

MAYOR OF LONDON

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# BUSINESS ORGANISATION IN INDUSTRIAL AREAS



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## **Related reading**

**Outer London Commission Third Report**  
GLA, July 2014

**The Park Royal Atlas**  
GLA, 2014

**London's Business Improvement  
Districts**  
Shared Intelligence / ATCM, 2013

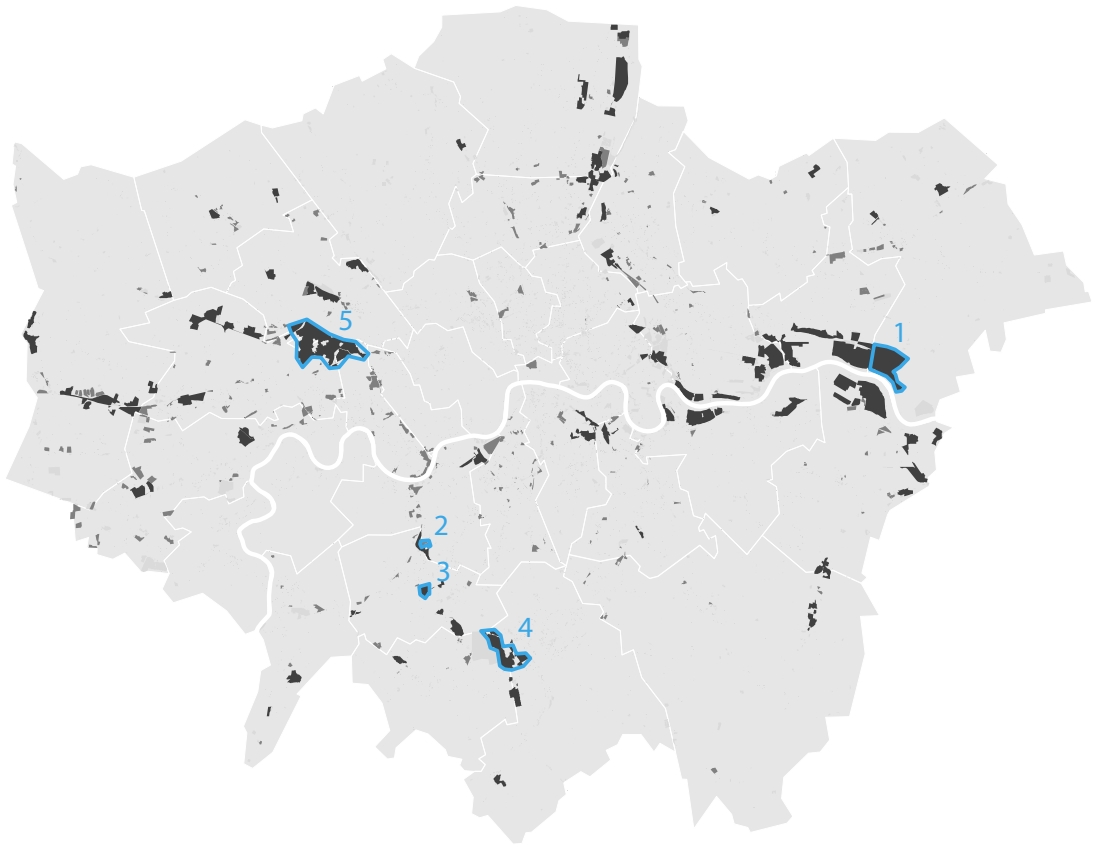
**Land for Industry and Transport SPG**  
GLA, September 2012

**London's Industrial Land Baseline**  
URS / DTZ, November 2010

**Industrial Land Demand and Release  
Benchmarks in London**  
Roger Tym / Jones Lang Lasalle, 2011

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- 5 Case Studies
- Undesignated Industrial Land
- Locally Significant Industrial Location
- Significant Industrial Location

Geographic distribution of industrial areas in London.  
Source: 'Industrial Land Baseline', URS, 2010











## Executive Summary

London's Industrial Areas accommodate around 18% of the jobs outside the Central Activities Zone, corresponding to a significant part of London's skills base. They are home to a wide range of economic sectors; from manufacturing to construction, food preparation, distribution, printing, construction, waste and recycling, and other utilities. Many of these serve London's growing population and economy and need to be close to their markets for sustainable and efficient operation.

Industrial areas have suffered from many decades of underinvestment. Issues such as the quality of highways and telecommunications infrastructure, signage, legibility and environment, poor security and public transport, and the availability of suitable premises are creating difficulties for the effective operation of many businesses in industrial areas.

In order to address such issues, businesses in some industrial areas have got together to act collectively as business forums, associations, or even Business Improvement Districts. This document sets out to explore these various forms of organisation amongst businesses in different industrial areas; how they have been established, their management and organisation, sources of funding and actions taken to address issues and improve safety and security, cleanliness, and infrastructure.

The five case studies cover a range of locations across London and represent a number of different levels and forms of business organisation.

<b>LONDON RIVERSIDE</b>	Form of organisation	Area	Annual levy
	<b>Business Improvement District</b>	392.5 hectares	 £250,000
	Year established	No. of businesses	Management
LB Havering	2007	 <b>300</b>	<b>5 board members</b> <b>1.5 full time employees</b>
<b>GARRATT BUSINESS PARK</b>	Form of organisation	Area	Annual levy
	<b>Business Improvement District</b>	5.7 hectares	 £60,000
	Year established	No. of businesses	Management
LB Lambeth	2009	 <b>69</b>	<b>5 board members</b> <b>0.5 full time employees</b>
<b>SOUTH WIMBLEDON BUSINESS AREA</b>	Form of organisation	Area	Annual contributions
	<b>Business Association</b>	31.5 hectares	 £8,000
	Year established	No. of businesses	Management
LB Merton	2007	 <b>200 (20 members)</b>	<b>12 committee members</b> <b>0.5 full time employees</b>
<b>BEDDINGTON INDUSTRIAL AREA</b>	Form of organisation	Area	Estimated annual levy
	<b>Business Forum</b>	130 hectares	 £200,000
	Year established	No. of businesses	Management
LB Sutton	2014	 <b>172 (20 members)</b>	<b>NO formal organisation</b> <b>1 council officer</b>
<b>PARK ROYAL BUSINESS GROUP</b>	Form of organisation	Area	Annual contributions
	<b>Business Forum</b>	500 hectares	 £10,000
	Year established	No. of businesses	Management
LB Brent, LB Ealing, LB Hammersmith & Fulham	2014	 <b>2,000 (60 members)</b>	<b>1 chair of the group</b> <b>0.5 full time employees</b>

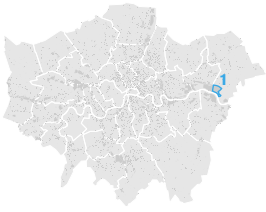
## Findings and Next Steps

The findings from the five case studies provide an understanding of the different forms of organisation amongst businesses, and their efforts to improve industrial estates.

Businesses in industrial areas often get together to address a particular issue or problem that is not addressed by local authorities. In many cases, safety and security is a major issue and CCTV, new fencing and mobile patrols are some of the first projects on the agenda. Businesses often seek action on other issues such as lighting, cleanliness, and infrastructure by working with local authorities. Issues and needs can be very specific to individual estates and circumstances, even within the same industrial area.

Any form of organisation, whether a BID, a business association or a business forum, offers a coordinated way to represent and advocate the interests of the business community. The representative organisation acts as a link between the businesses and the local authority, police, and other agencies. Many local authorities see, representative organisations as a useful way of working with businesses to improve an area.

As this is a brief study, we have not sought to record the extent of business organisation in all of London's industrial areas, or to quantify the economic benefits of businesses acting together. Further work should identify places which could benefit from support to become more organised.



## A Business Improvement District in a diverse area

### London Riverside BID

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#### **London Riverside BID**

Fairview Industrial Park  
Marsh Way  
Rainham Essex  
RM13

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#### **LB Havering**

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#### **Business Improvement District**

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**Established**  
2007

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**Area**  
392.5 hectares

---

**Number of businesses**  
300

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**Annual levy**  
£250,000

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**Levy rate**  
1.5% of business rates

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www.  
londonriversidebid.  
co.uk

London Riverside is the largest industrial Business Improvement District in London, with around 300 businesses operating in its area. It stretches across 392 hectares south-west of Rainham in an area defined by the River Thames. Established in 2007 and currently on its second 5-year term, the BID aims to deliver a range of services and improvements to address the concerns of local businesses.

The Ferry Lane industrial estate, which forms a core part of the London Riverside BID area, had been in a state of deterioration. In 2005 businesses on the estate got together in an attempt to prevent the situation from worsening. The Ferry Lane Action Group (FLAG) was formed to create a common face for the estate and deal with its day-to-day management. With a number of funding streams available at the time, and with the support of the council, the group was able to successfully deliver a number of projects improving footpaths, roads and drainage on the estate. This initial organisation formed the basis for the creation of the BID and prepared the ground for a successful ballot in February 2007. The motivation was for all businesses to contribute fairly for the improvements in the area.

### **Management and Organisation**

London Riverside BID operates as a not-for-profit company limited by guarantee. There are currently 5 BID board members to represent the London Riverside business community and direct the way funds are spent. The BID manager and a part time BID coordinator are formally employed by the



## London Riverisde BID

BID company. They are responsible for communications, dealing with contractors, coordinating the improvement projects and organising the renewal process for the BID.

Preparing for the renewal ballot, every five years, is a lengthy process taking between 12 to 14 months, and involves organising a pre-consultation, a formal consultation, and the actual ballot, while carefully documenting the entire process. Incorporating multinational or large companies in a BID can be difficult, as although there might be some level of local interest, decision-makers are usually located elsewhere.

The process of setting up a BID helped the council update its business rate register, ensuring rates are properly collected. Government reforms now allow a percentage of business rates to be retained by the Local Authority, further motivating accurate registers.



## London Riverisde BID

### Improvements and Actions










Since the establishment of the BID a number of different projects have been completed addressing important issues and improving the area. As with most industrial estates, security is a major concern and almost half the budget of the BID is spent on projects aiming for a safer and secure working environment. 12 CCTV cameras, monitored 24/7 and 4 ANPR cameras have been installed, 13 radio link locations, 5,500 patrol hours per annum have been provided, 2 security barriers and new fencing are in place to prevent fly tipping. Over its second term the BID intends to spend over £500,000 to further enhance security measures.

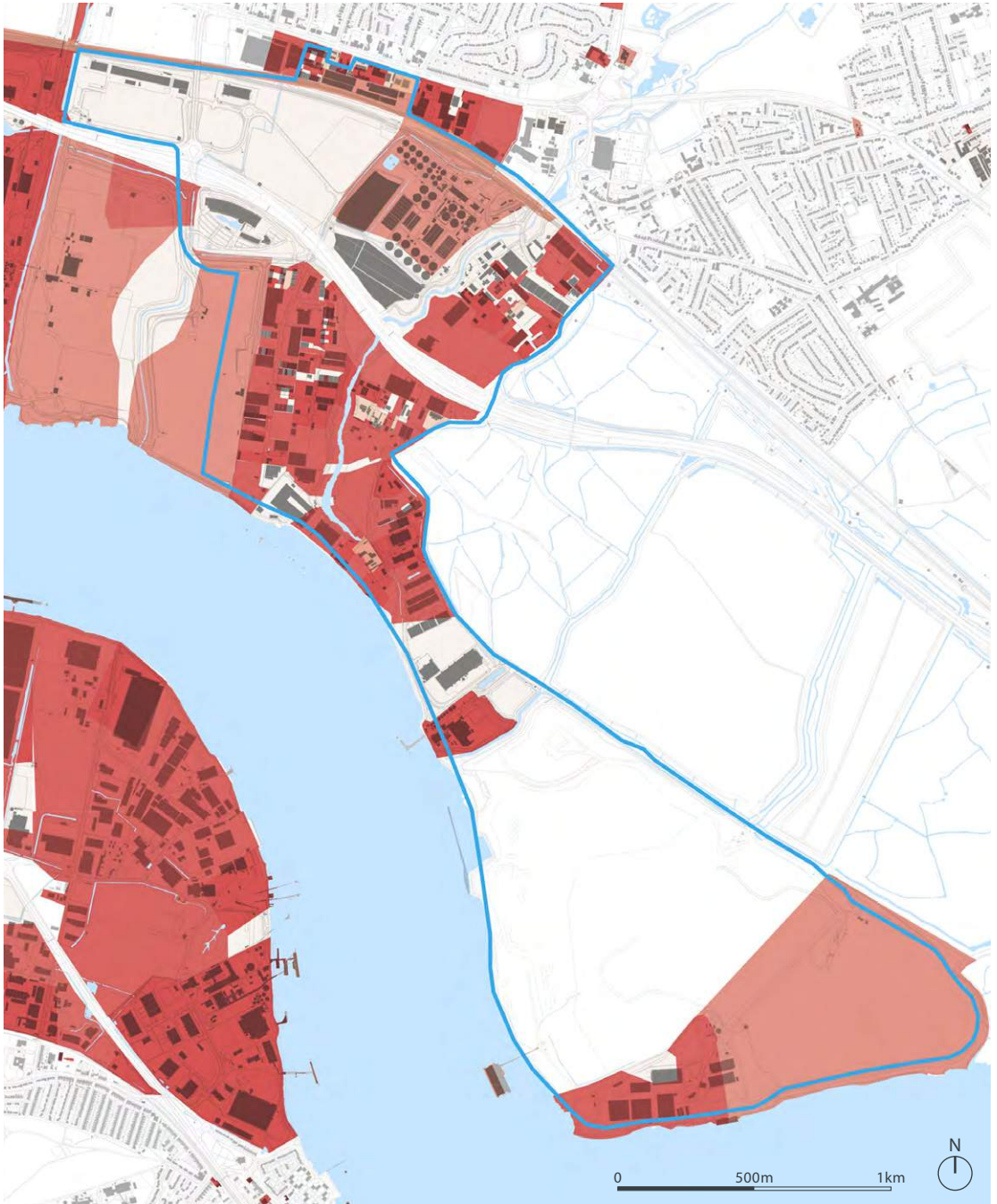
The BID has a policy of not funding services that should be provided by the council, this ensures that the BID levy provides clear additionality for businesses. However the BID places a great emphasis on monitoring and ensuring that the council and its contractors fulfil their duties to keep the area clean and well maintained.

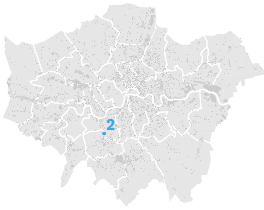
The BID is sometimes asked to comment on planning applications, where proposals may affect businesses in the area and potentially increase the need for car parking undermine accessibility. The BID has also been instrumental in securing additional sources of funding for road and drainage improvement schemes, new pathways and improved signage.



# London Riverside BID

- |  |   |   |
|--|---|---|
|  General industry |  Utilities waste and recycling |  Other non-industrial  |
|  Warehouses       |  Land for transport            |  Vacant land/buildings |
|  Light industry   |  Office                        |  Other                 |





## A Business Improvement District in a small owner occupied industrial area

### Garratt Business Park BID

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#### **Garratt Business Park**

Garratt Lane  
Wandsworth  
SW17 0BA

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#### **LB Lambeth**

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#### **Business Improvement District**

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**Established**  
2009

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**Area**  
5.7 hectares

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**Number of businesses**  
69

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**Annual levy**  
£60,000

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**Levy rate**  
9 tier banding system  
min. £340 max. £2,720

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www.  
garrattbusinesspark.  
co.uk

Garratt Business Park is a thriving industrial estate with 69 small and medium size businesses offering a wide range of goods and services. It is the smallest industrial Business Improvement District in London occupying just 5.7 hectares. Established in 2009, the BID is currently on its second term following more than 90% of businesses voting in favour in the last renewal ballot, with a turnout of 75%.

Historically the site of a Bowater factory, the land and buildings were sold off to a number of individuals after its closure. As a result, 90% of the estate is owner occupied, and includes roads which have not been adopted by the local authority.

In 2000 a local councillor organised a group of key businesses, environmental and planning officers, the borough solicitor and others, to address an increased number of issues in the estate and conflicts that had arisen between owners. The main issues were resolved and a number of lighting, signage and road improvement projects were delivered taking advantage of available funding, including TfL money.

In 2006-7 the group was approached by the Society of London Manufacturers (SoLoMan) who were working on a project to help organise businesses and initiate the process of becoming a BID. A consultant worked closely with the businesses to understand their particular needs and suggest the idea of the BID. A working group was formed to carry through the necessary preparatory work and with the support of the freeholder of the largest unit and eventually of Wandsworth Council the BID was successfully

## Garratt Business Park BID

established. The boundaries of the BID are carefully drawn to exclude a neighbouring estate, which is owned by a single investor and let out to businesses, paying service charges towards security and maintenance. The BID levy would have been unpopular in this area.

### Management and Organisation

Garratt Business Park BID operates as a not-for-profit company limited by guarantee. The board is made up of representatives of the business community and one representative from Wandsworth Council. The estate can be divided into 4 areas, each with its own particular issues and needs which are represented on the board of directors. In an estate with a diverse range of businesses, 'cleaner' processes are sometimes situated next to 'heavier' industrial activities. This might cause issues of noise, odour and dust between neighbouring businesses.

The five board members help smooth these issues and direct how funds are spent to improve the area. Administrative tasks are undertaken by the BID coordinator who is currently employed for just 8hrs/week. The only other person who is employed by the BID is the maintenance officer working 1 day/week. The BID relies heavily on volunteers with one of the businesses being responsible for the monitoring of the CCTV system and another for the development and update of the website.



## Garratt Business Park BID

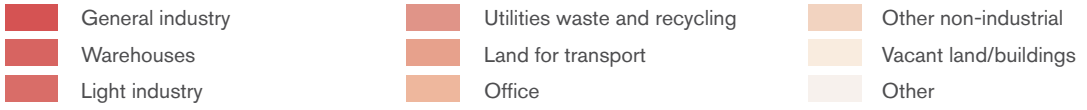
### Improvements and Actions

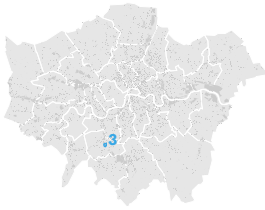
With the first group that was formed and later with the creation of the BID a number of projects have been achieved, on an estate which was gradually deteriorating. Roads have been resurfaced and maintained and after negotiations with National Grid, the neighbouring landowner, the main entrance to the estate were improved, and £24,000 secured for estate security and maintenance. All drains in the estate have been regularly serviced, signage updated and a new website developed.

After a series of successful projects with obvious and immediate effects, such as road improvements, there is now an increasing need to maintain the area. However maintenance is also costly and time consuming, but less evident to businesses and workers, and there is a risk that businesses may feel the work is complete, and there is no further need for a BID.



# Garratt Business Park BID





## A Business Association working towards an acceptable comprehensive organisation

### South Wimbledon Business Area

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#### South Wimbledon Business Area

Merton Industrial Estate  
Jubilee Way  
SW19 3EL

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#### LB Merton

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#### Business Association

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**Established**  
2007

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**Area**  
31.5 hectares

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**Number of businesses**  
over 200

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**Association members**  
20

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**Annual membership fee**  
min. £50 max. £300  
per business

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[www.swbaltd.com](http://www.swbaltd.com)

Established in 2007, the South Wimbledon Business Area provides a forum for supporting businesses located on Merton Industrial Park. The association works to improve the condition of the estate and advocate its interests to the local authority and other government bodies. More than 200 businesses operate within the area.

#### Management and Organisation

There is currently a voluntary committee of 12, who seek to organise and implement actions to address issues raised by association members. The committee meets monthly. Meetings are generally well attended with representatives from the Metropolitan Police and Merton Council. The association discusses issues and actions to be taken to improve the area and attempts to secure investment to upgrade the estate through the voluntary efforts of members and a part-time funded estate co-ordinator.

However it is difficult for a business association to be financially sustainable relying only on membership fees from participating businesses.

#### Improvements and Actions

The estate is currently in relatively good condition due to voluntary efforts and various sources of external funding. TfL investment of £800,000 was used to introduce new cycle paths and loading bays in the estate. Part of the project included the installation of 6 CCTV cameras to improve security.



## South Wimbledon Business Area

Merton council has also been particularly supportive and since 2013 have provided £6,000 per annum to the association to compliment voluntary contributions by the business members. Funding was also secured to upgrade the website.

### Becoming a BID

The association has twice attempted to persuade the businesses to form a Business Improvement District. Once in 2007, when after an initial survey and an informal consultation it was decided that there was not enough support for the formation of the BID. The second time was in 2009-10, when only 20 companies completed the consultation and it was again concluded that there were not enough support for a BID.

One of the reasons why businesses seem reluctant to form a BID is the fact that improvements in the area have happened without a BID, and



## South Wimbledon Business Area










they believe this will continue. In addition, the condition of the estate is relatively good, without any major issues that need immediate collective consideration and action.

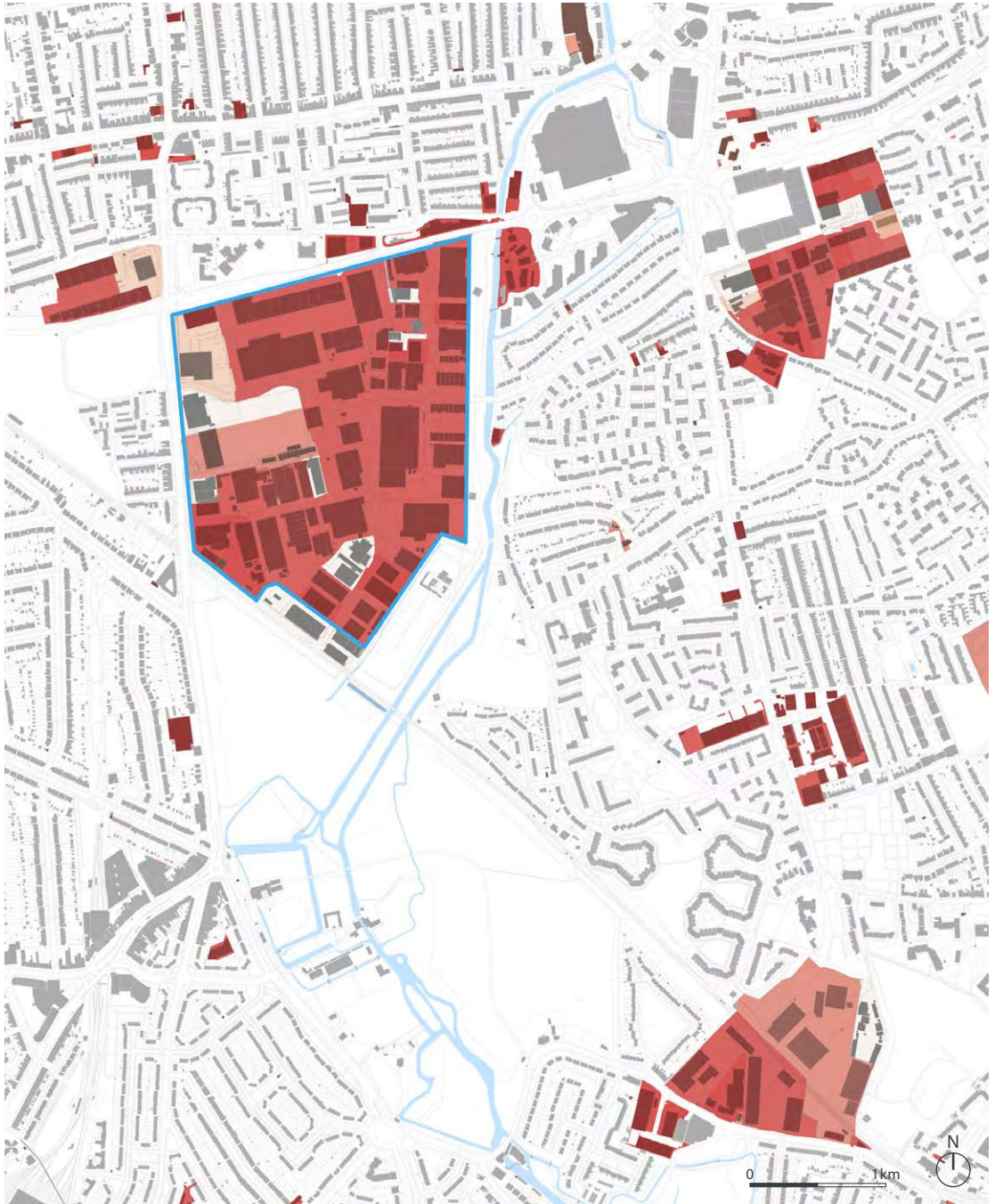
The association plans sound businesses out about becoming a BID, again, in the near future. If there is enough interest, around £25,000 will be needed to run a formal consultation and organise a ballot. Forming a BID would ensure fair participation and financial contributions. Currently contributions are only paid by a small group of voluntary members and this is seen as unsustainable in the long term. The association intends to keep the proposed annual levy contributions low, with a cap at £500 and a minimum of £50 per business.

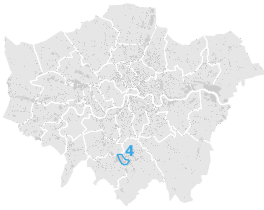
With a financially stable footing the BID could improve footpaths, security patrols and CCTV, and lobby for new bus routes and make a more coordinated effort to secure funding from external sources.



# South Wimbledon Business Area

- |  |   |   |
|--|---|---|
|  General industry |  Utilities waste and recycling |  Other non-industrial  |
|  Warehouses       |  Land for transport            |  Vacant land/buildings |
|  Light industry   |  Office                        |  Other                 |





## A council initiating business organisation following positive experience elsewhere

### Beddington Industrial Area

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#### **Beddington Industrial Area**

Beddington Lane  
Beddington  
CR0 4TE

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#### **RB Sutton**

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#### **Business forum and BID steering group**

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#### **Established**

2014

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#### **Area**

130 hectares

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#### **Number of businesses**

172

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#### **Annual levy estimate**

around £200,000

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#### **Potential levy rate**

between 1% and 1.5% of business rates with potential caps

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The Beddington Industrial area occupies over 130 hectares on the border between the London Boroughs of Sutton and Croydon, designated as a Strategic Industrial Location. Historically the area has had links with local waste management and recycling activities and is currently the base of more than 170 businesses ranging from small local workshops to large national companies and sewage sites treating the wastewater of more than 360,000 people.

Sutton Council is promoting the formation of a BID for Beddington, following a positive experience of working with the BID in Kimpton Industrial Park (KIPPA). Initially, a feasibility study was commissioned to collect information about the various businesses in the area and organise an initial informal consultation. More than 30% of businesses responded to the survey with a generally positive feedback about the prospect of forming a BID. Even some of the bigger businesses in the area, such as ASDA and the Superdrug headquarters seem to support the idea. As part of efforts to further engage businesses and open up the conversation, a business forum has been set up.

### **Management and Organisation**

The council hopes to strengthen the forum by increasing participation and business engagement. Meetings take place on a quarterly basis with 15-20 people regularly attending. The council facilitates the conversation and organises the meetings. There is still no formal organisation; however, the forum recently resolved to set up a BID steering group

## Beddington Industrial Area

with representation from businesses in different parts of the Beddington industrial area that will lead the process of forming a BID. If there is continued support, a ballot for the BID could take place in the Autumn of 2015. A BID is seen as a positive long term way for businesses and the council to work together, as it ensures a regular income for the business forum. It is crucial that the BID is led by the businesses advocating their interests.

There is also an active Neighbourhood Forum, focused around the historic village centre, who are working on a Neighbourhood Plan which includes the Industrial Area. Business engagement in the Neighbourhood Planning process will be important in addressing issues that may affect residents such as the operation of heavy goods vehicles, while maintaining the operational effectiveness of the industrial area, which risks being overlooked by a resident-led Neighbourhood Forum.



## Beddington Industrial Area










### Potential Improvements

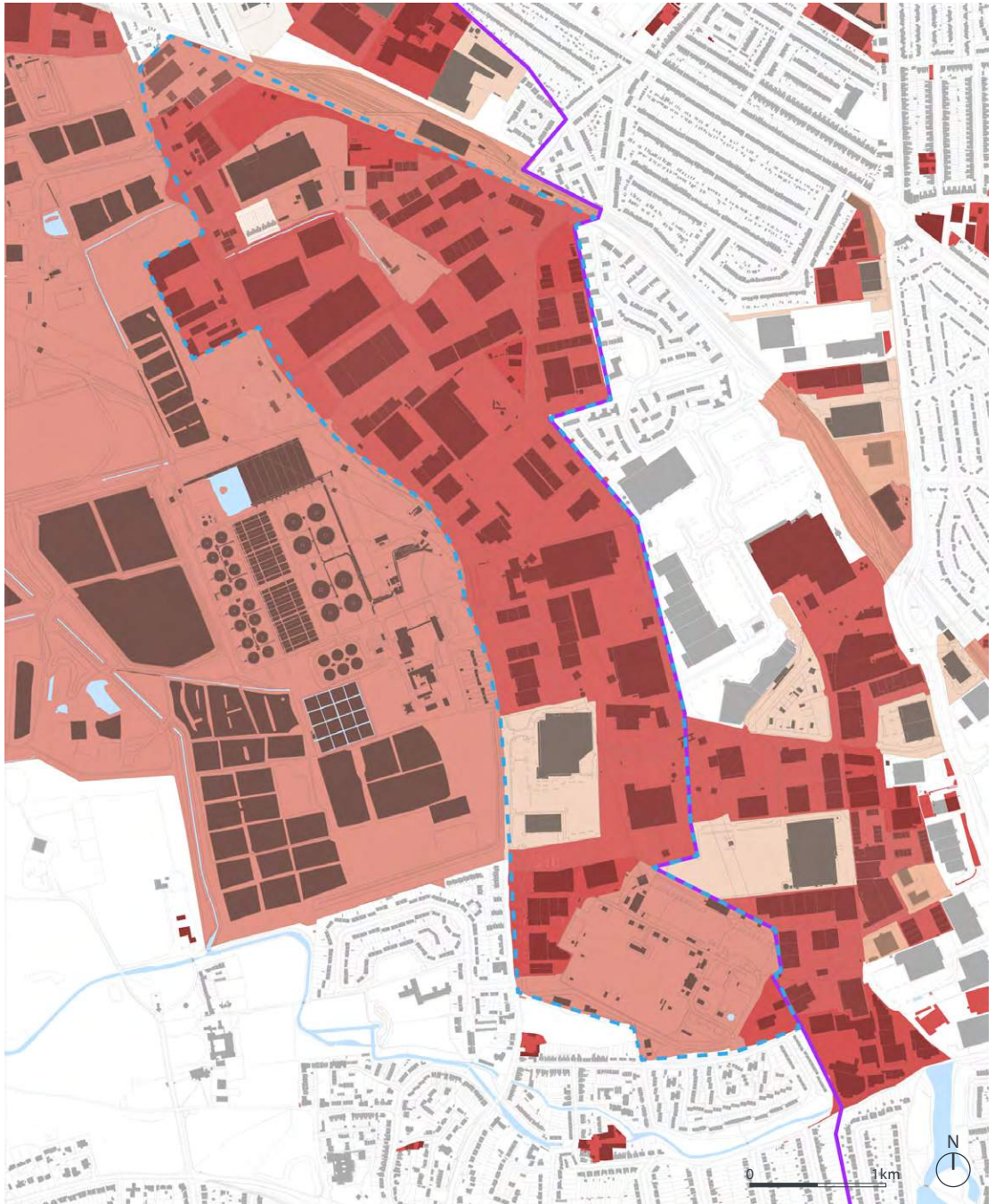
The recent feasibility study highlighted a number of issues that need to be addressed according to the businesses of the area. Once again, security was a number one priority, with projects such as CCTV installation, mobile patrols and new fencing featuring at the top of the list. Signage and way-finding also need significant improvement and there were also concerns about street parking causing problems to lorries accessing the site. Finally there were thoughts about new and improved footpaths and cycle routes, along with the need for further landscaping around the area. Businesses also expressed the need to have a stronger voice in the area and more positive engagement with the local authority.

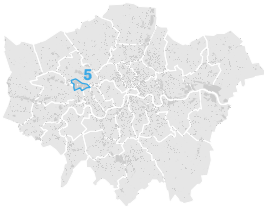
Making the Beddington Industrial area a 'better neighbour' for the local residents, may also rise on the agenda, and require the promotion of the area to increase pride amongst residents of local businesses.



# Beddington Industrial Area

- |  |   |   |
|--|---|---|
|  General industry |  Utilities waste and recycling |  Other non-industrial  |
|  Warehouses       |  Land for transport            |  Vacant land/buildings |
|  Light industry   |  Office                        |  Other                 |





**A forum for businesses to discuss issues across a large and diverse area**

## **Park Royal Business Group**

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### **Park Royal Business Group**

261 Water Rd  
Wembley  
HA0 1HX

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**LB Brent, LB Ealing,  
LB Hammersmith &  
Fulham**

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### **Business Group**

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**Established**  
2014

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**Area**  
500 hectares

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**Number of businesses**  
around 2,000

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**Number of members**  
50-60

---

**Membership fee**  
£150-200

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Park Royal is one of the largest continuous industrial areas in London. It is situated across three London boroughs, Brent, Ealing and Hammersmith & Fulham. It stretches across 500 hectares and contains around 2,000 businesses.

In the past, the Park Royal Partnership was established with public sector funding to promote the interests of businesses and work with public sector partners. It hosted a number of networking events and acted as a conduit for European funds to the area. As public funding dwindled in 2010, the Partnership attempted to establish a BID to ensure long term sustainability. A steering committee was hastily set up and a ballot organised with 65% of the eligible businesses voting in favour of a BID. However there was limited consultation with many of the smaller businesses in the area, and a lower threshold of rateable value was set to limit the number of eligible businesses to 700.

The Park Royal Association was formed in 2011 by 200 smaller businesses to challenge the way the BID had been structured. The BID was eventually disbanded in the face of opposition. However several businesses continued to believe that some kind of representative organisation would benefit the area, and decided to set up the Park Royal Business Group in January 2014.

### **Management and Organisation**

Currently, the business group has around 60 members, with an annual membership fee of £150-



## Park Royal Business Group

200. A number of larger businesses are members, although the core of the group is formed by smaller local businesses. At this early stage, West London Business have acted as a host for the Group, providing resources for the development of the group and funding a coordinator for upto 2 days / week.

The chair of the Group, will be rotated annually, and currently puts in 2-3 hours of voluntary work a week. There are also various voluntary efforts from other the members of the group.

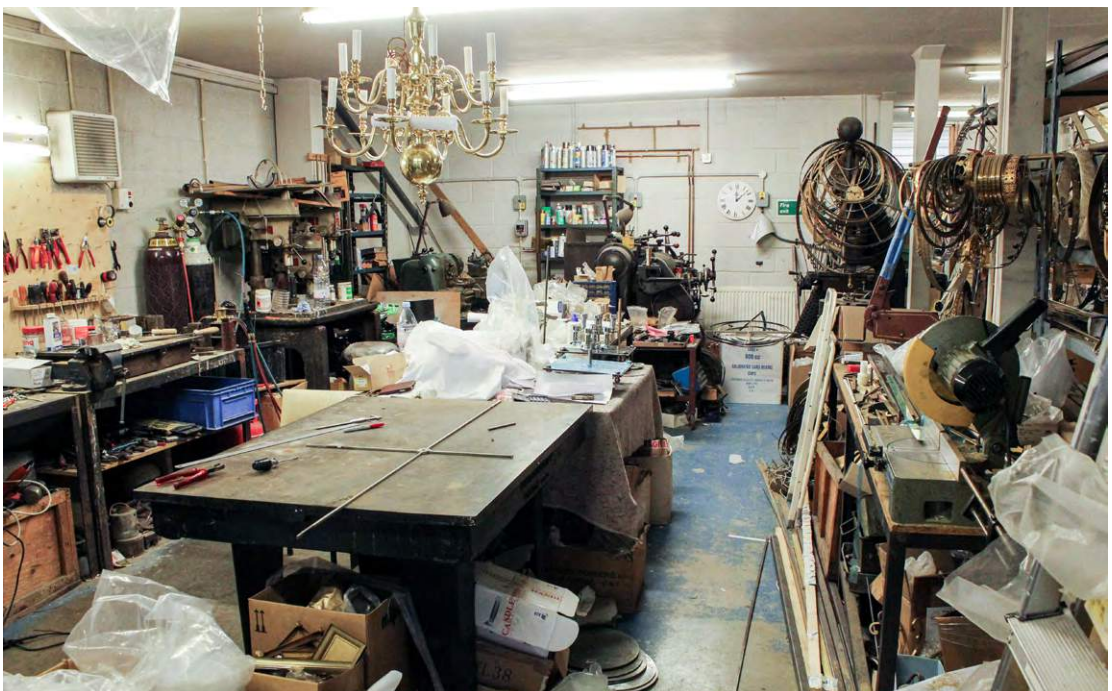


## Park Royal Business Group










### Improvements and Actions

Primarily, the group attempts to bring businesses together to discuss relevant issues and open up conversations with the local authorities. In the short period since the formation of the group, a number of well-attended events have been organised, such as a local police event, a councillor surgery, and a meeting with the local MP.

There are a number of issues that need to be resolved in the area. However the formation of a Business Improvement District needs to be sensitive to all businesses in the area, and cannot be rushed through. The size and diversity of the area with 2000 businesses crossing 3 boroughs, makes it difficult to respond to the different local issues faced by businesses. And may require a number of smaller organisations focused on specific circumstances.



# Park Royal Business Group

- |  |   |   |
|--|---|---|
|  General industry |  Utilities waste and recycling |  Other non-industrial  |
|  Warehouses       |  Land for transport            |  Vacant land/buildings |
|  Light industry   |  Office                        |  Other                 |

