borough of Newham, Land Securities, other Town Centre Landowners and the community to ensure that the existing Town Centre will continue to have a viable role as an integral part of the metropolitan centre.”

The need for a clear vision for the existing town centre, is backed up by over one quarter of businesses (28%) stating that the need to produce a Town Centre Strategy was one of their top three priorities.

- National BIDs

The need to mitigate the potential adverse effects of new retail development in close proximity to existing town centre areas has been a feature of a number of BIDs, including Coventry, Paddington and Liverpool. For example in Liverpool a major new development is proposed to be built on an adjacent site to the

proposed BID area and the fear is that this may deter people from the main City centre, especially with migration of existing tenants like John Lewis.

4.2.4 Service Delivery Issues

- The local need

Statutory services, such as cleansing, public safety and transportation can have a major affect on the vitality and viability of town centres. The recent Neighbourhood Renewal Action Plan for Stratford, produced in 2003, clearly showed that the two highest priorities for people living in the area are to address the poor quality of the environment and to reduce crime and the fear of crime. As BIDs typically address 'clean and safe' issues, a Stratford BID could help achieve local and borough objectives.

Whilst cleanliness of the town centre is clearly a priority for local residents, it does not appear to be so much of a priority for local businesses. The business survey showed that more businesses felt that cleanliness of the town centre environment is very good or good (40%) than felt it was poor or very poor (24%). However this should be treated with caution because of the timing of the survey which took place in the weeks immediately following the Olympic Committee visit prior to which there was substantial and intensive allocation of resources to improve the public realm.

The survey suggested that cleaning issues are more problematic in particular locations within the town centre. Some respondents for example stated that whilst the roads and pavements are generally clean, the cleanliness of alleyways and the backs of stores is poor, whilst another stated that the Cultural Quarter often seemed to be 'shabby and lacklustre'.

In relation to safety there was roughly an equal split between businesses who feel that levels of safety in the town centre were very good or good (30%) and those who feel that it is poor or very poor (26%). The most frequently stated response was 'satisfactory'. However safety is a particular concern for businesses that operate outside normal office hours and which are open late, such as pubs and restaurants.

Importantly there is a clear difference of opinion with regard to safety for businesses that are located within the Shopping Centre compared to those who are located outside. 40% of businesses located in the shopping centre believed that safety was either good or very good, compared to only 26% of those businesses who are located in other parts of the town centre. Similarly 20% of the Shopping Centre tenants felt that safety was poor or very poor compared to 29% of businesses located outside. Of particular concern to many retailers, both inside and outside of the shopping centre, was the level of shoplifting crime.

The BID lead in process would include the establishment of a baseline determining the level of services provided by public bodies within the BID area. The key purpose of baselining service provision is to demonstrate and ensure that BID proposals add value. However, it can also help to highlight service delivery problems and help identify whether these problems can be solved through public bodies working differently within existing resources (e.g. tougher enforcement, changing schedules) or whether problems are related to a shortage of resources (National BIDs Advisory Service, 2005).

- National BIDs

Service delivery issues have been cited as one of the central reasons for establishing a BID by many of the BID promoters to date, including: Kingston First, Better Bankside, Plymouth, New West End Company, Holborn, Paddington, Liverpool and Altham. Perhaps the biggest issue has been providing additional services to provide a cleaner, greener and safer environment to the town centres.

4.3 BID PROMOTER AND PARTNERSHIP ARRANGEMENTS

4.3.1 BID promoter

The next step, in considering the feasibility of a BID, is to ascertain who might act as the promoter? The promoter will need to be an inclusive partnership that has:

- representation from the private sector, the local authority, and other key stakeholders;
- clear terms of reference and eventual incorporation into a legal entity;
- a firm interest and commitment to a BID;
- a knowledge of what BIDs are and their likely impact; and
- a history which demonstrates its credibility and reputation.

To date, the majority of BID promoters have had well established partnerships, with a strong and credible history of delivery. Some of these partnerships include well established town centre management structures, such as Kingston Town Centre Management and Maidstone Town Centre Management, which have a good track record of private sector contribution and delivery.

Other BID promoters have had partnerships, which have been supported through the ATCM and LDA pilot programmes. Through the pilot programme, such partnerships were able to demonstrate their clear credibility and reputation, for example through public funded activities to promote how a BID could work.

Importantly all of the BID promoters to date, either already were, or had future plans to, incorporate themselves as a company limited by guarantee. In addition all of the BID promoters have also ensured that the makeup of their boards have

considerable business representation and leadership, which reflects the make up of the BID area.

Company guidance on the BID body states that this must be business led and managed, and independent from the local authority but with senior public sector representation. The Inter Bank Rating Forum (IBRF)² and Boots insist upon a minimum of 75% and 50% business stakeholder representation on the BID board respectively, with a private sector chairperson (IBRF, 2004; Boots, 2004). It is recognised that leadership needs to reflect BID priorities, while having sufficient status to sustain progress. Guidance also states that the BID body should be a not for profit limited company.

As such if a BID were to be progressed further in Stratford, stakeholders would need to be clear about who the promoter might be. The BID promoter could for example be the Stratford Tomorrow's City SRB Partnership Board or the Stratford Town Centre Forum, who do have a clear history of delivery, or perhaps a sub group of either body or a hybrid of the two. However, whatever partnership mechanism that might be chosen, what is clear is that the make up of the BID partnership would have to include strong and representative private sector membership, which could for example include landowners like Land Securities, Chelsfield and Stanhope, as well as a combination of larger businesses and independent retailers and it would also have to incorporate itself, at some stage, into a not for profit company limited by guarantee.

4.3.2 Role of the Local Authority

It is clear that BIDs are private sector led and independent of the local authority. However, while Boots and IBRF guidance insists on significant business stakeholder representation and leadership on BID boards, it also states that support of the Local Authority to a BID is fundamental and that confirmation of this would be sought when judging BID proposals.

Political backing for a BID from the local authority (and local MP), as well as business support, is vital. Its importance is shown by the experience in one of the pilot BID areas where the BID start up process was halted due to lack of political backing. In another example, the Woolwich BID pilot has ensured political input from an early stage through the presence of the Deputy Leader of the Council on its steering group. In addition to BID supporter and stakeholder, local authorities can have several other roles to play in establishing a BID.

Local authorities can be involved as BID promoter. For instance, Kingston is the first local authority sponsored BID to be established, with Royal Borough of Kingston involvement through the Kingston Town Centre Management Company, and contributions towards lead in costs and contribution to the BID budget. The Woolwich pilot BID is also promoted by the local authority and has received

² IBRF comprises all major banks and building societies in the UK.

funding for the BID start up process from London Borough of Greenwich Economic Development Department.

As stated in 3.1, services provided by a BID are additional to that provided by local authorities and other statutory providers. A BID which appears to subsidise or duplicate statutory provision is very unlikely to receive support from businesses. For instance, the proposals for a BID in Runnymede to pay for school buses with the aim of reducing traffic congestion do not appear to add enough value to existing provision and perhaps this is one of the reasons why the scheme received a 'no' vote in March 2005. In order to demonstrate the added value of, and support for, a BID, it is essential that local authorities and other providers sign up to a baseline setting out the existing and ongoing level of service provision in the locality. As stated in 4.2.4, baselining can also be useful in highlighting service delivery problems and gaps. ATCM guidance states that it can take a long time to gather and agree relevant information and baselines, and recommends that dialogue with relevant officers begins early.

Local authorities also play a role in BID administration, as it is responsible for holding the BID ballot, and collecting of the BID levy in a similar way to business rates. The costs associated with these tasks can be met by the local authority or can be met from the BID budget if a 'yes' vote is achieved. As an occupier in Stratford, London Borough of Newham is also a potential mandatory BID levy payer, and as a significant town centre property owner, is also a potential voluntary contributor to a BID.

4.4 BID INCOME

4.4.1 Sustainable funding for town centre activities

Over the last fifteen years a succession of regeneration programmes have invested considerable public sector funds for town centre activities in Stratford, which are additional to those delivered by statutory bodies. With the recent end of the Stratford: Tomorrow's City SRB programme, this now potentially leaves Stratford with a lack of public sector funding for additional town centre activities and improvements. A Stratford BID would provide a funding stream for such improvements which, while unlikely to be of a similar level to City Challenge and SRB, is potentially sustainable in the long term if business consent is secured.

However a Stratford BID would require something of a 'cultural change' from a history of public sector investment to a funding stream derived mainly from private sector interests in the area. Although the promoter of a potential BID in Woolwich, which has also seen significant improvements through government grant funding in recent years, did not see this as a barrier to engaging businesses, it is still an important factor that needs to be considered.

Indeed the majority of other town centre management schemes throughout the Country have had a long and successful history of securing private sector investment to fund activities. However because to date this has been voluntary, it has consequently meant that it is 'inequitable' i.e. while some businesses contribute funding for town centre activities, others do not contribute but 'freeload', and may still receive the benefits. A BID provides a more sustainable and equitable system where all beneficiaries will contribute.

4.4.2 The BID Levy

As stated above, a BID is financed by non domestic ratepayers within a designated area through an additional levy based on the rateable value of the property they occupy.

There are many options for how a BID levy might be calculated, and this will very much depend on the specific circumstances within a local area. However, the legislation, allows for some flexibility which could involve some or all of the following:

- The levy may be based on a straight percentage of the rateable value certain types of use could be excluded entirely from the levy, e.g. creating a retail only BID
- a variable levy could be applied that gave discounts to certain types or areas of property e.g. upper floors, or shopping centre tenants with an existing service charge, may pay a reduced levy
- properties under a certain rateable value could be exempt e.g. small businesses where the administrative cost may be higher than the potential income

4.4.3 BID Levy Charges

Of the 13 bids that have gone to vote so far the proposed levy charges range from 0.9% to 2% (see [Appendix 1](#)). Of those nine areas which have gone to vote and who have obtained a 'yes' vote, one will charge a levy of 0.9%, five will charge a levy of 1%, one will charge a levy of 1.5/2% and two will charge a levy of 2%.

The consensus from company guidance is that a BID levy should be no more than 1% of rateable value. Boots, IBRF, and a number of other multiples state that only in exceptional cases will they support a higher levy and this would need to be justified. The BRC appear to give little room for negotiation, stating 'any levy in excess of 1% of rateable value will be extremely unlikely to deliver comparable benefits and is therefore unjustified' (BRC, 2004).

- Hereditament Exemptions

Each BID, developed to date, has also given careful consideration to the rateable value of the hereditaments (rateable properties) and made exemptions to ratepayers with relatively low rateable values. This is based on the fact that the BID ballot must secure a vote that receives 51% or more in favour by rateable value. As such it is key that in order to secure a yes vote the promoter ensures that high value ratepayers, as well as an overall majority of ratepayers, are supportive. Exemptions of low rateable values also reduces the risk that the establishment of a BID may be 'scuppered' by small businesses voting 'no', from whom there would be only slight financial contributions anyway. For instance, exemptions made by the promoter of the Woolwich BID (which has yet to go to vote) to some extent reflects the lack of popularity for the concept among independent businesses.

The value below which exemptions are made varies between areas according to land values. For instance, Heart of London and New West End Company BIDs, omit hereditaments with relatively high rateable values compared with other areas (£60,000 and £250,000 or less respectively), reflecting the high land values in Central London. Other successful BIDS have typically omitted hereditaments with much lower rateable values, including Better Bankside (less than £10,000), Paddington (less than £5,000) and Coventry (less than £3,000).

Exemptions can also be made on the type of hereditament. BIDs typically exclude business premises such as advertising hoardings, car parks, and communications stations (Better Bankside, 2004).

In some cases, where BID objectives are limited to particular types of business e.g. retailers, so therefore other types of business such as office users, are exempted.

- Discounted levies

Two of the BIDs that have gone to vote to date, have shopping centres located within the proposed BID area. These shopping centre tenants already pay a service charge for services such as security, similar to Stratford Shopping Centre. A discounted levy for shopping centre occupiers is therefore an appropriate way of taking this into account. For instance, the Coventry BID gives a discount of 33% to reflect services already provided within the service charge. In contrast, in Liverpool it was proposed that tenants in managed shopping centres were provided with a 25% rebate on the bid levy, which was then 'made up' by a voluntary contribution from the shopping centre owners. Both IBRF and Boots criteria for BIDs support stipulate that a reduced levy is expected where a branch is located within a shopping centre (IBRF, 2004; Boots, 2004).

4.4.4 Voluntary Contributions

The BID legislation also allows for voluntary contributions to be made from a billing authority, property owners and from other organisations. Guidance recommends that property owners are part of the BID process from the earliest stages, to encourage their investment in the scheme, and because occupiers are likely to respond more positively to a BID that is broadly welcomed by property owners (ODPM, 2004). For instance, IBRF and Boots guidance both state that BIDs should show evidence of significant effort to involve/gain the commitment of major property owners (IBRF, 2004; Boots, 2004).

The contribution of the voluntary and core funding plays an important part in many of the BIDs funding packages. For example in Coventry voluntary contributions make up 64% of funding in the first year, Plymouth (60%), New West End Company (43%), the Heart of London (40%), Paddington (20%), Holborn (18%) and Kingston First (12%).

4.4.5 Attitudes of multiple retailers and trade associations

As part of this study the head offices of twelve town centre multiple retailers were contacted in order to ascertain their views and policies on BIDs, including their criteria for support (see [Appendix 3](#) for full summary). This is in addition to criteria published by Boots and IBRF mentioned above.

In principle support was expressed by multiples and the British Retail Consortium (BRC) for BIDs. Conditions for support were expressed in each case, the principle one being that a BID must offer tangible benefits, with the BRC stating that 'investment in a BID must provide an immediate positive impact on the profitability of that location, providing a clear business rationale for the proposed costs' (BRC, 2004). This reflects the findings of the Stratford business survey in which respondents frequently stated that they would need to be convinced of tangible benefits to their business from contributing to additional or improved services. Other conditions include a levy no more than 1% of rateable value, and significant contributions from property owners. One retailer also stated that they would not support a BID with a high proportion of administration and promotion costs.

While multiples expressed in principle support for BIDs, some appear more supportive than others. For instance, Barclays indicated that they had voted yes in all BID ballots to date, while Halifax had given a yes vote in all but one. However, while Dixon's Group was supportive of town centre improvements in principle, they expressed reluctance to take on further costs, citing market share losses and business rate increases of 12-14% in the last year.

Both Dixons and Greggs questioned the applicability of the profitability case for BIDs to multiple retailers. The key concern in both cases was that an increase in

the popularity of one town centre is likely to have an adverse effect on sales in neighbouring town centres, meaning one branch's gain can mean another's loss. Greggs was particularly concerned at the potential loss of trade to branches in secondary shopping areas (e.g. Forest Gate), some of which are among the most profitable in the group. They have therefore taken a neutral stance in recent ballots (i.e. not voted)

As might be expected, multiples are currently keeping a watching brief on the early outcomes of the BIDs that have been recently established, particularly as BIDs could potentially add a significant amount to company expenditure if they become more widespread. The Woolwich BID promoter has also adopted a 'wait and see' approach, and has delayed further BID development work until early outcomes of established BID schemes are known, and concerns among large retail chains have been allayed.

4.5 GEOGRAPHICAL MODELLING & POTENTIAL BID INCOME IN STRATFORD

4.5.1 BID Levy

Tribal SDP have obtained data concerning all non domestic rateable values within Stratford Town Centre. Using the 2005 rateable values we have considered what potential income could be derived from various BID levys, within different geographical areas of the town centre.

In calculating the potential revenue we have made excluded a number of hereditaments, which are fully explained below.

- MODEL 1: Island Site for retail, office and leisure uses

This model is based on the core island site, which has been defined as: the Stratford Shopping Centre, the Broadway (properties of even numbers from numbers 2-106), the Grove (properties of even numbers from numbers 108-142), Salway Place, and Salway Road.

The model includes all types of businesses in the area, including shops, cafes, leisure venues and offices.

Table 1 below shows the potential income that could be derived from this site and these uses.

Table 1: Island Site: Potential revenue received from various levy charges	
Total rateable value	£9,187,050
1% levy	£91,870.50
1.25% levy	£114,838.13
1.5% levy	£137,805.75
2% levy	£183,741.00
Omissions	
1. All hereditaments with a rateable value of less than £3,000	
2. Telecommunications Cable Network with Rateable Value of £977,000	
3. Advertising hoardings	
4. Public convenience	

- MODEL 2: Gyrotary Site for retail, office and leisure uses

This model is based on an enlarged town centre site, which has been defined as: the Stratford Shopping Centre, Salway Place, and Salway Road, the Broadway (properties of both even and odd numbers from numbers 1-106), the Grove (properties of both odd and even numbers from numbers 108-142) and Great Eastern Road.

The model includes all types of businesses in the area, including shops, cafes, leisure venues and offices.

Table 2 below shows the potential income that could be derived from this site and these uses.

Table 2: Gyrotary Site: Potential revenue received from various levy charges	
Total rateable value	£11,465,850
1% levy	£114,659
1.25% levy	£143,323
1.5% levy	£ 171,988
2% levy	£229,317
Omissions	
1. All hereditaments with a rateable value of less than £3,000	
2. Telecommunications Cable Network with Rateable Value of £977,000	
3. Advertising hoardings	
4. Public convenience	

- MODEL 3: Enlarged Site for retail, office and leisure uses

This model is based on the core island site, which has been defined as: the Stratford Shopping Centre, Salway Place, and Salway Road, the Broadway (properties of both even and odd numbers from 1-106), the Grove (properties of both odd and even numbers from 108-200), Great Eastern Road, Romford Road, (properties of both even and odd numbers from 1-30) and the High Street (properties of both even and odd numbers from 373-475)

The model includes all types of businesses in the area, including shops, cafes, leisure venues and offices.

Table 3 below shows the potential income that could be derived from this site and these uses.

Table 3: Enlarged Site: Potential revenue received from various levy charges	
Total rateable value	£17,417,350
1% levy	£174,174
1.25% levy	£217,717
1.5% levy	£261,260
2% levy	£348,347
Omissions	
1. All hereditaments with a rateable value of less than £3,000	
2. Telecommunications Cable Network with Rateable Value of £977,000	
3. Advertising hoardings	
4. Public convenience	

- MODEL 4: Island Site for retail and leisure uses

This model is based on the core island site, which has been defined as: the Stratford Shopping Centre, the Broadway (properties of even numbers from numbers 2-106), the Grove (properties of even numbers from numbers 108-142), Salway Place, and Salway Road.

The model includes all types of businesses in the area, including shops, cafes, leisure venues, however it excludes offices.

Table 4 below shows the potential income that could be derived from this site and these uses.

Table 4: Island Site: Potential revenue received from various levy charges	
Total rateable value	£7,435,150
1% levy	£74,351.50
1.25% levy	£92,939.38
1.5% levy	£111,527.25
2% levy	£148,703.00
Omissions	
1. All hereditaments with a rateable value of less than £3,000	
2. Telecommunications Cable Network with Rateable Value of £977,000	
3. Advertising hoardings	
4. Public convenience	
5. Office uses	

- MODEL 5: Gyrary Site for retail and leisure uses

This model is based on an enlarged town centre site, which has been defined as: the Stratford Shopping Centre, Salway Place, and Salway Road, the Broadway (properties of both even and odd numbers from numbers 1-106), the Grove (properties of both odd and even numbers from numbers 108-142) and Great Eastern Road.

The model includes all types of businesses in the area, including shops, cafes, leisure venues, however it excludes offices.

Table 5 below shows the potential income that could be derived from this site and these uses.

Table 5: Gyrary Site: Potential revenue received from various levy charges	
Total rateable value	£8,934,500
1% levy	£89,345
1.25% levy	£111,681
1.5% levy	£134,018
2% levy	£178,690
Omissions	
1. All hereditaments with a rateable value of less than £3,000	
2. Telecommunications Cable Network with Rateable Value of £977,000	
3. Advertising hoardings	
4. Public convenience	
5. Office uses	

- MODEL 6: Enlarged Site for retail and leisure uses

This model is based on the core island site, which has been defined as: the Stratford Shopping Centre, Salway Place, and Salway Road, the Broadway (properties of both even and odd numbers from 1-106), the Grove (properties of both odd and even numbers from 108-200), Great Eastern Road, Romford Road, (properties of both even and odd numbers from 1-30) and the High Street (properties of both even and odd numbers from 373-475)

The model includes all types of businesses in the area, including shops, cafes, leisure venues, however it excludes offices.

Table 6 below shows the potential income that could be derived from this site and these uses.

Table 6: Enlarged Site: Potential revenue received from various levy charges	
Total rateable value	£11,825,000
1% levy	£118,250
1.25% levy	£147,813
1.5% levy	£177,375
2% levy	£236,500
Omissions	
1. All hereditaments with a rateable value of less than £3,000	
2. Telecommunications Cable Network with Rateable Value of £977,000	
3. Advertising hoardings	
4. Public convenience	
5. Office uses	

4.5.2 Discounted Levy Charges

Please note that the above does not take account of either a potential reduced levy charge for shopping centre tenants, nor for those who receive charitable relief on their business rates.

If a BID was to be considered for Stratford the promoter would need to consider how each of these would be dealt with. One potential way would be, as highlighted above, for tenants of the Shopping Centre to be offered a 25% rebate on the bid levy, which was then 'made up' by a voluntary contribution from the shopping centre owners, Land Securities.

Similarly if the promoter were to offer relief to charitable organizations, this would reduce the amount of revenue that could be obtained.

4.5.3 Voluntary Contributions

In addition to core project costs, a BID requires funding to cover staff, administrative and management costs. Based on the calculations in 4.5.1, if these costs were to be taken from the revenue from the BID levy alone, this would take a considerable proportion of funding away from core activities. As such the promoter would need to consider if these costs could be met by other means, either in cash or in kind. For example voluntary contributions could be made from:

- land owners such as Land Securities, Unex and East Thames;
- the London Borough of Newham;
- other local organizations such as the Local Strategic Partnership or the proposed Stratford Renaissance Partnership.

It should be noted that Chelsfield and Stanhope in their outline planning application have suggested the creation of a BID for Stratford City. In addition Land Securities have provided voluntary contributions to a number of BIDs and, have in the past, given in principle support to a BID in Stratford, dependent on the business case that is made. However levels of potential financial contributions have not been discussed and would be subject to their Board approval.

Without voluntary contributions a BID in Stratford would probably not be feasible. In any case, as stated in 4.4.5, significant voluntary contributions are a key criteria for BID support from multiples.

4.5.4 Business Attitudes towards BIDs

There is low awareness of the BID concept among businesses in Stratford, with only 18% of businesses having heard of a BID. Encouragingly though, 48% of businesses said that either yes they would, or possibly would, be prepared to pay for additional or improved services, with only 18% saying no. It is clear that the attitude of head offices is crucial to the success of a BID, with 50% of respondents stating that the decision would be made by Head Office. When analysing these results it should be borne in mind that this was a sample survey of approximately 20% of town centre businesses, and that those taking part were more likely than others to have an interest in town centre improvements.

For those businesses that said possibly or could not say, this may reflect the relatively vague nature of the question, and the fact that for the majority of respondents the final decision would rest with their head office and not themselves. Respondents frequently said that they would need to be convinced of tangible benefits to their business from contributing to additional or improved services. Indeed 50% of those questioned said that the decision would be up to Head Office, 48% said the decision would lie with them and 2% did not know.

Tribal SDPs research shows an encouraging interest from businesses in town centre issues. For example businesses consider that they are either very well informed or quite informed of the Stratford City and Olympic developments (72 and 70% respectively). In addition over half of businesses had either attended or had heard of the Stratford Town Centre Forum and 73% said that they would be interested in attending.

4.6 BUSINESS PRIORITIES

To date the majority of BIDs have concentrated on four main themes, which include activities to: improve the environment, safety and security, marketing and promotion and transport and access.

The business survey asked local businesses what they considered to be their top three priorities, for improving Stratford, in the next 3 to 5 years. As can be seen, from table 7, the top priorities were:

- 1st Priority This is shared between both More car parking/loading provision and redevelopment of the Stratford Shopping Centre.
- 2nd Priority More marketing and promotional events
- 3rd Priority Initiatives to improve safety
- 4th Priority This is shared between the production of a town centre strategy and improved retail offer.

Priority	Number	%
Production of a town centre strategy	14	28%
Improvements in cleansing service	7	14%
Investment in improved paving	0	0%
Investment in improved pedestrian lighting	4	8%
Improvement to public transport	1	2%
More car parking / loading provision	25	50%
More marketing and promotional events	18	36%
Initiatives to improve safety	16	32%
Redevelopment of Stratford shopping centre	25	50%
The provision of larger retail units	6	12%
Improved retail offer	14	28%
Improved service industries	11	22%
Priority not stated	8	16%
Other	1	2%
Total	150	300%

4.7 BID DEVELOPMENT

BID start up is a lengthy and labour intensive process. Typically this involves one or more dedicated posts to develop the BID with key stakeholders. For instance, Woolwich has periodically employed a consultant to carry out BID development work on a full-time basis, with costs met by London Borough of Greenwich. Kingston BID had a well resourced lead in period, employing a full-time project coordinator from January 2002 to March 2005, with additional costs for external marketing support, design, printed material and media launch. The process of preparing for the Kingston BID has cost £193,000, with Kingston Town Centre Management providing £20,000 for direct project costs and £120,000 for indirect internal costs; £40,000 direct grant from Royal Borough of Kingston; and £135,000 direct grant from London Development Agency (Regeneration and Renewal, 2005).

The London Development Agency does not currently have a grant pot for BID start up costs. However, the LDA does have a programme which provides consultancy support to emerging BIDs.

4.8 LESSONS LEARNT FROM FAILED BIDS

Valuable lessons can be learnt from those pilot BIDs that have gone to vote and have not secured a yes vote.

The rules of a BID require more than 50% of those voting have to be in favour and they have to represent 50% of the rateable value. However in the case of Liverpool, they secured 51% of businesses voting in favour but narrowly missed out on a positive vote by rateable value.

Similarly Maidstone secured a 60% positive vote by rateable value, but missed out by only 1% of the business vote. The negative vote for Maidstone was surprising for prior to the vote, surveys showed a 61% level of support for a BID and surveying done during the ballot period put support at 70%. Initial analysis of the BID vote, by the promoter, shows that part of the reason for the disparity between indicated support and actual voter turnout is that many supporters simply did not vote.

Similarly in Altham pre consultation discussions indicated that 72% of businesses said that they were supportive of the BID proposal. In addition 25 of the businesses said that they would be voting and that they would be voting yes, however only 20 businesses actually voted 'yes' in the BID ballot. As such the BID promoter, Groundwork, has highlighted that although it appeared that the person they were speaking to was very enthusiastic, ultimately they were not the decision maker – it was down to board or a group basis.

As such this highlights the considerable effort that promoters have to make to engage with as many businesses as possible on a one to one basis and the importance of talking to the decision maker.

Altham also highlighted that timing was a a major factor in the failure of their BID for a number of reasons. This was because some businesses wanted a 'quick solution' to their crime problems and 'lost patience' with the 18 month process and so implemented their own solutions. The BID vote also coincided with a rates rent review and as such some businesses were upset about the additional cost this would bring. Other businesses were also discovered to not be paying business rates at all and as such they were not supportive of the BID.

Altham's Bid was also promoted by Groundwork and the local authority and the promoter believes that they did not make enough use of business champions to sell the concept.

Our analysis of the BID Business Plans also suggests one other possible reason for failure to date. Runneymede's BID proposal was centred on providing continued funding for a dedicated bus service to local schools and colleges in order to ease traffic congestion because the current funding appeared to be uncertain.

As such we believe that businesses voted against the proposal, for the BID proposal seemed to be 'propping up' statutory service provision and providing little added value to the business community.

5. KEY FINDINGS AND CONCLUSIONS

5.1 KEY FINDINGS

- The purpose of this study is to examine the initial feasibility of establishing a Business Improvement District (BID) in Stratford. The study also informs potential BID development work by examining good practice and identifying key issues for consideration.
- A Business Improvement District (BID) is a partnership arrangement through which local authorities and the local business community can take forward schemes to benefit the local trading environment, subject to the agreement of ratepayers.
- A BID should only be considered if there is a clear and demonstrable need. This need could for example be caused by a fall in sales, reduced pedestrian footfall and poor service provision.
- To date, a number of BIDs have been developed to respond to the potential threats and opportunities of neighbouring development, such as those in Bankside, Paddington and Liverpool. However such BIDs are all concentrated in generally stable town centres and none compare in scale to the significant development proposals that will affect Stratford, particularly the potential redevelopment of a significant core of the town centre.
- The redevelopment of Stratford Shopping Centre and the production of a town centre strategy have been highlighted by local businesses as two of their top priorities for improving Stratford Town Centre (50% and 28% respectively).
- One quarter of businesses have either plans to, or a desire to, relocate in Stratford, some of whom have clearly indicated that this would be to the new Stratford City development.
- Issues such as improved parking, more marketing and promotional events, improved retail offer and initiatives to enhance safety, are also major issues which Stratford businesses have prioritised, and which could provide further justification for a Stratford BID.
- To date the majority of BIDs have concentrated on four main themes, which include activities to: improve the environment, safety and security, marketing and promotion and transport and access.

- A 1% levy is the most common rate proposed for all BIDs and appears to be the most acceptable to high street multiples.
- Based on a 1% levy on rateable values for all of the main town centre occupiers, it is estimated that the annual revenue that could be raised from a BID is in the region of £174,000. The geographical area on which this is based includes: the High Street (from the Rex), the Broadway, Great Eastern Road, Salway Road, Salway Place, Stratford Shopping Centre, Great Eastern Road, Station Road, the Grove and a small area of Romford Road. This potential levy income is significantly less than all of the revenue forecasts by other BIDs, which have gone to vote, to date, except one.
- Voluntary contributions from land owners, the local authority and other sources, provide a significant amount of both actual cash and in kind support to the annual budgets of BIDs elsewhere in England. For example voluntary contributions make up 64% of funding in Coventry, 60% in Plymouth and 43% in West End Company.
- A BID will require staff and management costs to be included in its development and implementation. If these staff and management costs are to be paid through purely a BID levy, this would make a BID in Stratford unfeasible. As such there would have to be a commitment from voluntary contributions to fund staff and management costs.
- Local businesses appear to be very interested in issues which affect Stratford town centre. For example businesses consider that they are either very well informed or quite informed of the Stratford City and Olympic developments (72 and 70% respectively). In addition over half of businesses had either attended or had heard of the Stratford Town Centre Forum and 73% said that they would be interested in attending.
- Although only 18% of Stratford businesses had heard of the concept of a BID, encouragingly 48% of businesses said that either they would, or possibly would, be prepared to pay for additional or improved services, with only 18% saying no.
- It is clear that the attitude of multiple retailers' head offices is crucial to the success of a BID, with 50% of respondents stating that the decision would be made by Head Office.
- All of the national BID promoters have substantial private sector representation and leadership. This private sector representation ensures that they help to champion the concept of a BID and that the proposals both meet the needs of local businesses and provide added value to statutory provision. Local authority representation and support is also key.

5.2 CONCLUSION

Stratford is embarking on a new era of major change, which will help transform the area into a new Metropolitan Centre for London. Whilst proposals such as Stratford City and the redevelopment of the Shopping Centre, will inevitably create new opportunities and positive change, there is clear evidence that these developments are also causing both uncertainty and instability for existing businesses. A BID in Stratford could help to provide a partial solution to some of these issues, in the short to medium term, whilst redevelopment is taking place. A BID could also help to provide a way of beginning the process of integration between the existing and the new development.

However, potential income from a BID levy alone would probably be insufficient to address all of Stratford's needs. As such, a Stratford BID would require voluntary contributions from other sources, for example from land owners, the local authority, the Local Strategic Partnership or the proposed Stratford Renaissance Partnership. This is backed up by the attitude of multiple retailers who have state that they would not support a BID without voluntary contributions.

Whilst a BID will obviously help to achieve business objectives they can also play an important part in helping to deliver additional outcomes that complement local and regional strategies. For example the Mayor's London Plan and Economic Development Strategy support the use of BIDs where appropriate and recognise the contribution they can make in 'maximising private sector leverage and input'. A BID could also contribute to helping to achieve the Neighbourhood Renewal agenda in the Borough, at a neighbourhood level, by helping to improve service delivery. BIDs can therefore make an important contribution in delivering a 'wider local and regional agenda' which could also help to provide justification for voluntary contributions towards the BID.

Whilst all BID promoters will obviously want to obtain a 'yes' vote, even if this is unsuccessful, valuable lessons can still be learnt! What is important is the process of working up a BID. i.e. increased engagement with the private sector, better information about needs and service provision and increased partnership working.

Tribal SDP consider that it is essential that all relevant stakeholders develop and implement a clear and comprehensive strategic vision and strategy for Stratford Town Centre. This strategy could either be produced in parallel to a BID or alternatively it could be an important outcome of the process.

If the Partnership Board and other stakeholders want to develop a Stratford BID further the next steps should include: agreeing and forming a cross representative strong partnership, obtaining in principle agreement for voluntary contributions to cover staff and management costs and finally to develop a clear strategic vision for Stratford.

6. BIBLIOGRAPHY

Bedford BID (2005) *The Shape of Things to Come*,
<http://www.bedfordtowncentre.co.uk/pdfs/BedfordBID%20Business%20Proposal.pdf>, 29/04/05.

Better Bankside (2004) *What is a Business Improvement District?*,
<http://www.betterbankside.co.uk/newsite/bid/overview.htm>, 21/04/05.

Better Bankside (2005) *Vote for a Bankside that's streets ahead – A Proposal for a Business Improvement District*,
<http://www.betterbankside.co.uk/newsite/download/BID2004/streetsahead.pdf>, 29/04/05.

Central London Partnership (2003) *Business Improvement District legislation – getting it right*, <http://www.c-london.co.uk/output/Page116.asp>, 21/04/05.

City Central Liverpool (2005) *Liverpool City Central BID Business Plan*.

Future Stratford (2005) *Stratford Town Centre Integration Study*,
http://www.futurestratford.com/project_detail.php?projectID=20, 13/04/05.

Groundwork (2005) *Altham Business Improvement District Business Plan 2004/05 to 2007/08*.

Heart of London (2005) *Business Improvement District*.

Her Majesty's Stationery Office (2003) *Local Government Act 2003*,
<http://www.legislation.hmso.gov.uk/acts/acts2003/20030026.htm>, 31/03/05.

Holborn Business Partnership *4 Holborn Business Improvement District – Holborn Bid Proposal and Business Plan*
http://www.hbp.tv/pdf/proposal/HBP_BID_Proposal_&_Bus_Plan.pdf

Hillier Parker (2002) *Stratford Retail Study*, Commissioned by Chelsfield/Stanhope.

Inter Bank Rating Forum (2004) *IBRF criteria for BIDs support*,
<http://www.londonbids.info/Uploads/BID/IBRF%20BIDs%20Support%20Criteria.pdf>, 21/04/05.

Inter Bank Rating Forum (2004) *IBRF criteria for BIDs support*,
<http://www.londonbids.info/Uploads/BID/Boots%20BIDs%20Support%20Criteria%20150404.pdf>, 21/04/05.

Kingston First (2005) *Business Improvement District for Kingston upon Thames*,
<http://www.kingstonfirst.co.uk/downloads/Kingston1stBPlanfinal.pdf>, 29/04/05.

London Development Agency (2003) *Business Improvement Districts Fact Sheet*,
www.londonbids.info/Uploads/BID/BIDs%20fact%20sheet.pdf, 24/03/05.

Maidstone First (2005) *Business Improvement District for Maidstone*,
<http://www.greattovisitgreattoshop.com/0501bidbrochure.pdf>, 29/04/05.

National BIDs Advisory Service (2005) *Good Practice Guide*,
<http://www.ukbids.org/cat.asp?cat=421>, 13/04/05.

New West End Company (April 2005) *Business Improvement District Business Plan*
http://www.newwestend.com/nwec/site/bid/BID_Proposal_Dec04.pdf

Office of the Deputy Prime Minister (2001) *Strong Local Leadership – Quality Public Services*,
http://www.odpm.gov.uk/stellent/groups/odpm_localgov/documents/page/odpm_localgov_605682.hcsp

Office of the Deputy Prime Minister (2004) *Business Improvement Districts Guidance – a working draft*,
<http://www.renewal.net/Documents/RNET/Policy%20Guidance/Businessimprovementdistricts.pdf>, 29/04/05.

Paddington Waterside Partnership *Paddington All Change – Paddington Business Improvement District Proposal*
http://www.paddingtonwaterside.co.uk/thepartnership/all_change_proposal.htm

Plymouth City Centre Company *Plymouth Bid Brochure*
http://www.plymouth.gov.uk/p13455_plymouth_bid_.pdf

Regeneration and Renewal (2005) *The first business improvement district*,
Regeneration and Renewal 25/03/05 p.27.

The Runnymede Business Partnership Travel Initiative *Business Improvement District Proposal*
<http://www.runnymede.gov.uk/business/BIDS/BIDs%20business.pdf>

Valuation Office Agency (VOA) (2005), *Glossary of terms*,
http://open.voa.gov.uk/help/irl_e_glossary_help.htm, 24/03/05.

APPENDIX 1: ANALYSIS OF BIDS THAT HAVE GONE TO VOTE

Area	Reason	Promoter	Type	Year	1 st yr annual income	1 st yr annual expenditure	% positive by number	% positive by rateable	Result
Kingston First	<ul style="list-style-type: none"> Falling visitor numbers Services not meeting expectations 	Kingston Town Centre Management, established in 1996 and is a partnership between the Borough and the business community & is a company limited by guarantee.	Town Centre	5 yrs	1% levy Vol cont.** Total £838,550 *** from property owners & LA	Safety & Security £135,960 Environ. & infrast. £197,500 Marketing & prom. £132,800 Transport & Access £110,000 Manage. & admin* £227,940 Total £804,200 Annual reserve £34,350 * Includes staff costs of TCM, operations manager, security coord., marketing coord., and admin support as well as general admin overheads.	66 %	66%	Yes
Maidstone First	<ul style="list-style-type: none"> Increase visitor numbers Make visitors stay more enjoyable Make Maidstone a more attractive place to live and work 	Maidstone Town Centre Management. Est. 1992 & company limited by guarant. in 2000. To deliver the BID the current Board of Directors will be strengthened to represent all business sectors. The Board will include: Maidstone TCM (2), retail (4), leisure (2), independent retail (2), professional business, (3), local authority (2) and offices (1)	Town Centre	5 yrs	1% levy* Vol cont. Total £385,000 * based on all hereditaments with rateable value of £5,000 or above	Safety & Security £95,000 Environ. & infrast. £97,250 Marketing & prom. £100,000 Collection fee £15,000 Manage. & admin £57,500 Total £365,000 Annual reserve £20,000	49%	60%	No

Area	Reason	Promoter	Type	Year	1 st yr annual income	1 st yr annual expenditure	% positive by number	% positive by rateable	Result
Heart of London	<ul style="list-style-type: none"> Failure to meet visitor expectations Through traffic Low spend per person Unmanaged environment Failure to harness power of events 	<p>Piccadilly Circus Partnership.</p> <p>3 year track record as a pilot BID.</p> <p>Board includes representation from: property owners (5), Leisure (3), retail (2), office (1), Westminster City Council (1) and Heart of London Business Alliance (1).</p>	Town Centre	3 yrs 3 mnt	<p>1% levy* £550,000</p> <p>Core funders £217,169</p> <p>Vol cont. £141,702</p> <p>Total £909,725</p> <p>* based on all hereditaments with rateable value of £50,000 +</p> <p>Empty hereditaments receive 50% allowance</p> <p>Charities receive 80% allowance</p>	<p>HOL area services £543,300</p> <p>Marketing & prom. £97,000</p> <p>Projects £45,300</p> <p>Manage. & admin £223,258</p> <p>Total £908,858</p> <p>Profit/loss £867</p>	71 %	73%	Yes
Better Bankside	<ul style="list-style-type: none"> Making area greener Additional cleansing Bringing businesses together Investing in community Improving pedestrian routes Introducing wardens 	<p>Better Bankside</p> <p>4 year track record as a pilot BID.</p> <p>At first AGM members will elect a new board, with eh company's constitution ensuring that local business people make up the majority.</p>	Town Centre	5 yrs	<p>2% levy* £650,000</p> <p>Vol cont.** Not specified</p> <p>*based on all hereditaments with rateable value of £10,000 or above. Charities receive mandatory allowance</p> <p>** eg landowners and developer</p> <p>Total £650,000</p>	<p>Enhanced cleaning £110,000</p> <p>Safety £136,000</p> <p>Greening £39,000</p> <p>Area promotion £52,000</p> <p>Business Club £32,500</p> <p>Social/community £52,000</p> <p>Environmental impro. £117,000</p> <p>Core costs £110,500</p> <p>Total £650,000</p>	75%	66%	Yes

Area	Reason	Promoter	Type	Year	1 st yr annual income	1 st year expenditure	% positive by number	% positive by rateable	Result
Holborn	<ul style="list-style-type: none"> Quality of environ. services Antisocial behaviour Transport issues Indistinct brand identity / sense of place 	<p>Holborn Business Partnership.</p> <p>Established 1999 & company limited by guarantee in 2001.</p> <p>Funded by business subs and LDA.</p>	Town Centre	5 yrs	<p>1% levy £647,195 Vol cont.** £20,000 VAT collected/Rebate £130,550</p> <p>Total £797,745</p> <p>** from property owners & LA</p>	<p>Rangers £220,855 Public realm improve. £113,000 Safety & security £49,000 Marketing & prom. £112,528 Manage. & admin £109,936 Bid collection £30,000 VAT paid £31,063 VAT payable £30,512</p> <p>Total £696,894</p> <p>Cash inflow/exflow £100,851</p>	82%	77%	Yes
Coventry	<ul style="list-style-type: none"> Increasing competition from other centres like Birmingham Footfall numbers plateaued Effect of new dev. may be potentially negative i.e. disruption 	<p>CV One Ltd, a company limited by guarantee. Formed in 2002 by merger of City Centre Company & Coventry & Warwickshire Promotions. Long established partnership with a history of delivery.</p> <p>A board sub committee will be formed from reps. of the levied business sectors, who will form a majority on the sub-committee.</p>	Town Centre	5 yrs	<p>0.9% levy* Vol cont. £286,000 £57,000 Earned income** £263,000 Grant £180,000</p> <p>Total £786,000</p> <p>* exceptions include businesses in privately managed shopping centres who will have a 33% discount and Premises with rateable value of £3,000 or less.</p> <p>** Street trading/3rd Party Services</p>	<p>Radios £60,000 Marketing £240,000 Greening £90,000 Surveys £22,000 Extra cleaning £52,000 Clean Hit Squad £42,000 Evening ambassadors £93,000 Manage. & admin* £55,000</p> <p>Total £654,000</p> <p>* BID staff costs will be provided free of charge by CV One. The only main staff costs are related to the Evening Ambassadors.</p>	78%	75%	Yes

Area	Reason	Promoter	Type	Year	1 st yr annual income	1 st year expenditure	% positive by number	% positive by rateable	Result		
Runnemedede	<ul style="list-style-type: none"> To ease traffic congestion 	Runnemedede Business Partnership.	District wide	5 yrs	£7,500 per business* Fares & Section 106 <table border="0"> <tr> <td>£375,000</td> <td>£125,000</td> </tr> </table> Total £500,000 * Levied on 50 local businesses with hereditaments with a rateable value in excess of £350,000.	£375,000	£125,000	Bus service £500,000 Total £500,000	40%	47%	No
£375,000	£125,000										
Paddington	<ul style="list-style-type: none"> Area has suffered commercially over the past 5-10 years Poor environmental quality Opportunities from neighbouring regeneration scheme i.e. Paddington Waterside 	Paddington Waterside Partnership. BID company will contract with Paddington Waterside Partnership to deliver BID services on a day-to-day basis. BID company to have board of directors made up of 17 reps. from BID company's members. Places assigned by sector & numbers allotted by a combination of % levy contrib. & total numbers.	Town Centre	4 yrs	1.5 & 2% bid levy* Vol cont. <table border="0"> <tr> <td>£324,918</td> <td>£80,000</td> </tr> </table> * levy will be raised on all businesses with a rateable value of £5,000 and above, at a rate of 1.5% for hotels and 2% for all other businesses. Total £404,918	£324,918	£80,000	Clean & attractive Safe & Secure Marketed & involved Staffing* Bid Running Costs Contingency Total £334,000 Annual reserve £70,918 * Includes staff costs of BID Director, BID Operations Manager and part time Marketing Controller and Company Secretary.	87%	88%	Yes
£324,918	£80,000										

Area	Reason	Promoter	Type	Year	1 st yr annual income	1 st year expenditure	% positive by number	% positive by rateable	Result
Liverpool	<ul style="list-style-type: none"> Major new dev. To be built adjacent to proposed BID area. May deter people from the main City centre, especially with migration of existing tenants like John Lewis. Potential lower standards of operational management in BID area compared to new dev. 	<p>Liverpool Bid Company incorporated in 2004 as a not for profit company limited by guarantee.</p> <p>Existing board to be strengthened to 27 members. 14 elected: retail multiples (6), retail independents (3), leisure (3) and office (2). Permanent stakeholders: property owners (6), Liverpool City Council officer (2), Liverpool City Council member (10), Liverpool Vision (110), Chamber of Commerce (1), Police (1), Merseytravel (1).</p>	Town Centre	3 yrs	<p>Cash: £564,000 1.2% bid levy* £30,000 Commercial pitch hire £30,000 Sponsorship Income £30,000 Property owner contr.** £50,000</p> <p>Inkind: Liverpool C. Council £305,000 John Lewis £13,000</p> <p>Total £992,000</p> <p>* Levied on all businesses with hereditaments with a rateable value in excess of £10,000. ** Property owners contributing £60,000pa to provide 25% rebates to tenants in managed centres.</p>	<p>Marketing & Prom. £ 207,500 Environ & mainten. £203,000 Safe, secure £169,500 Operations/overheads* £412,000</p> <p>Total £992,000</p> <p>* inclusive of City Council funded City Centre Manag. staff & accom. BID Team: General Manager, Operations Manager & 2 Operations Assist's, a Finance & Business Dev. Manager & 2 Business Support Assistants, an Events and Open Spaces Officer & a Promotion and Dev. Officer.</p>	51%	47%	No
Altham	<ul style="list-style-type: none"> High levels of crime which affected this established industrial estate Developed from Green Business Park Initiative delivered by Groundwork & LA, through SRB. 	<p>Bid proposed jointly by Groundwork and Hyndburn Borough Council.</p> <p>Envisaged that a not-for profit company limited by guarantee would be created. Each business to be members of the Company. Minimum of 3 Directors on the Board: Groundwork (1) and members (2)</p>	Indus. Estate	3 yrs	<p>Basic levy £84,000 % levy 126,000</p> <p>Total £210,000</p>	<p>Salaries £130,820 Management £33,000 Overheads £7,000 Equipment £16,000</p> <p>Total £186,820</p> <p>Annual Reserve £23,180</p>	40%	47%	No

Area	Reason	Promoter	Type	Year	1 st yr annual income	1 st year expenditure	% positive by number	% positive by rateable	Result
Plymouth	<ul style="list-style-type: none"> To tackle key problems affecting Plymouth's retail growth: poor public perception, failure to attract higher spending shoppers, poor quality environ, antisocial behaviour and an ageing car park. 	<p>Plymouth City Centre Company, an independent, not-for profit company.</p> <p>Company's board includes: property owners, retailers, University and City Council.</p> <p>Good record of delivery.</p>	Town Centre	5 yrs	1% levy £250,000 Plymouth City Council £278,000 Property owners £100,000 Total £628,000	Promotion £134,000 Cleaner £125,000 More attractive £43,000 More welcoming £20,000 Safer £72,000 Management/admin* £227,000 Total £621,000 Net balance £7,000 * inclusive of City Council funded City Centre Management staff	77%	66%	Yes
New West End Company	<ul style="list-style-type: none"> Reassert West End's position as the World's premier shopping and leisure destination. Improve the experience for those that shop, visit, work and live in the West End. 	<p>New West End Company formed in 2000.</p> <p>Management board of 33 elected members: retailers (16), property owners (8), st. associations (3), & strategic agencies (6). Also an executive board of 14, 9 of which elected from Manage. Board. Includes retailers (6), property owners (3), st. associations (3) and strategic agencies (2).</p>	Town Centre	3 yrs	1% Levy * £2,160,000 Property sector £800,000 Property non-fin £100,000 Associate members £70,000 Commercial £240,000 Project £400,000 Interest £45,000 Total £3,815,000 * Bid levy applied to all hereditaments with a rateable value of £250,000 or more.	Central staff £223,000 Office costs £370,000 Street ops. £1,470,000 Marketing £560,000 Christmas £450,000 Projects £500,000 Economic dev. £100,000 Total £3,673,450 Surplus/deficit £141,000	61%		Yes

APPENDIX 2: STRATFORD BUSINESS SURVEY: ANALYSIS OF RESULTS

1. Background

- Survey was conducted between 28th February and 1st April 2005.
- Good mix of businesses achieved in terms of goods and services offered, between independent businesses and those that are part of a chain, location within the town centre and how long the business had been established in Stratford.
 - Almost equal split between independent businesses (46.8%) and those that are part of a chain (53.2%).
 - Over a quarter of businesses had been established in Stratford for over 15 years. The sample also included a number of businesses that had been established within the last 5 years, including two within the last year.
- 94 businesses were invited to take part in the survey, of which 50 businesses were interviewed in total, of which
 - 9 multiple retailers;
 - 8 independent retailers;
 - 7 multiple restaurants, cafes, takeaways, pubs;
 - 8 independent restaurants, cafes, takeaways, pubs;
 - 4 charities/community and voluntary sector organisations;
 - 5 services;
 - 3 from Cultural Quarter and other leisure;
 - 6 office users.
- Particular problems were encountered in trying to engage with independent businesses. This was often due to the fact that the business owner did not have a regular presence at the business, and where sole traders and those with few other staff could not spare time to complete the questionnaire face to face. This should be borne in mind if and when BID consultation is devised and carried out.

1.1 Staff recruitment and retention

- Generally, staff recruitment and retention of good quality staff do not appear to be major issues for businesses surveyed, with less than one in five businesses indicating that they experienced problems.
- Several retailers indicated that while there was no shortage of applicants, the poor quality of applicants is an issue. Reasons given for this included poor written and spoke English, poor educational standards and more generally the perception of the retail sector. Many retailers were recruiting through JobCentrePlus and employment agencies such as REED.
- Over two thirds of businesses have a policy of recruiting locally i.e. within Newham, Tower Hamlets, Waltham Forest and Hackney. Those that didn't have a deliberate local recruitment policy tended to attract applicants and staff from the local area anyway. Recruitment to more specialised positions tended to be from a wider area.
- Very few businesses (6%) indicated that they had staff training needs that were not currently met. All retailers that are part of a chain stated that they have comprehensive staff training programmes which cover all training needs.
- For particular types of business, there were specific recruitment and retention issues. For instance, office users experienced problems with retaining staff due to Stratford's proximity to the city, meaning employees were drawn away for higher salaries. Some charities/community and voluntary sector organisations noted that retention was a

problem as Newham is classified as outer London and staff can earn more from employers in other boroughs which can offer inner London weighting.

1.2 Sales

- Results suggest that levels of sales in Stratford Town Centre have been relatively stable. Nearly twice as many businesses reported a sales increase (33.3%) in the previous 12 months as reported a sales decrease (20.8%), with a quarter indicating no significant difference.
- Based on the recent update of the town centre business database, occupancy levels in the town centre are high with very few vacant units, and the turnover of businesses appears relatively low.
- Some retailers interviewed reported year on year sales increases, of which a small number of multiples were outperforming other branches in the region. Among retailers, good customer services, quality products, and targeting of the local customer base were cited as reasons for sales increases. Retailers experiencing sales decreases frequently cited national retail trends.

1.3 Plans to leave or relocate

- No businesses had plans to leave Stratford Town Centre.
- However, almost a quarter indicated that they have plans, or at least a desire, to relocate within Stratford in future. In particular, some stated that they would strongly consider moving to the Stratford City development.

1.4 Level of knowledge about future developments

- There is a good level of awareness of local developments. Almost three quarters (72%) felt they were very or quite well informed about Stratford City, and 70% very or quite well informed about plans for the Olympics.
- Most respondents (52%) had heard of or attended Stratford Town Centre Forum, many of whom have not previously attended or received board papers.
- There is interest in attending the Town Centre Forum (and a general interest in receiving papers and updates) with 73.3% of respondents stating that they or another member of staff would be interesting in attending.

1.5 Opinions on aspects of the town centre

1.5.1 Links between condition of the town centre and trade

- The vast majority (approximately 70%) of businesses felt that the condition of the town centre has an effect on their trade to some extent. In many cases this was a general sentiment that aspects such as cleanliness, safety, marketing, transport and car parking all affect customer flow. The link was most clearly identified by retailers and leisure uses, including restaurants and hotels, with several seeing the condition of the town centre as of great importance to their trade.
- Other businesses raised more explicit links between town centre conditions and their trade, with safety and car parking issues consistently raised (also see 1.5.5 and 1.5.8):

- Several respondents felt that problems with the shopping centre car park and the perceived shortage of car parking provision in the town centre deterred customers. One respondent felt that town centre businesses lose out on volume sales (e.g. trolley trade, bulky items such as TVs) due to reluctance to use the shopping centre car park. Several businesses located on or near the Broadway cited problems caused by lack of parking provision in this location. For instance, one retailer identified that new parking restrictions had had a negative effect on passing trade and caused a decrease in sales in the last 12 months. Another Broadway business stated that contracts have been lost directly because of the lack of adequate parking provision in that area.
- Crime and the negative perception of safety in the town centre are seen to deter customers from visiting the town centre. Some respondents' felt this was particularly the case after dark and deterred people from outside the area in particular. One business had undertaken market research which showed that people have a negative perception of safety in the town centre and perceive the walk to the Cultural Quarter from Stratford Station to be unsafe, which adversely affects businesses in this area.
- Some businesses, particularly office users, felt that they are adversely affected by Stratford's poor perception. For instance, one office user stated that its clients question their location in Stratford due to its poor image, while this was similar for one of the charities interviewed. Another office user felt image adversely affected their ability to attract high quality employees, while in contrast another felt that the range and diversity of people in Stratford has a positive effect on their business.
- A small number of businesses did not identify a significant link between the town centre and their trade. This included some offering business to business services, an office user, restaurants which rely on regular customers, statutory service providers, and a further business located outside the natural town centre boundary.

1.5.2 Key strengths as a business location

- Stratford town centre's key strength was identified as its transport links and accessibility, with approximately half of all respondents citing this. Related to this, a number of businesses mentioned Stratford's strategic location in relation to East and Central London, and its large catchment area. Others also mentioned the high footfall relating to transport links and the number of office workers.
- Other strengths related to present and future regeneration activity including Stratford City, CTRL, and the potential for hosting the Olympics (approximately 20% gave these type of responses), and Stratford's perception as an 'up and coming' area (14%). In relation to the former, few businesses mentioned any potential negative effect on the existing town centre from Stratford City.

1.5.3 Key weaknesses as a business location

- The most frequently cited single weakness of the town centre related to car parking, with approximately 22% mentioning this. The main concerns raised were around the quality of existing provision and the need for further parking facilities (see 1.5.8 for further discussion).
- Concerns around levels of crime were also raised as a key weakness. These centred around the level of shoplifting and security concerns (10%), and safety and negative

perceptions of safety in the town centre (10%). Anti-social behaviour and unlicensed traders were also mentioned, particularly by businesses on The Broadway

- The range and quality of Stratford Town Centre's retail offer was cited as a weakness by approximately 10% of respondents. This is a higher proportion than considered range and quality of retail to be a strength. Some businesses mentioned weaknesses in relation to Stratford Shopping Centre. For instance, it was described by one respondent as 'old and tired', while others cited the need for larger retail units and department stores.
- The perceived lack or shortage of town centre marketing and promotional activity was cited as a weakness by 8% of respondents. In particular, one respondent felt that awareness of the In Shops centre should be raised as many people are unaware of it.

1.5.4 Cleanliness

- More business felt that cleanliness of the town centre environment is very good or good (40%) than felt it was poor or very poor (24%). The timing of the survey should be considered here as it took place in the weeks following the Olympic Committee visit and associated improvements to cleanliness and the public realm.
- Cleanliness issues were raised in relation to particular locations within the town centre. For instance, more than one respondent stated that while roads and pavements are generally clean, the cleanliness of alleyways and the backs of stores is poor. It was also stated that there is a general shabbiness and lack lustre feel about the Cultural Quarter area, and that this area needs to be better maintained.

1.5.5 Safety

- There was a roughly equal split between businesses feeling that levels of safety in the town centre were very good or good (30%) and those who felt it was poor or very poor (26%). The most frequently stated response was 'satisfactory'.
- Safety is a particular concern for businesses operating outside office hours and open late, such as pubs and restaurants. For instance, due to safety concerns, one restaurant had recently taken on a concierge/doorman at weekends and evenings, while one pub orders taxis for female staff at closing time.
- There is a better perception of safety in the town centre from businesses located within Stratford Shopping Centre compared with those outside. Twice as many businesses in the shopping centre believed safety in the Town Centre to be good or very good (40%) as opposed to poor or very poor (20%). This contrasts with businesses outside the shopping centre, with a higher proportion perceiving levels of safety to be poor or very poor (29%) than good or very good (26%). In addition, businesses outside the shopping centre tended to see safety improvements as a higher priority than those inside, with 48.6% of businesses outside listing 'initiatives to improve safety' within their top three priorities compared with 20% of those inside.
- Many retailers, both inside and outside the shopping centre, mentioned shoplifting as a major issue. For instance, the Stratford branch of a multiple retailer employs one of two in-store security guards employed by the entire chain. .

1.5.6 Marketing and promotion

- There is a relatively equal split between businesses feeling that marketing and promotion of the town centre is very good or good (30%) and those who feel it is poor or very poor (26%).
- A number of respondents had little or no awareness of town centre marketing and promotional activity. One respondent saw the lack of a coherent marketing and promotion strategy for the town centre as a major issue, while another would like to see more promotional activity, especially at Christmas. Others identified that there should be a focus on drawing people into Stratford from outside the area as local people already use the town centre.
- All Cultural Quarter and leisure respondents believed marketing and promotion of the town centre to be poor or very poor.
- Some respondents commented on the positive impact of the Continental Market in December 2004. It was also noted that marketing had been successful in drawing people in to Stratford from areas on the Central Line.

1.5.7 Access to public transport

- The town centre's access to public transport is rated highly, with the majority (56%) rating this very good, and a further 34% rating it as good. In response to an open question regarding Stratford's strengths as a business location, transport links were strongly identified (see 1.5.2).

1.5.8 Car parking provision

- Car parking in the town centre is identified as a major issue, with almost half of the businesses surveyed rating this as poor or very poor (48%), which is more than twice as many as rated it as good or very good (18%).
- As identified in 1.5.1, several respondents felt that car parking provision was a deterrent to customers. Particular problems cited include the expense of the Shopping Centre car park, and its inability to cope with the volume of cars at peak times e.g. Christmas. One respondent cited the poor cleanliness and condition of lifts and stairwells, and the poor first impression of Stratford this gives, despite refurbishment of other parts of the shopping centre car park. Some respondents mentioned that the car park has a bad reputation among customers and employees, and there is a perception that crime and illicit activities take place here.
- Other comments included a shortage of customer car parking provision for Cultural Quarter, while the lack of parking provision in and around the Broadway was also mentioned.

1.6 Priorities identified

- Half of all businesses surveyed identified more car parking/loading provision within their top three priorities for improving Stratford Town Centre.
- Half of all businesses surveyed identified redevelopment of Stratford Shopping Centre within their top three priorities for improving Stratford Town Centre. A higher proportion of businesses located within Stratford Shopping Centre prioritised redevelopment than those located elsewhere in the town centre (53.3% compared with 45.7%).

- More marketing and promotional events (36%) and initiatives to improve safety (32%) were also identified as key priorities.

1.7 Views on contributing to town centre improvements

- When asked whether they would be prepared to pay for additional or improved services in the town centre there was a relatively even split between responses. Significantly, 'no' was the least frequent response. More than half answered 'possibly' (28%) or 'don't know' (34%), reflecting the relatively vague nature of the question, and the fact that for the majority of respondents the final decision would rest with their head office and not themselves. Respondents frequently said that they would need to be convinced of tangible benefits to their business from contributing to additional or improved services.
- There is very low awareness of the Business Improvement District Concept, with only 19% stating that they had ever heard of a BID.

2. What position do you hold in the business?		
Owner	15	30.0%
Overall Manager	10	20.0%
Duty Manager/Store Manager	14	28.0%
Other	11	22.0%
Total	50	100.0%
6. How long has your business been established in Stratford?		
Less than a year	2	4.0%
1-5 years	16	32.0%
6-10 years	10	20.0%
11-15 years	8	16.0%
15+ years	13	26.0%
Do not know	1	2.0%
Total	50	100.0%
7. Is the business independent or part of a chain or group?		
Independent	23	46.0%
Chain	26	52.0%
Do not know / N/A	1	2.0%
Total	50	100.0%
9. Do you have a policy of trying to recruit your staff locally?		
Yes	36	72.0%
No	11	22.0%

Do not know	3	6.0%
Total	50	100.0%
10a. Do you have problems in locally recruiting staff?		
Yes	8	16.3%
No	36	73.5%
Do not know	5	10.2%
Total	49	100.0%
11a. Do you have problems retaining good quality staff?		
Yes	9	18.0%
No	35	70.0%
Do not know	6	12.0%
Total	50	100.0%
12a. Does your business have any specific staff training needs that are not currently met?		
Yes	3	6.0%
No	44	88.0%
Do not know	3	6.0%
Total	50	100.0%
13. Can you estimate your percentage increase or decrease in your business sales has been in Stratford over the last year?		
No difference	12	25.0%
1-50% increase	16	33.3%
51-99% increase	2	4.2%
100%+ increase	0	0.0%
1-50% decrease	10	20.8%
51-99% decrease	0	0.0%
100%+ decrease	0	0.0%
Do not know/ Cannot say	8	16.7%
Total	48	100.0%
15a. Does your business have any short/medium plans to leave Stratford?		
Yes	0	0.0%
No	48	96.0%
Do not know	2	4.0%
Total	50	100.0%

16. Does your business have any short/medium plans to relocate to other premises in Stratford?		
Yes	11	22.0%
No	33	66.0%
Do not know	6	12.0%
Total	50	100.0%
17. How well informed do you consider that this business is about future plans for the development of Stratford City?		
Very well informed	13	26.0%
Quite informed	23	46.0%
Not very informed	11	22.0%
Not informed at all	3	6.0%
Do not know	0	0.0%
Total	50	100.0%
18. How well informed do you consider that this business is about future plans for the Olympics?		
Very well informed	17	34.0%
Quite informed	18	36.0%
Not very informed	12	24.0%
Not informed at all	2	4.0%
Do not know	1	2.0%
Total	50	100.0%
19a. Have you heard of, or do you attend, the STCF?		
Yes	26	52.0%
No	24	48.0%
Total	50	100.0%
19b. Would you, or someone else within your business, be interested in attending the Town Centre Forum?		
Yes	33	73.3%
No	10	22.2%
Do not know	2	4.4%
Total	45	100.0%
20. How do you rate the cleanliness of the town centre environment?		
Very good	3	6.0%
Good	17	34.0%
Satisfactory	18	36.0%
Poor	10	20.0%
Very poor	2	4.0%

Do not know	0	0.0%
Total	50	100.0%
21. How do you rate the levels of safety in the town centre?		
Very good	3	6.0%
Good	12	24.0%
Satisfactory	22	44.0%
Poor	10	20.0%
Very poor	3	6.0%
Do not know	0	0.0%
Total	50	100.0%
22. How do you rate the marketing and promotion of the town centre?		
Very good	1	2.0%
Good	15	30.0%
Satisfactory	15	30.0%
Poor	12	24.0%
Very poor	4	8.0%
Do not know	3	6.0%
Total	50	100.0%
23. How do you rate the town centre in terms of its access to public transport?		
Very good	28	56.0%
Good	17	34.0%
Satisfactory	5	10.0%
Poor	0	0.0%
Very poor	0	0.0%
Do not know	0	0.0%
Total	50	100.0%
24. How do you rate the town centres in terms of car parking provision?		
Very good	2	4.0%
Good	7	14.0%
Satisfactory	16	32.0%
Poor	12	24.0%
Very poor	12	24.0%
Do not know	1	2.0%
Total	50	100.0%
28. What do you think the top three priorities should be for improving Stratford Town Centre in the next 3 to 5 years?		

Production of a town centre strategy	14	28.0%
Improvements in cleansing service	7	14.0%
Investment in improved paving	0	0.0%
Investment in improved pedestrian lighting	4	8.0%
Improvement to public transport	1	2.0%
More car parking / loading provision	25	50.0%
More marketing and promotional events	18	36.0%
Initiatives to improve safety	16	32.0%
Redevelopment of Stratford shopping centre	25	50.0%
The provision of larger retail units	6	12.0%
Improved retail offer	14	28.0%
Improved service industries	11	22.0%
Priority not stated	8	16.0%
Other	1	2.0%
Total	150	100.0%
29. Would your business be prepared to pay for some additional or improved services?		
Yes	10	20.0%
Possibly	14	28.0%
No	9	18.0%
Do not know / Cannot say	17	34.0%
Total	50	100.0%
30. Would decisions about paying for additional services be made locally by yourself or by someone else?		
Interviewee	24	48.0%
Head office	25	50.0%
Do not know	1	2.0%
Total	50	100.0%
31. Have you ever heard of a Business Improvement District?		
Yes	9	18.8%
No	39	81.3%
Total	48	100.0%

APPENDIX 4: POLICY OF MULTIPLE RETAILERS & TRADE ASSOCIATIONS

- **Barclays Bank**

Barclays has two businesses in the town centre, Barclays Bank in Stratford Shopping Centre, and Barclays Funds on The Broadway. As a member of IBRF, extracts from their guidance are shown above in relation to promoter and partnership, levy, and voluntary contributions. Barclays stated that they are generally supportive of BIDs and has voted yes in BID ballots to date. Interestingly, this indicates that Barclays voted 'yes' for the 2% Bedford BID levy, and that there is a degree of flexibility around BID levy from the IBRF guidance which states no more than a 1% levy.

- **Halifax plc**

Halifax plc also expressed their full support in principal for BIDs and are willing to contribute a levy in most cases. To date they have given positive responses in all but one BID ballots.

- **Dixons Group (Dixons, Currys, The Link)**

The Dixons Group, (including Dixons, Curry's and The Link which are all present in Stratford) expressed some concerns in relation to BIDs. The key concern in was that as multiple retailers, an increase in the popularity of one town centre is likely to have an adverse effect on sales in neighbouring town centres, meaning one branch's gain can mean another's loss. Dixons have been experiencing market share losses and business rate increases of 12-14% in the last year and while they are supportive of town centre improvements in principle, appear to be reluctant to take on further costs. Dixons Group's criterion for BID support is broadly similar to that of Boots and IBRF, though it does not have published guidance. Their need for significant land owner contributions in a BID proposal was strongly emphasised.

- **Greggs plc**

Greggs expressed similar concerns in relation to potential adverse effects on neighbouring town centres. Greggs was particularly concerned at the potential loss of trade to branches in secondary shopping areas (e.g. Forest Gate), some of which are among the most profitable in the group. They have taken a neutral stance in recent ballots (i.e. not voted), and are keeping a watching brief on the outcomes of established BIDs. They stated that Stratford Town Centre does not appear to justify an increase in business rates any more than most of London's boroughs.

- **Wilkinson Hardware Stores Ltd.**

Wilkinson has not got a blanket policy in relation to voting in BID ballots, judging each BID on merit. A key benefit they need to see from a BID is increased customer footfall. They would not support a levy above 1%, and the levy should be based on the 2000 rateable value list (they consider this to be more reliable than the 2005 list which is still subject to appeals). They would not vote in favour of a BID if its promotion and administration costs were over 40% of its budget in early years; feeling that they shouldn't be paying significant administration costs and that promotion should be carried out in later years once improvements have been made. Wilkinson is also keen to see contributions from other sources, for instance they recently voted yes for a Lincoln BID for which the levy contributes 35% of the total first year budget. They are also keen to see a strong town centre partnerships with involvement of key agencies (i.e. Police, Local Authority) as well as businesses.

- **McDonalds Restaurants**

Insist that services should be additional to statutory provision and will seek confirmation of present service levels and what services are additional. They also look for committed voluntary contributions from the local authority and property owners, insisting this must be fully confirmed rather than a vague promise. McDonalds will consider a levy of no more than 1% of rateable value.

- **British Retail Consortium**

The British Retail Consortium (BRC) is committed to and supportive of BIDs in principle, though it does state some concerns. It states that investment in a BID must provide an immediate positive impact on the profitability of the location, and provide a clear business rationale. Like other interested parties, the BRC have a long standing concern about the lack of a levy on property owners, and asks for a convincing case why funding should not come from firstly the public sector, or secondly property owners. The BRC's view is that any levy in excess of 1% of rateable value is 'extremely unlikely to deliver comparable benefits and is therefore unjustified' (BRC, 2004).