

FEBRUARY INSIGHTS by CHRIS TURNER

Late winter always seems a grim time of year; nonetheless BIDs need to continue with ballots, work with their levy payers and respond to what seems to be a large number of government consultations on issues like overnight visitor levies, local Government re-organisation, Pride in Place and business rates.

Ballots have been fewer after the large number before Christmas, but successful, with good outcomes in New West End, with both their property owner BID and occupier BIDs, I love Clarkston and Lancaster. There are another seven BIDs coming to ballot in February. We wish them all well.

Business rates continue to vex us all. A very useful webinar from Paul Phillips, Director of Non-Domestic Revaluation from the Valuation Office Agency a week or so ago and available on our members' [Learning Portal](#), outlined to many of us the key issues of valuing business property every three years, the ratings list and the critical relationship between the local authority and the BID in terms of levy collection and process.

The boss of [Waterstones](#) has defended the government's approach to the high street, arguing that controversial changes to business rates were "sensible" and had benefited outlets in struggling areas. James Daunt said the bookseller's total business rates bill for this year was going to be similar to last year's as big increases at large, successful sites such as its flagship on London's Piccadilly had been offset by "quite significant" decreases at shops in more troubled locations. He said he believed "our main advantage is that we will get neighbours back again", as retailers might now consider reopening amid lower business rates. The chancellor, Rachel Reeves, has faced a [backlash](#) over the looming tax changes from leisure businesses, particularly pubs, which had faced a 76% rise on average over the next three years. She has now promised a support package to mitigate the impact but confirmed that the support would only be for pubs and not the wider hospitality sector; her U-turn on pub taxes has been branded '[a temporary sticking plaster](#)' amid calls for a

complete overhaul of the ‘broken’ business rates system. Ros Morgan, chief executive of the Heart of London Business Alliance, said ‘countless’ other firms also face ‘sharp increases’ in their rates bill from hotels and galleries to cafes and independent shops.

Small business rates relief allows help to many; approximately 27% of businesses are fully below the threshold in the UK and pay no business rates at all and another 12% are close enough to receive tapered relief. That implies around 39% of businesses in the UK have properties small enough to qualify either fully or partially under the Small Business Rate Relief regime. [Avison Young](#) research shows that a reduction in business rates of £100m, sustained over ten years, would benefit our wider economy by supporting £1.2bn of additional output; £774m of additional Gross Value Add (a proxy for productivity); over £100m in other Government tax revenues; and 1,300 more jobs.

[Eleven towns and cities](#) in the UK, including Warrington, Barnsley and Wakefield, have seen their disposable incomes rise twice as fast as the rest of the UK over the past decade, a study has found. A report from **Centre for Cities**, a thinktank, showed that between 2013 and 2023, disposable income for residents of these top performing towns and cities – all in England – rose by an average of 5.2%, compared with an increase of 2.4% for urban areas in the UK overall. The report said that if all 63 of the UK’s largest towns and cities had experienced the same rate of growth as the top 11 performers over this period, people would have pocketed an extra £3,200 on average in disposable income. It found that the top-performing towns and cities in its report all focused on building a strong local business base and higher-skilled jobs, with a significant number of productive firms in “tradeable” industries, such as software, marketing and finance, that can sell to markets outside the local area.

Similarly, **Manchester** is pretty much in the news with some exciting stories about growth and innovation at a time of general malaise across the country. [Faisal Islam](#) writing for the BBC puts forward a whole range of issues that may account for this and give hope to many communities, particularly those with business involvement and business improvement district as to what future developments need to look like.

[Read the data](#) from the London office market, and a similar story emerges on **How London fell back in love with the office**. Last year, London office take-up hit 12.1m square feet (sq. ft) across 1,400 deals – the strongest year since the pandemic and right at the top end of our most optimistic forecast. Of the 98 deals signed in central London that were larger than 20,000 sq. ft, 70 were expansionary, with companies agreeing to occupy more office space than they had before.

How can it be that the business community was both deeply anxious about the future and, at the same time, competing for larger slices of London’s prime office market? The explanation lies in a convergence of factors: the rapid pace of technological change, a long-postponed need to modernise facilities – a priority made even more urgent by the growing obsolescence of much of London’s existing office stock – intensifying competition for talent and classic supply-and-demand forces. Yet all these trends point to a single conclusion: in an increasingly uncertain world, business leaders view the office as a critical asset for success.

In the context of the announcement of **HM Government's upcoming High Street Strategy**, High Street expert **Ben Stephenson**, in a very useful [piece](#), considers how high streets need to adapt to stay relevant to the country's changing needs, arguing that our communities need more than just retail therapy. High streets may look different from the high streets of the past. They will host diverse uses. They will reflect the real needs and income levels of their catchments. They will be managed by skilled, community-engaged leaders. But they will also be vibrant, inclusive, resilient spaces where people genuinely want to spend time.

We hosted a [webinar](#) last month on the proposed **Overnight Visitor Levy** in England. **British BIDs has now submitted a full response - this is now available to view on our [website](#)**. It was pleasing to have so many BIDs at the webinar to allow us to pull together a fairly long and detailed document in response to the proposals. It seems very clear in discussions with Mayors of combined author authorities that these proposals are seen as very important parts of their growth plans. Therefore, it is important that the 149 BIDs that

are in Combined Authorities, over half of the English BIDs, are fully engaged with the proposals at the mayoral and national levels.

As **Shared Prosperity funding** comes to an end it is important to know that **Pride in Place** funding has been extended. Forty new areas across England will be able to decide where up to £20 million is invested in their neighbourhood. The government suggests that this will allow breathing new life into high streets, saving much-loved community spaces, or bringing people together through local events and activities. The new package, worth up to £800 million, will build on the success of the £5 billion Pride in Place programme that has so far helped hundreds of neighbourhoods take control of their futures and bring real change to their communities and means that a total of around 380 areas will get funding.

We always like to keep an eye on what is happening in **Parliament** in relation to Business Improvement Districts and this month there have been some interesting exchanges; indeed, rarely have we been so much in the minds and voices of our legislators! Hopefully, a good thing. I give the full exchanges so that we can see the whole story. The new **Devolution and Community Empowerment Bill** §60 brings a new requirement for local authorities to make appropriate governance arrangements for any neighbourhood area. None of us quite know what this means, but it implies some powerful new tools. **Miatta Fahnbulleh** Parliamentary Under-Secretary (Housing, Communities and Local Government) [confirmed](#) last month that “the government will publish guidance to support the local authorities in the implementation of this policy in due course.” **James Cleverly** Shadow Secretary of State, and MP for Braintree, [asked](#) “which local authorities levy (1) Business Improvement District Levies and (2) Business Rate Supplements in (a) 2025-26 and (b) 2026-27; and what guidance he has issued on revising those supplements following the 2026 rates revaluation”. **Alison McGovern Minister of State (Housing, Communities and Local Government)** [confirmed](#) that “the Government does not hold a central list of BIDs. However, [she did say that] the organisation British BIDs has developed a BID Index which lists current and developing BIDs in the UK. [and specified] This can be accessed at: <https://britishbids.info/services/bid-index>. You can also contact the local authority to find out further information about BIDs in a given area.”

Cleverly also [asked](#) the Secretary of State for Housing, Communities and Local Government, “what guidance he has given to business improvement districts on whether they should adjust their multiplier supplement as a consequence of the increase in Rateable Values from the 2026 business rates revelation”. **Miatta Fahnbulleh** Parliamentary Under-Secretary [confirmed](#) that “the government has not issued any guidance to Business Improvement Districts (BIDs) on adjusting levy arrangements or supplements in response to changes in rateable values from the 2026 business rates revaluation. BID levies are set locally through ballot-approved proposals and are not automatically affected by national revaluation or multipliers, so any adjustment is a matter for the individual BID under its governing arrangements.” **Cleverly** also [asked](#) the **Chancellor of the exchequer** whether “she has made an assessment of the potential impact of the increases in Rateable Values for (a) hotels and (b) pubs from the 2026 revaluation on the liability of those businesses for business rates from the BID levies. [Dan Tomlinson The Exchequer Secretary](#) confirmed that Business Improvement District (BID) levies are set locally through ballot approved proposals and are not automatically affected by revaluations or new multipliers. Therefore, any adjustment is a matter for the individual BID under its governing arrangements. [it was pleasing that he then went on to say that] The Government recognises the important role that BIDs play in improving the local trading environment in high streets and town centres. Through the Pride in Place strategy, the Government has committed to strengthening BIDs by modernising existing arrangements, raising standards, and granting new powers for the establishment of property owner BIDs throughout England.

And finally, the **British BIDs 2026 Online Course** schedule is [available](#). Our Academy Courses provide easy access to expert advice, accessible learning tools, professional development for you and your team, reassurance to stakeholders that qualified staff are in place, opportunities to knowledge-share with colleagues in the industry and a relaxed and friendly learning environment. The 2026 Academy [courses](#) include: *An Introduction to BIDs, BIDs and Place Shaping, Managing a BID Efficiently, Planning & Managing a BID ballot* and *the Responsibilities & best practices for BID Directors*.

The remaining 2026 classes for our [Certificate in BID Management](#), [Diploma in BID Leadership](#), and [Certificate in BID Marketing](#) courses are available to book – click on the links provided for more information, and if you would like to enrol in any upcoming classes, please email Shayni.Langhelt@britishbids.info.

A handwritten signature in black ink that reads "Chris". The signature is written in a cursive style with a horizontal line underneath the name.

Professor Christopher Turner, Head of Research, British BIDs