

brokeringbusinessconnections

engaging business support for neighbourhood renewal

Full evaluation report of the Business Brokers Pilot Programme



Evaluation by:

EDuce Ltd

St John's Innovation Centre
Cowley Road, Cambridge CB4 0WS
t: 01223 421685 e: educe@educe.co.uk
www.educe.co.uk

CEA

16 Tenison Avenue
Cambridge CB1 2DY
t: 01223 711887 or 01638 741213
e: ceatyler@ntlworld.com or cw@colin-warnock.co.uk

Business Broker Pilot Programme Evaluation: Final Report

**Report to Business in the Community, Office of the
Deputy Prime Minister (Neighbourhood Renewal
Unit), the Home Office (Active Communities Unit)
and the Department of Trade and Industry**

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by

Derrick Johnstone, EDuce Ltd

Susan Johnstone, EDuce Ltd

Peter Tyler, CEA

Colin Warnock, CEA

EDuce Ltd

St John's Innovation Centre
Cowley Road
Cambridge
CB4 0WS

tel: 01223 421685
e-mail: educe@educe.co.uk
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Business Broker Pilot Programme

- Final Evaluation -

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BUSINESS BROKER PILOT PROGRAMME: FINAL EVALUATION

1 Key Findings & Recommendations

Background to the Business Broker programme

The Business Broker pilot programme was launched in 2002 as a three year pilot programme to try out ways of engaging the private sector in neighbourhood renewal. The programme is part of the National Strategy for Neighbourhood Renewal which seeks to ensure that in the long term no one is seriously disadvantaged by where they live.

The purpose of Business Brokers has been to *"to support and encourage businesses to work with local partners to tackle deprivation and boost local economies"*. Backed by local agencies, Business Brokers were recruited to promote the benefits of supporting neighbourhood renewal, seeking to make it easier for businesses to get involved with disadvantaged communities and with their Local Strategic Partnership (LSP).

The pilot programme has involved 10 LSP areas which are covered by the ODPM's Neighbourhood Renewal Fund. Each has different characteristics and contains some of the most deprived neighbourhoods in the England. There was no expectation that a common approach would be implemented in all areas, though there were core requirements in terms of objectives, monitoring and reporting, and a commitment to networking and learning from each other. A national support function has been provided by the Partnership Academy at Business in the Community. There has been a total budget of £3.2m, funded by ODPM Neighbourhood Renewal Unit, the DTI through the Small Business Service's Phoenix Fund, and the Active Communities Unit of the Home Office.

Individual pilots have typically sought to:

- ensure effective business involvement in local decision-making, through representation and consultation in the work of the LSP and associated partnerships (eg, for community safety or education)
- foster cross-sector partnership working, overcoming barriers and increasing understanding between public, private, voluntary and community sectors
- provide a menu of practical opportunities for businesses to get involved, as a basis for matching business interests and community needs

There were thus *strategic* aspects (relating to the business contribution to steering the work of LSPs and strategies for local prosperity and well-being) and *operational* (concerning more 'hands-on' working with community organisations and local people). These practical activities have taken the form, eg, of mentoring and other in-kind support (expertise and other employee volunteering, premises, goods, etc), work experience opportunities for school pupils and jobseekers, sponsorship of training and environmental improvement projects.

During the programme, the Brokers have worked hard to develop relationships and cross-sector networks. Overall, they have done a great deal to promote neighbourhood renewal, LSPs and opportunities for mutual benefit, through personal contact and effective use of communications channels. These activities have borne fruit to varying degrees across the pilot areas, through better informed and engaged businesses, and concrete benefits to community organisations (including schools), neighbourhood partnerships and individual businesses.

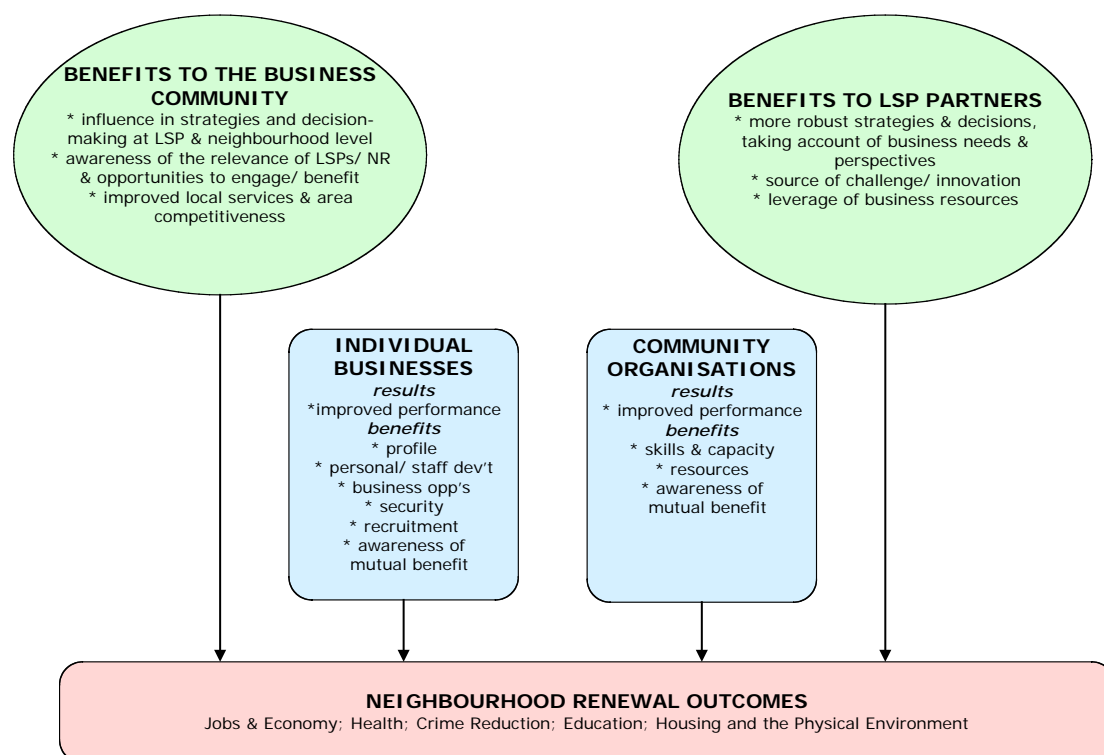
Added value from the Business Broker programme

Behind the Broker Programme lay an argument that many opportunities for business and community gain were not being realised because there were no adequate mechanisms to promote the benefits and match specific needs and opportunities. There was also a concern that, while businesses potentially have much to offer LSPs as key stakeholders critical to local well-being and prosperity, they may doubt the value of getting involved, fearing that LSPs will be dominated by the politics and procedures of the public sector.

The evaluation has demonstrated that the **Business Broker programme has justified its rationale**, providing evidence of the potential of business involvement in neighbourhood renewal, the barriers that can get in the way, and about 'what works' in Broker activities across some very different localities. The programme can be seen as a significant source of innovation in building the contribution that business can make to the goals of the National Strategy - as the NRU's Private Sector Advisory Panel has highlighted, an under-developed aspect of Strategy implementation to date.

Figure A on page 3 sets out the range of possible sources of added value that Broker projects have provided. We found that **the spread of benefits has varied significantly across the pilot areas, with some demonstrating benefits mainly for individual businesses and community organisations, and others for the LSP and individual partner bodies**. This has depended on factors such as the history and development of cross-sector partnership working in a given area, the membership of project steering groups, pre-existing structures of support for private and voluntary sectors, and the particular aptitudes of individual Brokers.

Figure A Sources of Added Value from Business Broker Activities



Making a difference at neighbourhood level

Several of the Broker projects have been particularly successful at an operational level, generating **benefits to individual businesses and community organisations** through practical projects and assistance across the neighbourhood renewal 'themes' of crime, education, health, housing and the physical environment, and worklessness. Most activity has related to education, enterprise and improving access to jobs.

Brokers report that they have succeeded in increasing the **numbers of businesses involved in priority neighbourhoods by at least two and a half times**. The average increase is 32 per area (with a range across the areas of 16 to 97). They also record that the number of community organisations assisted by businesses through Broker projects has increased by an average of 29 across the areas (with a range of seven to 110). The level of activity has grown significantly in the past year, as Brokers have become better established and able to refer to specific benefits that businesses and community organisations have gained.

In those areas with larger numbers of community organisations assisted, donations of goods and money account for a large number of the 'matches' made. Where there have been smaller numbers of matches, the transfer for business skills and knowhow has been proportionately more significant and more likely to be of lasting benefit to the organisations and individuals concerned. Schools feature as beneficiaries, along with neighbourhood partnerships, voluntary organisations and community groups.

Table B provides examples of 'projects' pursued as a result of Broker activities, with many promoted in conjunction with partner bodies. In some cases the projects have not been theme-specific, eg, where businesses have provided management advice to voluntary organisations catering for a range of community needs.

Importantly, the nature of business involvement has often concerned activities which go to the heart of business practices (eg, recruitment or marketing), not just those that might be seen as 'corporate philanthropy' through occasional employee volunteering or donations of surplus goods.

Table B Illustrations of Broker-supported activities

Neighbourhood Renewal Theme	Illustration from the Business Broker projects
Raising educational attainment	<ul style="list-style-type: none"> ▪ Reading Partners to help develop literacy ▪ 'e-pals' (pupils and business people corresponding by e-mail, to help build correspondence skills and confidence) ▪ mentoring of head teachers ▪ recruitment of school governors ▪ preparation for the world of work (mock interviews, company visits, etc) ▪ vocational opportunities - like motor vehicle workshops - for pupils excluded from school or at risk of this ▪ work experience placements
Tackling worklessness and promoting enterprise	<ul style="list-style-type: none"> ▪ jobs access projects (with Jobcentre Plus, local authorities and other partners) which open up opportunities for residents of deprived communities - Modern Apprenticeships recruitment agency ▪ promotion of changes in business practices on the part of local employers, eg, on diversity ▪ work preparation and work experience for jobseekers ▪ promotion of basic skills opportunities and initiatives to overcome the digital divide ▪ learning centre for company staff and local residents ▪ improvements in access to childcare and action on local transport problems ▪ mentoring for social enterprises and new micro-businesses ▪ enhanced business support service in neighbourhood renewal areas and BME businesses, including improved access to existing services and local purchasing initiatives ▪ organisation of business forums at LSP and neighbourhood level
Reducing crime	<ul style="list-style-type: none"> ▪ collaborative action on industrial areas, raising business concerns with the Police and local authorities, leading to improved services and self-help initiatives (eg, perimeter fence, mobile CCTV) by companies ▪ seminars to raise awareness of business crime issues ▪ security and environmental grants scheme ▪ sponsorship of out-of-school sports activities (intended to divert young people from possible anti-social behaviour)
Improving housing and the physical environment	<ul style="list-style-type: none"> ▪ support for homelessness charities ▪ mentoring a resident-led agency on energy management to improve the quality of housing stock ▪ environmental improvements programmes and projects (eg, for canal-side regeneration; walkways and cycle paths linked to industrial estates)
Improving health	<ul style="list-style-type: none"> ▪ strategic support/ mentoring for healthy living centres, family health projects and for social enterprises working to address food poverty

Feedback from businesses and community organisations

For sustained involvement and results, it is important that benefits accrue to businesses and community organisations. To establish the extent and nature of these gains, and to obtain feedback on the quality of Broker services, we undertook surveys of these two categories of 'customer'. The survey was confined to those where the Broker had helped broker relationships and projects, excluding simple cases of donation of materials. The numbers of organisations contacted varied significantly across the pilot areas, depending on the local pattern of Broker activity.

Benefits to community organisations

Just over half the community organisations in the survey said they have benefited substantially from Broker contact. They tended to value in particular the greater and more appropriate business contacts they had gained through the Broker, which most expected to bring longer term benefit. Two out of five felt they now have a more targeted approach to business and nearly as many considered that they had benefited from new ideas and opportunities. There were also gains in terms of personal development and enhanced organisational capacity and skills. Relatively few, however, pointed to service improvements or financial benefits.

Nearly nine out of ten community organisations felt that they were considerably more aware of the opportunities, and a similar proportion felt better able to work effectively with business. Previously, some had viewed business simply as a source of cash donations, but now understood the scope for mutual benefit. Nearly two out of five would not have gone ahead at all without the Broker and a similar number reckoned that the Broker had helped them engage with businesses more effectively than they would otherwise have done. Three quarters expected their involvement with business to increase over the next year.

Benefits to businesses

Two out of five businesses considered that they had benefited a great deal or quite a lot from the service received from the Broker. When asked about commercial benefits, while it was 'too early to say' for three quarters, 17% could identify a contribution to increased turnover and 7% to a reduction in costs. Much more significant for the respondents were less tangible benefits, especially - in the case of two thirds - for their local profile and reputation. There were also reported benefits in terms of personal and staff development and new business contacts and opportunities. The latter typically arose from Broker-related networking and intertrading opportunities, involving potential public sector customers as well as other businesses.

Just over a third would not have got involved at all with community organisations without the Broker, while a slightly higher proportion reckoned that the Broker had helped them engage with local groups more effectively than they would otherwise have done. Around 10% would have gone through a similar organisation (typically the local Education Business Partnership). Two thirds expected their involvement with community organisations to increase over the next year.

Business engagement with LSPs

Business Brokers have been **instrumental in recruiting more businesses as members of the LSPs and thematic partnerships**: overall, a threefold increase, from an average of four to 13 per LSP area. Again, the range is significant, from a minimum of three to a maximum of 21. Many of the new 'recruits' have been to thematic partnerships or to partnership 'sounding boards' (which are intended to be very limited in the time demands they make of participating companies). It can be easier to promote the business case for involvement in thematic partnerships where the subject matter fits the concerns and interests of a particular company and businessperson.

The degree of success in engaging business in LSPs has varied greatly across the 10 areas, and overall, we conclude that in contrast to the more operational side of the Broker role, that there has been **comparatively less added value in relation to strategic engagement in LSPs and thematic partnerships**. Four Broker projects can be said to have facilitated active and effective, strategic involvement in the work of the LSP, two have more recently made significant progress, while four have *not* provided an effective link. Where most progress has been made, this has been with the active support of organisational leaders on the LSP, not least those from the local authorities.

The business people recruited are generally respected by other partners, especially in their personal contribution around the partnership table. Quite a few are fairly new and are still adjusting to LSP business, usually with some informal induction support from the Broker.

We have found limited evidence of a *distinctive* business influence in LSP priority setting - with business representatives seeing action on crime, education and opportunities for young people as important, in common with other partners. Much of the work on LSP community and neighbourhood renewal strategies had been undertaken before many of the business representatives had become involved. Now, where strategies are being reviewed, the business community tends to be more involved as consultees. There are some signs - not universal - that local public agencies are showing more interest in consulting business on LSP matters than was previously the case.

There has been little business involvement in some of the core tasks which NRF LSPs must carry out, such as appraising NRF proposals and reviewing LSP performance. Those that have taken part have found that agendas have been dominated by public service delivery matters. This is not wholly surprising given the emphasis within the National Strategy on 'mainstreaming', gearing such services better in meeting the needs of deprived communities.

There is potential for the business contribution to LSPs to strengthen, as typically the current picture tends to reflect the stage of maturity of the LSP and the comparatively recent recruitment of many of the business people. Business 'involvement' must be seen in the round as part of LSP strategies for stakeholder engagement and communications; there are many ways of interesting and involving businesses beyond the presence of a small number of representatives at the partnership table.

Business attitudes to LSPs

In our survey of businesses, we found positive attitudes to LSPs. In all, over half thought that by being involved in the LSP in some way, businesses can demonstrate their commitment to the local area. The opportunity that the LSP provided for business 'to work with public and voluntary and community sectors to mutual benefit' was acknowledged by 60%. Nearly 30% respondents, however, mentioned perceptions of bureaucracy as the main barrier to their involvement, and 12%, time. One in five had not realised that there were opportunities to be involved in some way. There were several requests from all sizes of business for shorter meetings at more convenient times (early morning preferred, as these meetings are easier to fit into diaries and keep short) and a greater focus in LSP business on delivery matters.

Vehicles for engagement

Well-run business forums, supported by Brokers in several areas, are playing a **vital role in fostering conditions for active and sustained business involvement**. They can provide a vehicle for business-to-business networking *and* a focus on common business needs relating to regeneration issues. They offer a means for effective consultation on strategic and service delivery matters, and for collaborative activities. In some cases, they operate across the LSP area, in others (as in Dallow in Luton and Burngreave in Sheffield), at a neighbourhood level. The Burnley Employer Forum, for example, provides a cross-sector bridge, with the attendance not only of interested businesses but also of the chairs of LSP theme groups.

Benefits to partner agencies

Some of the most significant gains from the work of Brokers have accrued to local partner agencies, individually and collectively - stemming from the dedicated role that Brokers have performed and their 'neutral' position bridging the different sectors. These benefits have included:

- providing an effective platform for informing businesses about what agencies offer and do
- many additional leads for bodies such as Education Business Partnerships, enterprise agencies, Jobcentre Plus and the Learning and Skills Council
- improved intelligence on the needs of businesses in neighbourhood renewal areas
- more generally, helping their own resources go further

In the Interim Evaluation report, we observed that Brokers had acted as the 'grit in the oyster' in helping to 'join up' partner activities with a focus on neighbourhood renewal (where neighbourhood renewal has not necessarily been a high priority for these bodies). Examples include the development of the Modern Apprenticeships recruitment agency in Easington, where the Broker's role has been to promote a collaborative solution to a local problem (that of lack of take-up of the Modern Apprenticeships programme by local employers and limited interest amongst young people) then stand back, allowing other agencies to implement the project.

Our survey of Broker 'customers' drew out that Brokers have in effect acted as ambassadors for the public agencies involved in the LSP. In building relationships with

businesses, the Brokers have made it easier for agencies to make approaches for business people to become involved in specific initiatives (eg, in the development in Luton of 'City Growth', the Small Business Service and RDA programme to drive regeneration through maximising local competitive advantage).

Satisfaction with Broker services

In our survey work, we also asked for 'customer' views on the quality of Broker services: their efficiency, reliability, understanding (of business and community organisation needs) and communications.

The Brokers scored particularly highly on reliability and efficiency. While ratings on understanding of business and community agendas were reasonably good, there was some critical feedback - which reflected the difficulty brokers can have, depending on their background, in managing the expectations across private, public, voluntary and community sectors.

As a further guide to quality, respondents were also asked how likely they would be to recommend the Broker to others. Over 40% had already done so, nearly as large a proportion would recommend without prompting, and 16% 'would recommend if asked'. When asked for suggestions for improving the Broker service, typical comments included "more Brokers", "better publicity", and "more strategic, less small-scale 'wish list' activity".

Developing Business Broker projects as partnerships

A weakness within the pilot programme has been that while the Business Brokers themselves have fostered cross-sector working, **most Business Broker steering groups have not worked well as partnerships** characterised by a common purpose and vision for the Broker role. Most have provided limited support and direction for Broker activity, and have not been very active in trying to secure forward funding. More generally, the pilots have not been seen by public agencies as a means of bringing about change *within* participating areas, tending to be viewed as 'yet another project'. This has undermined the ability of the projects to bring about broader improvements in partnership working and subsequent results for deprived communities.

There have been **tendencies for Brokers to be drawn towards particular activities where there are gaps or weaknesses in service delivery** (eg, in access to business support in neighbourhood renewal areas or in work experience opportunities) - in ways which may detract from core Broker functions. This can reflect a weakness in local partner capacity or a failure to share priorities and join up partner activities. It can stem from policy-related constraints on individual partners, eg, in how Education Business Partnership priorities are set and performance rewarded. Bodies operating on a sub-regional basis (such as Business Links) typically have less incentive and resource to get involved at an individual LSP and neighbourhood level, unless there is a strong relationship to achievement of their own targets.

Spreading the learning

The **pilot programme has helped to explore and clarify issues around business engagement and to demonstrate what can be done.** It has helped to stimulate the development of Broker projects in eight other LSP areas, funded through a variety of sources including EU funds.

Meanwhile, other LSP areas have also learnt from the pilot projects in developing their own Broker services or alternative models, helping them work out what makes most sense in their area, and make an impact faster than they would otherwise have done. Overall, we found that these LSPs had made progress in engaging business at LSP and thematic level. There is now less of a gap between these LSPs and those in the Broker pilot areas compared with what we found in the Interim Evaluation, though they have typically done much less on engaging business in the more operational aspects of neighbourhood renewal. Progress has very much depended on the stage of partnership development; better developed partnerships have found it easier to demonstrate a business-like approach and make the contribution they seek from the private sector clear and tangible.

The transfer of learning has happened through regional networking events organised by some Government Offices, through referrals from the Partnership Academy and through direct contact. We have feedback that the Interim Evaluation report has informed local planning, and Broker project case studies have been made available on Renewal.net. Use of the Partnership Academy's own website - which contains short pieces on Broker activities - has grown.

Our interviews with Brokers in the non-pilot areas suggest that they have gained from the experience of the Brokers in the pilot programme, particularly through the Broker Forum. This has proven to be an effective medium for networking and learning for Brokers in pilot and non-pilot areas alike. A sense of community has developed amongst the Brokers, which has helped them overcome the sense of isolation they have sometimes felt in their jobs and provided an environment in which they feel free to share ideas, views and experiences. Individual Brokers have acted on what they learnt at Forum events in taking specific steps (learning from what *not* to do as well as what to do), including drawing on tangible illustrations of what companies had done in other areas and the benefits they had gained.

The Partnership Academy is generally well-regarded by Brokers, not least through their role in organising the Forum. Brokers have appreciated the information and advice provided through regular and one-to-one contact with Partnership Academy staff. Some Brokers more than others have valued the training organised, and welcomed input from Neighbourhood Renewal Advisers (provided via the NRU) when developing project plans and their understanding of neighbourhood policy and practice. The Partnership Academy's role has reached beyond support for the Broker pilots to include national promotion of business involvement in LSPs and in neighbourhood renewal, and advising individual LSPs on developing their own solutions. Demand for such advice has grown over the life of pilot programme.

While there has been a general trend for LSPs to become surer of their purpose and the contributions of different partners, business involvement remains problematic for many. The Partnership Academy has built valuable experience and knowledge which should

enable it to play a continuing role, though one which needs to be considered in the light of related ODPM plans for supporting performance improvements and developing skills for sustainable communities (through Regional Centres for Excellence and the Academy for Sustainable Communities¹, the new national centre for sustainable community skills).

Given the concern of the NRU for improving LSP performance and services at neighbourhood level, we did not find much evidence of relevant transfer of learning on this from the private sector - where there is considerable expertise in quality improvement, risk analysis and change management. This is a gap worth exploring in future activities, along with greater attention to the business contribution to the full set of neighbourhood renewal themes including health and crime reduction.

Business Broker programme management

Programme management at national level undertaken by the NRU and the Partnership Academy was designed to be 'light touch' and send the right signals to the business community about a non-bureaucratic approach. It has been supportive of individual Brokers but **the approach has not been sufficient in seeking to ensure that all projects have had the support of their LSPs, have had effective project steering groups, and have fully addressed both the strategic and operational aspects of the Broker role.** The approach has been to work through Brokers, relying on their judgement as to what form of intervention would be most useful, and providing them with tools like model terms of reference to strengthen them in local discussions with management groups. **While there has been robust financial accountability, there has not been commensurate accountability for delivery.**

Opportunities for the NRU and Government Offices to reinforce the importance of business involvement have yet to be taken (eg, through LSP performance reviews). We recommend that future scrutiny of LSP performance reviews and improvement plans includes a specific question regarding business involvement in strategic decision-making and improving delivery. Individual GOs have shown different levels of interest in the topic of business involvement in LSPs and neighbourhood renewal and there are some differences of interpretation about what business involvement should actually look like in practice. There is a need for a more consistent approach in future. GOs have scope, through their support and challenge role with LSPs, New Deal for Communities and Neighbourhood Management partnerships to help ensure that the business contribution to neighbourhood renewal is more prominent and valued.

Sustaining Business Broker activity in the future

Given that the national pilot programme was limited to three years, decisions about future funding represent a test of the value of the Broker pilots in the eyes of local partners. It has been common for LSP partners to struggle to commit sufficient resources to core LSP functions in driving delivery - and in this situation, devoting resources to a specific Business Broker role is unlikely to be top priority.

In their **forward strategies** beyond March 2005, Brokers are approaching available funding sources (eg, ESF and ERDF) which may well shift their activities away from the original conception of the *twin* Broker functions on LSPs and neighbourhood renewal

¹ Academy for Sustainable Communities: www.ascskills.org.uk

and further into the domains of existing agencies with business support or education/training remits. In two regions, there have been encouraging signs in relation to RDA funding on a sub-regional basis (eg, with one LSP leading a project on behalf of others in the area). Other solutions may involve a focus solely on neighbourhood level working (eg, with NDC support), or solely on support for strategic engagement in the LSP.

Brokers operate very much where social and economic regeneration come together - but can consequently 'fall between stools' where, eg, most LSP partners are more concerned with social aspects and RDAs with the economic. Broker activities may risk being a priority for neither. **We recommend that ODPM, DTI, GOs and RDAs work together to address this** in the context of future national policy developments on neighbourhood renewal.

Key messages

Local partners in areas with Business Brokers

- Seek ways to reinforce the work of the Broker:
 - ◆ Provide a strong steer and support
 - ◆ Ask, what more can partner organisations do to support the Broker, seeking benefits for the LSP, for neighbourhood renewal, and for their own organisation?
 - ◆ Are community leaders in the LSP fully committed? And if not, what needs to be done to secure their support?
 - ◆ Are LSP partners sufficiently clear about the 'what, how, and when' of 'business involvement' - not just ticking the box that says 'business is represented'?
- Consider how the Broker project can be used more to bring about change and improvement in ways of working within the partnership. How can private sector views and approaches stimulate innovation and improved delivery?
- Assess how effectively businesses are being involved *across* the work of LSPs and associated partnerships like community safety and health.
 - ◆ Do partners make it easy for businesses to engage?
 - ◆ Are consultations managed to encourage a good response from the business community?
 - ◆ Such engagement is a shared responsibility across the partnership - as part of what partners need to do to communicate with and involve all stakeholders. This means thinking strategically about engagement - and being business-friendly in day-to-day operations.
- Beware how the work of Brokers can be sucked into areas which are the prime responsibility of other publicly funded bodies.
- Do what is possible locally to make the 'regeneration maze' easier to navigate.

LSPs and partner organisations in other areas

- Review how you are engaging with business.
 - ◆ Think about business needs and the wide-ranging contributions that businesses *can* make, and how opportunities are promoted.

- ◆ Is there a strong focus within the partnership on the role of the private sector as a motor of neighbourhood renewal? What are the main competitiveness issues that need to be addressed - and what are the common interests that provide a platform for collaboration?
- ◆ Are the most effective means of consultation used? Are your activities adequately resourced? Are there effective mechanisms for 'doing not talking'? Challenge partners who do not see business as part of 'the community' and an important set of stakeholders.
- ◆ How effectively are local agencies co-ordinating their efforts in approaching business for project involvement and responses to consultations?
- ◆ What links need to be made with companies outside neighbourhood renewal areas as well as those within them? They can hold the key to improved job and business opportunities for people in deprived areas.
- Recognise that there are capacity building needs: often community organisations need to understand better how to work with business, and vice versa. The public agencies need to understand how they can help and how they might hinder the process too.
- Consider the development of local forums which provide opportunities for business-to-business networking *and* a means of promoting collaborative activities and links with the LSP and neighbourhood partnerships.
- Weigh up how best to configure Broker functions. The pilots have shown marked differences in how they have established the best niche for Broker activity.
 - ◆ The strategic and operational aspects (LSP engagement and project brokerage respectively) may be handled separately, as they demand distinctive skill sets of individuals with Business Broker responsibilities. Some Brokers are more comfortable and effective in dealing with strategy; understanding the big issues and the roles and interactions of public agencies; helping business representatives to negotiate the maze and agencies to work more effectively together. Other Brokers prefer the 'sales and marketing' aspects of the job, building relationships with a wide range of organisations, large and small, and brokering their involvement, project by project, with more obvious and immediate results.
 - ◆ If the local priority is strategic engagement with the LSP, the Broker role should be seen as part of the core LSP team, whether employed directly or not.
 - ◆ If the priority is business engagement with neighbourhood partnerships, the role should seek relationships with businesses in the wider area, rather than having a narrow geographical focus. For critical mass, it makes sense to work with a number of neighbourhood partnerships rather than concentrating on one.
 - ◆ Whatever the choice, success will depend on full partner commitment.
- Draw on Partnership Academy resources: the Broker Forum, website, publications and advice, along with other NRU support (eg, through Renewal.net).

Neighbourhood Renewal Unit, Government Offices, Other Departments and Agencies

- Make further efforts to promote the value of business brokerage *functions* as part of mainstream activity in LSPs and in neighbourhood renewal partnerships. At LSP level, strategic engagement of business is part of the set of core management tasks which successful LSPs need to carry out.
- Strengthen activities within Government Departments and agencies (including Regional Development Agencies) to promote the work, outcomes and potential of the Business Broker programme, and to spread skills and knowledge about effective business engagement.
- Ensure that lessons are learnt in designing future pilot programmes, in ways which will strengthen accountability for delivery. This may mean more prescription in *some* aspects (on, eg, partner involvement and performance monitoring) while still allowing flexibility in local implementation, with an agreed strategy for intervention and support should the need arise.
- Incorporate fully business involvement as well as community involvement in NRU programme and performance management guidance. GOs must consider business engagement when playing their support and challenge role in fostering performance improvement by LSPs, NDC and Neighbourhood Management partnerships.
- Refer to Business Broker activities in future guidance on the Neighbourhood Renewal Fund, to be considered as part of core partnership management and stakeholder engagement functions, and/ or for strengthening business involvement in neighbourhood partnerships.
- Encourage RDAs further to take an interest in how business broker-type activities can assist their interests in economic regeneration, and review how the work of Business Links - a new RDA responsibility - can contribute to neighbourhood renewal.

2 Introduction

2.1 Involving Businesses in Local Strategic Partnerships and Neighbourhood Renewal

The case for the active involvement of business as a key to success in neighbourhood renewal has been promoted for several years by Business in the Community (BITC)², who joined with British Chambers of Commerce in 2001 to identify what could be done to promote business involvement in support of the Government's National Strategy for Neighbourhood Renewal led by the Office of the Deputy Prime Minister (ODPM). The Strategy set out an ambitious agenda for change, in which new policies, programmes and targets were introduced to galvanise partner action to improve conditions and prospects in the poorest neighbourhoods in the country.

The importance of business involvement stems from the consequences of decisions companies make regarding capital investment, recruitment and training. These have impacts - positive and negative - on areas and the people who live in them. But often businesses are deterred from investing in disadvantaged areas, and not aware of how they can work with local partners to make a difference, *to mutual benefit*, through increasing investment, improving access to jobs, and contributing to 'liveability' issues including sustained improvements in local services, the physical fabric and health. Many businesses are located in or near deprived areas, draw staff from them, and may be adversely affected by the image of the area and local problems, such as levels and fear of crime.

National Strategy for Neighbourhood Renewal: Vision and Goals

Vision:

"Within 10 to 20 years, no-one should be seriously disadvantaged by where they live. People on low incomes should not have to suffer conditions and services that are failing, and so different from what the rest of the population receives"

Long-term goals: which promote both absolute improvement in conditions in the worst neighbourhoods and a reduction in disparities:

- *"In all the poorest neighbourhoods, to have common goals of lower worklessness and crime, better health, skills, housing and physical environment"*
 - *"To narrow the gap on these measures between the most deprived neighbourhoods and the rest of the country."*
- (NSNR Action Plan, p8).

The National Strategy Action Plan - with implementation led by the ODPM Neighbourhood Renewal Unit - set out imperatives for, eg:

- leadership and joint working (with an emphasis on 'joining up' strategies and actions both horizontally and vertically, involving neighbourhood, district, regional and national levels)
- more effective community engagement, ensuring that local needs and priorities are to the fore, and that residents have the tools to get involved in whatever way they want
- accountability amongst agencies for service improvement and neighbourhood renewal

² See, eg, BITC (2000) *Neighbourhood Renewal Case Studies*

- learning better from successes and failures and applying the lessons to improve delivery

The concept of 'mainstreaming' is a core element. This is defined by ODPM as, "influencing mainstream services to make them work better in deprived neighbourhoods, by shaping and resourcing them for the task, and making them focus explicitly on the places and people most in need of their support".

The National Strategy allocated an important place to Local Strategic Partnerships to bring public agencies, communities and business together to address local challenges through co-ordination and joint action. Additional funding through the Neighbourhood Renewal Fund has been allocated to the 88 local authority districts with the worst incidence of social deprivation, essentially to pump-prime successful implementation, including mainstreaming. All LSPs in NRF areas have produced a Local Neighbourhood Renewal Strategy to help achieve national and local targets, and are required to undertake annual reviews of performance.

While there is reference to business involvement, the LSP guidance³ is particularly strong on *community* involvement (reflecting a core thrust of the NSNR). Additional resources have been made available to support this engagement (£60m through the Community Empowerment Fund (CEF) between 2001 and 2006). CEF supports Community Empowerment Networks (CENs), tasked to bring together community and voluntary sector groups so that they will provide a link to the LSP and help select LSP representatives for the sectors.

In contrast, no dedicated resources were proposed originally to encourage and facilitate *business* involvement. This prompted BITC and BCC to propose the use of Business Brokers to bring the private sector to the LSP table and promote their contribution to neighbourhood renewal on the ground. The thinking was developed from BITC experience, particularly with Business Community Partnerships and business action groups or forums⁴. Business Community Partnerships have tended to be more about business and employee *involvement in the community*, while the action groups and forums have tended to have been driven more by *shared competitiveness concerns* in a given area (eg, improving local road access or tackling skill shortages). None of these, however, have had the role of promoting and supporting business engagement in the Local Strategic Partnerships and neighbourhood renewal strategies which is central to the role of the Business Broker.

³ Eg, through LSP Accreditation Guidance in 2002/03 and Performance Management core requirements 2003/04 and the model NRU Performance Management Framework

⁴ For example, the Business Community Partnerships in Brighton, Slough and South Yorkshire, the Preston Community Impact Group, and Business Action Groups in Birmingham (eg, Castle Vale; Tyseley) and Coventry (eg, Foleshill). Business in the Community have also promoted ProHelp Groups to match professional services - lawyers, accountants, architects, designers, etc - with community groups.

2.2 The Business Brokers pilot programme

The essence⁵ of the Business Brokers pilot programme has been *“to support and encourage businesses to work with local partners to tackle deprivation and boost local economies”*. There have been two main aspects to this:

- engaging businesses *strategically* through Local Strategic Partnerships
- engaging businesses *operationally* in projects and activities supporting delivery of neighbourhood renewal objectives

The objectives of Business Broker projects have typically included:

- ensuring effective business involvement in local decision-making, through representation and consultation in the work of the LSP and its sub-groups or associated partnerships (eg, for community safety or education)
- fostering cross-sector partnership working, overcoming barriers and increasing mutual understanding amongst the diverse interests involved
- providing a menu of practical opportunities for business engagement in neighbourhood renewal, and matching specific business and community needs
- showing what can be done

The programme was designed as a three year pilot to try out ways of linking the private sector to the neighbourhood renewal agenda across 10 areas⁶, all eligible for NRF. There was no expectation that a common approach would be implemented in all areas, though there were core requirements in terms of objectives, monitoring and reporting, a commitment to networking and learning from each other, etc. There was a bidding process in 2001-02, with funding for successful bid partnerships available from April 2002 (and running to March 2005). The individual Business Brokers were recruited mainly between May and October 2002, with an early task to develop local strategies/ action plans preferably in conjunction with local management or steering groups⁷. The Broker projects were launched formally between July 2002 and September 2003, at stages most appropriate to the local project.

Broker Pilot Areas	
▪ Brent	▪ Newham
▪ Burnley	▪ Nottingham
▪ Easington	▪ Sheffield
▪ Hastings	▪ Stoke on Trent
▪ Luton	▪ West Cornwall (Kerrier and Penwith Districts)

There has been a budget of £3.2m for the pilot programme funded by NRU, DTI/Small Business Service (Phoenix Fund) and Home Office (Active Communities Unit).

⁵ The aim stated in the Business Broker programme proposal by BITC and BCC was to *“establish business-led community brokerages in areas eligible for Neighbourhood Renewal Funds that would provide a one stop mechanism for engaging business in building local communities that provide a competitive environment for economic growth”*.

⁶ Readers may have encountered references in other documents to nine Broker projects. This is because the London bid involved both Brent and Newham. Given their separate development, we have treated these as two separate areas in the evaluation.

⁷ In the majority of cases, these groups were, or formed around, the partner organisations which submitted the original bids. However, groups were not formed, or not sustained in all Broker areas.

The pilot programme has been supported by the Partnership Academy at Business in the Community, set up jointly with British Chambers of Commerce. Its role has been to provide networking and training opportunities for the Broker pilots, gather and disseminate best practice, and promote business engagement with LSPs and neighbourhood renewal to key audiences. The Partnership Academy has advised and supported the Broker pilots in developing their plans and undertaken some occasional troubleshooting to help resolve partnership issues.

The Partnership Academy also played an additional role in 2002-03 in supporting the two Broker projects in London, with funding from the Government Office (through its NRU Skills and Knowledge Programme budget). Subsequently it has advised partners in other boroughs interested in developing Broker projects or more generally, in promoting business involvement.

Rationale for the Business Broker Programme

Behind the Business Broker concept lie two main rationales, both relating to making the most of partnership⁸. The first is that many opportunities for business and community gain are not realised because there are no adequate mechanisms to promote the benefits and match specific needs and opportunities. The second is that it is essential, though problematic, for LSPs to have active business engagement. Community and neighbourhood renewal strategies need to be informed by a sound understanding of local needs and the obstacles to business investment and growth, and businesses can offer skills, leadership, resources, ideas and perspectives which may contribute to new and better solutions to community issues. But public sector issues, bureaucratic procedures and local politics can dominate LSP proceedings, making business people question why they should bother to participate. Experience over the years has shown, however, that businesses *will* get involved, provided they expect to see business benefits and tangible results.

Thus, the Business Brokers initiative has been expected to lead to:

- a more effective cross-sector approach to - and increased resources for - neighbourhood renewal/ area regeneration
- a more representative and stronger business voice with better articulation of business needs
- easier access for businesses through a 'one stop shop' to opportunities for involvement, matched to their needs and interests
- brokerage of new cross-sector relationships, overcoming misconceptions and differences in culture and languages
- benefits for the community (eg, more and better jobs, sponsorship of community projects, education/ business links, etc) **and** for business (enhanced reputation, new market opportunities, skill shortages overcome, new and effective forms of staff development, etc)

Embedded in the design of the Business Broker programme has been a requirement that performance should be judged against activity indicators (eg, in relation to the number of

⁸ Further context to involving business in LSPs and neighbourhood renewal can be found in two guides published in 2002: "Working with Business in Local Strategic Partnerships" (BITC/ BCC/LGA); and "Local Strategic Partnerships: Why Businesses Should Get Involved" (BITC/ BCC)

local businesses working with the LSP, the number and type of community projects supported) and outcomes (eg, in relation to progress in narrowing the gap on employment rates for residents of targeted neighbourhoods and communities). We note, however, that achievement of these outcome targets can depend on the efforts of many people and organisations, and are likely to take a matter of years to deliver - understood in the design of the NSNR and the Government's commitment to the strategy in the long term. Tracking changes in indicators, however, can be useful, as a means of monitoring the context of Broker activities. For our evaluation purposes, we have been particularly interested in process changes which Brokers facilitate (eg, improvements in business engagement and cross-sector working) and in the activities they broker which have, or are likely to have, direct or indirect effects on neighbourhood renewal outcomes.

There were government expectations that Brokers would support implementation of a number of specific strands of the National Strategy, as developed by the Policy Action Teams on Jobs, on Enterprise and on Retailing. Activities were expected to support the growth of employment, enterprise (including SMEs, black and minority ethnic owned/managed businesses and social enterprises) and retail in deprived neighbourhoods, and also to encourage employee involvement with community organisations and projects.

The delivery of the National Strategy has continued to evolve, eg, with the introduction of LSP Performance Management Frameworks and Floor Target Action Planning (FTAP)⁹. The No 10 Strategy Unit and the NRU have undertaken a joint review, 'Improving the Prospects of People Living in Areas of Multiple Deprivation', highlighting the importance of, eg, a simplified delivery chain, with appropriate accountability to local people and the right capacity at all levels, higher priority to economic aspects of renewal and private sector engagement and concentrating the use of resources and triggers for transforming neighbourhoods. Meanwhile, the Social Exclusion Unit has produced its report on Jobs and Enterprise in Deprived Areas, with recommendations including action to promote self-employment and work with employers to open up recruitment opportunities to residents in deprived communities. At the time of writing this report, LSPs were planning for the next major development, the introduction of Local Area Agreements (LAAs), intended to improve co-ordination between central government and local authorities and their partners, making better use of area-based funding streams (including NRF).

2.3 Evaluation methodology

The evaluation has been undertaken in two stages in autumn 2003 and autumn 2004. It has been designed to assess the added value that the Business Broker pilots have created and draw out lessons to inform the future development of the programme and of the Partnership Academy.

⁹ Floor Target Action Planning is a method of focusing LSP efforts to 'close the gap' on national and local targets, testing out evidence and plausibility relating to current actions, assessing options and making improvements and changes as necessary.

The research involved:

- familiarisation with the relevant community and neighbourhood renewal strategies, Broker project strategies and action plans
- comparison of performance against June 2002 indicator baselines (as provided by the pilots)
- qualitative interviews¹⁰ (face-to-face and telephone) with Business Brokers, lead partners, business representatives on the LSP,
- qualitative interviews with a selection of businesses and community organisations¹¹ who have been involved as 'customers' of the Broker initiative¹² in Stage 1, followed by a fuller survey (by telephone and on-line) of such customers in Stage 2¹³
- telephone interviews with LSP Managers in nine non-NRF areas which are not pilots, selected to provide a geographical spread and different levels of maturity of partnership activity/ business involvement, where possible mirroring characteristics of the pilot areas
- telephone interviews with Business brokers in non-pilot areas (Stage 2 only)
- telephone interviews with relevant officers in Government Offices (GOs) for the Regions and with BITC Regional Directors, to obtain their views on the Broker projects and related developments in their regions.
- face-to-face interviews with Partnership Academy staff regarding the development of the Broker projects and the activities and plans of the Academy itself.

The Interviews

The ground covered in our Broker area interviews included:

a) Business Broker (and chairs of local management groups)

- activities, achievements, plans, support provided by LSP partners
- success factors, critical events, and lessons
- learning, information and support needs and use of the Partnership Academy

b) Key Partners

- added value derived from the Broker project (for the LSP, partner organisations, businesses, communities, etc)
- extent of business involvement in LSP strategy, operations and decision-making
- suggestions for improving Broker project effectiveness

c) Business Representatives on LSPs

- added value derived from the Broker project
- capacity to engage with the LSP, with community organisations and neighbourhood renewal partnerships

d) Businesses

- added value derived from the Broker project

¹⁰ 140 in Stage 1, 87 in Stage 2

¹¹ 'Community organisations' in the context of the work of Business Brokers in practice includes not only voluntary organisations, community groups and social enterprises, but also schools and neighbourhood partnerships.

¹² We have interviewed all the Brokers, including those who left their posts during the pilot programme. We have also interviewed representatives from the local management groups, business representatives on the LSPs and some key individuals, typically from the Chamber of Commerce, local authority and other agencies.

¹³ We obtained 68 responses from 205 businesses invited to complete an interview by phone or on-line (33%), and 42 out of 83 community organisations (51%). The list were compiled from contacts provided by Brokers, where the businesses concerned had been 'customers' of Broker services. These were not 'samples', in that in some areas there were relatively few businesses or community organisations which fell into this category of 'customer'. We excluded members of Broker-supported forums (where not a customer) and cases where the involvement had been very marginal (eg, the donation of some pots of paint to a community organisation).

- understanding of the LSP and engagement with community organisations and neighbourhood renewal partnerships

e) Community Organisations

- added value derived from the Broker project
- understanding how to engage with businesses

In all cases we sought lessons to draw from respondents' experience of the Broker Project and suggestions for improving the effectiveness of the Broker project.

Brokers in non-pilot areas and LSPs in Non-Broker Areas

In addition we undertook interviews with 6 *Brokers in non-pilot areas* and nine LSP managers or leads on business involvement in *non-pilot area LSPs* (some of which had applied unsuccessfully for Broker pilot funding). These interviews covered:

- activities to engage the private sector in the LSP and in neighbourhood renewal - progress made; achievements/ improvements; and plans
- success factors, critical events, and lessons
- learning, information and support needs and use of the Partnership Academy

Regional Stakeholders: GOs and BITC Regional Directors

These interviews covered:

- benefits/ achievements of the Business Broker project in their region
- contrasts and comparisons with other business involvement activities in the region
- barriers to - and opportunities for - business involvement

Partnership Academy

We designed the interviews (in Broker and non-Broker areas) to inform the development of the Partnership Academy and covered:

- the added value that the Partnership Academy brings
- the needs of the Broker projects and other LSPs/ partners
- improvements and alternative methods for promoting good practice and learning
- its role in support of Brokers and business involvement in London

We also interviewed the Partnership Academy Director and Project Manager regarding Partnership Academy services, take-up, participant feedback, and plans.

Treatment of Broker Added Value

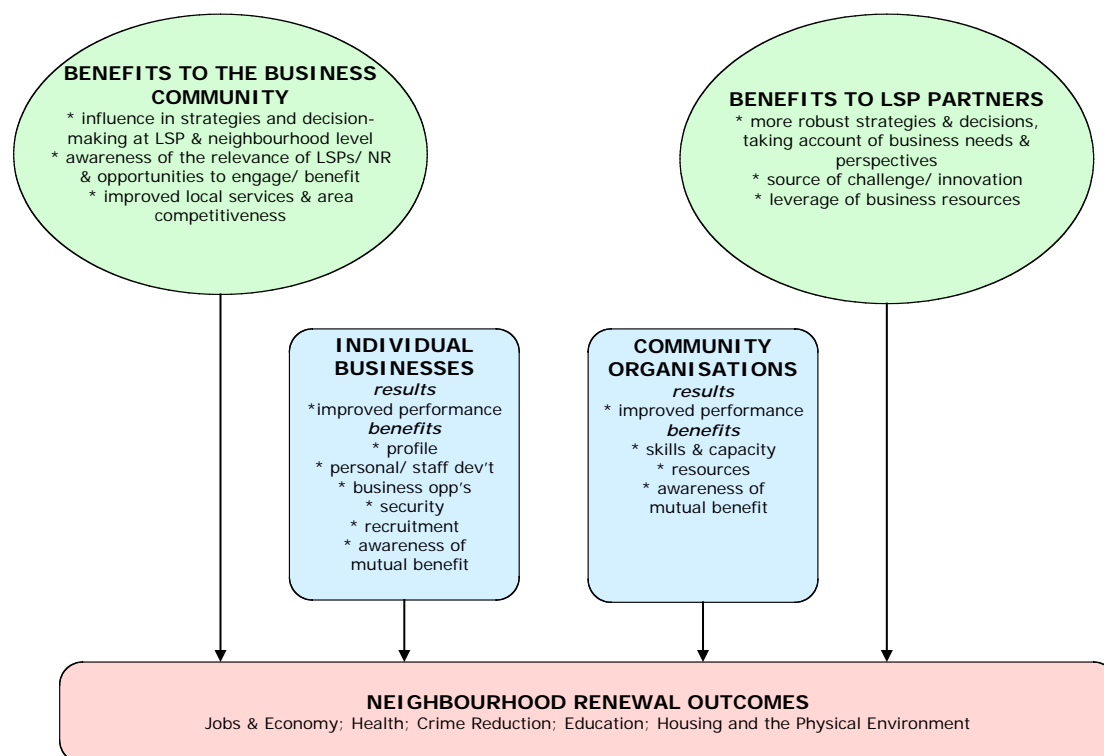
In our approach to the evaluation, we have sought to go beyond the performance indicators reported regularly by Brokers to the Partnership Academy, to investigate a range of aspects of added value which are at the centre of whether businesses, community organisations and LSP partner agencies find the Broker initiative worthwhile and likely to make a sustainable difference. We also sought to clarify the results which can be attributed to the pilots, as distinct from other factors or interventions which may contribute to increased business engagement and achievement of specified outcomes. The nature of 'added value' could be:

- results and benefits which would not otherwise have been achieved
- results/ benefits which have happened faster or on a larger scale
- innovation: new approaches which offer the potential of greater results and benefits

The added value may concern benefits to businesses, community organisations and/ or LSP partner agencies - and in terms of outcomes for target neighbourhoods and communities.

Figure 1 sets out potential sources of Broker added value which we have sought to assess through the evaluation.

Figure 1 Examples of Broker Added Value



We have also been seeking evidence of outputs/ achievements of Business Broker activity (such as helping to secure business representation on the LSP or related partnership, or creating a database of community engagement opportunities) as indications of steps along the way that give confidence that outcomes will be achieved. In our interviews, we explored with the Business Brokers the processes they have adopted and how these are expected to bring about change and impact. Measures of business engagement submitted by Brokers in their progress reports to the Partnership Academy reflect project activity (eg, numbers of active businesses) rather than impact, and definitions of 'engagement' adopted across the pilots have varied. The consequence has been that Broker outputs and outcomes have not lent themselves readily to aggregation. It has been necessary to dig further - hence the role of our qualitative interviews and customer surveys.

We have sought to evaluate the performance of the Broker projects, not just the individual employed as the Broker, but also the contribution of local partners. The objectives of the Business Broker programme as a whole can only be achieved through sustained - and joint - partner action.

Broker projects have been *very* different in the approach they have adopted, reflecting local patterns of business ownership, strength of established business bodies, activities of

the organisations within which Brokers were based, history of relationships with the public sector, business attitudes towards community involvement and current strategies and services for regeneration and business development. Successful cross-sector working and outcomes also depend on the capacity of public, community and voluntary organisations and their receptiveness to working with the private sector. A consequence has been that each Broker faced a challenge to find their niche - and that there is no one 'typical' Broker. Some have been very much about brokering businesses and community organisations to meet specific needs, others about brokering agencies and networks, recruiting and supporting business involvement at strategic level. In one case, the Broker project has become very much a Broker *for* business (not *of* business involvement), seeking to address perceived gaps in local business support. Some Brokers have been viewed as 'voice of business' - going beyond the original conception of *enabling* the representation of business views. Brokers have also pursued project activity to varying degrees, in efforts to plug service gaps (eg, local take-up of Modern Apprenticeships and local procurement) and to establish credibility and open more doors.

2.4 Interim Evaluation findings (autumn 2003)

At the time of the Interim Evaluation in autumn 2003 we reported positively about progress being made by the Broker pilots, while expressing concerns about the role of local management/ steering groups, and the sustainability of the pilots beyond the end of the period of NRU funding. We note these below and return to them later.

There was evidence of opportunities and benefits on the ground (eg, brokerage of mentoring, in-kind support (expertise, premises, goods, etc), work experience opportunities, sponsorship of training and environmental improvement projects, and new forms of engagement through business forums and networks.

Brokers typically needed time to 'bed in', to understand their roles, build relationships and clarify priorities. Many were recruited to areas where they had not previously worked, so were lacking local knowledge and contacts at the outset. These Brokers had the steepest learning curve - adding to the challenge that *all* had in comprehending the 'regeneration maze'. A common theme for the Brokers has been the need to understand the *great* complexity of the neighbourhood renewal and business support world, the relevant policies, partnerships and practices, locally, sub-regionally, regionally and nationally.

Brokers have carried out a number of roles, which have varied by area and over time. These include partnership support and capacity building, promotion and information dissemination, and support for partnership consultations - along with 'brokerage': matching individual businesses and community organisations/ partnerships in practical, mutually beneficial ways.

Broker records showed that, by the mid-point of the life of the pilot programme, there had been a 20% increase in businesses 'active' in neighbourhood renewal, and many more had been visited, or had taken part in events, with a view to future involvement. Brokers had supported a near doubling of numbers of businesses involved in LSPs - though from a low base (from 35 to 66 across the 10 areas). We felt confident that in most cases the Broker projects had recruited appropriate, skilled people for the job, who were proving adept at building cross-sector relationships.

The Broker pilot LSPs appeared to have been making more progress than a selection of non-Broker LSPs we investigated. There were signs of a growing sense of LSP purpose and added value, and of how business fits in. There was evidence of some influence within the LSP by the business representatives and Brokers themselves, along with growing opportunities for involvement across thematic partnerships and with neighbourhood partnerships. We highlighted the role of the Brokers in putting 'grit in the oyster', in getting partners working together better, making things happen which would not otherwise have happened (or at least happened faster) - addressing some apparent gaps or weaknesses in service delivery relating to neighbourhood renewal areas.

We raised a number of concerns relating to:

- the complexity and isolation of the Broker job (operating independently and having to combine strategic and operational roles; and make sense - for themselves and for others - of the 'regeneration maze')
- the uphill battle that the Brokers had had in convincing some sceptical and unreceptive partners
- weaknesses in support and direction provided by local Broker management groups
- need for basic changes in how LSP partners do things (eg, in language used, organisation of meetings, approach to consultation requests, and partner attitudes to perspectives from different sectors)
- likelihood that Brokers would leave their posts, if future funding were not secured beyond March 2005.

We made a number of recommendations including the following for the NRU:

- consider how Business Brokers relate to core management tasks which successful LSPs require to be carried out. (The stronger Business Broker projects appeared to be those where the Broker is part of the core officer team and attends LSP meetings.)
- help to ensure that business engagement is given full attention as part of LSP and neighbourhood renewal partnership performance reviews.
- give more national and regional publicity and backing to the Business Broker initiative, and work with the Partnership Academy to disseminate lessons and good practice.
- encourage RDAs to take an interest in how Business Brokers can assist their interests in economic regeneration.

Both BITC and British Chambers of Commerce (partners in developing the Business Broker concept and programme) agreed at the BITC Leadership Team on Regeneration to work within their own channels to do what they could to strengthen commitment to local management groups through their respective channels.

The following chapters proceed to review the contributions of the Business Broker projects to LSPs and to the delivery of neighbourhood renewal, benefits gained by businesses and community organisations drawing out key lessons from the pilot programme.

BUSINESS BROKER ADDED VALUE AND BENEFITS

3 Engagement with Local Strategic Partnerships

Progress made

Through our interviews and survey work, we have sought to establish how business Brokers have provided added value, to the work of partners in LSPs, other public agencies and partnerships, to the business community and to individual businesses and community organisations. This chapter looks first at benefits associated with strategic engagement in LSPs and thematic partnerships, before reporting on our survey findings on operational engagement relating to neighbourhood renewal - the benefits to individual businesses and community organisations. We end the chapter with a review of Broker project contributions to neighbourhood renewal outcomes.

Since we reported in the Interim Evaluation, the Broker projects have provided further evidence of progress and benefits, and a rising trend of engagement. The experience of pilot Broker projects has tended to justify the rationale for providing support for business engagement at a strategic level, with a dedicated resource helping to raise awareness of the relevance of the LSP and neighbourhood renewal for business, recruit business people to the partnership table and help them get to grips with the LSP agenda. However, in some areas, Brokers have struggled to promote private sector involvement in the LSP though being able to show a difference at project level. In other areas, the Broker has managed to *secure and help sustain* business involvement on the LSP and related partnerships, but has not succeeded significantly to involve businesses directly with community organisations. In others, the Broker has predominantly facilitated business involvement with other public agencies and publicly-funded partnerships involved in neighbourhood renewal, and much less with community organisations.

Increased business participation at strategic level

Business Brokers have been instrumental in recruiting more businesses as members of the LSPs and thematic partnerships, and have made relatively more progress in the past year than in the earlier stages of the programme. Broker records show a threefold increase, from an average of four to 13 per area. The variation across the ten areas is significant, from a minimum of three to a maximum of 21. Many of the recruits have been to thematic partnerships (such as community safety, employment or health) or to partnership 'sounding boards' (which are intended to be very limited in the time demands they make of participating companies). Brokers have had some success in attracting company managers ("real business people" was a term used by several interviewees) as distinct from representatives of business bodies such as Chambers of Commerce or agencies such as Business Link.

There have been some successes in recruiting business people from new sources, eg, in Luton the Broker recruited the chair of Luton Minority Business Forum (LMBF) to the LSP. In some other Broker areas, there are still concerns that business representation is largely through the 'usual suspects', and we have found evidence of politics within the business community which influence who is involved. In one area, for example, existing LSP business representatives have argued successfully against names put forward as

prospective representatives by public sector partners, on the grounds that these are 'incomers' (ie, new investors in the area) who do not know the locality, high street stores (competing for customers with local small business), and/ or large employers (competing for labour with smaller businesses).

In the past year, most Brokers have tended to find it easier to make the case to businesses for involvement in LSPs as LSPs have become better established - and less preoccupied with process matters. Most Brokers themselves have strengthened their network of relationships and have become better placed to open doors and interest business people. Also, more of the thematic partnerships linked to LSPs have increasingly recognised the need for business involvement where they do not have this already. Brokers have sometimes found a readier response where the partnership theme fits the specific concerns and interests of a particular company and businessperson (crime reduction, road congestion, employment for young people, etc). Examples include recruitment to Sheffield First for the Environment and Luton Community Safety Partnership. In some areas, there are still gaps to fill in relation to business involvement in such partnerships, most notably in relation to health, where there is growing acknowledgement of employer interest in workplace and community health issues (which feature in the Public Health White Paper (*'Choosing Health: making healthier choices easier'*)).

The context has been one where LSPs have tended to be asking the question, 'How can we make more of a difference, and what can each sector contribute?'. Discussion of what LSPs want from business and what business can offer has occurred more often.

Quality of engagement

We have sought to establish *qualitative* aspects of business engagement, as calculation of the numbers involved in LSPs and thematic partnerships is unlikely to be a good guide in itself to added value. We explored in our partner interviews, for example, the degrees to which business has greater influence in LSP decision-making and priority given to business issues in community and local neighbourhood renewal strategies.

We have concluded that four Broker projects can be said to have successfully added value in facilitating strategic involvement in the work of the LSP, two have made significant progress in the last year, while four have *not* provided an effective link. Those that have been successful (Burnley, Easington, Sheffield and West Cornwall) have done so through the creation of vehicles for engagement (see the section below on business forums), or building up a body of contacts which can be drawn on when there is a need to involve businesses as partnership representatives or consultees. Progress in Luton and Nottingham has been attributable to dogged work by the Broker in recruiting new business representatives. In the remaining four cases, the Broker has concentrated on the operational side of the job, supporting a range of regeneration activities (Brent, Hastings, Newham and Stoke-on-Trent).

Where most progress has been made, this has been with the active support of organisational leaders on the LSP, not least those from the local authorities. In other cases, either the LSP has not seen business engagement as a priority or the Broker's host organisation has expected LSP activity to offer low returns, or both.

This picture corresponds with the conclusions of Government Offices for the Regions (GOs) in their observations of LSP Performance Management Reviews in 2004, although

in one or two cases, we found that business involvement was less strong than that observed by the GO (eg, where the numbers involved looked good on paper but the individuals were not active and/ or came from agencies such as Business Link, not from individual businesses). Three Broker projects (Luton, Sheffield and West Cornwall) were highlighted by GOs for their positive contribution in generating business interest and supporting private sector partners. In another pilot area, the LSP was considered to be weak in its engagement. Two years into the pilot project, 'engaging the business community in making LSP meetings relevant' remained a barrier to inclusiveness, and the partnership was 'challenged when assessing how best to understand the business agenda and engage them in activity'. An internal NRU overview in 2004 of summary reports on LSP progress and performance found many LSPs continuing to find it difficult to engage the private sector, with the topic raised as a specific issue in nearly one in five LSP summaries.

Influence in LSP decision-making and strategies

We found limited evidence of a *distinctive* business influence in LSP priority setting - with business representatives seeing action on crime, education and opportunities for young people as important, in common with other partners. Much of the work on LSP community and neighbourhood renewal strategies had been undertaken before many of the business representatives had become involved. Now, where strategies are being reviewed (eg, Nottingham and Luton), the business community tends to be more involved in consultations. In other cases such involvement is not seen as a priority; in Brent, for example, the Broker role in relation to the LSP focused on supporting a particular LSP working group on recruitment and retention. We note that there are also some signs (though not universal) that individual local public agencies are showing more interest in consulting business on aspects of thematic strategies than was previously the case (eg, in relation to education strategies for 14 to 19 year olds).

Limited evidence of business influence on the LSP agenda does not mean that individual business representatives have not made significant personal contributions to LSP deliberations and activities, though this has tended to reflect the individuals' aptitude and interpersonal skills, rather than primarily the business dimension they brought to the table. There are occasional examples of LSPs recognising particular skills of individual business representatives (eg, where a senior manager with change management experience is leading a group reviewing the LSP structure).

Influence in the LSP's approach and core tasks

Several interviewees pointed to business representatives bringing a fresh perspective and approach to LSP processes and procedures, the main aspects being changes to the format and procedures of LSP meetings. One pilot area LSP now requires all LSP agenda items to be on one side of A4, and in several areas, discussion of operational detail has been delegated to partner agencies or LSP sub-groups, to ensure that the main LSP board concentrates on policy issues and overall strategy.

There have been cases where individual Brokers have had some direct influence themselves. In several of the pilot LSPs, the Brokers have been expected by other partners to provide a 'business' viewpoint (typically along with a Chamber of Commerce representative). This goes beyond the original concept of their role (ie, that of supporting business representatives rather being one themselves).

There has been little business involvement in some of the core tasks which NRF LSPs must carry out, such as appraising proposals for the Neighbourhood Renewal Fund and reviewing LSP performance. Those that have taken part (eg, in Nottingham) have found that agendas have been dominated by matters relating to the delivery of public services, with rarely a strong business dimension. This is not wholly surprising given the emphasis within the National Strategy on 'mainstreaming', gearing such services better in meeting the needs of deprived communities.

Benefits to partner agencies

In the Interim Evaluation report, we observed that Brokers had brought benefits to individual partner agencies and had often acted as the 'grit in the oyster' in helping to join up partner activities (where neighbourhood renewal has not necessarily been a high priority for these bodies).

With further progress made in the past year, we conclude that some of the most significant gains from the work of Brokers has accrued to local partner agencies. This has stemmed from the dedicated role that Brokers have performed and their 'neutral' position bridging the different sectors. These benefits have included drawing extra resources into neighbourhood renewal activities, helping to increase take-up of services and agencies to meet their targets. There are examples across the range of Broker projects where they have:

- provided an effective platform for informing businesses about what agencies offer and do
- developed a pool of interested business people, willing to participate, eg, as champions of particular initiatives or members of working groups, or in meetings with government ministers or officials
- generated many additional leads for bodies such as Education Business Partnerships, enterprise agencies, Jobcentre Plus and the Learning and Skills Council
- helped to build management skills and capacity through brokerage of 'Leadership Partnerships', mentoring arrangements between business leaders and senior public sector managers
- improved intelligence on needs and issues for business in neighbourhood renewal areas and developing greater common awareness amongst partners about action needed (eg, to counter crime against businesses)
- more generally, helped the agencies make their own resources go further (especially in relation to marketing their services)

Partners in several areas noted that more businesses are now ready to engage with them and that the quality of dialogue and mutual understanding has improved since the appointment of the Broker. A common thread to many comments was that having a dedicated local resource on business engagement provided benefits to public agencies that probably would not otherwise have materialised.

There are also examples where Broker projects have identified further scope to assist agencies in improving the quality of services, though these have not always been realised. For example, in the Interim Evaluation we described the 'Broker Hub' in Nottingham. This was designed as a format to bring together representatives of local agencies with related roles in working with employers to promote opportunities for people from disadvantaged parts of the city. Several have 'broker' in their job title or job description,

in jobs funded variously by the Learning and Skills Council, Jobcentre Plus and the RDA through SRB/ Single Pot funding - leading to some local confusion. The main aim of the Hub has been to foster mutual awareness of what each agency does through regular meetings and joint projects, sharing resources, information and ideas. However, the agencies concerned have not given the initiative sufficient backing; some have seen it as talking shop, and the potential agenda for collaboration in improving service delivery through a co-ordinated approach has not been taken forward.

Brokers have continued to play a significant role in encouraging partners to work more effectively together. In most cases, however, Brokers have not had the clout to ensure that other agencies come together behind a joint initiative (eg, on marketing of skills and recruitment services to employers to avoid overlap and duplication of activity). This has meant that some otherwise promising projects have ceased when a Broker resigned, including the healthy food in schools project in West Cornwall, mentioned in the Interim Evaluation.

We have been concerned that some broker activity has been of a *project development* nature, rather than *brokering*, especially when a case could have been made that another agency should take the lead for a project. However, given the rationale behind the pilot programme, which recognised that appropriate mechanisms for public agencies to engage with businesses were lacking or weak in the chosen LSP areas, this can be acceptable, provided responsibility for project implementation and management is taken on by someone other than the Broker, as was arranged in the East Durham Modern Apprenticeships project.

Apprenticeships East Durham
<ul style="list-style-type: none">▪ follows pilot project 'Aim for Apprenticeships' launched in 2003, funded by LLSC▪ addresses Business Broker's strategic objective 'to increase the number of businesses offering modern apprenticeships' and endorsed by East Durham Business Forum▪ designed to create more apprenticeships or jobs with training from local employers, especially SMEs and link these to young people and training providers using a 'recruitment agency' model.▪ pilot project revealed that many local companies did not understand what MA programme entailed or who to contact for information, and that local agencies working with 16-19 year olds were not accessing many local employment opportunities▪ broker drafted proposal for a recruitment agency style pilot project to promote apprenticeships to employers, working closely with training providers and young people which was presented to an LLSC training provider network event.▪ launched May 2004, first year funding from LLSC, NRF, ESF▪ led by a steering group comprising Business Broker (before he left for a new post) and representatives from East Durham Business Service, Connexions, LLSC, Easington Action Team for Jobs, East Durham Business Forum and training provider Network▪ recruitment consultant appointed to drive the project forward; she is employed by East Durham Business Service and was managed by the Broker. She is based at Connexions' offices▪ if successful, project may be rolled out county-wide

Contribution of Business Forums

A number of the Broker projects have developed business forums as vehicles for engagement, at either district (LSP) or neighbourhood levels. Across the ten areas, the numbers involved in forums relating to LSPs have grown tenfold (from average of 5 to average of 53).

Such developments have drawn on previous experience of successful forums or action groups in neighbourhoods such as in Castle Vale and in Tyseley (Birmingham) and Foleshill (Coventry)¹⁴. These have demonstrated the ways that conditions for active and sustained business involvement with the public sector may be fostered and provide opportunities for business-to-business networking, and focusing on common business needs around regeneration issues. For public sector agencies, such forums can be a means for effective consultation with the local business community on strategic and service delivery issues, and for collaborative activities.

Two Broker pilots, Burnley and Easington, have developed district-wide forums as vehicles for strategic engagement. In Burnley, members are focusing on neighbourhood renewal-related themes, and links are made with LSP sub-groups through the attendance of their chairs.

Burnley Employer Forum (EF)
<ul style="list-style-type: none">▪ pool of over 100 members who have indicated their interest in particular LSP sub-groups and specific topics. (The pool was generated on the back of a postal survey by the Broker of all 800 Burnley businesses at the beginning of the pilot project, and from interest generated at Broker's launch event in autumn 2003.)▪ formally part of the LSP structure, and with one representative from the Forum entitled to participate in the main LSP Board.▪ discusses LSP policy issues relevant to business▪ recognised locally as a good mechanism for business views and ideas, and issues raised to be fed back into LSP sub-groups via sub-group chairs (who chair that part of Forum meeting relating to sub-group's LSP business)▪ thus formally linked to particular LSP sub-group themes, notably Crime, Economic Strategy and Personnel & Recruitment (It does not deal with LSP policies relating to Community Cohesion or Community Development).▪ Each Forum meeting covers a different LSP sub-group theme and more operational issues and opportunities for matches with community organisations▪ Broker Pilot project secured Objective 2 ERDF funding to provide secretariat for Employer Forum (one FTE). The funding is explicitly also related to securing employment for disadvantaged individuals▪ LSP Co-ordinator reports that businesses are more influential on matters relating to environment and transport and directly attributes this to Forum

In Easington prior to the arrival of the Business Broker there was no effective umbrella group supporting local businesses, and there was little history of local business-to-business networking or intertrading. Local public agencies, in particular the local authority, were conscious of the need to involve business more but were unsure of how to go about this. One of the Easington Business Broker's first tasks was to set up a Business Forum to address this gap.

¹⁴ These have typically been developed with the support of Business in the Community. ADD RENEWAL.NET REFS

East Durham Business Forum

- initially funded through the Broker's marketing budget with additional finance from the local authority
- every business in the district automatically a member
- membership free
- Steering Group of senior representatives from 16 large and small local businesses tasked to:
 - a) look at ways in which the local business community can boost the local economy
 - b) promote socially responsible practices
 - c) get local business involved in the major renewal issues in Easington including crime, education, health and employment
- launched April 2003
- initially managed by the Business Broker (and subsequently by East Durham Development Agency after the Broker moved to a new job)
- hosts a variety of events for members, including briefings on government initiatives such as LSC's Employer Training Pilots, grants available to local businesses, and local procurement
- facilitates discussions with key local players including public agencies involved in the North East Durham Industrial Estate master plan
- arranges company visits designed to 'get businesses talking to each other'
- produced and updates comprehensive Business Directory, circulated free to all local businesses, voluntary and community groups and public agencies

In common with East Durham, West Cornwall has lacked a strong local business association and extensive business networking, and the Broker's Local Management Group (with up to 30 members) itself has helped to fill this gap. During our fieldwork for the final stage of this evaluation, the LSP, West Cornwall Together was considering the facilitation of a business network as part of the Business Broker forward strategy. This may be modelled on the success of West Cornwall Community Network's Inter-Link, providing an interesting example of the transfer of a concept from community development to business development. Inter-Link has been established as a network of community and voluntary groups, statutory agencies and individuals working together to improve the lives of people, promoting links through local meetings, regular contact and newsletters (covering events, news from other groups, information about funding opportunities, etc) and a website.

In Luton, rather than create a new forum, the Broker has worked with Bedford and Luton Chamber of Commerce to create a sounding board role for the Chamber's Southern Area Committee (SAC) in relation to the LSP, with participation open to non-Chamber members. The Broker has recruited 17 businesses to the SAC (all non-Chamber members), and has encouraged the Chamber to play a proactive role in managing the SAC's business. However, it has not yet established itself with *businesses* as a credible vehicle for engagement: attendance is low, and it has tended to function as a traditional committee rather than an a vehicle for debate, networking and collaboration.

There is also in Luton the Business Action Group (BAG), supported by the Broker, which brings together companies from across the borough with an interest in human resources and social responsibility. This predates the Broker project, and was originally developed under a Home Office initiative to promote employee volunteering. While it is not formally associated with Luton Forum, it has been used as means of alerting and informing member companies about local developments and opportunities for involvement. The Broker has also established strong links with other business networks in the area, who combine to publicise events, consultations, etc through their respective mailing lists and newsletters.

Luton Business Action Group

Luton Business Action Group brings together over 150 businesses from in and around Luton committed to increasing their positive impact on the Luton community. The aims of the group are to inspire business to become actively involved in the community through sharing best practice about community involvement; discussing community needs; inviting businesses to work in partnership with public and community sectors; supporting business involvement in the community and celebrating success.

Membership is free and meetings are held bi-monthly, typically attracting 30 to 40 participants, a mix of general and HR managers from large and small companies. Each meeting concentrates on a particular topic, eg, equality and diversity; business involvement in education; and local recruitment services.

Benefits of membership include: networking/marketing; the chance for the businesses to play a role in shaping the future for Luton; sharing platforms with key decision makers locally and nationally; excellent media coverage and other publicity; forging links with local communities; and generating goodwill.

In Sheffield, the approach of the Broker has been to recruit members for the Sheffield Employers Sounding Board which acts as an advisory group to Sheffield First for Learning and Work (part of the Sheffield First 'family' of partnerships). They are drawn from a wide range of businesses and other employers in sectors that are important to the city. In recognition of the common reluctance of business people to join committees, the formal commitment is limited to attending meetings every six months to review and challenge the partnership's progress, though members are typically willing to offer advice and support as appropriate between meetings.

The Sheffield Broker has also worked extensively with Burngreave New Deal for Communities (NDC) to develop an active business forum covering this neighbourhood, providing a means of addressing local issues and the potential to raise issues for consideration at city level.

Burngreave Business Forum

- the Burngreave Business Forum has developed as a business support project, now with more than 40 members
- a partnership between BITC (represented by Broker) and Burngreave NDC
- minimal history of contact between local businesses and mainstream business support agencies
- diverse business community with 60 languages spoken in the neighbourhood
- response to NDC evidence of needs for help with start-ups, local business support, and attraction of new investment to the area
- Broker gained support of stakeholders including Sheffield Chamber of Commerce, Business Link South Yorkshire, Sheffield Enterprise Agency and the Sheffield Employers Sounding Board
- Broker has a responsibility for the NDC business initiative, as line manager of a business development adviser (Business and Enterprise Champion), funded through NDC
- Broker's success recognised in Personal Achievement Award for Business Partnership at the New Deal for Communities Awards in 2004

Brokers are also behind active local business forums at neighbourhood level in other areas, eg, in Luton and Stoke. In Luton, the Business Broker acts as secretary to the Dallow Business Partnership, a group of over 80 businesses in a priority ward with a large industrial area. The Business Partnership has taken the initiative in giving the neighbourhood businesses' views to the local authority and other partners on transport, education and skills issues and in supporting neighbourhood community initiatives.

In Stoke, the Brokers, supported by the local MP, have set up a 'Business Bridge' for the Burston and Tunstall area. They have facilitated a number of breakfast meetings covering different issues, eg, local public sector procurement, training and workforce development. After the first few meetings, the businesses had gained confidence to take greater ownership of the Business Bridge and a dialogue is beginning to develop between them and local agencies. The Stoke Brokers have also worked with the local Chamber to set up a manufacturing network in response to a perception by local manufacturing organisations that networking between each other and links to local business support agencies were poor. Over 40 businesses regularly attend network meetings. Common training needs and skills shortages are being identified and communicated to business support agencies through the Brokers.

Strategic engagement: looking to the future

There is potential for the business contribution to LSPs to strengthen, as typically the current picture tends to reflect the stage of maturity of the LSP and the comparatively recent participation of many of the business people. Business 'involvement' must be seen in the round as part of LSP strategies for stakeholder engagement and communications; there are many ways of interesting and involving businesses beyond the presence of a small number of representatives at the partnership table. It is to be expected that the individuals and businesses involved will change as the partnerships develop, not least in reflection of local variations in partnership priorities as changes in services and service delivery begin to take place. It may be that some of those individuals most closely involved in the formation of LSPs (processes and procedures, governance issues), may not be best placed to offer partnerships the necessary corporate skills, eg, change management and risk assessment, once partners begin to deliver the agenda.

Unusually among local public sector players, Brokers have had wide access to the local business community. They are well-placed to suggest appropriate individuals with whom partners may wish to engage on specific themes and there are grounds for optimism that this will lead to more and better business contributions and influence. We are concerned that the Brokers' in-depth knowledge of their local businesses and individual business people may be lost when the projects end or the Brokers move to new jobs.

We found few good examples of efforts to consult and communicate directly on strategic issues with the *wider* business community, over and above members of the LSP and its sub-groups. And in most areas, there is an acknowledgement that none of the existing business umbrella groups (eg, Chambers of Commerce, the Federation of Small Businesses, the Institute of Directors) can give the full picture, as they are not fully representative and inclusive of all local business interests (and in some cases operate over a wider area than that of the LSP). The best *mechanism* to consult fully with business on local strategic issues still remains a challenge for most of the LSPs.

4 Operational Engagement in Neighbourhood Renewal

Contributing to neighbourhood renewal

The Business Broker programme was expected to contribute to neighbourhood renewal outcomes through:

- engaging individual business representation on LSP boards and thematic partnerships - and more directly, through
- facilitating business activities which directly contribute to neighbourhood renewal outcomes. It was anticipated that Brokers would focus on:
 - ◆ activities directly involving businesses working with and for the wider community (mainly voluntary and community organisations)
 - ◆ supporting other public agencies and neighbourhood partnerships involve the private sector in neighbourhood renewal

Neighbourhood renewal activities facilitated by the Brokers might fall into one or more of the five themes of the National Strategy for Neighbourhood Renewal:

- ◆ raising educational attainment
- ◆ tackling worklessness¹⁵
- ◆ crime and community safety
- ◆ housing and the physical environment
- ◆ improving health

In the Interim Evaluation we noted that most of the activities had addressed two themes: education and worklessness, or both. This is still so. However, whereas at the interim stage three pilots had developed projects relating mostly to raising educational attainment and seven to tackling worklessness, by autumn 2004 a more even balance of project work between the two themes had developed. In one area, though, the Broker acted - and was encouraged by their Local Management Group (LMG) to act - more often as a general resource *for* business rather than as a broker *of* business involvement in neighbourhood renewal. Whilst we accept that supporting local enterprise can contribute to neighbourhood renewal, this falls under the remit of other agencies (particularly through Business Links who typically contract with other organisations such as enterprise agencies to provide business support to start-ups and micro-businesses). This is not what Brokers were funded to deliver. Rather, *signposting* to relevant assistance and/ or encouraging business support agencies to provide more suitable local provision would have been a more appropriate activity for the Broker.

¹⁵ In practice, "tackling worklessness" involves promoting enterprise as well as employability and access to job services

Increasing numbers of businesses involved in neighbourhood renewal activities

Broker records show that they have secured greater business involvement at a neighbourhood level (though, as with LSP engagement, with significant variation across areas):

- The numbers of businesses involved in priority neighbourhoods have increased by at least two and a half times (an average of 32) where directly attributable to Brokers. The scale of increase varies by area, with Burnley and Sheffield at one end and Hastings and Nottingham at the other. Raw numbers, however, are not a good indication of relative impact, as some 'involvement' has been superficial rather than significant.
- The numbers of community organisations assisted by businesses through Broker projects have increased by an average of 29. Larger numbers have been assisted in Hastings and Stoke, and lower numbers in Newham, Easington and Nottingham. Again the point about raw numbers applies.

As anticipated in the Interim Evaluation, there has been some widening of business participation across the other themes over the past year as business representation on theme partnerships has increased. In Luton, for example, there is now business representation on the Safer Luton Partnership (the Crime and Disorder Reduction Partnership), and in Sheffield, the Broker has recruited four business members to the board of Sheffield First for the Environment. However, Brokers' activities still tend to reflect the interests of their host organisations.

Also since the Interim Evaluation, some Brokers have increasingly targeted their activities to the most deprived areas. For the larger, more rural LSP areas, in particular West Cornwall which is characterised by having small, isolated concentrations of extreme poverty *outside* priority wards, this has been a challenge. In Hastings, however, we found at the Interim Evaluation stage that Broker effort was concentrated largely on community groups *outside* the Neighbourhood Management Pathfinder area on the grounds that this would be a duplication of (neighbourhood renewal) effort. This has since changed with the appointment of a new Broker, who has begun discussions with the NMP on how best to draw on the Broker resource, eg, in undertaking a survey of businesses in the NMP area in association with the local authority economic development unit. Brokers in Sheffield, Easington, Newham, Nottingham and Luton have all been relatively successful at working with neighbourhood partnerships on specific themes, as illustrated below.

Overall, Brokers' project activity over the past year demonstrates an increasingly strategic approach to the pilot programme objectives. More Brokers have begun to initiate projects which address more than one neighbourhood renewal theme; make more and better links between business and LSPs, other agencies and the third sector; and to facilitate joint working between public agencies engaging with the private sector. The balance of business contribution over the past year has tended to shift from 'one-off' contributions towards longer-term commitment.

This indicates that the Brokers have 'got their feet under the table' more, both with businesses and with public agencies in their areas. Our fieldwork and the surveys for the evaluation show that they are generally highly regarded by members of both sectors, and

by local voluntary and community organisations. Our interviews with Brokers reveal that all now have a good understanding of the concept of neighbourhood renewal and how the Business Broker programme links to that agenda. The same cannot be said for all members of Broker management or steering groups and some public agency staff, who may perceive their Broker either as another business support resource, or a staff member of the Broker host organisation. Such perceptions still need to be challenged in several Broker projects.

The tables and boxes in the following sub-sections give brief examples of a selection of Broker projects which have contributed towards neighbourhood renewal outcomes for each of the five themes of neighbourhood renewal.

Raising educational attainment

Working with schools and young people is a popular choice for businesses and entrepreneurs amongst options for community involvement. Over the life of the Business Broker pilot programme many businesses have preferred to work with young people, especially through local schools, rather than with the wider voluntary and community sector. This is not surprising: school is something with which they have a personal experience, they may have children at local schools, and many employers have concerns about employability skills. Working with primary school children as a Reading Partner in particular is an attractive option for many employees, and 'catching them early' can be a convincing argument for employers. In one area, the Broker regrets that they and their local management group did not prioritise business engagement with schools. In contrast, the Easington Business Forum tasked the Broker first to target local secondary schools, on the ground that sustainable work towards changing the attitude and ability of school-leavers will be of greatest near-term benefit to them as employers.

Nine Brokers have linked with their local EBP¹⁶, some Brokers exclusively targeting activities for residents of deprived wards. In Newham the Broker arranged for businesses to donate time to the EBP to strengthen the partnership's management capacity, including help with a strategic review and with marketing/PR. Contact with the Brokers has been greatly valued by the EBP staff we have interviewed as Brokers have been able to introduce them to additional businesses which have indicated an interest in working with schools. And the EBPs have been able to share their knowledge of local schools and colleges with Brokers, making their other matching activities quicker and easier to arrange. Brokers have also part-funded and helped EBPs to arrange events designed to raise business awareness of local schools and colleges and vice versa. In Luton, the Broker herself trained to become a Reading Partner. This contrasted with another area where the Broker did not realise training by the EBP was necessary and made direct arrangements for untrained business volunteers to work as Reading Partners in local schools. In most areas, Brokers also made good links with the Education Action Zone¹⁷ (EAZ) and have contributed to project activity, eg, by adding business contacts.

¹⁶ From April 2001 the Learning and Skills Council (LSC) assumed responsibility, through the local LSCs, for ensuring the provision of education business link activity. To meet this responsibility, local and national education business link organisations (EBLOs) formed consortia in each LSC area to provide a single face to both schools and businesses to deliver a full range of high quality activities and a single contracting point for the local LSCs. EBPs are the delivery arm of EBLOs

¹⁷ There was an EAZ in each Broker area – two in Easington. EAZs have now become part of DfES's Excellence in Cities (EiC) programme. EiC is targeted at schools in deprived areas provides resources and a coherent programme of strategies focused on teaching and learning, behaviour and attendance, and leadership.

Examples of Broker activity which may be expected to help raise educational attainment include:

- influencing businesses and employees to increase the numbers of volunteers to work in secondary schools and colleges on interview skills and CV preparation, and as Reading Partners in target primary schools (most Brokers)
- enlisting business volunteers to contribute to the personal, social and health education curriculum at local schools, including sports activities – also addressing the Health theme (eg, Easington, Sheffield)
- working to improve the management capacity of schools, including through BITC's Partners in Leadership¹⁸ activities (eg, Nottingham, Easington)
- participating in projects designed to inform schools and colleges about opportunities for graduates (Stoke)
- In Newham, linking the Ford Motor Group (and their subsidiary Polar Motor Group) with St Luke's Pitstop project in the West Ham & Plaistow NDC area. Pitstop will target young people (including those excluded from school) to involve them in motor mechanic activity. The cost to the company is expected to be modest and there are hopes that it will lead to a feed of skilled technicians in the sector, including at Ford's Dagenham Diesel Centre and local dealerships.
- generating volunteers for E-pals initiatives in which pupils and business people regularly correspond via email with benefits to pupils including greater correspondence skills, confidence, positive role models. (Newham, Brent – see box below)

Wembley National Stadium E-mentoring Project
<ul style="list-style-type: none">▪ pilot project, funded by Brent Business Broker and facilitated by local EBP▪ e-mail mentoring by staff for ten pupils from local school doing projects on the stadium▪ pupils report improved literacy, typing and IT skills and staff report that it has helped teach pupils how to plan and research work▪ benefits to employees include the experience of explaining topics in a coherent and interesting way

- contributing to arrangements for local companies and nearby retail parks to help schools build awareness of work and entrepreneurship through innovative projects and other career education events, including work placements (eg, Stoke – see below, Easington, West Cornwall)

¹⁸ Partners in Leadership pairs a headteacher with a business partner, working together on matters related to leadership and management. This helps develop the management and leadership skills of both parties, and in so doing contributes towards more effective schools. It also enables both partners to see things from a different perspective, and can operate as a 'sounding board' for new ideas.

Chalk and Talk Learning Programme - Stoke

- idea evolved from a meeting between Singlepoint (now part of Vodafone) and the Brokers at which the employability skills of school leavers was discussed
- Brokers and North Staffordshire Partnership arranged a day event for teachers to meet Singlepoint and learn about the company
- the company developed Chalk & Talk, an innovative learning programme open to all North Staffordshire schools, designed to give local teachers access to the company's expertise and the resources available through the workforce
- long term aim to build greater awareness of the world of work amongst the local educational community by helping to bring parts of the national curriculum to life through everyday examples
- also encourages staff and pupils to understand the employer's perspective of learning
- Singlepoint have dedicated a member of staff as project coordinator, who now also coordinates the company's work placement activities with the EBP
- the company believes that involvement in Chalk & Talk has helped to develop a learning culture amongst its employees

Tackling worklessness

In the context of neighbourhood renewal strategy, tackling worklessness goes beyond the simple concept of 'into jobs' outputs to address the underlying causes of worklessness, including, eg:

- mismatch between the skills of jobseekers and those wanted by employers (which is also being addressed by the Education theme)
- the decline of traditional industries, leaving areas with poor economic infrastructure, below average levels of entrepreneurship, and weak local business networks
- low take-up of government programmes to address employability and employment, eg, Modern Apprenticeships
- lack of employed role models, especially for young males, compounded by 'postcode' and other discrimination (also an issue under the Education theme)
- inadequate provision of public transport and childcare
- inflexible employer working practices

This theme of the National Strategy for Neighbourhood Renewal also includes supporting enterprise by promoting start-up businesses and supporting existing business.

All the Brokers have been involved in projects tackling one or more of the factors listed above, including projects which also address other themes. In Brent, Burnley and Easington the Brokers have been active independently and in partnership with public agencies (notably Jobcentre Plus) in encouraging employers to change their normal business practices including to recruit and train more local people rather than hire workers from outside the locality. Again predominantly in partnership, Brokers have helped break down other barriers to employment locally, eg, by improving childcare and addressing local transport problems (Burnley and West Cornwall). Some Broker activity has specifically targeted BME-owned businesses which have often the lowest levels of take-up of local business support services. Many Brokers have sought to promote the start-up and growth of private and social enterprises, including encouraging local purchasing (eg, Easington, Hastings, Stoke) and promoting opportunities in deprived neighbourhoods as under-served markets (eg, Luton, Sheffield). However, in at least one area private sector members on the LSP have been reluctant to encourage the Broker to

work with social enterprises or start-ups which might compete with existing small enterprises. Brokers have encouraged business-to-business mentoring, including mentoring social enterprises (eg, Newham, Nottingham, West Cornwall).

Examples of types activities in which the Brokers have engaged to tackled worklessness and promote enterprise include:

- In Easington, the Broker piloted a project to increase uptake of Modern Apprenticeships by local employers which has been taken forward by a partnership between LLSC, Connexions, East Durham Business Service, Easington Action Team for Jobs, East Durham Business Forum and training provider network (see p28)
- Encouraging employers to deliver interviewing skills and CV preparation seminars to jobseekers to help improve their chances of finding work
- Brokers have also been working with large local employers to improve the job and career prospects of their staff who come from disadvantaged areas whilst at the same time addressing their own skills shortages, building loyalty within the workforce and community, and improving employee relations. Many larger employers now provide workplace learning centres where their staff and, increasingly, families and members of the wider community can undertake learning of their own choice and at their own pace, eg, Walkers in Peterlee (Easington).
- Similarly, working with the Skills for Life Manager of LSC Bedfordshire & Luton LSC and other partners, the Luton Broker has been directly instrumental in opening up basic skills opportunities for local residents with individual employers (notably Luton Airport and Whitbread)
- The Luton Broker has facilitated publicity for Ethnic Minority Training Project on local radio to encourage local employers to give more opportunities to people from minority ethnic groups.
- As part of a local digital inclusion initiative, the Luton Broker organised the MAD4IT campaign to raise business awareness of the digital divide and provide practical taster sessions. This has been taken forward through free access for local residents to IT training in local companies and community centres, IT donations, and work experience opportunities.
- The Burnley Broker has been involved in the Burnley Social Inclusion Employment Network, in which the Broker's role is to find businesses willing to provide work placement or employment opportunities for unemployed or otherwise disadvantaged people (with 29.5 jobs brokered over two years)
- Making introductions between local training providers and employers to enable work placements for 'hard to place' clients resident in target neighbourhoods (Luton – including placements for street wardens, Brent)
- Working with other local agencies, influencing nearby businesses to get local residents, the majority unemployed, trained and into about 550 (of 800) new retail jobs. Positive feedback from these employees to fellow residents in Easington appears to have made it easier to persuade pupils to take work experience placements at this retail park (Easington)

The provision of advice and guidance on managing diversity and equal opportunities, whilst not the direct responsibility of Business Brokers, can help break down barriers, and Brokers have continued to work with partner agencies to help them get their messages across to local business communities more effectively. In Luton, for example, the Broker has been working with members of Luton BAG (see p30) to promote interest and spread best practice in employment diversity practices, making links with the Luton

Ethnic Minority Business Forum to develop a common agenda amongst the members of both groups.

Promoting start-ups and social enterprise

To date, promoting start-ups has only featured notably in the work of the Broker in Sheffield (though other Brokers have pursued initiatives, eg, on procurement and inter-trading, with the potential to benefit start-ups alongside established small businesses. Within its first year, business support work linked to the Burngreave Business Forum (see p31) in the NDC area of Sheffield had achieved eight new start ups and awarded £250,000 in grants to local businesses to improve security. A directory of over 250 businesses in Burngreave has also been produced and circulated widely to businesses and local residents.

In other areas, Brokers have addressed this aspect of their job by brokering business mentors for entrepreneurs, SMEs and social enterprises or, more intensively in terms of commitment of Broker time, through encouraging inter-trading activities:

- Setting up mentoring matches, eg, for participants in BITC's Partners in Leadership with Community Enterprise (PilCom) Programme. This gives one-to-one support for social entrepreneurs by matching them with business partners to discuss issues such as leadership, strategic planning, change management, finance and managing and developing people and find business solutions to specific challenges (Luton, Newham).
- Setting up other advisory and mentoring arrangements for SMEs and community enterprises, eg, training and advice on accountancy-related issues (Luton, Newham, Burnley).
- In Newham, working with the Satsuma Organisation, which provides business support for young entrepreneurs not eligible for Princes Trust support¹⁹, to find private sector volunteer mentors
- The Brokers in Stoke supported the launch of the Staffordshire Minority Business Association which aims to provide guidance and support to new and existing BME-owned enterprises.
- Several Brokers (Easington, Stoke, Sheffield) have followed the Hastings Broker and put on an inter-trading event designed to help businesses source new business and suppliers locally and thus boost the local economy. In Hastings the (new) Broker has overseen the second "Let's Do Business" event which was attended by over 350 people, and early indications are that well over 450 sales leads were generated.
- Arranging the production of local business directories to help businesses source and sell locally (Easington, Hastings as well as Sheffield)
- Convenient, short and relevant one-off briefing sessions by a variety of local agencies, targeting the local small business community were arranged by the Broker in West Cornwall. These have also featured in other Broker areas (eg, in Luton as part of Business Action Group events).

¹⁹ The Prince's Trust helps young people aged 14-30 to overcome barriers and get their lives working. Under their business start-up programme, advice, mentoring and financial assistance are available to unemployed young people aged 18-30 with a good business idea.

Crime reduction and community safety

The Interim Evaluation noted that few Brokers had been involved in promoting projects addressing community safety and crime although crime and the fear of crime can be a major cost to business, especially in the most deprived areas where crime rates - and insurance premiums - are highest. We believed that anti-crime interventions would be an attractive proposition for businesses, and that they might provide Brokers with 'hooks' - early successes - for engaging new businesses and business associations, eg, industrial estate tenant groups. We have found little evidence of any great increase in activities addressing this theme over the past year, although the Nottingham Broker has worked hard to promote interest in neighbourhood renewal areas to build on the success of crime reduction measures in the New Basford Industrial Area. Only in Burnley (see below) and Luton have we found evidence of strategic Broker links to the work of Crime and Disorder Reduction Partnerships. In West Cornwall, Broker involvement was limited to obtaining contact details of BME-specific retail businesses from the Crime and Disorder Reduction Partnership, and the relationship was not developed significantly thereafter. It is noteworthy that other Local Management Groups and LSPs did not seek to use their Broker resource to address the problem of business crime more effectively and strategically or were asked to volunteer business representatives for CDRPs.

Burnley: Crime & Community Safety
<ul style="list-style-type: none">▪ feedback from a local company (also a member of the Employers Forum) identified anti-social behaviour, crime and environmental issues in the Rossendale Road Business Park area▪ Broker helped to get businesses together to articulate needs, and present them to the Community Safety Partnership (CDRP)▪ businesses subsequently invited to participate in Lancashire Police Authority's consultation on business issues relating to crime, etc.▪ variety of initiatives developed, including some self-help by the businesses (eg, they have clubbed together to buy a perimeter fence), securing a mobile CCTV service▪ Local Authority's Environment and Cleansing Department have cleared the site.▪ Impact: improved environment, improved image, improved safety, new networking opportunities (for businesses and Police)

- In Luton, the Broker has helped to promote business interest in a seminar on business crime arranged by Bedfordshire Police. Since then local businesses have been exploring joint activities involving police working alongside private security personnel and Police Community Support Officers (PCSOs), and are considering the possibility of joint training. The Broker has also contributed to a road safety campaign in a priority neighbourhood in which 300 local children participated.
- Part of the role of the Broker's Business and Enterprise Champion in Burngreave NDC (Sheffield) (see p31) has been to pilot a security and environmental grants scheme designed to provide up to 45 grants of up to £5,000 per property. The pilot was successfully completed in March 2004
- In Burnley, the Broker helped local businesses on an industrial estate write a bid for ERDF funding covering security issues which is expected to lead to a reduction of crime in the area. In return for the Broker's help, the businesses have agreed to provide more employment opportunities for local people.
- In Hastings, employers on three industrial estates on or near the Greater Hollington estate (Neighbourhood Management Pathfinder) continue to sponsor out-of-school sporting activities (originally arranged through the Broker), which is hoped will contribute to a reduction of crime in the area.

Housing and the physical environment

Although we have not identified a great increase in the number of Broker activities addressing the housing/ physical environment theme, we have found evidence that the Brokers have begun to make links to local partners for whom improvements to housing or the environment in priority areas is a key objective. Such partners may include local housing associations, NMPs (Easington, Hastings), NDCs (Sheffield, Luton, Newham, Nottingham, Brent) and relevant contacts in the sub-regional Housing Market Renewal Pathfinders (Stoke, Sheffield, Burnley) and EU Objective 1 initiatives (West Cornwall, Sheffield).

Many Brokers continue to facilitate one-off environmental projects by brokering links between companies and community organisations or by signposting to the relevant local BITC Cares initiative. Brokers have found that larger companies can welcome the opportunity to use such activities as staff team building exercises and for making a positive contribution to their employees' neighbourhoods, frequently on a 'Corporate Social Responsibility' ticket. Examples of these activities include:

- Brokering links between businesses and charities for homeless people (typically operating borough-wide but drawing disproportionate numbers of clients from deprived wards) (Luton, Brent)
- Arranging mentoring on energy issues (marketing and logistics skills) for a Resident Services Organisation linked to West Ham & Plaistow NDC (Newham)
- The Sheffield Broker has facilitated employee volunteering opportunities along the Sheffield and Tinsley Canal for all sizes of businesses. This is helping to revive and improve the physical environment at the same time as building teams, raising skills and motivation, and providing networking opportunities.
- In Burnley, the Broker worked with partners to secure a bus route which would help to alleviate parking problems for businesses and local residents in a priority area, in addition to the improvements in the Rossendale Road Business Park area mentioned above (under Crime and Community Safety theme)
- In West Cornwall, the Broker worked with partners including Connexions, CPR Regeneration (the Urban Regeneration Company) and a residents association to involve local businesses in a 'Local Jobs for Local People' project including planning for new walkways and cycle paths to a local industrial estate. This also addresses the Worklessness theme by tackling access to employment.
- Improving the local environment by arranging for local employee volunteers to work on a variety of smaller projects including through the Cares initiative (Easington – for Britain in Bloom, Hastings, Luton, Stoke, Nottingham, Brent)

Improving health

In the Interim Evaluation we noted that a few interviewees made a link between the remit of the Business Broker and the need to do something about poor health and low life expectancy rates in their area. Especially in Nottingham and Easington, the Brokers have now begun to link to the work of PCTs which are encouraging businesses to support local work addressing the cessation of smoking, healthy eating and mental health issues. Improving health has also been addressed by activities developed under other themes, such as those involving sport for young people.

In Newham the Broker has arranged a successful and longer-term match between a social enterprise and Tate & Lyle to tackle food poverty in Newham. One of the key roles which the Business Broker played was to advise Community Food Enterprise Ltd (CFE) on how to approach big business for help. Tate & Lyle were “pleasantly surprised” at the practical (rather than financial) nature of the request for assistance, and could immediately see that there was a strong relationship between CFE’s aims and their own CSR objectives of engaging in health and nutrition related projects. The Broker kept a watching brief on the relationship during its initial phase, and was proactive in encouraging both sides to keep the momentum going.

Tate & Lyle ltd and Community Food Enterprise ltd

- Newham Food Access Partnership (NFAP) was set up in 2000 to provide a co-ordinated approach to tackling food poverty. The borough is has one of the highest rates of heart disease in Britain, and many residents live several miles from shops stocking reasonably priced fresh food.
- NFAP member Community Food Enterprise Limited (CFE) is a social enterprise, not for profit, company which aims to alleviate local food poverty and encourage the local community to play an active role in health and regeneration issues. It is owned by residents of the West Ham & Plaistow New Deal for Communities area and runs a mobile shop providing residents with fresh food and vegetables at cost.
- CFE was initially funded by NDC, Tate & Lyle and City Airport, until becoming self-sufficient in July 2004.
- CFE’s brokered relationship with Tate & Lyle has provided the social enterprise with:
 - 800m² of warehouse storage (including racking), with 400m² office facilities above, at their Thames Refinery which included electrical and plumbing upgrading and making it as fit for purpose.
 - office furnishings, including computers, printers, chairs, tables and carpet and toilet, kitchen and heater installations
 - sponsored signage
 - a brand new food delivery van
 - financial and management expertise from Tate & Lyle’s Finance Director, provided on a regular basis.
- The project has also benefited from the donation of a fork-lift truck by Sainsbury’s and Tate & Lyle have offered to provide training in its use.

As we reported in the Interim Evaluation, some Brokers received offers from local companies which had been involved in BITC ‘Seeing is Believing’ visits to local schools. In Hastings some offers directly addressed the poor diet of many local school children. The Broker in Burnley has helped to arrange management consultancy and advice on project management skills for a community cafe within a healthy living centre in a target neighbourhood. More recently, in Luton a PilCom project has been set up with an Afro-Caribbean family health project. Not all links have borne fruit, however: the Healthy Boxes scheme proposed by a partnership of agencies, including the Broker, in West Cornwall has not been developed further, due to the failure of one of the prospective business partners.

5 Benefits to Business

Business survey

We conducted a survey of businesses which have been customers of Brokers services, where the Broker has sought to involve businesses directly with community organisations. The list of businesses was compiled from full contact details provided by Brokers for the evaluation. It is not a 'sample', in that in some areas there were relatively few businesses which fell into this category of 'customer'. There, Broker activity had concentrated on gaining business representation on the LSP and/ or better business involvement with public agencies. We excluded members of Broker-supported forums (where not a customer) and cases where we were aware that the involvement had been very marginal (eg, the donation of a pot of paint to a community organisation). The response rate was 33%: 68 out of 205 businesses invited to complete an interview by phone or on-line. A number of non-respondents took the trouble to get in touch with us to say as their contact with the Broker had been limited, they did not consider they could add anything to our evaluation by completing the survey.

Given that small and medium-sized companies are frequently reluctant to engage in activities that do not relate directly to their bottom line, and it is encouraging that over two-thirds of the respondents to the business survey were SMEs, the majority of these having fewer than 10 employees. Half (50%) of all the respondents to the business survey were in the service sector, and 20% in manufacturing. Nearly 70% were independent, 20% a local business unit of a larger company, and the remainder social enterprises. Some 15% were wholly or partially owned and/ or managed by individuals from black and minority ethnic communities.

When asked about the frequency and type of contact they had with Brokers, over 40% of the businesses surveyed had regular one-to-one communication and nearly 25% met primarily through a business group. Around 20% had occasional one-to-one dealings with their Broker, while nearly 15% had a one-off contact.

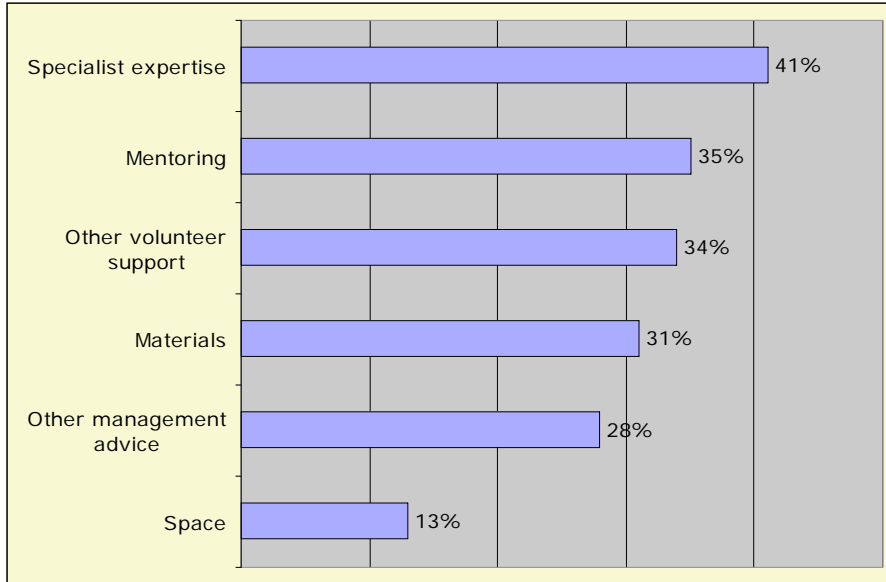
In terms of the assistance provided by Brokers, when asked how in particular the Broker had helped them, nearly 60% businesses cited the 'advice on getting involved with the community or local agencies' and/ or 'opportunity to network with other businesses'. Nearly 40% had been introduced to community organisations by their Broker and for 25%, the Broker had arranged a 'match' with a community organisation. Nearly 30% mentioned that the Broker had signposted them on to other public agencies for assistance.

Nature of support provided to community organisations

Figure 2 shows that the most support brokered involved business skills and know-how rather than donations of goods and money or vouchers. Specialist expertise was provided through 41% 'matches' brokered for businesses, mentoring by 35% and other management advice, 28%. Other volunteer support (34%) includes many of the environmental activities brokered. Materials provided (31%) include stock donated (eg, packets of seeds, photographic equipment, books) in addition to IT equipment and industrial 'waste' (eg, timber, paper, card) that are of value to community organisations,

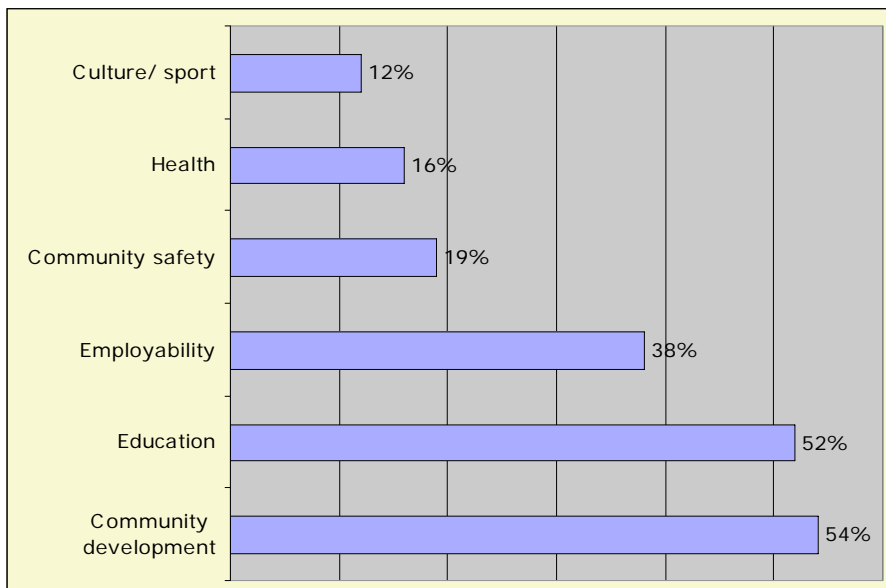
although obsolete or otherwise surplus to business requirements. Space (offices, workshops, secure parking facilities) also featured as a form of support amongst 13% respondents.

Figure 2 Brokered support provided to community organisations



We asked businesses to comment on the types of community needs their support has addressed (Figure 3). Reflecting the relatively large number of cases where mentoring, expertise and advice were provided (including volunteers to committees), most (54%) businesses reckoned that they were helping to meet general needs for community development and organisational capacity, though this was nearly matched by the proportion (52%) citing needs in relation to education. Nearly 40% thought that communities would benefit in terms of employability, in part reflecting the number of companies participating in activities with EBPs (eg, through work experience placements, Reading Partners). Community safety (19%), health (16%) and culture and sport (12%) needs were also addressed.

Figure 3 Community needs met by brokered support (business perceptions)

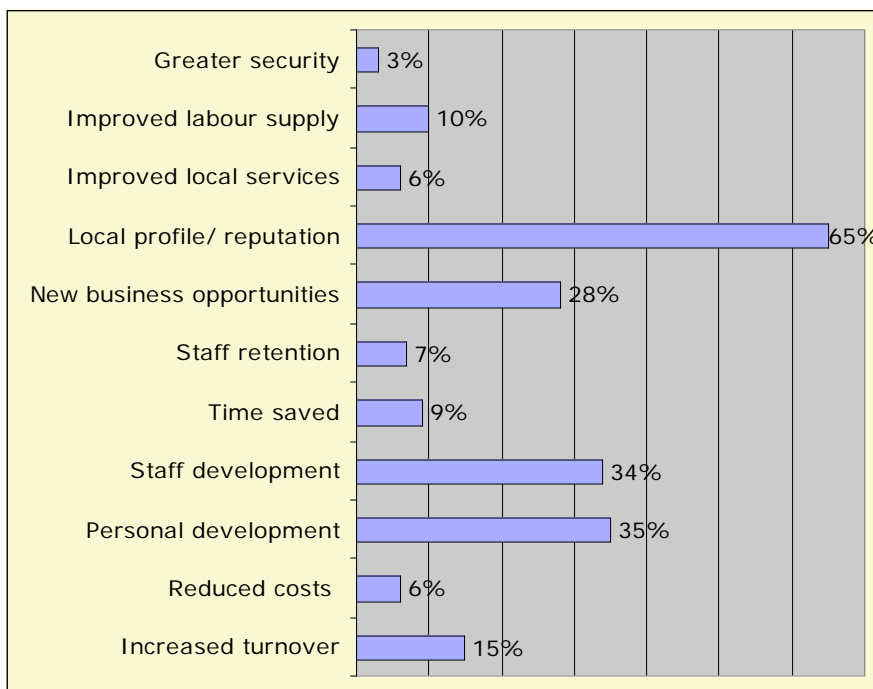


Benefits to individual businesses

In our survey of businesses we found that 42% reckon to have benefited ‘a great deal’ or ‘quite a lot’ (13% not at all; 10% ‘too early to say’) from the service received from the Broker. When asked about direct commercial benefits attributable, it was ‘too early to say’ for 75% respondents, but 17% could identify a contribution to increased turnover and 7% a reduction in costs, notably publicity and advertising costs, eg, through media local publicity for CommunityMark²⁰ or Big Tick²¹ awards. Seven companies were able to place a value on the financial benefits, at an average of over £10,000.

Much more significant for the respondents were less tangible benefits (Figure 4), especially for their local profile/ reputation (65%). On a lower level come their own personal development (35%), staff development (34%), and new business contacts and opportunities (28%) - the latter typically arising from Broker-related networking and intertrading activities (across the business community and with the public sector). Some businesses were optimistic that they would be able to build on these opportunities for mutual gain over the next few years. For a third, the benefits of working with the Broker have been greater than expected (42% had no particular expectations).

Figure 4 Other business benefits gained as a result of involvement with community organisations through the Business Broker



²⁰ CommunityMark, is BITC’s standard for small and medium sized businesses that recognises their involvement within the local community

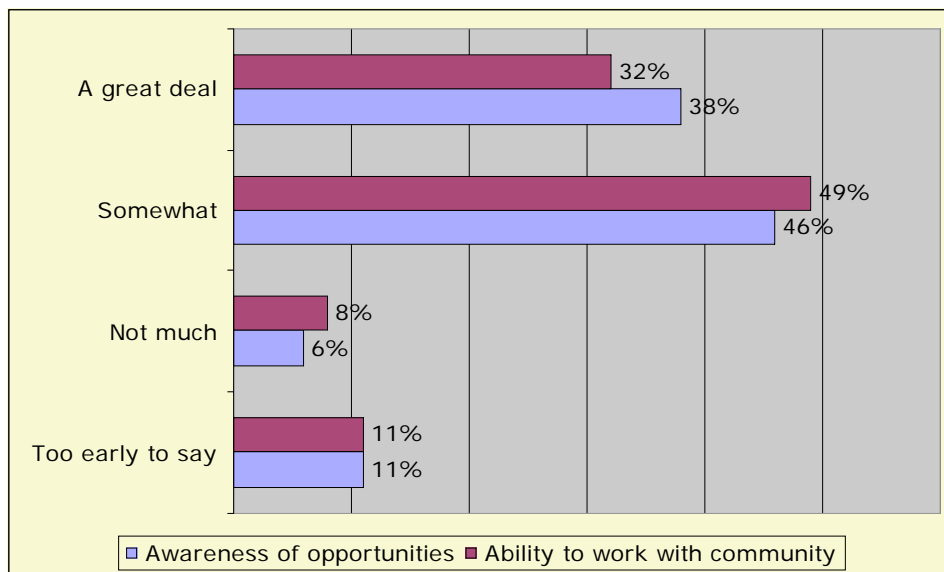
²¹ BITC’s BIG TICK is awarded to companies that are able to demonstrate a high standard of excellence in the way they organise and integrate their responsible business practices, and can show a positive impact both on society and on the business. It is used by recipients to communicate their achievements in the field of corporate responsibility.

Part of the original Business Broker concept was that the Brokers would work to build local capacity so that businesses and community organisations would be able to work together, with no middleman, in the future. Brokers have gone about this in a variety of ways, including:

- facilitating and/ or participating in BITC “Seeing is Believing” visits (mainly geared towards large companies) and smaller scale events such as “Up Close and Personal” arranged for local SMEs by the Hastings Broker. These involve visits by companies to community and voluntary organisations to find out more about local needs and how they can assist.
- making presentations to local business associations, eg, Chambers of Commerce, about the brokering role and how it might assist businesses. Several Brokers took advantage of these meetings to showcase various BITC products (including ProHelp, Community Mark). In Luton, the Broker has made progress by using the regular Business Action Group (BAG) meetings to promote participation
- arranging events to promote engagement. For example, in October 2004 130 participants attended a ‘Working Together’ event in Luton designed “to provide information and networking for businesses that want to better understand regeneration in Luton and benefit from connecting to the local community”. Some 15 commitments for support from business to community organisations were made at or immediately, and a further 25 were expected to materialise. Partner agencies which exhibited also benefited (eg , new leads for the Local LSC Skills for Life manager in establishing leads for companies potentially interested in basic skills training for their staff.

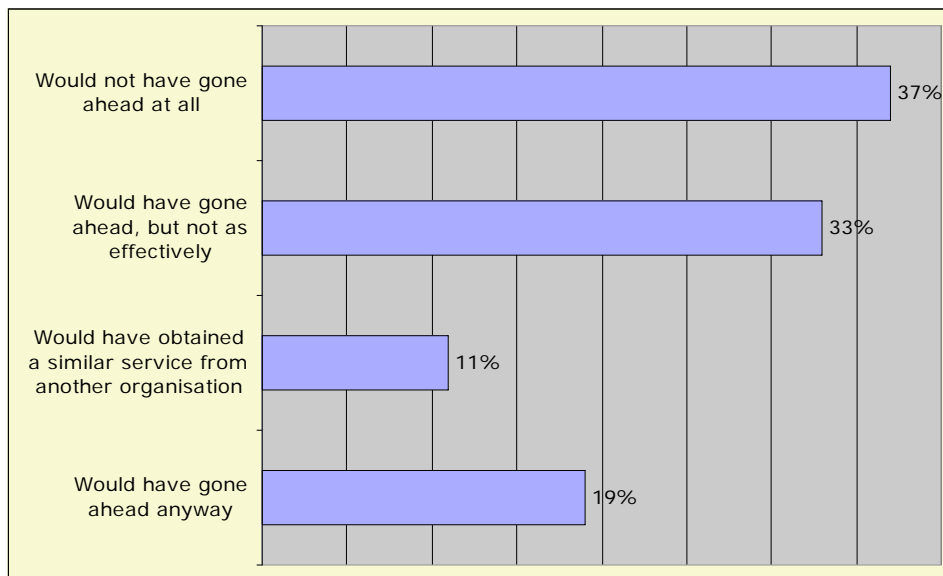
We asked businesses to comment on the extent to which contact with the Broker has made them more aware and better equipped to work effectively with local community organisations to gain mutual benefits. Figure 5 below indicates that over 80% businesses had benefited ‘a great deal’ or ‘somewhat’.

Figure 5 Business awareness of opportunities and ability to work with the community



In order to gauge the extra difference or additionality of the pilot programme, we asked respondents what they would have done in terms of working with community organisations if they had not had the assistance of the Broker. Over 35% 'would not have gone ahead at all' without the Broker. A third reckoned that the Broker had helped them engage with local groups more effectively than they would otherwise have done. Around 10% would have gone through a similar organisation (in most cases the local EBP).

Figure 6 Alternative actions



Most of those who 'would have gone ahead anyway' had already been active for some years prior to the Broker's appointment working with local schools and community groups, for example as members of EBPs, the Round Table (very active in Hastings) or through BITC projects. The host organisation for the Business Broker in Newham, East London Business Alliance (ELBA) itself brokers employee volunteering opportunities. It is a membership organisation with most of its 50 corporate members based in the City and in Tower Hamlets and relatively few based in Newham itself. One respondent commented, *"some of this [specialist expertise, management advice, committee work] was done anyway and cannot be directly attributable to the Broker, but they have enhanced the opportunity and success of our involvement"*.

The responses to our survey indicate that one or two businesses have had a strategic approach to community engagement that predates the arrival of the Broker in their area. One firm of solicitors commented, *"our strategic framework involves supporting three key areas ... we only support projects which fall into one of these categories"*. A large service company valued the way that the Broker project validated their existing local activities, *"... he has shown us that we have a programme which has a great deal of value and spurred our organisation on to other achievements outside of the Broker sphere"*. For a handful of others, including businesses in Easington, the Broker has influenced their approach to community engagement by turning what had been fairly ad hoc and reactive involvement, eg, responding to requests for donations by local charities, into something more strategic, eg, opening up the company's Learning Centre to local residents and other companies.

In general, larger companies especially those with head office functions, tend to have a more strategic approach to engagement than SMEs. However, there are examples of

more strategic involvement from small companies, where owners or directors have acted as champions, seeking benefits for both their business and for businesses within their area, and promoting to other companies the benefits of engaging with public sector agencies as well as with the broker.

In Luton, the Broker has successfully passed on responsibility for some corporate social responsibility (CSR) activity to private sector players, including Whitbread (which has recently relocated its head office to the town). They now lead the annual Luton Big Help event which involves local employers donate surplus items which can be valuable to voluntary and community organisations.

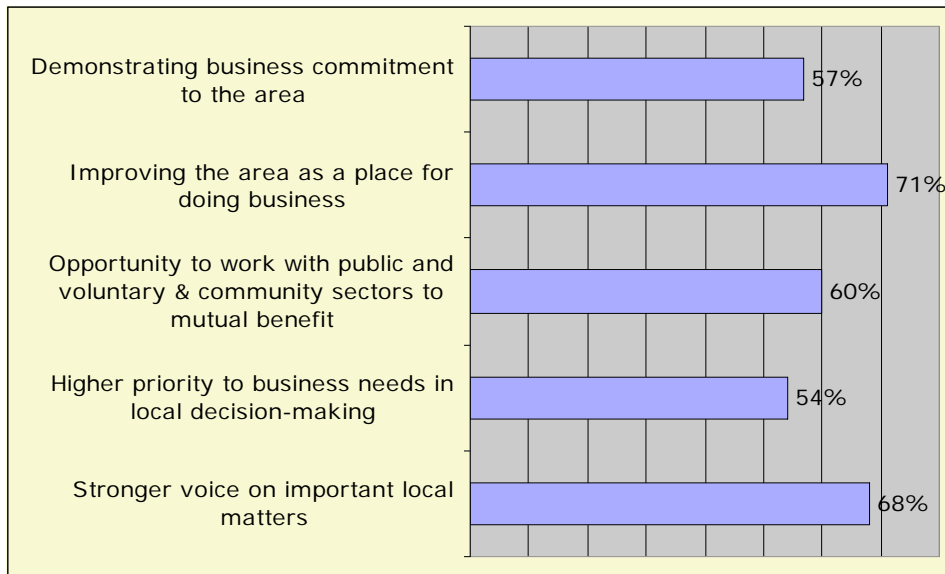
For the future, 65% businesses expected their involvement with community organisations to increase over the next year (15% 'a lot'), 35% expected it to stay about the same. Three interviewees expected it to 'reduce a lot' due to changes in company policy.

Business awareness and attitudes towards LSPs

We also asked participants about their awareness of the LSP and how relevant it is to local business. Half of the interviewees were unaware of the LSP - which reflects the differences of emphasis placed by individual Broker pilots on the LSP aspects of the Broker role. In one area, for example, engagement of individual businesses in the LSP structure has not been given particular encouragement by the LSP or local authority as this would be difficult because the LSP's focus is primarily on public service delivery issues, with no dedicated regeneration or economy theme. Of those who *were* aware of the LSP in their area, 37% thought it has a 'great deal' of relevance to local business, 40% 'somewhat relevant', 14% 'of not much relevance' and 9% 'not at all' relevant.

In general, individual interviewees who were aware of the LSP think that it will be good for business (Figure 7). Over 70% think that the area will improve 'as a place to do business' and 68% expected that business would have a 'stronger voice on important local issues' through the LSP structure with 'higher priority to business needs in local decision-making' (54%). In all, over 50% thought that by being involved in the LSP in some way, businesses can demonstrate their commitment to the local area. The opportunity that the LSP provided for business 'to work with public and voluntary and community sectors to mutual benefit' was mentioned by 60%. Where real progress had been made on business engagement at LSP level (four respondents), interviewees welcomed the stronger voice that business representatives now have. In some cases, they see the need as simply communicating business views; while where partnership working is more developed, there is realisation that there is a need to shape agendas as partners rather than as wholly self-interested sector representatives. In Burnley, for instance, the Employer Forum meetings include time to discuss neighbourhood renewal needs and specific opportunities for businesses to be involved in these. Those individuals who have been active in support of Broker projects in the LSP or business forums (ie, more than just 'customers') have found that they now have easier access to local decision-makers and potentially greater influence. One LSP board member commented on the positive development of members of his staff who had been recruited by the Broker as business representatives on thematic partnerships.

Figure 7 Benefits businesses can gain from involvement with the LSP

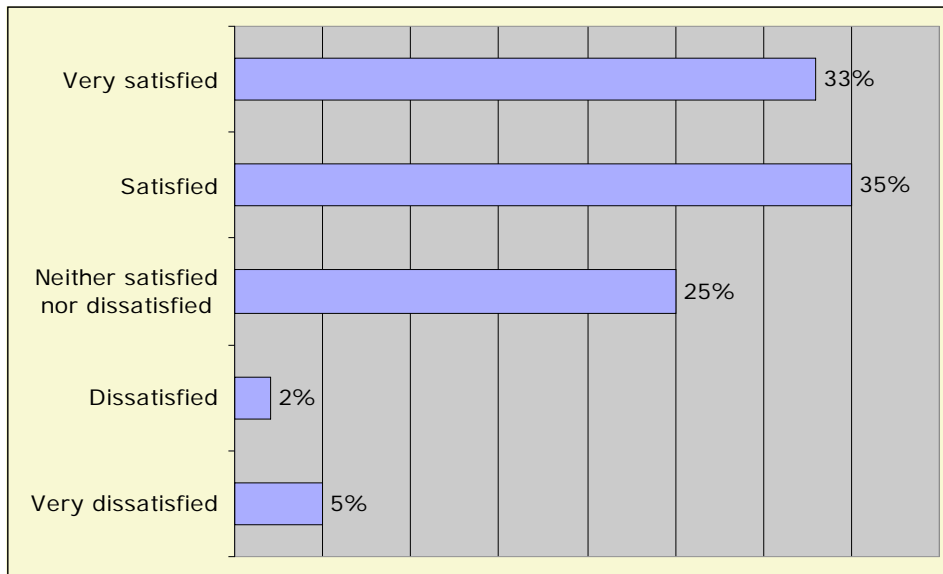


Some 22% of respondents who were aware of the LSP were not aware that they could be involved in some way - and cited this as the main barrier to their engagement. Nearly 30% respondents mentioned 'bureaucracy' as the main barrier, and 12%, 'time'. There were several requests from all sizes of business for shorter meetings at more convenient times (early morning preferred, as these meetings are easier to fit into diaries and keep short) and with, "... a greater link between the views presented and actual delivery of services". There were also mentions for 'getting involved is a diversion to running a business' and 'can't see the payback'. In one area, business perception of LSP is that "they don't want business help". A respondent from another area (where the Broker project has paid businesses on the LSP or Broker's management group an allowance of £60 per LSP meeting or Broker event attended) commented, "...this does not always reflect the true cost to the business", whereas in Sheffield, we note in contrast that businesses pay a subscription to be LSP members. In some areas, it is evident that businesses are still confused by the number of public agencies which appear to them, on the face of it, to have similar remits, "the Broker service is one of a multitude trying to do the same or similar things."

Quality of the Broker service

We asked respondents to comment on the overall quality of the Broker service (Figure 8), and specifically in terms of their efficiency, reliability, understanding (of the business agenda), and communications. Overall, 68% were satisfied or very satisfied, and amongst 25% who were neither satisfied nor dissatisfied were a number who had had limited contact with the Broker. Respondents tended to be especially impressed with the Brokers' reliability, with 70% rating this highly, ie, 5 or 6 on a 6 point scale. Around 65% respondents gave a similar rating to efficiency and communications. Although more than satisfactory overall, Brokers' understanding of the business agenda was the lowest rated of the four criteria, with 56% respondents rating it 3 or 4 while over 10% gave it a low rating of 1 or 2 (mainly relating to a case where the Broker was a public sector secondee).

Figure 8 Business satisfaction with the Broker service



From a business point of view, the Brokers have been good ambassadors for the public agencies involved in the LSP. The only criticism of the service to business in some areas was a lack of on-going support and feedback on completed projects and no associated follow-up offer of further opportunities to engage. Positive comments made by business people responding to the survey include:

General

"It shows what a bit of passion can do!"

"An excellent concept that should be congratulated."

Efficiency

"He provides an excellent, informative and personal service. It's hard to imagine he also deals with a number of other companies."

"He is a great asset to us and the community projects in providing links between the two. He is enthusiastic and great to work with."

"I think this is a very valuable service and would especially like to commend the support I have received."

Reliability

"If the Broker says he will do something, he does it. What more can I ask for?"

Understanding

"A personal service, tailoring our needs to the needs of the community and providing a vital link."

"I feel very fortunate to receive the support I do – a personal service from people who are aware of our needs and the needs of the local community."

"... an excellent Broker. There are opportunities we would not have considered or would have rejected had he not facilitated the introductions and provided on-going support."

"Approachable and accessible. She understands our needs and doesn't ask too much of us. I am very impressed."

Communications

"She knows who to contact which is crucial for business – this avoids time wasting."

There were also occasional qualifications relating to the partnership behind the Broker:

"The Broker was fantastic, but the rest of the [public sector] team needed to be prodded and probed. They failed to meet the deadline and to return calls or deliver on a number of occasions."

"I am reasonably happy with my experience of the Broker service. However, I'm very unhappy with my, and my colleagues' LSP experience."

There is evidence that the turnover of Brokers midway through the pilot programme was a hindrance to those areas affected (West Cornwall, Nottingham, Hastings) and that concerns over the short-term nature of the Brokers' funding affected businesses' view of the programme across the board:

"Continuity is everything... It is not good for us not to know [whether the service will continue to be funded] and even worse for him." (Broker has since moved to another job)

"The concept is only just starting to mature, but the programme is drawing to a close so we will not be able to gain the majority of the potential benefits."

Suggestions for the Broker service were also invited, and included:

"We need more Brokers in other areas."

"Ensure the Broker has a private sector background."

"All Brokers should have a solid understanding of the private sector from day one."

"Formalise the service and make its goals and services more widely known."

"Drop the smaller end 'wish list' activity and enhance strategic business engagement."

"There must be local agreement on who does what to avoid duplication and give business a single point of contact."

Finally, the survey asked businesses how likely they would be to recommend the Broker to others. Over 35% had already done so. Nearly 40% 'would recommend without prompting', and 17% 'would recommend if asked'. Three 'probably would not recommend', and three 'definitely would not recommend'.

6 Benefits to Community Organisations

Community organisation survey

We also conducted a survey of community organisations which have been involved with the Broker project. The list of organisations was compiled from full contact details provided by Brokers for the evaluation. As for the business survey, it is not a 'sample', in that in some areas there were relatively few organisations contacted by the Broker as the Broker's activity had concentrated either on engaging the private sector and gaining business representation on the LSP or on building "deeper" forms of engagement involving relatively few businesses and community organisations. In one area this was restricted to just one neighbourhood renewal theme (employment). We excluded organisations where we were aware that the involvement had been very marginal.

We are concerned that in at least two areas the Broker has had little, if any, contact with the local Council for Voluntary Service (CVS) (even when on Broker's Steering Group) to help identify voluntary and community groups which might benefit from engaging with businesses.

The response of community organisations was satisfactory: we had 42 replies out of 83 invited to complete our on-line or telephone survey (51%). Of these, 12 said they had not yet received any form of brokered support. However, we are aware that the majority of these respondents have been involved with the Brokers as *partners* in projects set up by or including a Broker. The responses included 15 voluntary organisations, eight community groups, eight social enterprises and five schools. The largest group serve particular neighbourhoods (28%) or groups of neighbourhoods (25%), while 11% operate at city or district level. There were 18% which operated regionally and a further 18% operating sub-regionally. When asked about the groups of people they serve, 36% respondents mentioned 'small businesses' or 'social enterprises', 30% 'unemployed people', 24% 'young people of secondary school age' and 21% mentioned one or more of 'BME group(s)²², 16 – 24 year old young people, and 'primary school children'.

We asked survey participants about the frequency and type of contact they had with Brokers, and for 40% the contact was mainly through a network. For example, with Community Mark in Sheffield the Broker invited relevant community organisations to meet businesses at thematic partnership meetings where businesses were able to choose their most appropriate partner. Nearly 30% had occasional one-to-one dealings with the Broker, and 24% had regular one-to-one communication. Three respondents had had just one contact.

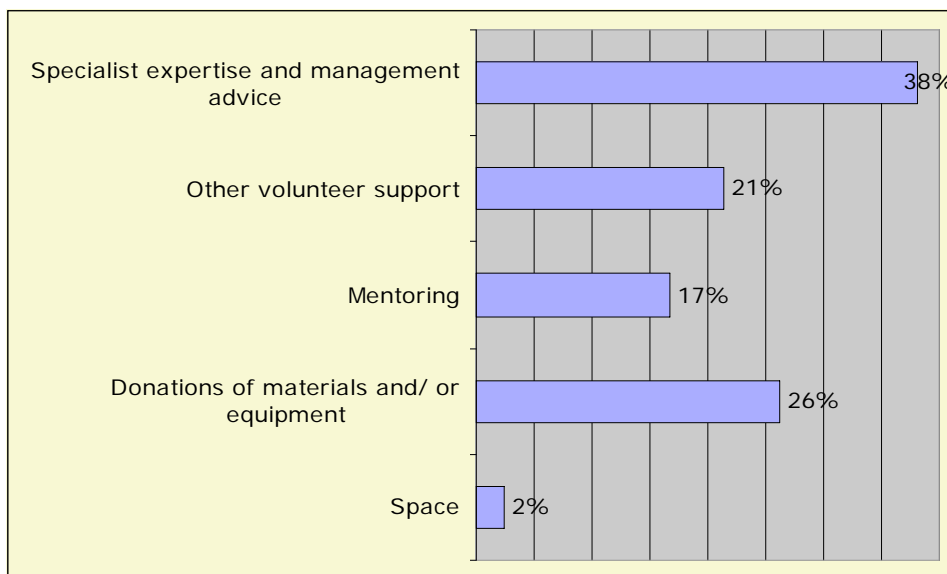
In terms of the assistance provided by Brokers, when asked how in particular the Broker had helped them, over 50% community organisations mentioned the 'opportunity to network with businesses' and 38% 'introduction to specific businesses'. Around 30% mentioned 'advice on getting involved with business' and 'to clarify needs and what to request from business' or local agencies' and/ or 'opportunity to network with other

²² Broker activities with BME businesses and BME communities have not been separately recorded. The extent to which their efforts have benefited BME communities and other hard-to-reach groups has depended on their presence in target areas and the extent to which BME support organisations are established and networked with other local bodies.

businesses'. Over 45% mentioned that the Broker had signposted them on to other sources of assistance. Most of the Brokers acknowledge that one-to-one work with community organisations is a very resource-intensive aspect of their work, and that the time spent is not necessarily reflected in the quality of the outcome.

Figure 9 shows the forms of assistance received by the community organisations who replied to the survey. 'Specialist expertise and management advice' was the most common, received by 16 organisations, and includes business representation on boards, professional advice, etc. For example, in Luton the Broker made four PilCom²³ matches, with more than 12 managers matched to community groups to assist with specialist areas of management and development (website design, marketing and HR). 'Other volunteer support', mentioned by nine respondents, includes Reading Volunteers and environmental projects.

Figure 9 Forms of brokered support received



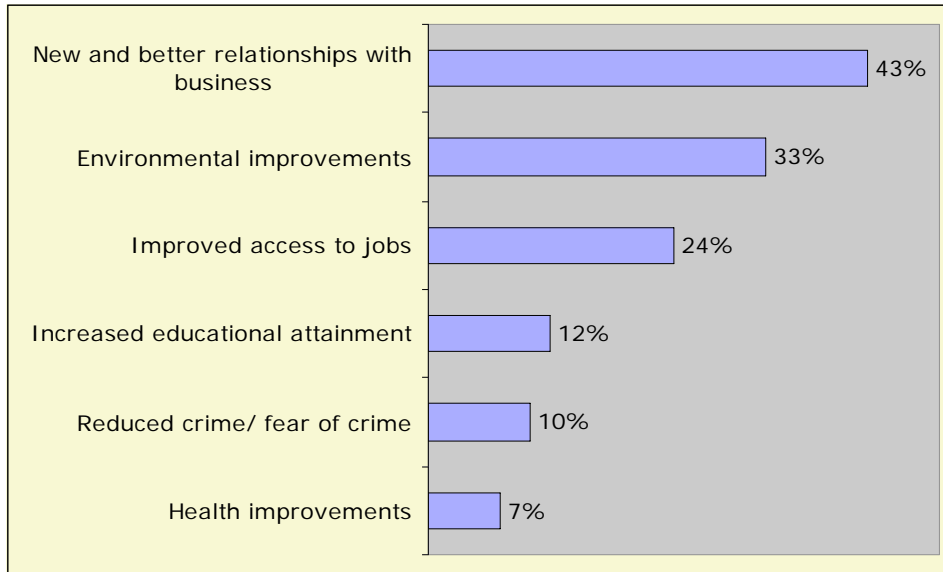
In the survey we asked respondents how much the communities they serve had benefited as a consequence of their contact with the Broker. Just over half reckoned they have benefited 'a great deal' or 'quite a lot' (5% not at all; 15% 'too early to say') from Broker contact. As illustrated in Figure 10 below, community organisations particularly valued the greater and more appropriate business contacts they had gained through the Broker, which they expected to continue to benefit them longer term. One organisation commented that involvement with businesses had *"boosted residents' esteem"*. Of the specific neighbourhood renewal themes, benefits in 'environmental improvements' were noted by 33% (*"volunteer assistance in developing our outside area", "...essential gardening expertise and low maintenance, weed-free delightful gardens for our clients to enjoy"*). 'Improved access to jobs', mentioned by 24% was also significant. For example, in Luton the NDC recruitment agency, Turning Corners, now has access to more – and more appropriate – local employers. In several areas, Brokers have added value to the work of other agencies with local community organisations, chiefly Education Business Partnerships (EBPs), on employability issues, eg, for preparation for work initiatives such as mock interviews. The

²³ BITC's PilCom (Partners in Leadership with Community Enterprise) programme matches business people with leadership and management experience with leaders of social and community enterprises for mutual benefit. It is a free service, available nationally.

Burnley Broker keeps a database including offers from businesses (eg, to provide work placements), linked to the Social Inclusion Employment Network co-ordinated by Burnley Council.

There is a very large range of estimates of the value of brokered input (mostly in-kind) across the Broker pilots, with very low levels in four and the top three ranging from £88,000 to £245,000 (the latter in the case of Stoke-on-Trent, where the Brokers have had additional SRB resources and high targets to meet).

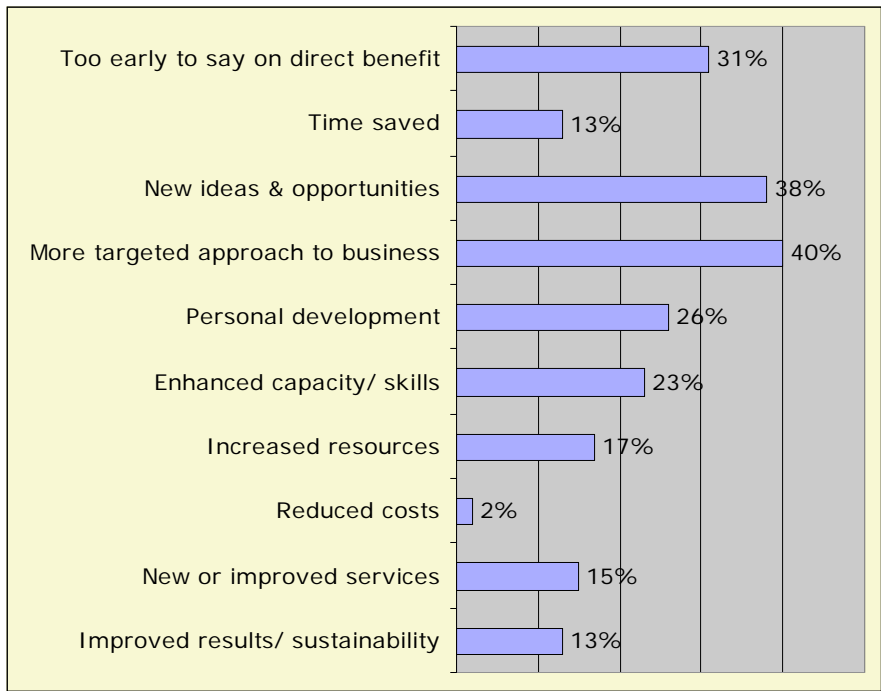
Figure 10 Benefits to communities



When asked to comment whether their community organisation had generally benefited as a result of contact with the Broker, 56% responded 'a great deal' or 'quite a lot' (15% 'too early to say', 5% 'not at all'). When asked about *direct* benefit attributable (Figure 11), it was 'too early to say' for 31% respondents, but 40% recognised that they now have a 'more targeted approach to business' and 38% had benefited from 'new ideas and opportunities'. 'Personal development' (26%) and 'enhanced capacity & skills' (23%) reflect the contribution of specialist expertise and management advice to organisational development. There were also several mentions for each of 'increased resources' which includes cash donations, 'new or improved services', 'contribution to increased turnover and 7% a reduction in costs, 'improved results/ sustainability' and 'time saved'. Specific comments on organisational benefits include "improved business performance and a clearer focus on business planning", "we are targeting better" and "improved networking opportunities".

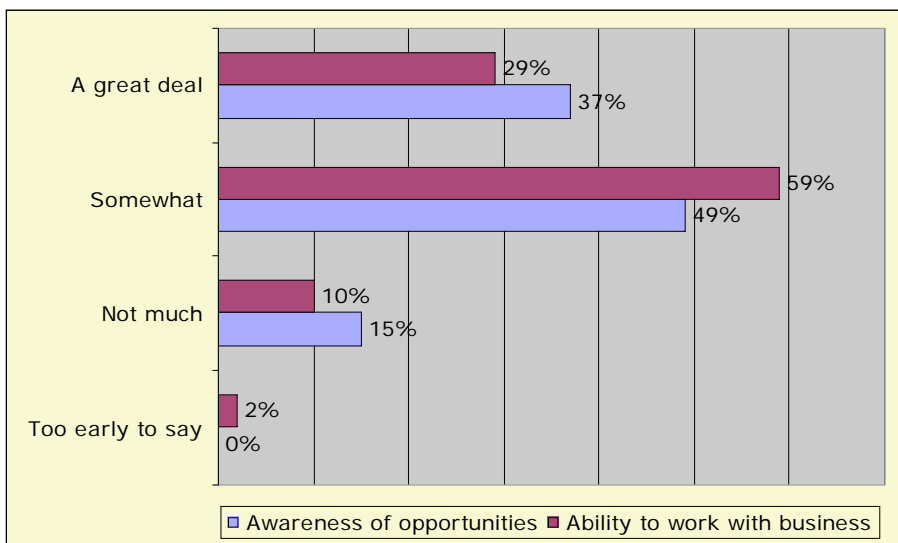
For 30% of community organisations surveyed, the benefits of working with the Broker have been greater than expected (45% had no particular expectations). Fieldwork carried out during the course of the evaluation found evidence that community organisations benefit from Broker publicity, eg, through monthly 'can you help?' e-mails sent to local businesses by the Luton Broker and case studies published on the Sheffield Broker's website.

Figure 11 Direct benefit to community organisations



Some of the Brokers reported that it has been a particular challenge to get community organisations, which are used to accepting donations, to articulate what sort of more strategic assistance they in fact need. This was especially true in the early stages of the pilot programme. In several areas, these organisations have been reluctant to come forward and explain what they do, what support they need and why. We therefore asked community organisations to comment on the extent to which contact with the Broker has made them more aware and better equipped to work effectively with business to gain mutual benefits. Figure 12 below indicates that nearly 90% organisations were 'a great deal' or 'somewhat' more aware of the opportunities and the same percentage 'felt better able to work effectively with business' since working with the Broker.

Figure 12 Community organisation awareness of opportunities and ability to work with business



To gauge the extra difference or additionality of the pilot programme, we asked respondents what they would have done in terms of working with businesses if they had not had the assistance of the Broker. Nearly 40% 'would not have gone ahead at all' without the Broker and a similar number reckoned that the Broker had helped them engage with businesses more effectively than they would otherwise have done. Half of the remaining organisations would have gone through a similar organisation (most often the EBP) and the rest 'would have gone ahead anyway'.

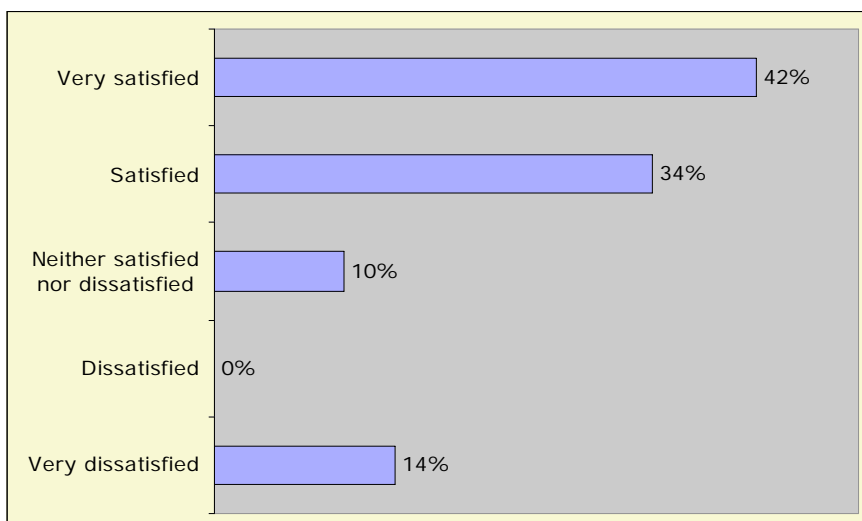
It is evident from the responses to the survey and from our fieldwork, that for many community organisations being helped to access free, specific *and directly relevant and capacity-building* specialist know-how and advice from businesses is a new way of looking at their relationship with business. Previously they had perceived their only options to be recipients of cash donations or volunteer time. On the other hand, we observed in one area that some local people (including a voluntary sector umbrella group) are hostile to what they see as corporate charity, are unaware of the potential mutual benefit and opposed to engaging with the Broker.

For the future, 75% community organisations expected their involvement with business to increase over the next year (37% 'a lot'), 25% expected it to stay about the same.

Quality of the Broker service

We asked respondents to comment on the overall quality of the Broker service (Figure 13), and also in terms of efficiency, reliability, understanding (of community organisations' needs), and communications. Overall, 76% were either satisfied or very satisfied, and, in common with respondents from the business sector, the community organisation respondents were especially impressed with the Brokers' reliability, with 83% rating this as highly, ie, 5 or 6 on a 6 point scale. Around 80% respondents gave a similar rating to efficiency. Although more than satisfactory, and again in parallel with the results of our survey of business representatives, Brokers' understanding of the community agenda was the lowest rated criterion, with 69% respondents rating it 5 or 6. In cases of lower scores, there was occasional feedback requesting a service more tailored to Black and Minority Ethnic groups.

Figure 13 Community organisation satisfaction with Broker service



The criticism ('very dissatisfied' responses) of the service in some areas reflects the work load of the Brokers with requests for more time with the Broker and/ or more Brokers. There was a lack of clarity about what the Broker was or was not able to provide in one area and an inappropriate business match for a few organisations, for whom their business partner lacked the correct expertise.

Positive comments made by representatives from community organisations responding to the survey include:

Efficiency

"...always willing to help."

"Being involved with the Broker has turned an idea into reality."

"The Broker has been of great benefit to those who have come into contact with the service."

"Her general support and friendliness."

"Very friendly, efficient service."

"Her admin support has been excellent." [Area without a Broker for some months, but with admin support part-funded by Broker project]

Understanding

"Being able to use the Broker as a sounding board has been excellent."

"He really understands the community and our needs."

Communications

"The one-to-one meetings have been very useful and supportive."

"Our problem had been difficulty in breaking into the business sector. The Broker offers us that credible introduction."

"It's a service with a friendly human face, but I feel that the job must be very hard for the Broker as a great many people will have different expectations to be met."

"We have found the information they supply at our local inclusion network meeting invaluable."

There was also the occasional comment on other sources of support for business engagement, for example:

"I'd welcome more involvement from mainstream agencies."

"Other agencies could encourage more businesses to work with the community and vice versa."

"Involve Jobcentre Plus more."

"This is a critical step towards overall sustainable development and I hope the good work they do will be recognised by the larger 'economic development' agencies."

"There is a lack of emphasis on social issues, eg, from the RDA."

"The divide between public agencies and businesses is enormous. The private sector is viewed as something apart ... generally a cash cow."

There is also evidence that the turnover of Brokers during the pilot programme was a drawback to community organisations in those areas affected (West Cornwall, Nottingham, Hastings) and that concerns over the short-term nature of the Brokers' funding affected their views of the programme across the board:

"We need to know that it is going to continue."

"Have a sustainable approach to this service. A Broker's work relies on trust built with communities and businesses. If they change every so often, that trust is lost."

Suggestions for the Broker service were also invited, and include:

"More resources to expand the service."²⁴

"Perhaps more time on a one-to-one basis."

"Provide a presence in the BME community."

"More Brokers from BME communities."

"Clearer information on what Brokers provide."

"Get out and about more doing outreach work."

Finally, the survey asked community organisations how likely they would be to recommend the Broker to others. Over 45% had already done so. Nearly 35% 'would recommend without prompting', and 16% 'would recommend if asked'.

²⁴ There were several comments of this nature: some recommending extending more into neighbourhoods, others for expanding to a larger area, others for employing more Brokers.

7 Learning from the Business Broker Pilot Programme

There is considerable learning to be gained from the Business Broker pilots, concerning cross-sector partnership working, how to maximise the benefits of business engagement and how best to contribute to neighbourhood renewal outcomes. Some of the lessons derive from 'how not to' as well as 'how to'. They also concern the role of the Broker pilot programme and individual projects as instruments of change in support of neighbourhood renewal strategy. We draw some significant points together below under the headings of:

- 1) Broker skills and attributes
- 2) Taking a strategic approach
- 3) Attracting business interest and commitment
- 4) Engagement with LSPs and thematic partnerships
- 5) Filling gaps in services
- 6) Broker project sustainability
- 7) Business Broker projects as partnerships
- 8) Spreading the learning
- 9) Approach to pilot programme management

1) Broker skills and attributes in a demanding role

The Brokers in the pilot projects have not had an easy job, having to work hard to build credibility, develop relationships and networks and their understanding of a complex environment. They have had to be good at 'boundary spanning' (the ability to work across the edges of sectors, organisations, cultures, etc) and able to navigate the 'regeneration maze'. This has required a keen grasp of the neighbourhood renewal policy agenda, local strategies and the scope for synergy between different partners and between neighbourhood renewal themes. Importantly, this has had to be coupled with a grasp of what matters to individual businesses and an ability to identify areas of common interest (eg, for a sector or firms in a particular area). There are extensive needs to balance the expectations of different parties (businesses, public agencies, voluntary and community organisations) and there can be cultural barriers to overcome. Creating conditions for effective dialogue is also a particular requirement: too often people from different sectors attend the same meetings but fail to learn about each other's feelings, beliefs, interests and needs, and how to work more effectively together.

Several Brokers have had to deal with hostile or lukewarm potential partners and contend with organisational turf wars - especially in the early days of their projects when there were suspicions amongst local business support organisations that the Brokers were going to compete with their own activities.

Key Broker Skills and Understanding - include:

- relationship building and networking skills
- partnership building skills (eg, in building consensus, managing tensions and conflict, developing collaborative projects or in getting the most out of a management group)
- influencing, negotiation and persuasion/ selling skills
- self-management ability and personal initiative (within an agreed set of priorities)
- bridging cultural differences (understanding what makes different organisations - and people - tick, their differences in attitude and approach, and how to bring people together where there is mutual advantage to gain)
- communications (including questioning, listening, explaining and making presentations)
- diagnostic skills (in gaining a sound understanding of the needs of businesses and community organisations and how best to match these)
- knowledge of neighbourhood renewal and related policies and strategies, and how to create opportunities and synergy in support of these

Experience has shown that the strategic and operational aspects (LSP engagement and project brokerage respectively) demand distinctive skill sets amongst Business Broker responsibilities – perhaps only rarely to be found in full combination in a single individual. Some Brokers have been more comfortable and effective in dealing with strategy; understanding the big issues and the roles and interactions of public agencies; helping business representatives to negotiate the maze and agencies to work more effectively together. Other Brokers have preferred the ‘sales and marketing’ aspects of the job, building relationships with a wide range of organisations, large and small, and brokering their involvement, project by project, with more obvious and immediate results.

Role of national support

National support has helped Brokers develop their skills and knowledge, especially through the regular Broker network meetings organised by the Partnership Academy.

Role and Activities of the Partnership Academy

The role of the Partnership Academy in the Business Broker pilot programme has been to:

- provide networking and training opportunities for the Brokers
- produce support material for the Brokers
- gather and disseminate best practice
- promote business engagement with LSPs and neighbourhood renewal to key audiences.

It has been staffed by the Partnership Academy Project Manager and the BITC Director of Partnerships (as part of her role), operating from the BITC head office in London. During the course of each year, they have visited all the Broker projects, and paid additional visits as required. Requests for advice have varied over the life of the Broker programme, with early questions about the Business Broker remit and use of NRU monies moving to good practice topics in delivering the service, and increasingly to future funding.

Broker Network meetings have been organised at least quarterly, touring the Broker areas as venues. Each meeting typically includes presentations and discussions on developments in the Broker area, hot topics and a round-up of progress across all the areas. Participation is open to brokers other than those employed through the national pilot programme (now eight plus Brokers employed by BITC in Wales under the Welsh Assembly's Communities First programme). Participants have agreed to plans for annual subscriptions to Partnership Academy services from April 2005 onwards, including future network meetings, a monthly newsletter, case studies, resources on the internet and a helpdesk.

In the first year of the programme, The Partnership Academy delivered training for Brokers on strategy development; project management; selling skills and media management; financial training; and 'Brilliant Brokerage'. New courses were launched in autumn 2004 to cater for the needs of newer Brokers, including primers on neighbourhood renewal and community development.

The Partnership Academy has advised and supported the Broker pilots in developing their plans, and has undertaken some occasional troubleshooting to help resolve partnership issues. In the early days of the pilots they arranged for support from Neighbourhood Renewal Advisers, from the panel set up by the NRU to provide technical support to neighbourhood renewal partnerships.

Other activities have included:

- content management of the Partnership Academy section on the BITC website (with the Brokers regularly encouraged to provide press releases, case studies, etc for inclusion)²⁵
- production of a common promotional folder for use by individual Brokers, with locally tailored material as inserts
- development and publication of a good practice handbook, 'Brilliant Brokerage: Tips for Success', covering what brokers do, how to be one and how to create business community partnerships
- a good practice seminar and guidance note for local authorities ('Working with Business in Local Strategic Partnerships') published in conjunction with the Local Government Association²⁶
- an extensive series of presentations at national and regional conferences and events (including, eg, one targeted at GO neighbourhood renewal staff and induction events for Neighbourhood Renewal Advisers)
- research and publication of 'Business Action on neighbourhood Renewal: BME Case Studies' - a guide to employee involvement with black and minority ethnic communities (separately funded by the Home Office)
- involvement in planning the BITC programme of Seeing Is Believing visits.

Partnership Academy staff have advised on the development of Broker projects in eight other LSP areas, and dealt with an increasing number of enquiries from other areas about Business Brokers and business involvement in LSPs and neighbourhood renewal. They also helped to organise a seminar in July 2004 for LSPs where business involvement was a particular priority. This was aimed as well at Government Offices, as was an earlier workshop in the life of the programme. Partnership Academy staff have also presented to LSP network meetings in several regions, and contributed to induction training of Neighbourhood Renewal Advisers.

In our interviews with Brokers, we found generally positive feedback about much regarding the services provided by the Partnership Academy, in meeting their needs for advice early on and especially for their role in networking the Brokers. The regular meetings helped build Broker confidence and sense of common purpose and community, which has fostered trust and ready sharing of ideas and opinions, what has worked and what has not. Several Brokers noted the value in sharing examples of what they have done with businesses, community organisations and LSP partners, especially where they have been able to point to tangible benefits to the parties concerned. There are cases too, where particular initiatives have been transferred between areas, eg, the approach to the Hastings local procurement fair has been adopted in Stoke. Some members of the Broker local management groups also commented on the value of the

²⁵ Monthly page hits on the Partnership Academy website more than doubled between August 2003 and August 2004 (from 1,557 to 4,155).

²⁶ Earlier guides produced with BCC and LGA on Business Involvement in LSPs and neighbourhood renewal, published in 2002, were early Partnership Academy outputs. In our interviews, we found cases where these continue to be found useful by Brokers and other partners in their day-to-day work.

networking for their Brokers. Where such partners had had personal dealings with Academy staff, they spoke well of these.

Some Brokers felt that the Network meetings could be improved with agendas relatively less presentation-oriented, with more flexible time together for discussion, sharing and focusing on problem solving. There have been some reservations expressed about the training run in the past for Brokers, mainly concerning the content and its pitch, and about the timing of the financial management training (later than they would have liked). The sales training in particular drew criticism, not geared sufficiently to Broker needs. The Partnership Academy has taken on board a wider concern about the need to assess Broker needs in more depth and plan training accordingly, through the work of a BITC secondee in autumn 2004.

2) Taking a strategic approach

Much of the brokerage activity matching businesses and community organisations has been ad hoc and small scale, often involving charitable donations. There is a challenge to shift the balance towards more strategic forms of involvement (which is how some businesses look at their involvement), brokering new and longer term relationships. The focus should be on “how they save or make money, not about how they give things away”. There can be a need to encourage businesses to look at their involvement in a different light: to turn what may look like a risk (or high cost) into an opportunity and a direct or indirect commercial gain. Examples of this more advanced way of thinking have included Tate & Lyle in Newham.

This thinking is in line with that behind Community Mark (BITC’s kitemark for community involvement by smaller businesses) but importantly, is not just about ‘community involvement’ (employee volunteering charitable donations, etc), but also about how businesses may change their mainstream business practices (eg, on recruitment and staff development) to bring direct commercial gains to the company (eg, through greater productivity) *and* to residents of deprived areas (eg, opening up employment opportunities which would not otherwise be available).²⁷

This is a lesson that has been learnt by several of the Broker projects which have followed the pilots, eg, in Bradford where the work of the Broker is tied directly to priorities in the Bradford Neighbourhood Renewal Strategy (BNRS) and where the Broker has worked with Bradford Cares to help its activities focus more closely on ways of supporting achievement of BNRS objectives.

Brokers need to think not only about playing on the philanthropic arguments associated with ‘corporate social responsibility’ but also about the wider set of potential common interests amongst businesses, LSP partners and community organisations. It is essential to put neighbourhood renewal at the heart of Broker activities, not corporate social responsibility per se. (This has been a tension for some Brokers, especially where hosted by Business in the Community.)

²⁷ See ‘Changing Practices: A good practice guide for businesses locating in deprived areas’ (www.neighbourhood.gov.uk/publicationsdetail.asp?id=456). A separate document contains case studies, which can also be found on www.renewal.net.

3) *Attracting business interest and commitment*

The experience of Brokers has reinforced much previous learning about ways of interesting and engaging business with public, voluntary and community sector partners, especially in relation to offering tangible, time-limited opportunities for involvement where business people feel confident that they will see tangible benefits from their contribution.

For most Brokers it has become easier to attract business interest and commitment, as they have built their personal contacts and credibility and importantly, been able to offer practical examples of how businesses *have* got involved and the benefits they have gained. There has been some passing on of examples amongst the Brokers which has helped, as have case studies added to the Partnership Academy website.

Brokers have found value in 'Seeing Is Believing' or 'Up, Close and Personal' visits which have helped to sensitise business people to realities and needs in neighbourhood renewal areas. Such visits are typically designed to encourage participants to make practical commitments, and can help to strengthen the focus on how businesses can contribute to neighbourhood renewal outcomes. This can be needed as many businesses view their 'community involvement' more in terms of charitable donations at arms-length than in more strategic (and sometimes more difficult) ways of engaging with disadvantaged communities directly, to mutual benefit.

Fuller advice on attracting and sustaining business involvement can be found in Partnership Academy documents, especially 'Brilliant Brokerage: Tips for Success' and 'Working with Business in Local Strategic Partnerships: guidance note'. Findings from the Interim Evaluation informed the content of 'Brilliant Brokerage', and our research has re-emphasised the key messages in the guidance note.

Working with Business in LSPs: Key Messages
<ol style="list-style-type: none">1. Make the 'business case' for business involvement - and make it sharp.<ul style="list-style-type: none">▪ Be clear about the benefits and what you want from business.▪ Demonstrate how your LSP will make a big difference. Firms will respond to concrete goals and measurable outcomes.2. Support the private sector to play an effective role.<ul style="list-style-type: none">▪ Business involvement is about generating interest, support and active engagement as well as having business representatives at the LSP table.▪ Reach out to the different parts of the business community. Find out about needs, opinions and concerns of all businesses, not just those which are well-connected.▪ Focus consultations where business input can make a difference. Ensure business representatives are well-informed, backed-up and networked into the wider business community.▪ Make it easy for business to engage in the LSP business. Get the language right - avoid jargon.3. Foster business involvement<ul style="list-style-type: none">▪ Ensure 'early wins' in the eyes of the business community to demonstrate the value of the LSP.▪ Match opportunities for involvement to what individual businesses and business people have to offer. Business brokers can oil the wheels.▪ Make sure that contributions are recognised and appreciated.

Source: BITC (2002) 'Working with Business in Local Strategic Partnerships: guidance note' (prepared by E.Duce)

4) *Engagement with LSPs and thematic partnerships*

We found that an essential success factor for Broker projects has been supportive leadership within the LSP, with the views of local authority leaders (councillors and chief officers) particularly important - not least in recognising local businesses as part of the 'community' and constituting important stakeholders. This has not been the case in all pilot areas, though Sheffield provides a particularly positive example. One local authority manager noted that the advent of the Local Authority Growth Business Initiative (LAGBI) was helping to change attitudes towards business engagement, a trend that should be expected to grow. Under LAGBI (from April 2005) the Government will allow local authorities to keep some business rate revenue associated with local growth in the business rate tax base.

LSP partners must be clear about the 'what, why, how, and when' of 'business involvement' (which is not just about the numbers of business people attending LSP meetings). There is a need for partners to appreciate the range of ways in which business can be involved at a strategic level (through different forms of business-friendly consultation, short-life task groups, etc), and not solely think in terms of numbers of business representatives.

There is a responsibility on *all* LSP partners to support business involvement, just as there is to support community involvement in pursuit of LSP objectives. Partners need to recognise how they can *discourage* as well as encourage participation, and consider how to make it easier for businesses to engage across the range of roles they might play, as representatives, consultees, advisers, etc. Several Brokers commented on difficulties in encouraging involvement, where businesses lack confidence that change can happen, reflecting common assumptions and/ or past experience about the ability of the public sector to deliver. This can hold back progress at neighbourhood level as well, and can only be changed through perseverance and evidence of impact.

Brokers appear to have gained strength where they have been located within or close to the LSP core team. This has helped them tackle issues with other organisations (who have sought to protect their turf) and to demonstrate the independence essential to the brokerage role.

Business forums in a number of Broker areas (at district and neighbourhood levels) have demonstrated their value in providing a vehicle which enables businesses to network on business issues, identify scope for collaboration, and explore opportunities to engage with local agencies and neighbourhood renewal partnerships. It may be that local chambers of commerce in some areas can provide the mechanism for this to happen, but we found a widespread view in pilot areas that the chamber covering the area had limited local membership, and particularly few members in neighbourhood renewal areas.

To work, business forums must be seen by businesses to add value, with individual business people acting as champions and driving their forum agenda. While they offer a means for public agencies to engage with the business community, these bodies must take care in tailoring their inputs to the issues most relevant to business. Brokers have played a useful role in helping forum members recognise what the 'relevant' links are.

We have observed in Broker and non-Broker area alike the relevance of the 'partnership life cycle'²⁸: LSPs and thematic partnerships which have progressed through the difficult 'storming' stage, where relationships and priorities are thrashed out, tend to find it easier to engage business. This can mean that where LSPs are not well-developed, it is probably best to give priority to practical opportunities for engagement with community organisations. In this context also, it was not surprising that Brokers themselves needed time to 'bed in'. They needed to work hard to build relationships in a fluid situation, and to grasp the *great* complexity of the neighbourhood renewal and business support world. Equally, partners in Broker projects were themselves having to work out what 'neighbourhood renewal' was really about (something different to previous regeneration policies like the Single Regeneration Budget) and understand how the Broker could best contribute. We consider that weaknesses in such understanding in some areas made the task of the Broker harder, diverted their focus off core tasks and, overall, slowed their progress. However, we have found that most of the Broker projects which have followed the pilots have found it easier to establish a common foundation and agree priorities. .

5) Filling gaps in services

A number of times during the evaluation we found ourselves asking, "Why is the Broker doing this? Why isn't the Business Link, or the Education Business Partnership, the local authority Education Department or economic development unit, or whoever, doing it?". This arose where there were obvious overlaps in roles (eg, in promoting business support services, work experience placements or employee volunteering in schools).

We concluded that the question arose sometimes because the Broker's host organisation was using the Broker as an extra resource to meet its own priorities (eg, in developing business support initiatives), or because there was either what might be termed a 'policy failure' or an 'implementation failure'. In the case of 'policy failure' we saw this occurring at the edges of agency priorities, where in practice national policies and performance management arrangements undermine the commitment and/ or resources available to particular organisations. Examples included, eg, how Education Business Partnership (EBPs) priorities are set and performance rewarded. Bodies operating on a sub-regional basis (such as Business Links) typically have less incentive and resource to get involved at an individual LSP and neighbourhood level, unless there is a strong relationship to achievement of their own targets. Several interviewees amongst partner agencies expressed scepticism about "how much Business Links might warm to the task".

Brokers operate very much where social and economic regeneration come together - but can consequently 'fall between stools' where, eg, most LSP partners are more concerned with social aspects and RDAs and Business Links with the economic. Broker activities may risk being a priority for neither. These examples highlight needs for more effective joining up for the successful implementation of the National Strategy for Neighbourhood Renewal. There are particular needs to look at the role of EBPs and RDAs (who are assuming responsibility for delivery of Business Link services) in this context.

²⁸ For a fuller description of the partnership life cycle, see the Five Vital Lessons website (<http://fivevital.educe.co.uk>) on partnerships with business, developed by EDuce for DfES.

Other cases were more a case of implementation failure, where local agencies were failing to share priorities and join up their activities in ways that would improve services and their combined impact. We also found evidence of a lack of responsiveness to business needs and ways of working amongst some agencies/ community organisations/ neighbourhood partnerships, including cases where business offers of assistance were either rejected for no significant reason or there was a very slow or unenthusiastic response. Several Brokers have reflected that, overall, they have found it more difficult to promote business engagement in neighbourhood renewal to public sector and community organisations than they have in gaining the interest of businesses

6) Broker project sustainability

It is in the very nature of the job of Brokers that they should always be trying to do themselves out of a job... At the core is building networks and the capacity of others in ways which should be self-sustaining. In practice, however, there tends always to be needs to bring new people into the network, forge relationships and build their abilities to engage effectively cross-sector. Some Brokers have had to resist being drawn too much into project activities, and have needed to find others to take on gap-filling projects they have instigated. Our surveys suggest a context of growing interest in the Broker areas: 59% business respondents expect to increase involvement in neighbourhood renewal/ with community organisations in the next year (12% by a lot), and 76% community organisation respondents expect to increase their involvement with business over the next year (35% by a lot).

Broker successes are essentially where they are able to broker relationships between businesses and community organisations which take on a life of their own, or help mainstream changes attitudes and practices which enable cross-sector working and improved outcomes. However, there are many unmet needs in neighbourhood renewal where business can assist to mutual advantage, and there is constantly turnover amongst people already involved. The experience in Luton, where the Broker project was preceded by a related Home Office-funded one illustrates the time it can take to build relationships and understanding.

At the time of writing (December 2004) the Broker pilot projects have had varying success in securing future funding. Without further national funding for the Broker pilots, decisions about future funding represent a test of the value of the Broker pilots in the eyes of local partners. We note the context where it has been common for LSP partners to struggle to commit sufficient resources to core LSP functions in driving delivery - and where devoting resources to a specific Business Broker role is unlikely to be first priority. Only one Broker project had secured continuation funding for 2005-06, from NRF (where the bid was presented as part of a package for residual NRF allocation - an additional source of funds available only to three out of the 10 Broker LSP areas). NRF funding is being sought in West Cornwall.

In their forward strategies beyond March 2005, Brokers are approaching available funding sources (eg, ESF) which could shift their activities significantly away from their core functions on LSPs and neighbourhood renewal and further into the domains of existing agencies (such as training providers, business support agencies and education business partnerships). As such they may lose a focus on supporting sustainable contributions to achievement of neighbourhood renewal outcomes.

However, in two regions (North West and Yorkshire and Humber), there are encouraging signs in relation to RDA funding on a sub-regional basis (eg, with one LSP leading a project on behalf of others in the area). Possible routes via NDCs and Neighbourhood Management pathfinders are being explored in Newham and Hastings, while in Brent and Easington, some Broker activities are being absorbed within partner activities *pro tem*²⁹.

7) Business Broker projects as partnerships

While the Business Brokers themselves have fostered improved cross-sector working, the Business Broker *projects* have not necessarily worked well as partnerships. Not all Brokers have had, or maintained, local management or steering groups - which has undermined the potential support, direction and connections they could have made, and has also meant that Brokers have had to spend more of their time on seeking future funding than they might otherwise have done. And even where there has been a management or steering group, this has often been the case as well.

Most of these groups have only provided limited support and direction for Broker activity (though one or two Brokers have preferred it this way). A further consequence has been that some Brokers have found themselves under pressure from host organisations to deliver their functions rather than core Broker functions. Our interviews showed that there tended to be no common view about the role of the Broker or the difference that the project was intended to make. The groups have varied in their interest in monitoring the Broker's work, and there were few instances of agreeing success measures then taking time out to review progress. In Nottingham, however, the local management group have ensured that Broker activities are reviewed regularly against the five neighbourhood renewal themes, and the group did consider the findings of the Interim Evaluation and what they might mean for the work of the Nottingham Broker.

More generally, the pilots have not been seen by public agencies as a means of bringing about change *within* participating areas, tending to be viewed as yet another project. This has undermined the ability of the projects to bring about broader improvements in partnership working and subsequent results for deprived communities.

8) Spreading the learning

From our interviews with comparator LSPs, we identify ways in which other LSPs have learnt from the experience of the pilot projects, from both successes and pitfalls. We note, for example, the decision in Oldham to split the strategic and operational roles to help ensure that strategic engagement is close to the heart of the LSP, with someone separately tasked to generate business involvement in support of priority neighbourhoods. Overall, we found that these LSPs had made progress in engaging business at LSP and thematic level, and that there is now less of a gap between these LSPs and the Broker area LSPs - though they have typically done much less on engaging business in neighbourhood renewal. Progress has very much depended on the stage of

²⁹ No Broker projects were exploring funding associated with the Home Office ChangeUp! strategy for voluntary and community sector infrastructure, which potentially offers a route to supporting Broker activity in support of organisational capacity building, relevant to neighbourhood renewal interests in strengthening the capacity of voluntary and community organisations to play a greater role in delivering neighbourhood renewal strategies.

partnership development; better developed partnerships have found it easier to demonstrate a business-like approach and make the contribution they seek from the private sector clear and tangible. Hull drew directly on the Broker experience in developing their Business Forum, including arrangements for electing business representatives for the LSP.

9) Approach to pilot programme management

Programme management at national level undertaken by the NRU and the Partnership Academy was designed to be 'light touch' and send the right signals to the business community about a non-bureaucratic approach. It has been very supportive of individual Brokers but the approach has not been sufficient in seeking to ensure that *all* projects have had the support of their LSPs, have had effective project steering groups, and have fully addressed *both* the strategic and operational aspects of the Broker role. In four cases in particular, the Broker/LSP connection has been weak, and the projects there (and the LSP itself) have had less impact than could have been the case. The role and support of the local management groups was an issue we raised in the Interim Evaluation. Subsequently, it was followed up directly with only one management group, and in five areas with individual partners as the opportunity arose as part of NRU and Partnership Academy visits.

The programme management approach has been rather to work through Brokers, relying on their judgement as to what form of intervention would be most useful to strengthen their local project, and to provide them with tools such as model terms of reference to assist in discussions with their management or steering groups. While there has been robust financial accountability for NRU expenditure, there has not been commensurate accountability for delivery. In effect, "the buck has not stopped" with the organisation submitting the original Broker bid, nor with the LSP.

There are opportunities for the NRU and Government Offices to reinforce the importance of business involvement, eg, through LSP performance management. Future scrutiny by GOs of LSP performance reviews and improvement plans includes a specific question regarding business involvement in strategic decision-making and improving delivery. Individual GOs have shown different levels of interest in the topic of business involvement in LSPs and neighbourhood renewal, and there is a need for a consistent approach in future. Positive examples including GO London which has a target for supporting the introduction of Business Brokers in more LSP areas, and GO East Midlands and North East which have organised LSP workshops on business involvement. GOs have scope, through their support and challenge role with LSPs, New Deal for Communities and Neighbourhood Management partnerships to help ensure that the business contribution to neighbourhood renewal is more prominent and valued.

In planning any pilots in future, there are potential benefits in making the guidance more prescriptive than was applied to the Broker programme (eg, on accountability and core partner involvement) while still allowing latitude in local implementation. Some of the monitoring and measurement difficulties that were encountered in the project (eg, in the use of baseline indicators, activity measures and quarterly reporting) could have been diminished too (with a saving of Broker and Partnership Academy time and energy) had the evaluation methodology been built into programme design at the *very start*. Programme management arrangements should also include a strategy for intervention and support when the need arises, with agreed roles amongst those responsible for programme oversight³⁰.

³⁰ Since the Business Broker programme was launched, the Prime Minister's Strategy Unit has produced guidance on the use of pilots in policy making ('Trying it out: the role of 'pilots' in policy-making: report of a review of government pilots', available at www.policyhub.gov.uk/evalpolicy/reviewing_the_use_of_government_pilots.asp)