



Bond Street | Oxford Street | Regent Street

COVID 19 – West End Reopen & Recovery

JUNE 2021

From The Chief Executive



New West End Company works on behalf of you, our 600 members, to make the West End International Centre the most diverse, sustainable & inspiring place to visit and do business.

As I write this, the **West End** has just gone through its third and hopefully final reopening of the last 12 months. While we saw the most successful reopening of the year, with footfall rising to **50%** of its usual levels, I am still acutely aware of the ongoing pressures that you and your business are continuing to face after a year that no one could have foreseen.

The impact that the pandemic has had on the **West End** has been truly unprecedented. Prior to 2020, the economy was growing, the **West End** secured major capital commitments on infrastructure and we could credibly say we were in the **premier league of destinations in the world to visit and do business.**

As we enter our new five-year BID term, it is this position that is at the forefront of our plans. We will strive to return our district to its pre-COVID economic levels of **£10 billion** annual turnover.

To achieve this, over the next 12 months, our top priority will be to **bring customers back and support the recapitalisation of West End businesses.** In addition, we will be working closely with our members and partners on our five key advocacy asks:

- 1. Maintain momentum on the £150 million Oxford Street District transformation led by Westminster City Council;**
- 2. Push the Mayor & TfL to open Crossrail as soon as possible;**
- 3. Present and activate temporary uses & empty voids across the West End to encourage customers back;**
- 4. Continue with the business rates support until fundamental reform including full benefit of 2021 revaluation;**
- 5. Reverse the decision to abolish tax-free shopping;**

These run in parallel to our core services; **COVID-secure place management for our re-opening, key infrastructure improvements, customer communications and insights.**

The **West End** is facing **long-term structural challenges**, and we have a long way to go to before our district fully recovers from the impacts of the pandemic.

However, while we have been witness to one of the most challenging years on record, we **cannot ignore what we have achieved in 2020.**

The past 12 months have shown us at our best. We have all drawn on **collaboration and flexibility to respond stoically.** As a district we have come together to turn the risks and challenges of the pandemic into new opportunities; to engage with customers in new and innovative ways, and to renew our drive to keep the **West End** going.

What the following pages show, is that even in the face of adversity, we have achieved remarkable results as a district over the past 12 months, and I am immensely proud to work in partnership with such resilient businesses, individuals and team members of **New West End Company.**

It is a privilege to be the unified business representative for our area, and the Chairman and I would like to thank you, our members and partners, for your ongoing support.

We are better together, for good.

JACE TYRRELL
Chief Executive

Executive Summary

Following our March update, this report outlines **New West End Company's** activities over the past 12 months and our **Board-approved programme** as we move into our new term this year. An updated report format, reflecting our renewed strategy, will be published at our next update.

Our top priority is to attract customers back to the **West End** and work with members and partners to secure further Government support at all levels as we turn the corner and embark on our recovery, together.

Immediate: Boost Customer Demand

- **London for Londoners** – Maximise the number of London customers returning to the West End by reconnecting with the emotional draw of being back in person. Give customers reasons to visit by working with members and partners to provide enhanced experiences & content.

Full details of our 2021/22 Marketing Plan at www.newwestend.com/marketing

- **Return to Office** – Generate the same level of spend from hybrid working (ie five day spend in three days) through incentives and 'packaging' West End full day with hotels, dining, entertainment, leisure and the West End Club.
- **Minimise Impact of Fewer International Customers** – With the loss of VAT RES and forecast £1bn impact to the West End, we will work in the immediate period on measures to boost domestic spend and as international travel resumes, campaign for a more competitive visa system for our Far East & Middle East customers and packaging up 'added value' services such as Shop & Ship. We will work with industry partners including the CBI and British Retail Consortium on securing a fundamental reform of business rates and also full benefits of the current revaluation, i.e. non-tapered transitional relief as West End values are likely to drop significantly.

Recovery: Repurposed for the Future Growth

- **Full opening of the Elizabeth Line** – continue to advocate for the earliest and full opening of Elizabeth Line, which will provide a West End customer boost from an enhanced regional catchment with faster access.
- **Oxford Street District Transformation** – Work with Westminster City Council and members on securing the permanent scheme and at least £150m investment completed end-to-end with major enhancements across the 9 key zones.
- **Most Scaled-up Consumer District in the World** – with an estimated one third of West End ground floors evolving, we will work with major leasing agents, owners and partners to completely transform the customer offering and diversity of businesses with innovative and world-first concepts.

Locally & Globally Competitive

- **Prioritise West End Campaigns:** Sunday Trading reform and a Zero Emission Transport Zone.

Ongoing campaigns: Reverse the VAT RES decision, and securing enhanced resources for our 'International Centre'.
- Continue to provide **award winning and exceptional member and customer services**; street management, insights and destination promotion.



Executive Summary

Central Government's role in helping London drive recovery

Supporting the London First Campaign

London will recover from the COVID-19 pandemic, as it has from previous shocks – whether plagues, fires or world wars. We must not forget that in 2019, London was not only the most populous city in Western Europe, but also the most economically productive, the most diverse and the most dynamic.

The issue now is how long it takes the city to recover; and that matters not just for Londoners and London businesses, but for the whole UK.

Central London in particular has been hit hard by the pandemic. Unemployment is up, footfall is dramatically down and many businesses – from pubs to theatres – have been forced to close for much of the year. The Government has done a great deal to support businesses over the past year; there now needs to be a final push to turbo-charge recovery as we move through what the Prime Minister has described as a “cautious but irreversible” unlocking of our economy.

New West End Company fully backs the **London First** campaign which calls on the Government to appoint a **Senior Minister for economic recovery** who can prioritise and direct Whitehall, and assemble a supporting team from the private sector to drive forward an ambitious national programme for growth.

Most of the programme's measures will continue to be national in scope, supporting the economy as a whole and those sectors hardest hit by the pandemic. But there must also be a city-regional focus. Here, the Minister must draw a line under the political wrangling with the London mayoralty, and other metro mayors, to support the targeted interventions that will drive local growth.

For London, these interventions fall into three broad areas:

1. **a scale campaign to bring people back to central London;**
2. **continued support for the public transport that we rely on to get into and around the city;**
3. **no-regrets business-led reskilling programme, to enable those who have lost their jobs, or are new to the labour market, to meet the new needs of businesses.**

Such actions are being taken by our global competitor cities – cities which, in many cases, were less severely affected by the pandemic. If we do not rise to the challenge, London and the UK's international competitiveness will be hit hard.

The **London First** plan requires the Government to support a modest increase in public expenditure on promoting the city; continued central government funding for transport, and a change in the approach to spending on skills. The cost of these interventions is dwarfed by the potential return.

As the analysis **London First** draws on from Bain & Company sets out, if the London economy can recover at pace, and move from the lower to the higher of the recovery scenarios prepared for the Greater London Authority (GLA) by ARUP, this **would yield a benefit of the order of £25bn–£35bn in Gross Value Added (GVA) between 2021–2023**, equating to approximately **£8bn–12bn in additional taxes for central government over that period.**

While London's economy will also continue to benefit from national support schemes, these London-centric actions need only mitigate 5% of the GVA impact of the lower-case scenario in order to break-even: this makes them a very attractive investment.

The alternative is to hope that London will bounce back by itself. Hope is not a plan.



New West End Company Renewal & BID Levy

New West End Company is privileged to represent property owners and businesses in one of the world's most renowned shopping & leisure destinations as your Business Improvement District.

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

In order to continue representing and providing services to you, the Government required **New West End Company** to hold a renewal ballot with our levy payers in March 2021. By an overwhelming majority, our **600 members**, voted to renew our mandate for a further five years, with no levy discount or refund, to ensure that we can deliver the services and programmes outlined in our **2021–2026 Business Plan**, which you can read at 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**.

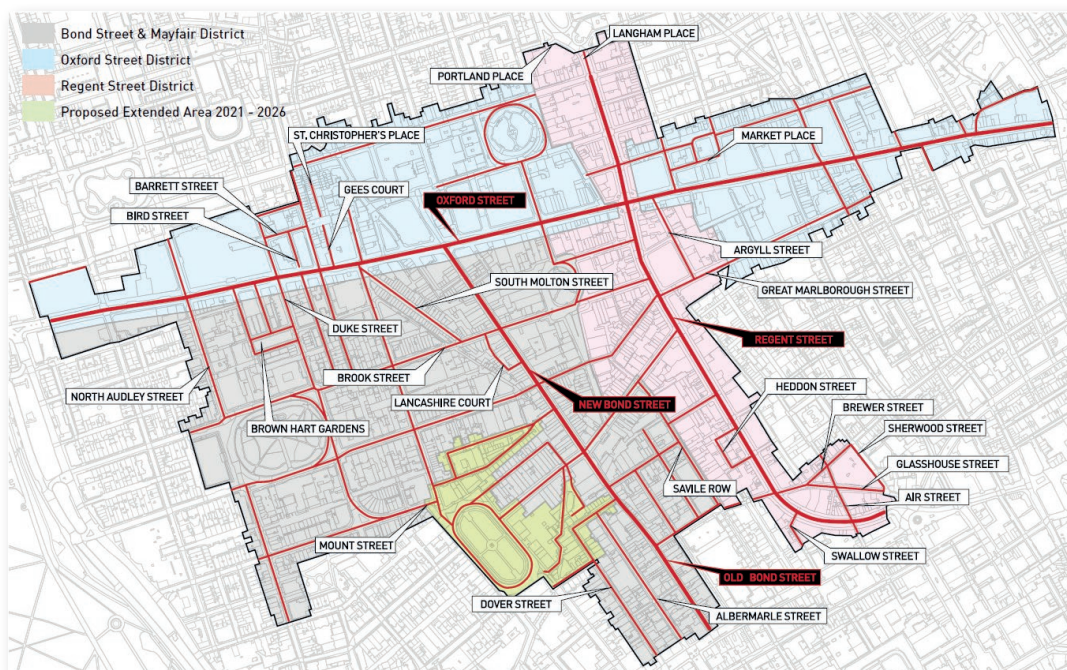
The plans were evolved with you at the heart, reflecting the needs of over **600 West End** businesses to help realise our shared vision to **make the West End's International Centre** the most diverse, sustainable and inspiring place to visit and do business.



BID Levy 2021/22

We fully understand the financial pressure many of our members are facing. We really appreciate and thank members who have paid their annual BID levy that have just been issued from Westminster City Council as we reopened.

As a not-for-profit partnership with our own liabilities and financial commitments to suppliers and staff members, we ask that if you have not yet paid, that you make arrangements to or agree a payment plan with us.



A Year of Results 2020/21

Street Management

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

£360M

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

6000 PIECES OF MEDIA COVERAGE WORTH **£30M**

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**

Advocacy & Influence

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.

Lockdown & Reopening Support:

- Worked with trade association to win business support measures, specifically **business rates holiday & furlough scheme**.
- Contributed to **Government guidance on reopening** of non-essential retail and hospitality, creating a re-opening guide for **West End** businesses.
- Worked with the Government and Westminster City Council to **ease planning and licensing regulations**, to allow greater use of outdoor space for hospitality and funding for frontages and activations in empty units.
- Sought movement out of national lockdown by early December in order for the **West End to trade some part of Christmas**.
- Advocated for more positive messaging from Government to **restore consumer and employee confidence**.

2021 Recovery & Beyond:

- **Extend the business rates holiday** and complete a fundamental review to implement a system that is fit for purpose and that will help, not hinder, economic recovery.
- Call for the **West End International Centre** to be exempt from **Sunday Trading** regulations.
- Agree to an **independent review of the decision to end tax-free shopping**, given the potential net loss of tax revenue and the negative impact on businesses and jobs.
- 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.
- **Support capital schemes** that will re-energise the economy, provide a good return on investment and contribute to UK wide de-carbon targets.
- **Kickstart the local economy & promote initiatives**, such as the **"Eat Out To Help out Scheme"** once COVID-19 is under control.
- Our Chairman also sits on the **London Transition Board** and will continue to represent **West End** businesses to the **Mayor, London Minister and Secretary of State for Local Communities**.



Chief Executive, Jace Tyrrell with Cllr Rachael Robothan, Leader of Westminster City Council; Gareth Eighteen, General Manager, Schuh & Chair, Oxford Street Management Group with Deputy Mayor for Business Rajesh Agrawal; Mayor of London Sadiq Khan with James Robson owner of Fallow Restaurant Ltd on Heddon Street.



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.



Improved greening, accessibility and pedestrian space delivered by The Crown Estate on Regent Street

Over the past 12 months we have worked closely with our partners on installing a number of temporary measures across our district, working with **Westminster City Council** and major property owners, to ensure visitor safety with social distancing in place over the summer. 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 following the completion of the Temporary Works Scheme.
- 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.



Westminster City Council's artist impression of Oxford Street District outside John Lewis & Partners

Street Management & Services

New West End Company works in partnership with local authorities to provide support and additional street management and security in our district.

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



In partnership, New West End Company, Veolia & Westminster City Council installed hand sanitisation points, signage and ensured the streets were deep cleaned constantly throughout lockdown and during reopening.



Over lockdowns and during reopenings, 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 remains high.
- Worked quickly to install **over 25 hand sanitisation points**, queuing protocols & pavement stickers, additional signage, PPE for colleagues and customers returning and additional **infrastructure for walking & cycling** into the **West End**.

We will continue to provide:

- **24/7 security personnel** with overnight and now day time **dog patrols** to support the security of premises and personnel.
- **Enhanced cleaning, sanitisation spots and face mask distribution**. Along with **rapid response** to cleaning buildings and streets after protests and major building works.
- High 'visible' **deep cleaning** of the **West End** on a regular basis, supporting members safety management on key trading days.
- **Resilience plans** throughout re-opening & recovery.

Business Voice & Global Profile

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

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

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



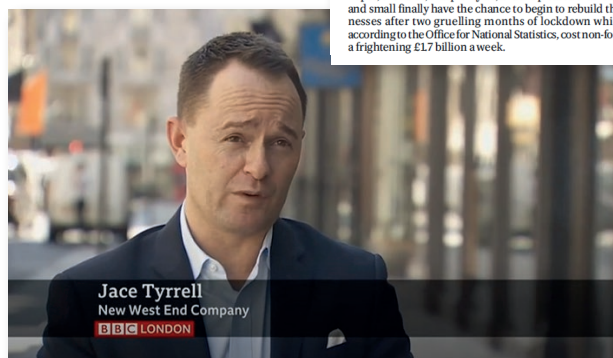
Evening Standard

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 £17 billion a week.



Jace Tyrrell
New West End Company
BBC LONDON

NATIONAL

Scheme withdrawal

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 value added tax relief for overseas visitors.

The Treasury's decision to scrap the VAT relief on goods bought by non-EU visitors at the end of the Brexit transition period on Decem-

ber 31. This has allowed sizeable retailers to claim a VAT refund on items bought in the UK and taken home.

Businesses in tourist-heavy areas such as London's West End and retail centres such as Leicester Square, Oxford Street, have benefited from the scheme.

They had hoped to see it extended to EU visitors next year but the Treasury has decided to withdraw the existing relief for all visitors, making the UK the only country in Europe not to offer tax-free shopping to international visitors.

Jack Tyrrell, the chief executive, 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 across Borders and others.

International visitors accounted for about half of footfall in the West End last year, the group said. Based on its calculations, the move would mean a potential £1.5bn tax-free shopping bonus from the UK's departure from the EU into 2025. Five out of six visitors.

"This is a massive hit on the UK economy even before accounting for the range

of other businesses that will be affected by the loss of tax-free shopping, at a time when retail and tourism across the UK are already reeling," it said.

James Croft, chief executive of UKIB, which represents UK tourism, described it as "another nail in the coffin of Global Britain", adding: "Scrapping the scheme is short-sighted and will negatively impact the UK economy and reduce our global competitiveness."

The Treasury said the VAT relief does not benefit the whole of GB equally, with current use of the scheme largely

concentrated in London.

On Friday the Treasury also extended duty-free shopping - which mostly covers tobacco and alcohol - to tourists from the UK to the EU, describing it as "a significant boost to exporters".

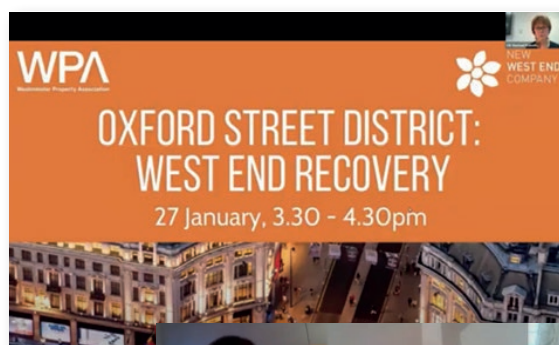
However, airport operators warned about the decision to scrap tax-free sales in airports, ports and the financial turmoil by said. EU foreigner of goods such as electronic and clothing.

Karen Dow, Airport Operators Association chief executive, said the government had "yet again shown a complete lack of awareness for the jobs and businesses on the line in the aviation sector".

Additional reporting by Peter Fraser

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

While we may not have been able to travel to our usual global conferences, over **500 members companies** and **6,000 participants** attended and viewed our **virtual events & seminars** and management group calls. Our **West End Recovery LIVE** series continues to draw both inspiring speakers and large audiences offering transparency between policymakers, business leaders & **West End** colleagues.



WEST END RESILIENCE LIVE

Moderated by Martin Popplewell
Journalist and former Sky News Presenter



We've secured over £30 million of media coverage promoting and representing our district

We held a series of virtual events and seminars to ensure our members are kept informed and engaged

Marketing & External Affairs

Our district-wide communications campaigns aim to boost customer confidence and attract vital footfall back to the **West End**, working with the ever-changing Government guidelines and restrictions.

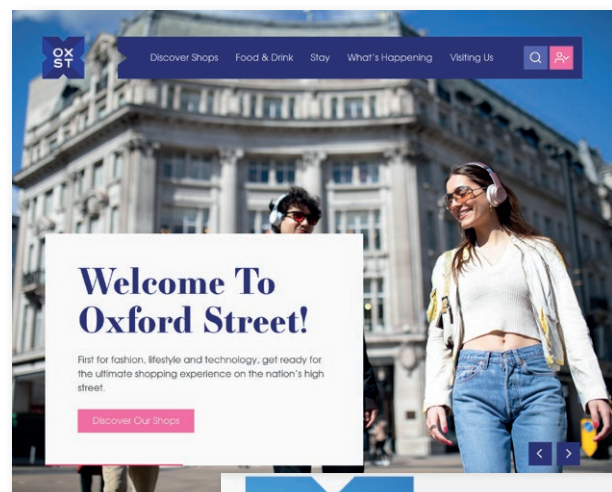
Despite the low visitor figures that we saw in 2020/21, we delivered a number of **district-wide campaigns** to enhance the physical environment:

- **My West End:** Promotional campaigns with destinational partners achieved a reach of 3.5million.
- **West End Club:** Launched app with offers and experiences to encourage our office colleagues back.
- **West End Guide:** Wayfinding across our district with car parking & cycle offers and walking routes through QR codes.
- **Destination Promotion:** Always on messaging to our customers during lockdown and encouraging visitors to return through our digital and social channels.
- **Art installations:** Mayfair Sculpture Trail 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-open.
- **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 in 2021**.

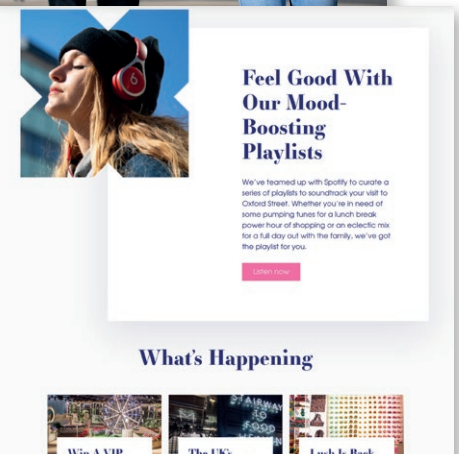
We will continue to work closely with our **wider West End destination partners and tourism bodies** including London & Partners and VisitBritain to ensure that our recovery campaigns are as aligned and far-reaching as possible.



Oxford Street Website



Bond Street Website



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

Representing West End's International Centre

New West End Company will continue to advocate with key policy makers in support of London's West End



New West End Company will continue to represent the West End's International Centre to key Recovery Groups & Forums



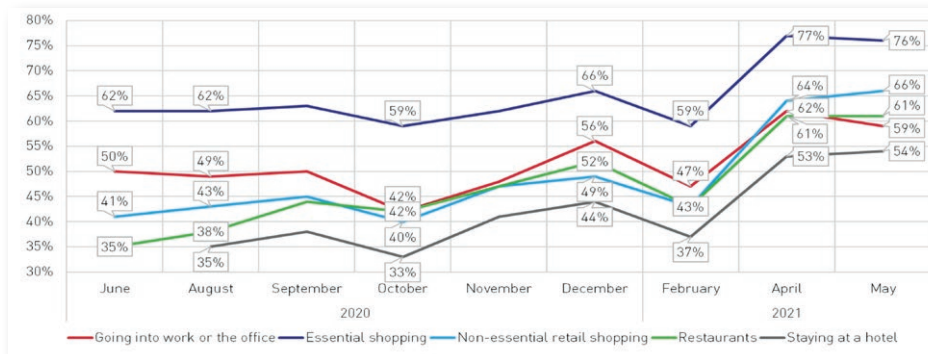
New West End Company continues to align our advocacy campaigns with our partners



West End Trading Trends 2020/21

UK consumer confidence is at its highest level since the pandemic began.

CONSUMER CONFIDENCE IN SELECTED ACTIVITIES



Source: PwC, NWEC – Consumer Survey Wave 10

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

Over half of Londoners expect in store spending on non-essential retail items to increase, as current restrictions ease.

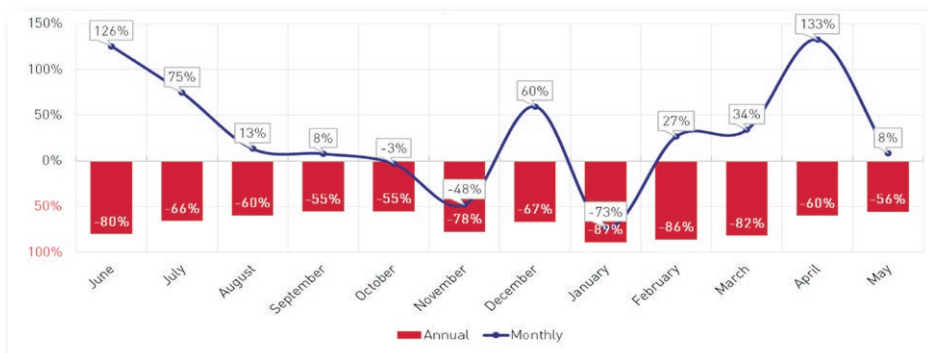


Source: PwC, NWEC – Consumer Survey Wave 10

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West End & Mayfair monthly footfall trends

MONTHLY FOOTFALL TRENDS



TOTAL MONTHLY VISITS

