

Business Improvement Districts in the United Kingdom

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ABSTRACT

Shopping centres have the advantage of single ownership that allows management to make quick decisions for the benefit of the centre customers, retailers and owners. Performance is measured constantly. The coordination of street activities including cleaning, security, marketing, events, bylaws etc requires a significant effort to achieve the standards taken for granted in a shopping centre.

Business Improvement Districts are formed by the property owners and sanctioned by Councils and Government. The BID services delivered vary from City to City. The services supplied are **over and above baseline services** supplied by the local Council authority. In each case the Board and BID manager set the priorities requiring focus with support from businesses. The BID coordinates street activities similar to shopping centre management.

The benefits which include increased pedestrian traffic, better retail performance, better signage, cleaner streets, visible security staff, coordinated marketing, business networking and better information services are planned, delivered and measured.

For 3 weeks I travelled the United Kingdom where 75 new Business Improvement Districts have been established with support of Government legislation. I visited **London, Swindon, Bristol, Manchester, Birmingham, Glasgow, Edinburgh and Liverpool** looking at the variety of specialised tasks being successfully delivered by the BIDs. Many photos will be included.

It was great to witness the excellent work being done behind the scenes to ensure retailers in the High Streets and City centres are successful. The professional delivery of street management services to make the visitor and customer experience better is a critical task for long term sustainability.

KEYWORDS: BIDs, United Kingdom, baseline services, street management.

FULL PAPER

Premier Retail Marketing – David West

Managing a main street environment in a City or Town is very challenging given the diversity of people using the streets and the diverse ownership of buildings and public space. Since managing Rundle Mall in Adelaide after a 10 year stint at Westfield I have studied Street management as a profession. Shopping centres have the advantage of single ownership that allows management to make quick decisions for the benefit of the centre customers, retailers and owners. Performance is measured

constantly.

The street environment however, is very complex as there are many property owners, retailers, small businesses, offices and a diverse range of groups interested in the success of the City including local government and the community. The coordination of street activities including cleaning, security, marketing, events, bylaws etc requires a significant effort to achieve the standards taken for granted in a shopping centre.

Around the world there are many professional groups working hard for the benefit of businesses, retailers and communities to improve the quality of presentation and the business environment in high streets and Cities. Examples of these groups include the Association of Town Centre Management UK, International Downtown Association and the Mainstreet Preservation USA. In 1000's of cases managed areas or Business Improvement Districts (BIDs) have been created by these groups to better manage the street environment to benefit a wide range of stakeholders.

In 2005 I went to the United States to seek more information about how these BIDs work in practice. The Philadelphia City Centre management office is a brilliant example. The Philadelphia property owners got together to deal with issues like safety and crime that were affecting visitors' perception of the City. Retailers were suffering and large outer Malls like the King of Prussia were thriving.

The Philadelphia BID now raises \$13m annually for the delivery of cleaning, safety services, marketing, street design, signage, school programs and community activities. Property owners of retail centres and office blocks are contributing to a progressive centre management scheme to benefit customers. The results are stunning.

Shopping centres' retailers contribute to a marketing levy to enable management to deliver successful marketing programs and coordinated promotions to attract customers. Raising a main street levy to deliver services is not new in Australia. Rundle Mall has raised a levy for marketing and management services since 1976. Many Councils (Local Government) in Australia raise a separate rate or special rate levy for marketing and promotional purposes also.

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The benefits which include increased pedestrian traffic, better retail performance, better signage, cleaner streets, visible security staff, coordinated marketing, business networking and better information services are planned, delivered and measured. In these more demanding economic times, Business Improvement Districts have provided a very successful vehicle for the delivery of additional services for the benefit of property owners, small and large retailers, business operators, City workers and State and Local Governments.

I have just returned from 3 weeks in the UK where nearly 75 new Business Improvement Districts have been established with support of Government legislation. I visited London, Swindon, Bristol, Manchester, Birmingham, Glasgow, Edinburgh and Liverpool.

In London Leicester Square is surrounded by entertainment venues, theatres, pubs and clubs. The area is managed by the Heart of London BID under the direction of Sarah Porter. The small team is responsible to many entertainment and hospitality businesses located around the square and surrounding area.

The BID delivers additional security monitoring and safety measures including CCTV and additional cleaning staff and services. Customers and visitors would not be aware of all the valuable work going

on behind the scenes making this a better environment. The massive number of tourists means that conditions (such as litter, spills and street traders) can change very quickly.

I then ventured into Regent Street and Oxford Street shopping areas. The pedestrian traffic was intense with people rushing from shop to shop dodging each other seemingly overflowing into the roadways, the underground and side streets. Double-decker buses cruise through the intersections, often avoiding pedestrians darting across the road against the red lights.

I also met with Simon Quin the CEO of the Association of Town Centre Management (ATCM). Simon is a great ambassador for high streets, Cities and Town Centres often taking his knowledge to all areas of Europe, Ireland and the UK. Again a very small team coordinates a wide range of membership duties including newsletters, training, conferences and support for Town Centre Managers.

Since becoming a member of the ATCM I have researched best practices in Town and City management from a range of small Towns like Swindon right up to Cities like London, Liverpool and Bristol. I wanted to visit these areas because they are achieving great results for their communities and I wanted to learn more about BIDs.

The New West End Company based in upper Regent Street has developed a high quality Business Plan and set of objectives. Included in the Business Plan is an extensive range of key performance indicators to ensure progress toward peak performance of this flagship retail area. I met with Jace Tyrrell (Marketing Executive), Richard Dickson (CEO) and their team to discuss a range of retail trends in USA, Australia and NZ.

After taking a closer look at the very unique Regent Street, Oxford Street and Bond Street I travelled to Bluewater Shopping Centre in Kent. The centre is nestled in an old quarry with calming waterways and a nice community feel to it, a range of high quality shops and a very well designed food court. Over the next few days I walked the length and breadth of Oxford street and Regent street and visited the Brent Cross Shopping Centre and Canary Wharf Shopping and business district.

I travelled out to Swindon Town Centre to meet with Bernie Maguire the Operations Director. The BID process had been established to manage the City Centre, improve the public realm and improve safety measures. They have achieved so much through careful planning. The BID is making a noticeable difference to this small town. I also visited the Swindon Designer Outlet Centre housed in railway sheds skilfully converted to an enclosed shopping centre with a wonderful ambience.

My next stop was Bristol further west of Swindon to meet with John Hirst the town centre manager of Broadmead. John's BID had been established to leverage additional funds to develop and improve the City centre streets and public malls with the pending opening of Cabots Circus a £500 million shopping development. The Broadmead BID is responsible for the pedestrian malls adjacent to the new shopping centre and badly needed upgrading.

The BID had leveraged £5 additional for every £1 raised from the property owners through the BID levy and an extensive renewal of the pedestrian malls was underway. Another initiative was a partnership of Council and DHL Transport to provide a coordinated retail delivery program for 60 city retailers. The program reduces delivery trips, vehicles required and traffic congestion while saving money for businesses.

Bristol had also completed some high quality urban design works with the development of Millennium Square at Harbourside. A large public space with a range of artworks, water features, cafés plus an underground car park provides an attraction for families and visitors passing through. The multi-million pound regeneration project includes residences, offices and tourist attractions like the SS Great Britain.

Birmingham and the Bullring Shopping Centre was my next stop. The £800 million pound upgrade of the centre in 2003 included a Selfridges' department store in a modern exciting new building that changed the retail landscape. Nigel Godfrey the Business Manager of Retail Birmingham showed me a range of quality marketing materials utilised to deliver retail programs and promotions. The 'Style Birmingham' fashion marketing was first class.

Jenny Inglis is the City Centre Director delivering improvement programs for the City and maintaining relationships with other business groups including Retail Birmingham. Nigel Peardon the Owner of Bidology has been instrumental in the formation of BIDs in Birmingham and other parts of the UK. He worked closely with the stakeholders and businesses when establishing the BIDs and is currently working on a new BID in the office precinct.

Travelling north to Manchester I visited CityCo in the heart of Manchester City. Gordon Reid the CEO and Gary Ellis the Operations Director discussed the planning and implementation of strategies to improve the economic performance of the City Centre. They continue to promote Manchester as a leading world City and primary retail and commercial location of the North.

I was very impressed with the standards of presentation, management and maintenance. Cityco and Encams (an environmental charity) formed a partnership to measure and improve street cleaning services. A new benchmarking system with other European Cities will deliver excellent results and benefit all City stakeholders.

I travelled from Manchester to Glasgow in Scotland to visit a first class outdoor pedestrian Mall called Buchanan Street Mall. The Mall has been redeveloped using first class paving materials, lighting and street features. The Mall was anchored by two shopping centres: Buchanan Galleries & St Enoch Centre.

After lunch time the pedestrian traffic was very high even through some persistent rain. A range of buskers including bag-pipers kept the shoppers entertained between showers. The streetscape design elements were of a very high quality.

The next day I saw some retail areas in Edinburgh that mainly rely on the very heavy tourist traffic walking throughout the City. The Golden Mile leading up to Edinburgh Castle was very popular while the Sunday markets just off Princes Street were attracting browsers and shoppers.

My next stop was Liverpool and the Association of Town Centre Management Summer School Conference. Many important topics were covered including 'Building partnerships', 'Improving the retail offer', 'Successful marketing approaches', 'The evening economy', 'Crime reduction' and 'Attracting investment'. I delivered a workshop session on 'Getting the retail mix right'. Over 200 main street and town centre managers from all over the United Kingdom attended.

Jane Jenkins the Chair of the International Downtown Association USA gave an excellent presentation on future Downtown and Town Centre Partnerships. These partnerships are achieving great results in the USA, UK, Europe, South Africa, Japan, NZ and Australia.

My trip finished with a visit to the Portobello Road Markets in Notting Hill. The markets were a major attraction for tourists and locals as visitors weaved their way through the market stalls. The Travel Book shop was a particularly popular photo stop and the ambience created was very special to experience.

CONCLUSION

It was great to witness the excellent work being done behind the scenes to ensure retailers in the High Streets and City centres are successful. The professional delivery of street management services to make the visitor and customer experience better is a critical task for long term sustainability. The high streets and town centres in the United Kingdom have taken up the BID principals very successfully

after learning from valuable early work in Canada and the United States linking to the UK Town Centre Management principles.

The UK Councils are very involved in the work and solid support and legislation is provided for the schemes across the UK through Government. The Government is keen to support high streets in this very competitive environment and the increase in new shopping complexes across the country.

I believe the very successful implementation of Business Improvement Districts can be utilised in our Australian Main Streets, Town centres and Cities to compete with a hostile shopping and retail environment and sustain our independent small retailers that create the character of main streets. The level of success will be increased with Council and Government support.

ACKNOWLEDGEMENTS

Simon Quin CEO - Association of Town Centre Management

Sarah Porter - Heart Of London BID

Jace Tyrell, Richard Dickson - The New West End Company BID

Bernie Maguire, Mark Ross - In Swindon BID

John Hirst - Bristol Broadmead BID

Nigel Godfrey, Jenny Inglis - Retail Birmingham BID

Gordon Reid – Manchester Cityco

The people I met in the UK were very generous with their time and resources. I wish to sincerely thank them for their cooperation.