

FEBRUARY INSIGHTS by CHRIS TURNER

The world is starting to move toward Spring, and half term is upon us, with a slow increase in footfall. As ever, much is happening, both politically and economically.

We congratulate This is Clapham and Milngavie My Way for their successful **ballots**; there are a further nine BIDs in ballot now and we will as usual announce results in our weekly Ballot Watch service.

For many BIDs with major event programmes the consultation on **Martyn's Law** launched a few days ago. The consultation will run for 6 weeks and is targeted at organisations, businesses, local and public authorities and individuals who own or operate publicly accessible premises or events that the **Terrorism (Protection of Premises) Bill** (Martyn's Law) will potentially affect. This is clearly of interest to BIDs in terms of event management and follows up on our Conference session last autumn. The consultation can be found here - **Martyn's Law: standard tier consultation - GOV.UK (www.gov.uk)** and it closes on 11:59pm on 18 March 2024.

There has been much discussion on **Council tax**; with an election coming up, local authority budgets stretched to breaking point and a forthcoming Spring Statement, it is bound to be a topic of interest and concern. Of course, with BIDs' need to ensure additionality it is a pretty keen topic for BIDs as well as residents and would reduce enormously the need for business rates to continuously take the burden. The council tax system should be reformed in the long term, the Northern Powerhouse Partnership (NPP) said in its **Spring Budget submission**. It was always badly designed; in April 1993, all 20m homes in England were sorted by their estimated market value on April 1st, 1991, into one of eight bands (a-h). The tax is still assessed on that value. As Stuart Adam of the Institute for Fiscal Studies (ifs), a think-tank, says: "We wouldn't tax people based on what their jobs paid 30 years ago. It is just ridiculous." Work should begin now on the 'long-overdue' revaluation of all domestic properties in England to bolster local government finance, NPP

argues. Revaluing properties would create a **fairer** council tax system, which reflects changes in the market since the last valuation took place in 1991. The think-tank also urged the chancellor to extend and deepen devolution. It said new level 4 mayoralities should receive a single funding settlement, and metro mayors should have powers to retain full business rates and introduce tourism taxes. Even the Economist reckons a tax based on estimated house values 33 years ago is not fit for **purpose**.

At the same time, the so-called ‘**tourist tax**’ is under review ahead of the Spring Budget, indicating the Treasury could be set to ditch the policy in a boost for Britain’s retail sector. Many BIDs have been involved in the campaign to get the review, and this is excellent news. The Office for Budget Responsibility (OBR) staff are conducting an “examination of the costs and benefits” of Rishi Sunak’s 2020 move to end tax-free shopping schemes, which was later dubbed the ‘tourist tax’. Sunak, then Chancellor under Boris Johnson, ended the policy, which allowed overseas visitors to the UK to reclaim the VAT on shopping purchases such as luxury goods.

OBR chairman **Richard Hughes wrote to the backbench Tory MP Sir Geoffrey Clifton-Brown, that they aim to publish** the analysis and conclusions “alongside the Spring Budget”. This is in “light of subsequent evidence on international visitor numbers... consumption patterns and the analysis carried out by a number of outside bodies,” Hughes added. The news comes just weeks ahead of Chancellor Jeremy Hunt’s Spring Budget on March 6, **in a hint that the Treasury could be preparing to reverse the policy following extensive campaigning efforts by UK retailers**.

Staying with the political front and an approaching general election, British BIDs is ensuring that it works closely with all the main parties. It seems evident that Labour has had conversations with CEOs of large, medium and small businesses across the country and across sectors, and they now want to discuss policies with business and civil society. As part of this discussion, Iain Anderson has produced an independent report for the Labour

Party on **Government and Business Relations**. You can download the report [here](#) to get a sense of where we might be with a labour government

Empty buildings left by the decline and demise of high street giants such as Marks & Spencer and Debenhams mean councils have had to think creatively to bring life back to town and city centres. Some have sold sites off, others envision the properties being reused as spaces for new industries, while a few have demolished them. For one artist, large-scale immersive art – the type that is beamed out on giant LED screens – could be a way to rejuvenate the UK’s high streets while giving shoppers exposure to digital paintings that could act as an entry point into other forms of culture. Es Devlin, a former theatre set designer who now works on immersive sets for U2, Beyoncé and Adele, has called for **defunct department stores** in city centres to become places where visitors can enjoy art as well as commerce. Devlin’s intervention comes at a time when immersive art has reached a new milestone. Last month, **Outernet**, the multimillion-pound shopping complex opposite Tottenham Court Road tube station in London that boasts huge 8K-resolution screens, said it had received 6.25 million visitors since it opened in November 2022. Crass and gaudy but fun, the Now Building is the most extreme evolution of advertising yet: a gigantic walk-in billboard, ready to immerse you deeper in more brands than you ever thought you wanted.

Sadly, the data suggest that UK’s January sales failed to revive **consumer spending**. The traditional January sales on the high street failed to inspire a revival in consumer spending last month, as households continued to cut back amid the cost-of-living crisis. Britain’s largest retailers said sales growth slowed last month as higher living costs weighed heavily on consumers, while weather conditions and strikes on the transport network also hit spending. Total sales were below the annual average growth rate of 3.4%, according to the **British Retail Consortium** (BRC). While the January sales helped to boost spending in the first two weeks, this did not sustain throughout the month. Linda Ellett, UK Head of Consumer Markets, Leisure & Retail, KPMG said “With the Spring Budget in sight, and a general election looming, government cannot afford to ignore the needs of retailers and

their customers. Employing three million people and supporting families and communities in every corner of the country, retail is the ‘everywhere economy’. By addressing the cumulative burdens, from business rates’ rises, to ill-conceived new recycling proposals to border control costs, the next government can unlock retail investment and boost local and national economic growth.”

As ever, **The British BIDs Academy** continues to be the platform for the training and development of BID staff in the UK. We host a multitude of training courses on a wide variety of subjects, covering all aspects of a BIDs life-span and suitable for all levels of expertise. Our content is consistently reviewed and improved, meaning there will always be something new to learn on a course and all our courses are brought to you by expert professionals in their field. All training sessions will be held virtually via Zoom or Microsoft Teams throughout 2024. We continue to offer the **Certificate In BID Management** and the **Diploma In BID Leadership**. Do please keep in touch on any of these.

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