

BUSINESS *in the*

COMMUNITY



working with business in local strategic partnerships

guidance note



'Poorer neighbourhoods need strong economies if they are ever going to be turned around. Better co-ordinated business involvement can help bring in investment, create jobs, encourage enterprise and improve the local environment.'

Lord Falconer, Regeneration Minister, Department for Transport, Local Government & the Regions

Local Strategic Partnerships (LSPs) will stand or fall depending on their success in engaging all parts of the local community – including the private sector.

Real business involvement will be essential to build support and drive change, particularly in the areas of jobs and investment – the building blocks of a strong local economy and thriving local community. If LSPs engage businesses effectively they will find a valuable partner, able to contribute time, expertise and resources to the fight against deprivation. If they fail to engage businesses properly, LSPs will ultimately fail in their efforts to turn round our most deprived neighbourhoods and improve the quality of life of our most deprived communities.

This guide is intended to help any person or organisation working to engage businesses with LSPs and should be read in conjunction with up-to-date Government guidance (<http://www.dtlr.gov.uk>). It aims to provide a brief introduction to LSPs for those unfamiliar with them, make an indisputable case for effective business involvement and provide practical ideas for those working to engage the private sector.

The guide has been prepared by the national Partnership Academy, a joint venture between Business in the Community and the British Chambers of Commerce, in collaboration with the Local Government Association. It has been funded by the Government's Neighbourhood Renewal Unit.

KEY MESSAGES

- **Make the 'business case' for business involvement - and make it sharp.**
 - ◆ Be clear about the benefits and what you want from business.
 - ◆ Demonstrate how your LSP will make a big difference - firms respond to concrete goals and measurable outcomes.
- **Support the private sector to play an effective role.**
 - ◆ Business involvement is about generating interest, support and active engagement as well as having business representatives on the LSP board.
 - ◆ 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 already well-connected.
 - ◆ Focus consultations where business input can make a difference. Ensure business representatives are well-informed, backed-up and networked with the wider business community.
 - ◆ Make it easy for business to engage in the LSP business. Get the language right - avoid jargon.
- **Foster business involvement at all stages.**
 - ◆ 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.
 - ◆ Provide regular, concise updates on progress, highlighting what has been achieved.

A brief introduction to LSPs

What are LSPs? A dynamic new partnership, as the Government hopes? Or yet another talking shop, as some businesses fear?

For the uninitiated, LSPs bring together – for the first time – the public, private and voluntary sectors, along with representatives of the local community, in a partnership aimed at improving quality of life and the delivery of public services. LSPs are intended to be an equal partnership between sectors, based on a shared interest in strengthening the local economy, increasing opportunities for local people and improving the environment. The majority of LSPs cover a local authority area and are designed to be strategic in their overview, but local in their focus on specific issues and the delivery of services.

The LSP's key task will be to develop a community strategy for its area – an overarching plan that sets local priorities and influences the programmes and budgets of public sector agencies. Each LSP will ensure that the most important things get done and that local priorities keep in tune with changing needs and opportunities.

In addition, LSPs are charged with turning round the most deprived neighbourhoods in England. Efforts in the 88 most deprived of these are backed up with additional Government money, including the £900 million Neighbourhood Renewal Fund. LSPs will develop ten-year neighbourhood renewal strategies, focused on the key issues of increasing jobs, reducing crime, raising educational attainment, improving health and looking after the local environment.

'There can be lots of benefits for business: new contacts, better knowledge of what's going on locally, support in the local community and so on. The gains can be hard-nosed. For instance, if the LSP drives improvements in education and the environment, it can help us recruit and retain the staff we want.'

Business representative at Yorkshire & Humber event on business involvement with LSPs.

Why should businesses be involved?

The easy answer is 'because the Government says so'. The reality is that LSPs are simply not going to succeed without effective business involvement.

From the LSP perspective...

- **Fact:** A successful local economy is the backbone of a successful local community. The active involvement of businesses is necessary to secure investment and create and retain local jobs. Strategies that disregard business views are likely to fail to deliver sustainable economic growth.
- **Fact:** Businesses are taxpayers too and have a right to have their say on important decisions and strategies. As local service users, they have views that LSPs need to hear to deliver more customer-focused services.
- **Fact:** Businesses can often offer skills and resources that may not be available among the other sectors and can contribute to new and better solutions to local issues. They are often local service providers and are potential partners on regeneration programmes.

From the business perspective...

- **Fact:** Many businesses and business organisations already want to be involved. In a survey of Chambers of Commerce, over 90 percent were able to cite some involvement – and crucially willing involvement – with their emerging LSPs.
- **Fact:** Many businesses already recognise the significant business benefits of involvement with local partnerships, including the new LSPs. This can manifest itself in the long term through a better trading environment (less crime, more skilled workers, better local environment) and in the short term through better contacts and local knowledge. In time, this shows itself on the bottom-line – lower insurance premiums, lower staff turnover and more buoyant markets.

'We have found the LSP exceptionally useful. It's a fantastic way to get business really on the agenda of public sector partners.'

Liverpool Chamber of Commerce

Engaging business: strategy and tactics

Anecdotal evidence indicates that where businesses are aware of LSPs, attitudes are mixed – ranging from real enthusiasm to exhaustion at the thought of yet another partnership.

It is important to acknowledge up front the real barriers to business involvement. Some of these are identical to the community and voluntary sectors: the plethora of organisations engaged in representing that sector, the difficulty of getting past the 'usual suspects', the diversity of the sector and the fear that this is yet another partnership.

Other issues are more specific to the private sector: the real lack of time and resource of smaller businesses who are concentrating on making ends meet, a loathing of form filling and other public sector 'bureaucracy', a lack of understanding of 'what's in it for me?' and the possibility of bad experiences where engagement has translated immediately to requests for money.

'What we want to see is more coherence. We'd like to make more of a contribution, but it's difficult to get past the plethora of partnerships and initiatives that exist at the moment.'

Business representative at the South West event on business involvement with LSPs

To make business involvement really work, LSPs will need to avoid limiting engagement to merely appointing a firm to the board or only consulting businesses on the most obviously economic-focused issues. Rather, LSPs will need to build interest and support within the business community and create specific, concrete opportunities where firms can make a difference.

A suggested strategy for business engagement follows.



1. PLAN A CONCERTED APPROACH TO ENGAGING BUSINESS

make it somebody's business

Engaging the business sector effectively is not always plain sailing, particularly when efforts need to be made to engage the voluntary sector and local community at the same time. However, without making business engagement somebody's job, effective private sector involvement will not work. In nine areas, the Government has funded pilot 'business brokers', individuals dedicated to helping connect businesses and LSPs and encouraging firms to help deliver neighbourhood renewal strategies (see section below). However, even without a dedicated broker, business engagement needs to be part of a person's or organisation's job description.

take stock

Answer the following questions. What are the needs and concerns of your local business community? How are businesses already engaged in partnerships and projects – and why?

If you cannot, this may not necessarily mean undertaking a brand new, expensive survey of business involvement. Instead, tap into existing knowledge held by the range of local organisations and partnerships that already involve business. Many of these will either be represented on the LSP or consist of key organisations represented on the LSP:

- Chambers of Commerce
- Education Business Partnerships
- Town Centre Partnerships
- Regeneration Partnerships
- Economic Development Partnerships
- Early Years and Childcare Partnerships
- Community Safety Partnerships
- School and college boards of governors

common agendas and business benefits

Identify the shared agenda that will bring business to the partnership table. Is it business-related crime? A poor local environment impacting adversely on sales and staff? Or maybe it is a lack of skilled workers locally?

Next, map out in advance the areas and actions that businesses can undertake that are likely to make the most difference. And then, consider what the keys will be to spark their interest and trigger involvement.

Seeing Is Believing Programme

Over 10 years, Business in the Community has organised "Seeing Is Believing" visits to promote greater interest and awareness of how business can contribute to regeneration. Led by business, for business, the visits typically:

- Highlight and explore priority issues identified by the LSP
- Connect companies' staff with key local players
- Clarify the actions business can take, individually and together, with follow-up provided by Business in the Community regional staff.

Contact: Business in the Community
tel: 0870 600 2482

recruiting business representatives

It is up to specific LSPs to determine how and by whom the private sector is best represented on the LSP. In the majority of cases this will be through a local business organisation or by a local employer with a significant stake in the area.

Whatever decision is made, LSPs must be able to justify it. Claims that a business 'friendly' to the public sector has been hand-picked can be highly damaging, as can any decision to opt for a business service organisation, such as a Business Link, as a business representative.

In all cases, it will be vital to ensure that business representatives are well connected with the wider business community, can speak with authority and bring a strategic perspective. This may throw up training needs and potentially even resource issues (see section 5).

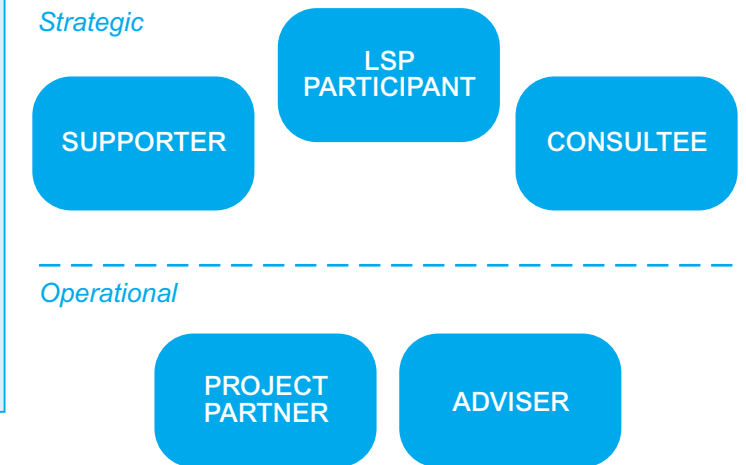
Slough Business Community Partnership

Slough Business Community Partnership is a Business Action Group that works to engage local businesses with community projects. It is working with Slough Borough Council on its community strategy and, along with the Chamber of Commerce, on the Heart of Slough town centre initiative. It is working with the community on mentoring in schools, support for a voluntary sector funding application for a youth and community facility and a healthy eating initiative.

Contact: Bob Jones
tel: 01753 502020

recruiting business supporters

Private sector involvement with the LSP must be far wider than just a representative on the board. The diagram below gives a flavour of the roles on offer.



- LSP participant: Represent business on the full LSP, thematic partnership (eg for lifelong learning, economic development or community safety) or task group.
- Supporter: Take an active interest in LSP affairs and support business representatives or encourage more businesses to get involved, provide introductions and open doors.
- Consultee: Comment on plans and give feedback on ways to improve local public services.
- Project Partners: Promote ideas and develop projects that will help LSPs deliver, champion or sponsor projects (eg local training and recruitment, local sourcing, employee volunteering) or develop business propositions to deliver objectives.
- Adviser: Advise on partnership activities that will benefit from business perspectives (eg on business planning, change management, marketing or risk assessment)



2. TALK TO BUSINESS AND IDENTIFY COMMON INTERESTS

Talk to a spread of businesses and business organisations. Get a feel for views on LSP priorities and what will motivate them to be involved. Some will be concerned about broad issues; others will focus on issues that directly affect their business.

Use effective partnerships where they already exist. Don't try to reinvent the wheel. It is far better to build on what is already out there, already functioning, than to try to start again.

Check out what consultations have taken place recently. Like anyone else, businesses hate being consulted when they have already given their views. LSPs provide an opportunity to manage consultations far more effectively than in the past.

Build relationships with business over the longer term. Arrange periodic meetings one-to-one with larger employers and with a sample of smaller ones. Opportunities to meet informally and socially may prove very productive in helping to break down any prejudices.

Consult effectively in developing community and neighbourhood renewal strategies. The principles are the same as any community involvement:

- Make lucid, concise, reasonable requests – without jargon!
- Be clear about what is genuinely open to change
- Agree reasonable timescales for response
- Provide feedback on consultation outcomes

Make use of existing networks as intermediaries. Membership organisations, such as the Chambers of Commerce, CBI, Institute of Directors and ethnic minority business organisations and local business clubs are valuable intermediaries, which businesses



Consultation in Tameside

Manchester Chamber is leading work in the Tameside LSP to overcome barriers to engaging smaller businesses. Key themes in their action plan, agreed by partners, include:

- Focus on the issues which matter most to business
- Bring the consultation to the business (eg, on-line access; meetings outside the working day)
- Demonstrate results (how business inputs can bring about change)
- Market the LSP (raise awareness of the LSP, benefits and achievements)

Contact: Manchester Chamber of Commerce
tel: 0161 236 3210

Recognise diversity within the business community. Nowhere in England is there a homogenous 'business community', but rather many distinct groups, characterised by size, sector, markets, ownership, etc. This can have an impact on a company's ability to contribute to a partnership. And on some issues there will be common views and on others there will be disparate ones.

Reach out to businesses that are less well connected to existing networks, eg ethnic minority businesses and social enterprises. Businesses run by black and ethnic minorities are disproportionately in deprived urban areas and may need particular focus. Business people generally, however, are often independent and busy – making them 'hard-to-reach' when it comes to traditional consultation.

Remember businesses from outside the area. This is particularly important when it comes to neighbourhood renewal strategies. Solutions for disadvantaged areas require action from both within these areas and stronger links to job opportunities and companies beyond.

Help build a common agenda around the community and neighbourhood renewal strategies. Ideas like Business in the Community's 'Seeing is Believing' visits or 'Business Action Group' programme may help to mobilise interest and engagement.

3. PROMOTE PRACTICAL OPPORTUNITIES FOR INVOLVEMENT

Match the interests of business people with community needs. This is the key task. The opportunities are likely to be varied – some strategic and some very local. It might be that smaller businesses will be more interested in action that helps their local vicinity, though this cannot be taken for granted.

Always focus on tangible outcomes, where individuals can see how their inputs will lead to results. A prospectus or menu setting out clearly what opportunities are available to business and what this is likely to achieve could prove very useful.

business brokers

As part of a national pilot scheme, 'business brokers' are being introduced to nine LSP areas to enhance the business voice on LSPs and help match business interests and community needs. They will build links between businesses, deprived areas and public agencies and promote the business benefits of involvement in neighbourhood renewal. Their key focus will be creating and retaining jobs, improving retail and encouraging enterprise. A national Partnership Academy provides support for the brokers and any LSP either wanting to develop its own business brokerage or wanting advice on business engagement.

Tees Valley Tomorrow

Tees Valley Tomorrow Ltd (TVT) was set up in 1989 as a focus for local business action on regenerating the Tees Valley. It is represented on the board of West Middlesbrough New Deal for Communities and has been active in the business forum and sub-groups on communication, recruitment, project management and the formation of a Neighbourhood Trust. TVT are members of the Middlesbrough Partnership.

Contact: Brent Godfrey, Chief Executive
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e-mail: brentgodfrey@teestom.onyxnet.co.uk

4. MAKE THE BUSINESS CASE - AND MAKE IT SHARP

Business Community Partnership (South Yorkshire)

The Business Community Partnership is an existing business broker project offering an independent service putting companies in touch with opportunities for social investment and involvement in the South Yorkshire communities. It has helped organise:

- Business mentors to provide intensive business support to four community projects in Rotherham
- Staff placements on 100-hour assignments with community economic development projects
- Seeing Is Believing visits
- The South Yorkshire Professional Firms Group (provides free services to community groups)
- The Brighten Up Brightside project

An independent evaluation (March 2001) found substantial benefits for community projects, especially in thinking more strategically, improving business planning and enhancing credibility. Companies involved reported benefits especially in terms of staff development and local profile.

Contact: Jackie Bird, Partnership Director
tel: 0114 261 0846
e-mail: jbird@goto-bcp.org.uk

Find the most appealing 'hooks' for the business people you are targeting. The business case might be a mix of lower recruitment and training costs, lower insurance premiums through less crime and increased public profile and respect.

Use plain English when explaining the LSP and what you want. Be ready to deal with doubts and manage any unrealistic expectations. Always think: 'how can we ensure mutual benefit?'



5. RESOURCE BUSINESS INVOLVEMENT

Make sure there is adequate resource. Engaging business effectively will take time and money – documentation, events, one-to-one meetings do not come without cost. This needs to be factored into the LSP's workplan from the outset.

Consider supporting the business sector to organise itself. Many Chambers of Commerce and other business organisations are keen to play a fuller role in support of LSPs, whether by facilitating consultations, leading initiatives or promoting opportunities for involvement, but simply do not have the resource. In other areas, truly representative bodies may not yet exist. As with the voluntary and community sectors, some support might prove necessary.

Greenwich Business Development Forum

The Greenwich Business Development Forum provides the vehicle for business representation on Greenwich Partnership (LSP) and other partnership bodies. It works with Bexley and Greenwich Chamber to promote membership and run networking events. The Forum is used to promote local business support services, education/business initiatives and consultations on local strategies. It also supports existing and new traders associations within neighbourhood management areas.

Contact: Diane Cahill, Forum Co-ordinator
tel: 020 8921 2258
email: diane.cahill@greenwich.gov.uk

Devon & Cornwall Business Council

The Devon and Cornwall Business Council (DCBC) brings together about 50 business bodies to discuss strategic issues and co-ordinate views on competitiveness and economic development. It is business-led, concentrates on a few priorities (eg transport, broadband and rural recovery) and can demonstrate its influence, eg, in lobbying on rail services. Meetings are open to public sector participants, giving them a ready, informal opportunity to access business opinion. DCBC is a founder member of the Devon Strategic Partnership.

Contact: Neill Mitchell, Chief Executive
tel: 01752 305015
email: neill.mitchell@dcbc.co.uk

Help business people build their skills and resources. Just as with the voluntary and community sectors, many business people do not automatically possess the broad range of skills and knowledge they need to engage effectively with the LSP. The New Commitment to Regeneration pilots (precursors to LSPs) found that 'many private sector members struggle to make the connections between their own business interests and practices and wider considerations, either about economic competitiveness or social exclusion'. Other business people may simply lack the confidence to chair meetings.

There are strong arguments for public resources to help businesses, particularly smaller businesses, engage more effectively. Business brokers will play a role here. Partners may be able to help in other ways, eg providing regular briefings to business representatives, helping with feedback to the wider business community, ensuring training opportunities are at a business-friendly time and covering the cost of consultations and events.

Local Business Groups in Birmingham

Business Link Birmingham, part of the Birmingham Chamber of Commerce, supports a network of local business groups in areas such as Heartlands, Tyseley, Cheapside, Sutton Coldfield and Newtown. These groups bring firms together through networking events, seminars and training opportunities, while also providing an opportunity for dialogue with public sector agencies. Business Link Birmingham has now been given the role by the new City Strategic Partnership (LSP) of mobilising business involvement.

Contact: Birmingham Chamber of Commerce
tel: 0121 454 6171

Be wary of requesting sponsorship. One thing businesses often hate are the continual requests for financial donations. In general, any approaches for subscriptions or sponsorships to the LSP are unlikely to be successful if there is no existing relationship between the company and leading LSP members. Some, typically larger, companies may consider making some form of donation. However, they may be more willing to offer help in kind (through use of facilities for meetings, etc) or sponsorship of specific projects with particular returns.

6. SUSTAIN INVOLVEMENT

It is never too early to think about how to sustain business involvement. After the initial flush of enthusiasm and when it becomes obvious that some problems are deeply entrenched, it is all too easy for business support to fall away. Having a strategy to deal with this – by managing expectations, providing quick wins and building up personal relationships – is key to sustaining engagement.

Croydon Strategic Partnership

There is strong business involvement in the Croydon Strategic Partnership, providing one-third of the Partnership's members, the chair of the Chief Executives Group, and 15 large and small companies as members of the Economic Development sub-group. The latter is identifying quick wins to build momentum behind the Partnership.

Contact: Chris Hughes, Chief Executive, Croydon Chamber of Commerce & Industry
tel: 020 8680 2165

Address the tensions that can hinder partnerships. Businesses legitimately have a different attitude to the public sector – they are in business to make money. Recognising and respecting this up front can help reduce tensions later on. Businesses are often very action-orientated and can sometimes be frustrated by lack of obvious progress. Be clear about objectives, produce clear plans of action and deliver regular progress reports.

'I tend to meet the same 10 or 12 people in different rooms with a different agenda title, but very similar agenda items.'

(respondent to BCC survey)

Join things up and avoid turf battles. Nothing is going to alienate business more than watching public sector agencies protect empires and fail to work in partnership. Look very closely at the potential to rationalise partnerships – how many can be subsumed into the LSP?

Behave in a business-like way, for instance by ensuring that businesses wanting information or offering help are directed to the right source of information first time. The DTLR 'Doing the business' guide for local authorities stresses the importance of having a business-friendly culture, highly responsive with clear contact points and communication channels

ten keys to long term engagement

Do's

- Help representatives remain well connected
- Help ensure the best possible return on their time, energy and resources
- Make sure individuals feel valued
- Play to the skills, knowledge and resources of individuals and companies
- Promote genuine dialogue, encouraging partners to get beyond entrenched opinions
- Foster a sense of energy and excitement about the work of the partnership

Don'ts

- Make it difficult to engage in LSP business, with long agendas, lots of jargon, etc
- Ask too much of people who are already committed
- Expect business representatives to want, or be able to, be involved in all discussions
- Neglect to give feedback and show the results of business inputs

RESOURCES

Websites

Business in The Community websitewww.bitc.org.uk
British Chambers of Commerce websitewww.britishchambers.org.uk
Neighbourhood Renewal Unit:www.neighbourhood.dtlr.gov.uk
Local Government Associationwww.lga.gov.uk
Improvement & Development Agency.....www.idea.gov.uk
Business Impact website (case studies).....www.business-impact.org.uk
Five Vital Lessons: Successful Partnership with Business:.....http://fivevital.educe.co.uk
"Doing the Business: A Guide for Local Authorities".....www.local.dtlr.gov.uk/research/busipelg.htm
"Local Strategic Partnerships: Lessons from
New Commitment to Regeneration" (Summary)www.jrf.org.uk/knowledge/findings/housing/n51.asp
DTLR regeneration informationwww.regeneration.dtlr.gov.uk

LGA (1999) Listening to business: building stronger partnerships between local government and business (from IDeA Sales, Layden House, 76-86 Turnmill Street, London EC1M 5LG tel. 020 7296 6600)

Business in the Community

Business in the Community draws together companies across the UK who are committed to improving continually their positive impact on society. Some 650 companies are members, including 77% of the FTSE 100.

Its Regeneration Leadership Team is aiming to increase the strategic impact of business support for regeneration and neighbourhood renewal, by policy dialogue with Ministers and city leaders and supporting LSPs through engaging the local presence of national companies; and promoting enterprise in local communities.

British Chambers of Commerce

The British Chambers of Commerce represents 135,000 business members through a unique network of 60 accredited Chambers of Commerce. Each Chamber is embedded in its local community, being run for local business by local business. A prime function of Chambers is to facilitate access to member businesses and represent their needs, working with partners through LSPs to create prosperous and inclusive communities in each corner of the UK.

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Business in the Community is a unique movement of companies across the UK committed to continually improving their positive impact on society, with a core membership of 700 companies, including 77% of the FTSE 100.

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Business in the Community:

improving your environmental impact

developing business responsibility in the marketplace

investing in a diverse workplace

building healthy communities

environmental

marketplace

workplace

communities