



Bond Street | Oxford Street | Regent Street

Covid 19 – West End Resilience & Recovery

MARCH 2021

Executive Summary

Following our November update, this report outlines **New West End Company's** activities over the past **12 months** and our **Board-approved programme** for moving into our new term from 1 April 2021.

Our top priority is to get the West End re-open again and working with partners to gain further significant Government support through this phase and into our 2021 recovery.

We continue to support our **West End** businesses as together we prepare for customers to return from this Spring, subject to the successful **UK-wide vaccination programme** which is on track. We are acutely aware of the **central London challenge** of fewer office workers and tourists expected back in near-term. 2021 will be a London and domestic led consumer recovery while we prepare for our **global bounceback from 2022 and beyond**. Our aim is to return our district to its **£10bn annual turnover by 2025**.

The long-term structural challenges that the West End faces have been accelerated by COVID.

Although we had some return of customers in December before the third national lockdown, **footfall remains -68%** and sales are generally on average around **20%** running year-on-year. The current trading conditions are clearly not sustainable, and we will require future **campaigns to boost customer demand** together with **policy measures** encompassing retail, leisure and real estate if many of our businesses are to remain viable into 2021 and beyond. (See insights page 13)

Working with our partners, **New West End Company** continues to advocate at all levels of Government for both **operational and fiscal measures** to support **West End** businesses. Our recent submission to the Chancellor ahead of the 3 March budget summarises our top advocacy asks on members behalf.

- 1. Business Rates** – (i) Selectively extend the business rates holiday and (ii) complete, quickly, the fundamental review to implement a business tax system that is fit for purpose in an increasingly digital 21st century economy and that will help, not hinder, economic recovery.
- 2. Tax-Free Shopping** – Agree to the call by the Chair of the Treasury Select Committee for a comprehensive, independent review of the decision to end the VAT RES to test its robustness, given the potential net loss of tax revenue and the negative impact on businesses and jobs in the already suffering retail, hospitality and travel sectors.
- 3. Commercial Centres** – Provide targeted support for commercial centres with funding allocation for each local authority that takes account of the level of commercial activity, not just resident numbers.
- 4. Capital Schemes** – Support capital schemes that will re-energise the economy, provide a good ROI and contribute to UK wide de-carbon targets, such as Westminster City Council's Transformation scheme for the nation's high street in the Oxford Street District.
- 5. Kickstart the local economy** – Promote initiatives, such as the "Eat Out To Help out Scheme" to kickstart the local economy once COVID-19 is under control.

This is in addition to our continued delivery of core services of **enhanced place-management, infrastructure improvements, customer communications and insights programmes**.

Through the **London Transition Board** which our Chairman sits on, and our wider advocacy to the Government and Mayor's Office directly, we support the **Central London Recovery Plan** which is being championed by **London First, TheCityUK**, alongside **business groups**. We also sit on the various tourism, economic recovery and political bodies driving the recovery strategy for the capital and will continue to keep members updated on progress for the **West End**.



Executive Summary

London Mayoral Elections – May 2021



The two leading candidates; **Sadiq Khan** (Labour) current Mayor and **Tory Candidate Shaun Bailey** appeared in front of our Board in February. We have also briefed the other major candidates running. Key issues raised and commitments were sought around;

- **Oxford Street District Transformation;** supporting the City Council's £150m plans and investment into the transport hub upgrade with support by TfL for greater pedestrian space, cleaner public transport and earliest opening of the **Elizabeth line**;
- **Strategy and resources** to promote **London on a global platform** as part of our recovery to both visitors and investors;
- **Incentives to attract consumers** back to central London in 2021 on issues such as **transport, supporting office commuters, promotions and marketing**. This includes a request to enhance, not reduce funding and resources for London & Partners, London's promotion agency.

Recovery Outlook 2021

ECONOMY

- The UK's rapid Covid-19 vaccination programme will help the economy bounce back strongly this year, according to the Bank of England. The economy is expected to shrink **4.2%** in the first three months of 2021, amid tighter lockdown restrictions to slow the spread of the virus, but policymakers expect a rebound this spring as consumer confidence returns. The Bank also told High Street lenders to prepare for negative interest rates, even as it ruled out an imminent move. The UK economy is expected to "recover rapidly" in 2021, with a successful vaccination programme supporting a "material recovery in household spending".
- Andrew Bailey, the Governor of the Bank of England, described the vaccine rollout as "excellent news" that would speed up a return to normal life. "We do think that that is going to support a sustained recovery throughout the rest of the year," he said.

LONDON

- **New West End Company** is imbedded into the London tourism recovery plan and sits on the **Recovery Board**; this combines the strategic branding work for London's global positioning and reputation (delivered by **VisitEngland** and **London & Partners**) with the tactical campaigning needed to attract visitors back this year. Further updates will be provided in months ahead.

TOURISM INDUSTRY EMERGENCY RESPONSE (TIER) GROUP - INBOUND TOURISM

- **New West End Company** represents the **West End** on this Government advisory group, chaired by **VisitBritain**. Results of a recent consumer sentiment report commissioned along with **VisitWales**, **VisitScotland** and **London & Partners** provide useful and instructive data. While the research was carried out in early to mid-December, so before Brexit and the emergence of the new COVID variants, green shoots look promising from our key overseas visitor markets for 2022.

Key Findings:

- Wave 1 fielded between 2-16 December 2020 in 14 markets: Australia, Canada, China, France, Germany, India, the Irish Republic, Italy, Netherlands, Norway, Saudi Arabia, Spain, Sweden and the USA
- **70%** of respondents would consider an international leisure trip in 2021
- **35%** express interest to visit friends and/or relatives suggesting there is a real need for connection
- **63%** would leave bookings to the last minute
- **74%** of respondents would look for less crowded places
- **86%** of those considering a trip to Britain would travel to England, **51%** would go to Scotland, and **29%** would go to Wales
- Geographically close markets such as France, Germany, and the Irish Republic tend to have poorer perceptions of the safety of Britain's nations when compared to some long-haul markets

2021 forecast: VisitBritain's revised central scenario for inbound tourism in 2021 is for **11.7 million** visits, up **21%** on 2020 but only **29%** of the 2019 level; and **£6.6 billion** to be spent by inbound tourists, up **16%** on 2020 but only **23%** of the 2019 level.

Our BID Renewal 2021

New West End Company is privileged to represent businesses in one of the world's most renowned shopping & leisure destinations; anchored around **Bond Street, Oxford Street, Regent Street & Mayfair**.

With a **20-year track record** of working with businesses and stakeholders, our aim continues to be to **protect and boost the economic prosperity of your West End businesses**.

In order to continue representing your interests and providing services to you, the Government requires **New West End Company** to hold a renewal ballot with our levy payers in March 2021. All of our **600 members**, get the chance to renew our mandate for a further five years to ensure that we can continue to deliver the services and programmes outlined in our **2021-2026 Business Plan**
www.newwestend.com/renew

Our plan includes a two-year action plan for our recovery, part of our five-year strategy - striving to return our district to £10bn annual turnover once again.

The plans have evolved with you at the heart, reflecting the needs of over **600 West End** businesses to help realise our shared vision to make the **West End's International Centre** the most diverse, sustainable and inspiring place to visit and do business. The plan will be delivered through our three key pillars; **customer experience, campaigning and insights & innovation**.

Should you wish to discuss our business proposal or the renewal process, that is administered by the **Westminster City Council**, please email izzy.coote@newwestend.com

Better Together; for good.

Campaigning



Customer Experience



Insights & Innovation

A Year of Results 2020/21

COVID Secure District

3000 FACE COVERINGS
DISTRIBUTED

16,772

CLEANING REQUESTS
RESPONDED TO BY
OUR **CLEANTEAM**

142

BIKES **SECURELY MARKED**
& **REGISTERED** ON THE
NATIONAL BIKE REGISTER

6735

ANTI-SOCIAL BEHAVIOUR
INCIDENTS RESPONDED
TO BY OUR **SECURITY**
TEAM ON BEHALF OF OUR
MEMBER BUSINESSES

OUR **FUNDED OUTREACH**
WORKER ENGAGED WITH **681** **VULNERABLE**
INDIVIDUALS

4116

£1022

RAISED FOR “**OUR FRONTLINE**”
MENTAL HEALTH CHARITY
THROUGH THE GIVING BEAR

PROACTIVE
PATROLS
COMPLETED
BY OUR **DOG**
PATROL UNITS

Public Realm & Green Infrastructure

WE HAVE **28** **HAND SANITISER** POINTS
INSTALLED **AROUND THE DISTRICT**

1000

630

DIGITAL DOWNLOADS
OF OUR DISTRICT
WAY-FINDING QR CODE

ADDITIONAL
BIKE
PARKING
SPACES

INSTALLED
IN THE
WEST END

£10M **BOND ST**
SCHEME
COMPLETED

NORTH & EAST
HANOVER SQ
FOOTWAYS
COMPLETED

A Year of Results 2020/21

Advocacy & Influence

£150M COMMITMENT SECURED FROM WESTMINSTER CITY COUNCIL FOR THE **OXFORD STREET DISTRICT**

WITH KEY TRADE BODY PARTNERS, WE **SUCCESSFULLY CAMPAIGNED** FOR **BUSINESS RATES RELIEF** SAVING WEST END BUSINESSES

£1BN

CONTRIBUTED TO NATION-WIDE **GOVERNMENT GUIDANCE FOR NON-ESSENTIAL RETAIL & HOSPITALITY REOPENING**

WORKED WITH WESTMINSTER CITY COUNCIL TO **EASE PLANNING & LICENSING REGULATIONS** FOR OUTDOOR HOSPITALITY SPACE

Business Voice & Global Profile

500 MEMBER COMPANIES & **6000** PARTICIPANTS ATTENDED

VIRTUAL EVENTS, SEMINARS & MANAGEMENT GROUPS

5000 PIECES OF MEDIA COVERAGE WORTH **£20M**

Marketing & External Affairs

5M
IMPRESSIONS OF
OXFORD ST DIGITAL
CHRISTMAS CAMPAIGN

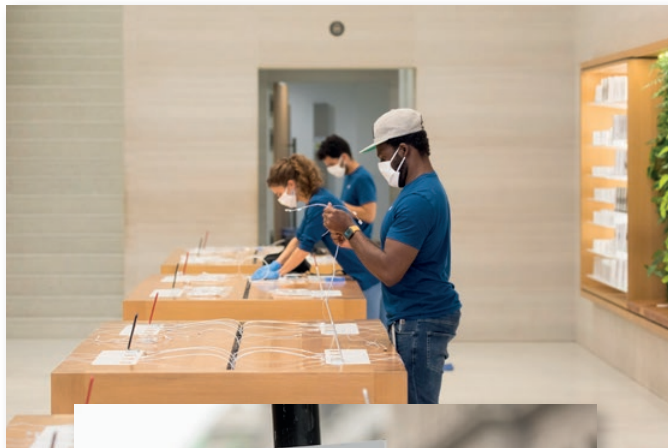
TOTAL REACH OF
3.5M
FOR MY WEST END
CAMPAIGN

**BOND STREET
INSTAGRAM FEED
GENERATED
1.2M
IMPRESSIONS**

COVID Secure District – Lockdown & Re-open

New West End Company works in partnership with local authorities to provide support and **additional street management and security** in London's **West End**.

We provide **West End** customers and colleagues with re-assurance that our district is **COVID secure** with targeted services and enhanced management both during lockdowns and when visitors return. This is key to rebuilding confidence in a safe **West End**.



Over lockdowns and during re-opening's, we:

- Maintained and enhanced high levels of security through both **daytime patrolling** and **overnight dog patrols**, to ensure our district was protected during this vulnerable period.
- Enhanced our **cleansing regimes** to ensure a **high standard** as we moved to re-open and maintained a robust presence to ensure both the actual and perceived level of cleanliness remained high.
- Worked quickly to install over **28 hand sanitisation points, queuing protocols & pavement stickers, additional signage**, and PPE for colleagues and customers returning together with additional infrastructure for **walking & cycling** into the **West End**.

We will continue to provide:

- **24/7 security personnel** with overnight dog patrols to support the security of premises and non-essential personnel working during the lockdown.
- **Enhanced cleaning**, sanitisation spots and face mask distribution.
- **Highly 'visible' deep cleaning** of the **West End** on a regular basis and supporting members safety management on key trading days.
- **District-Wide Resilience Plans** throughout re-opening & recovery.



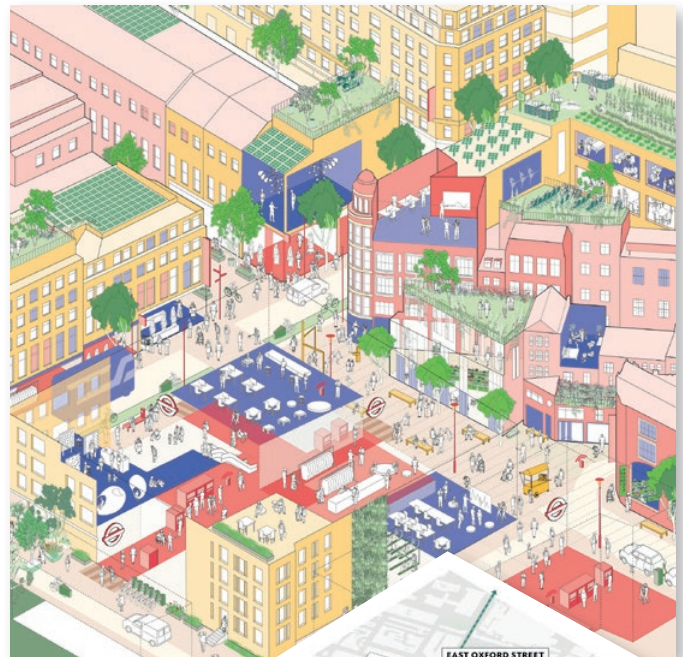
Public Realm & Green Infrastructure

In collaboration with **public and private** sector partners, **New West End Company** works to transform our district by **enhancing public spaces** in a **sustainable way**.

Over the past 12 months we have worked closely with **Westminster City Council** and **major property owners** to install a number of temporary measures across our district to ensure **visitor safety** with **social distancing** in place over the summer and crucial Christmas trading period. We are now working to make these more permanent and continue to support different ways of accessing and getting around the **West End**.

We will continue to work with our members and partners to:

- Ensure that the **£150 million Oxford Street District transformation** maintains momentum and remains on schedule as it launches this year.
- Ensure our district is prepared and ready for **Crossrail opening** in Q4 2021.
- Seek **permanent installations and interventions** that **prioritise pedestrians** and provide increased green infrastructure (i.e. secure bike and scooter parking, electric vehicle charging points) along with enhanced public realm for **outdoor dining areas** and transport hubs;
- Support the enhancements to **Regent Street** by **The Crown Estate** with increased paving space, greening and access;
- Improve **walking and cycling** infrastructure;
- Partner with **Westminster City Council** and property owners on **freight & vehicle reduction** schemes;
- **Complete the installation** of our **public WiFi** across our district.



Recovery Customer Marketing

Our communications campaigns aim to **boost customer confidence** and attract vital footfall back to the **West End** when we re-open; working with the ever-changing Government guidelines and restrictions.

Despite the low visitor figures that we saw in 2020, we delivered a number of **West End** wide campaigns to enhance the physical environment and support customers returning to our district;

- **My West End:** Promotional campaigns with destination partners.
- **West End Club:** Recently launched app with offers and experiences to encourage our office colleagues back into the district once we re-open.
- **West End Guide:** Wayfinding across our district with car parking & cycle offers and walking routes through QR codes.
- **Destination Promotion:** Always on message to our customers during lockdown and encouraging visitors to return when re-open through our digital and social channels.
- **Art installations:** Sculpture trail in Mayfair attracted over 10,000 visitors to view iconic sculptures across Mayfair in Summer.
- **Community Christmas:** Shout out to the nation's heroes through our Christmas campaign encouraging visitors to see the Christmas lights & windows for themselves when we re-opened.
- **Traffic-Free** West End Days in December on Regent Street & West Soho with our partners at The Crown Estate & Shaftesbury Plc.

Without a major shift in Government policy on social distancing, overseas travel & home working, we will continue to **trade sub-economically**.

Our package of promotions and activations are continually being developed with members and partners and are informed by intelligence from our Consumer Pulse surveys. Our strategy aims to encourage our **London** and **UK domestic customers** to return safely after the current lockdown and into our recovery in 2021.

We will continue to work closely with our wider **West End destination partners** and tourism bodies, including **London & Partners** and **VisitBritain**, to ensure that our recovery campaigns are as aligned and far-reaching as possible.



Member Insights, Communications & Guidance

As we move through the **third national lockdown** and our **recovery in 2021**, we will continue to bring together collectively our **600 businesses & partners**.

Part of our role is to **encourage investment into London's West End** by providing a positive narrative for our area and businesses domestically & overseas and delivering unique insights on our customers.

Despite retail and leisure businesses being closed for a large part of 2020, we have continued to promote a **positive commentary on the future of the West End**. Through proactive national & international media coverage, we have advocated for issues that need addressing, highlighted the resilience of our district, and aimed to ensure the **West End** remains globally competitive.

Throughout 2020 **New West End Economics** has been a key source for informing Government, businesses and key stakeholders about our trading conditions and consumer insights. Our **PwC Insights Programme** will be vital as we reopen and recover to ensure that our businesses have regular insights into footfall, sales, travel and consumer data to the best information to inform and shape business strategies.

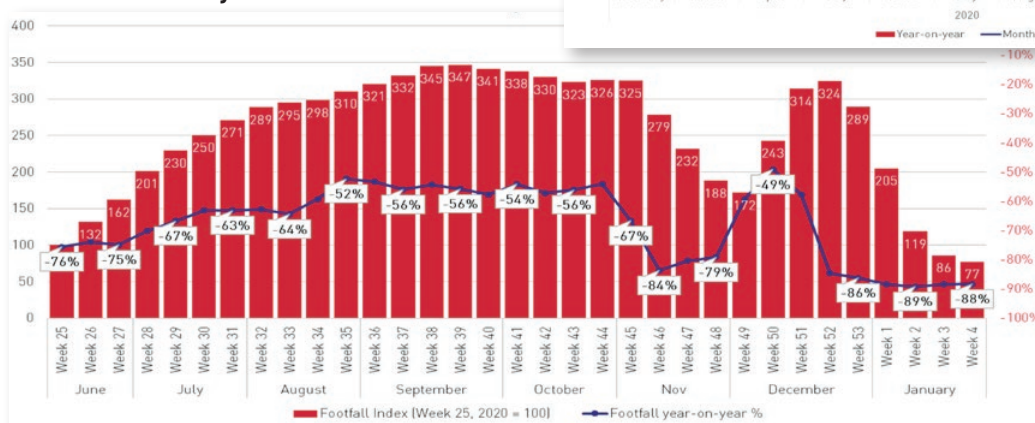
Throughout the past 12 months over **500** members companies and **6,000** participants attended and viewed our programme of virtual events, seminars and management group calls. Our **West End Recovery LIVE** series with **Microsoft** continues to draw both inspiring speakers and large audiences offering transparency and dialogue between policymakers, business leaders & **West End** colleagues.



West End & Mayfair footfall, monthly trends



West End & Mayfair footfall index



Source: New West End Company

Advocacy & Campaigning

Our political and media representation during the pandemic has been at a national, London and Local level to ensure our members' positions were clearly understood by policy makers and to provide real-time flows of information.

Our top priority is to get the **West End re-open again** and advocating with partners for significant Government support through this phase and into our 2021 recovery.

We continue to lobby our policymakers and promote our case in the media on behalf of our 600 members on a range of measures that will support the West End's resilience and recovery to grow again in the future. In the past 12 months, we have generated over 1,000 pieces of coverage with £20 million in UK and global media value.

A policy and programme has now been adopted to 'dress' the empty West End voids in the immediate period and temporary use of ground-floor uses in 2021-2022 with Westminster City Council, London & Partners and major property owners. This initiative has been led and brokered by New West End Company.



Pressure piles on Rishi Sunak to scrap tourist tax...as French ask why London is 'shooting itself in the foot'

Tory MP backlash as Treasury accused of failing to fully assess damage to jobs and economy



Evening Standard

FREE LONDON FRIDAY 4 DECEMBER 2020 24/7 ONLINE NEWS STANDARD.CO.UK
Sequins, songs and Six the musical — your essential culture guide WEEKEND PAGES 25-27
PLUS: WE FEEL LIKE LIVESTOCK: STUDENT EXODUS BEGINS » DEEP DIVE PAGES 8 & 9

TOURISM TAX FURY GROWS... AS FRENCH MOCK US

» TORY MP BACKLASH AS TREASURY ACCUSED OF FAILING TO FULLY ASSESS DAMAGE TO TOURISM



Evening Standard

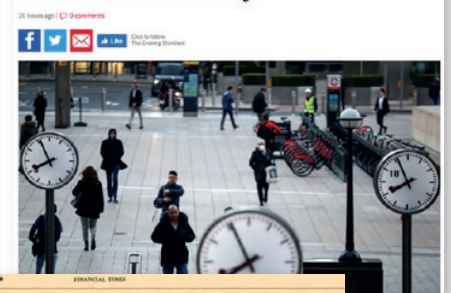
Established 1827



Shops must innovate to prosper in future

THE reopening of many shops today has brought a welcome rush of enthusiasm, with queues outside some even before their doors opened, accompanied by appeals for people to return to the high street and spend for the good of the economy. This newspaper hopes, of course, that plenty do, and are pleased that retailers big and small finally have the chance to begin to rebuild their businesses after two gruelling months of lockdown which have, according to the Office for National Statistics, cost non-food shops a frightening £1.7 billion a week.

The Reader: Business rates reform is crucial for our recovery



Business hits back after VAT 'body blow'

Legal advice sought over scrapping of tax relief on sales to non-EU visitors
Daniel Thomas
Retailers, tourism businesses and airport operators are seeking legal advice after the 'body blow' of a government decision to scrap VAT relief on sales to non-EU visitors.
The Treasury announced last week plans to withdraw the VAT relief on goods brought into the UK by non-EU visitors, a move that has been widely criticised.
Jace Tyrrell, chief executive of the New West End Company, described the move as a 'devastating' decision that would 'kill any city centre recovery'. The group is taking legal advice, with the support of business associations and activists.
International visitors accounted for about half of retail in the West End but a disproportionate amount of spending, the group said. Based on calculations, the move would mean a potential 42 per cent drop in sales for the West End's retail sector.
The Treasury said the VAT relief was a 'one-off' measure to support the tourism sector during the pandemic.
On Friday the Treasury also extended duty-free shopping, which usually covers duty-free goods, to include some non-dutiable goods, but it is unclear if this will be enough to offset the loss of VAT relief.
However, airport operators warned about the decision to scrap the VAT relief on goods brought into the UK by non-EU visitors, saying it would be a 'significant blow' to the sector.
Kieran Day, Airport Operations Association chief executive, said the government had 'once again shown a complete lack of awareness for the jobs and business in the tourism sector'.
A full report by Peter Foster

Advocacy & Campaigning Summary – 2020/21

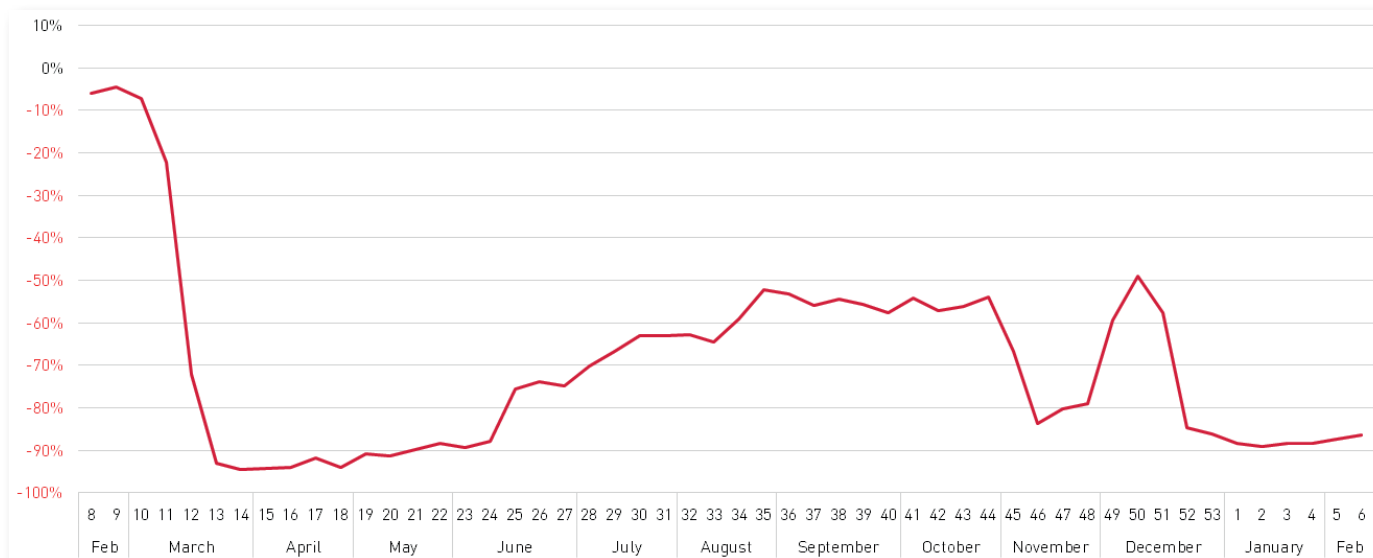
KEY:

- Achieved
- In progress/Risk of delivery

<h3>Lockdown Support</h3>	<ul style="list-style-type: none"> ■ Worked with trade association to win business support measures, specifically the business rates holiday and the furlough scheme ■ Provided additional security throughout the lockdown period
<h3>Reopening Support</h3>	<ul style="list-style-type: none"> ■ Contributed to Government guidance on reopening of non-essential retail and hospitality ■ Created a re-opening guide for West End businesses ■ Prepared the West End for reopening with public health measures and banners ■ Worked with the Government and Westminster City Council to ease planning and licensing regulations to allow greater use of outdoor space for hospitality during the summer and updated policy including outdoor heaters for winter period ■ Government policy and funding for empty void frontages and ground floor activations for empty units ■ Gained Westminster City Council, TfL, Mayor's Office support for Christmas Traffic-Free Days on Oxford Street, Regent Street and west Soho. ■ Advocating for more positive messaging from Government to restore consumer and employee confidence once re-opening in Spring 2021 ■ Advocating for TfL/Mayor provide travel incentives on the public transport system
<h3>Longer-term Recovery</h3>	<ul style="list-style-type: none"> ■ Ongoing campaigns with Government on key policies for long-term recovery including: <ul style="list-style-type: none"> • Long term business rates reform and extended support in the medium-term • Reversing the Government's decision to abolish the Tax-free shopping • Sunday trading extension (worth £260 million in additional sales annually) • Easier visa application process for Gulf States visitors ■ Full opening of Elizabeth line at earliest possible time with cost overrun not borne by business ■ Greater flexibility in approach to planning & licensing in West End's International Centre ■ Commitment from Westminster City Council to the £150 million Oxford Street District Transformation and a seat on the Partnership Board. ■ Secured £470,000 BID support from Government and deferred BID ballot

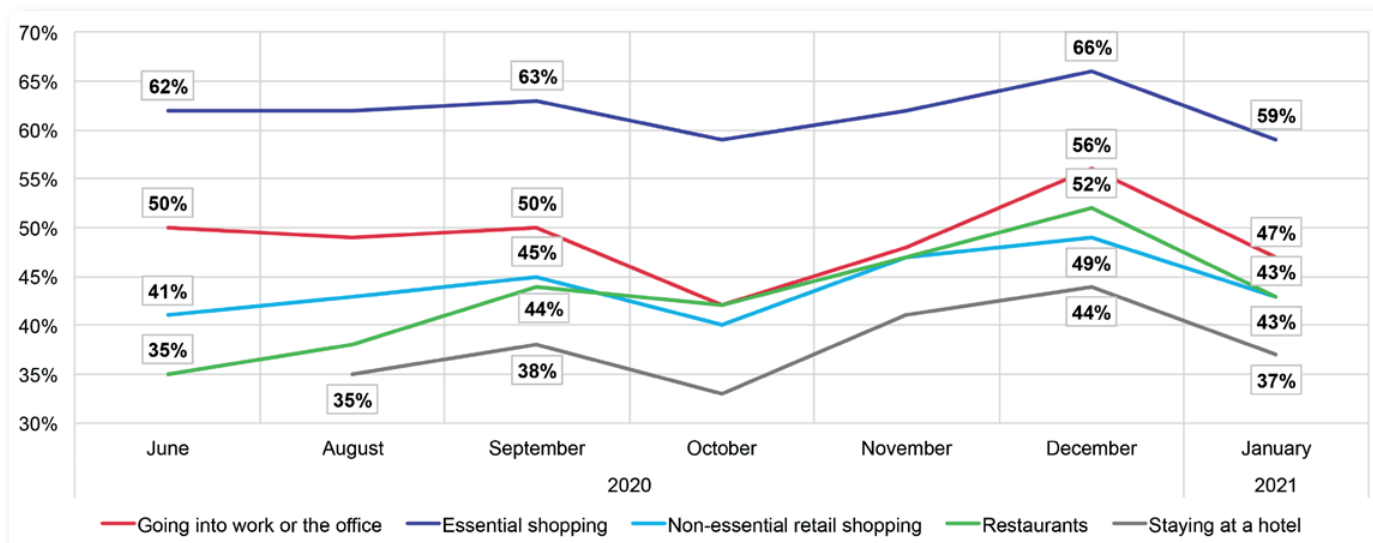
West End Trading Trends 2021

West End & Mayfair 12-month year-on-year footfall trend



Source: New West End Company

Consumer confidence in selected activities



Source: PwC, NWECC - Consumer Survey Wave 8

Disclaimer: This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors

	Total	London	Rest of the UK
My office closed at the start of lockdown, has not opened since and will not open in the future	23%	28%	20%
My office closed at the start of lockdown, has not opened since but will open again in the future	41%	46%	38%
My office closed at the start of lockdown, has opened since and remains open	12%	10%	14%
My office has remained open since the beginning of the pandemic	23%	17%	28%

Source: PwC, NWECC - Consumer Survey Wave 8

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Do you want to return to the office post lockdown?

