

BUDGET 2026: WHAT IT MEANS FOR BIDs

Chris Turner, Head of Research, shares his initial reflections on business rates, devolution, local investment and the future of high streets

John Healey's first Budget speech contained some important shifts of emphasis in the collection of taxation and spending that will affect some Business Improvement Districts.

Firstly, there was an increase in the number of businesses that would not be paying business rates, by the lifting of the small business rates relief figure to £18,000. This does take the pressure off several small businesses in BIDs across the country.

Secondly, there was a commitment that business rates would be devolved down elected mayors, something promised by many governments over the last few years but barely delivered. He committed to providing elected Mayors with 20% of next year's business rate funding, moving to 100% by the end of the decade.

There was a further commitment to increase the level of income tax devolved down to elected Mayors.

These two moves, together, could allow strategic authorities the funding to start delivering the major projects in transport and placemaking that are absolutely needed. However, it will probably not affect those second-tier local authorities who deliver most of the activities that BIDs have over the last few years had to start picking up.

There was also the mention of the overnight visa levy as a further funding stream for the strategic authorities.

This does a course beg the question of what those areas without elected mayors will be able to have access to, and how quickly devolved strategic authorities can be delivered across the country.

This did most certainly feel like a budget that was trying to put money back into local places; an ambition that many Businesses Improvement Districts have close to their hearts.

These ambitions are matched by the simultaneous announcement of the Hope on the High Street strategy that sets out a cross-government approach to revitalising town centres, centred on economic growth, reducing vacancy, supporting businesses, improving public safety, strengthening local leadership, and ensuring public assets work in support of thriving high streets. We welcome the Government's continued support for the BID model, and its

commitment to take forward changes to the ballot process and the introduction of the Property BID model beyond London.

All these topics will be discussed in detail at the [British BIDs conference](#) next week. There are a handful of tickets available so please do join us.

A handwritten signature in black ink that reads "Chris".

Professor Christopher Turner, Head of Research, British BIDs