Business in the Community update

Purpose of report

For information.

Summary

This paper provides members with a brief overview of Business in the Community's Place Taskforce and the Board's involvement to date to support a discussion with Chair of the Business in the Community Place Taskforce, Lord Steve Bassam (Appendix A).

Is this report confidential? Yes ☐   No ☒

Recommendation/s

Board members are asked to consider as background reading the LGA's response to Business in the Community's Place Taskforce call for evidence (Appendix B) ahead of the meeting.

Action/s

Officers will use the meeting to shape our future work with the Business in the Community Place Taskforce within the context of the Levelling up White Paper.

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Business in the Community Place Taskforce

Background

1. Business in the Community's (BITC) Place Taskforce sets out to capture and showcase 'what works' in transforming the prospects of a place, creating a blueprint for business engagement in place-based transformation. The findings will be shared through a report in April 2022 to coincide with the 40th anniversary of BITC. The ambition is for the blueprint to be utilised – from business leaders to local policy makers – to increase business engagement in regeneration and inform policy at a critical moment as the levelling up agenda takes shape.

2. The Place Taskforce ran a call for evidence which closed in December 2021 and received 34 written submissions. The taskforce ran an additional eight verbal evidence sessions with 17 speakers, conducted three formal interviews, visited Wisbech and Grimsby where there were discussion sessions with local stakeholders and visits to local regeneration initiatives and the LGA hosted a roundtable with members (see paragraphs 3-5).

LGA's involvement to date

3. On 1st November 2021, the LGA hosted a roundtable providing an opportunity to bring the voices of local government leaders from across the country together on this agenda. The roundtable was co-chaired by Cllr Abi Brown and Cllr Simon Henig who are members of the taskforce representing the LGA's People and Places Board and City Regions Board.

4. The roundtable focused on three themes: collaborative and partnership working, levers and measuring impact and developing a strategy and vision. Donna Nolan, managing director of Watford Borough Council presented their collaborative working through the Growth Board, and local projects; Lisa Dale-Clough, head of industrial strategy at Greater Manchester Combined Authority discussed the work of the LEP and partnership working with business organisations to develop the Local Industrial Strategy; and Andrea Dell, head of Bristol City Office talked about the experience of creating the Bristol One City Plan and work to enable citywide collaboration.

5. Twenty-five people attended the roundtable including members of the LGA People and Places Board, City Regions Board and members of Business in the Community's Place Taskforce.

6. The LGA used the evidence gathered from the roundtable to inform their submission to the Place Taskforce's Call for Evidence (see Appendix B).

Next steps

7. The Board meeting is an opportunity for members to hear about the Place Taskforce in greater detail from its chair, Lord Steve Bassam (Appendix A). Lord Bassam will discuss the taskforce's work to date, share emerging findings, and comment on next steps of the process.

8. Members are invited to comment on the emerging recommendations, noting the LGA's response (see Appendix B), and have a further discussion with Lord Bassam around next steps and publication of the report.

Implications for Wales

9. While the UK Government has committed to level up the UK, economic development is a matter devolved to the Welsh Assembly.

Financial Implications

10. The Board's activities are supported by budgets for policy development and improvement. The LGA's financial contribution to the Taskforce is funded through the budget for policy development.

Equalities Implications

11. Ways in which place-based regeneration can reduce racial or ethnic inequalities were considered as part of the LGA's response to the call for evidence and equalities considerations are taken when selecting panels for events.

Appendix A

Lord Steve Bassam, Place Director, Business in the Community

Lord Bassam began his career working as a legal adviser in Deptford's Law Centre, moving on to several senior research roles in London local government. He served as an assistant secretary at the Association of Metropolitan Authorities, before consulting in the private sector for KPMG and Capita.

Lord Bassam became involved in local politics in the early 1980s and quickly rose to become Leader of Brighton, and then Brighton and Hove City Council. In November 1997, he was created a life peer and introduced into the House of Lords. Bassam was promoted to the frontbenches as Parliamentary Under-Secretary of State for the Home Office in 1999. In 2001, he was appointed a Lord-in-waiting where he served until 2009. During the same period, he served at various times as Government spokesman for several other departments, including Communities and Local Government, Culture Media and Sport, and Transport. He was Chief Whip for 10 years.

In 2018/19 he chaired and authored a report as Chair of the Lords Select Committee on The Future of Seaside Towns, which recommended the expansion of town deals and argued for improved connectivity and levelling up. In 2020, Lord Bassam was appointed as Co-Director of Business in the Community's Place Programme.

Appendix B

LGA Response to Business in the Community Call for Evidence
Please refer to examples from yours / your organisations experience in your answers as much as possible. Please answer any questions that you have relevant experience in. You do not need to answer all of the questions. We welcome responses based on experiences at any point in the last 50 years.

1. What is your current understanding or definition of place-based regeneration?

Place-based regeneration is rooted in the understanding that local economies are different and will need different things to stimulate them. Some require greater connectivity; some need to transition to new industries; and others are short of affordable housing.

Understanding the exact nature of an effective and sustainable stimulus can only be carried out locally in partnership between sectors. Local government is unique placed to convene stakeholders in an area and develop an overall vision for a place. Ideally, this vision should be backed by a commitment to long term sustainable finance and a place-led approach by Government to ensure that key ingredients of a successful community aren't held back by departmental silos and top-down priorities.

2. Has your organisation been involved in any place-based regeneration efforts? If yes, please outline what was done, how successful the initiatives was gauged to be and what made it a success, any challenges or failures that you faced, if or how your organisation exited the initiative, and anything you would do differently now to improve the outcome.

Councils have always played an important role in helping local people and shaping local economies through place-based regeneration. Across the country, councils have been quick to mobilise to address the specific economic issues that they face in their areas be this related to major industries such as airport focussed economies, high street challenges or the visitor and culture economy.

More generally, councils help businesses to help themselves by surveying their needs, supporting local networks, working with local chambers of commerce and helping to establish new business improvement districts (BIDs). Such a coming together can enable mentoring in skills such as visual merchandising, achieve savings through group purchasing, enable joint marketing and stimulate collaborative regeneration projects.

Promoting, supporting and enhancing the role of local authorities in delivering economic growth in the form of regeneration is a key LGA priority. The LGA provides support to councils on all aspects of their place-based regeneration plans, including

employment, re-skilling, high streets, SME support and procurement in an [economic growth support hub](#). In addition to this, the LGA's economic growth advisers programme offers bespoke advice and support to local authorities to help them deliver economic growth in their area. A series of [case studies](#) can be found on the LGA website highlighting successful place-based regeneration initiatives and sharing lessons learned from local authorities to inform other areas looking to undertake similar projects.

We have also undertaken work to look specifically at the benefits of a [culture-led approach to regeneration](#), developing local skills, improving the public realm, and boosting the visitor economy at the same time as supporting economic growth. Alongside this, we have produced guides on [developing a cultural strategy](#), and [supporting local creative industries to grow](#).

3. What can national and local businesses, SMEs and social enterprises do to effectively contribute to place-based regeneration?

National and local businesses, SMEs and social enterprises play a key role in contributing to place-based regeneration given their expertise and the resources available.

Business improvement districts (BIDs) are a model for the local delivery of town centre regeneration that has grown rapidly over recent years and highlight the way in which businesses, SMEs and social enterprises effectively contribute to place-based regeneration. A BID is a business-led organisation set up to improve an area with funding from a levy on local businesses. While BIDs bring extra resources, they are considered as important allies to local authority-led regeneration alongside councils' statutory roles such as planning and their wider community remits.

Canterbury Council and the city's [BIDs](#) have worked together in supporting Canterbury in becoming one of 70 towns and cities who have been awarded the Association of Town and City Management's Purple Flag accreditation in recognition of work to support a high-quality evening and night time economy.

As we rethink high streets in light of the reducing prevalence of retail, there is increasing demand and scope for creative and experiential businesses to form clusters on a high street, offering new attractions to draw people into the communal streets and generating footfall for the remaining retail offer. They can also attract visitors from outside the area, boosting and improving public perceptions of the place – the impact of Hull's success as City of Culture is a good example of this. Other attraction-based forms of regeneration include the Turner Contemporary in Margate, which has led to clusters of small independent art galleries and studies developing around it, leading to Margate having the fastest growth in visitor numbers in the UK.

Councils and businesses can also work collaboratively to address skills shortages that may be inhibiting growth and limiting regeneration efforts. Councils can undertake coordination and match funding, while businesses share the insights into the skills needed and provide practical on the job work experiences to supplement the formal training experience. One strong example of this is the [Blackpool Tourism Academy](#), where council, local college and businesses have come together to tackle local skills issues.

4. Do you feel the best way for a business to contribute to place-based regeneration is through a collaborative partnership or through independent action?

Businesses, local government, voluntary organisations and wider communities should work across sectors to improve quality of place and shape economic development and regeneration. By working together they can deliver value and outcomes that would be difficult or impossible to deliver working individually.

Formal structures with cross-sector representation, shared civic goals and good personal relationships, can strengthen collaborative partnership working. Growth boards are one such example. [Hertfordshire Growth Board](#) was formed in late 2018 and brings together Hertfordshire's county council, the ten district and borough councils, the integrated care system, Homes England and the LEP. The co-created vision for place beyond democratic boundaries means issues are debated and decisions are made and respected. Covid-19 has only exacerbated the need for cross-sector collaborative working and has underlined the Growth Board's maturity and resilience to withstand political and economic shocks and highlighted the need for a robust governance model which the Growth Board brings.

5. In a partnership between local government, business and civil society, which actor is best suited to lead in relation to each of the following:
- Setting strategy

   a) Local government
   b) Business
   c) Civil Society

- Making sense of and responding to changes amongst internal partners and the external operating environment

   a) Local government
   b) Business
   c) Civil Society

- Providing funds

a) <mark>Local government</mark>

b) Business

c) Civil Society

- Accessing and managing resources (applying for project funding and administering project delivery)

a) Local government

b) Business

c) Civil Society

- <mark>Other (Open text box)</mark>

The LGA-commissioned '[Fragmented funding'](#) report found nearly 250 different grants were provided to local government in 2017/18: half were worth £10 million or less nationally and 82 per cent are intended for a specific service area. Around a third of the grants are awarded on a competitive basis. We could maximise the effectiveness of place-based public spend and regeneration and help deliver levelling up if we were able to coordinate and bring national programmes together, with local government playing a leading role.

- Providing knowledge, experience and assets

a) <mark>Local government</mark>

b) Business

c) Civil Society

- Advocating for the place (both internally and externally).

a) <mark>Local government</mark>
b) Business
c) Civil Society

- Problem solving, and the ability to "cut through" complex problems

a) <mark>Local government</mark>
b) Business

c) Civil Society

- Evaluating impact

a) <mark>Local government</mark>
b) Business
c) Civil Society

6. Is any action needed to improve collaborative working between businesses, public sector bodies, community organisations, and others? Do any frameworks for this currently exist and has your organisation used any?

Collaborative working can be hard, and needs to be driven by a passion, creative thinking, and a willingness to seize opportunities and take well-managed risks. The following list outlines the challenges and opportunities of collaborative working:

*   Having the courage to pursue goals and the resilience to keep going in the face of inevitable difficulties.
*   Aligning partners' interests and philosophy with your own to create a genuine partnership based on a culture of openness, trust and transparency across all work streams.
*   Securing strong political support and engagement (regardless of political allegiance).
*   Nurturing stakeholders through regularly reviewing your stakeholder plan which may be time intensive but less so than getting it wrong.

Greater Manchester has a long history of collaborative working between the public and private sectors. Recently, activity has been concentrated around the framework provided by the Local Industrial Strategy, which is based on the [Independent Prosperity Review](#), a detailed and rigorous assessment of the current state, and future potential, of Greater Manchester's economy to understand what needs to be done to improve productivity and drive prosperity across the city-region. A panel of economists with varying backgrounds led on the work and this encouraged collaborative working with businesses and social enterprises (for example).

The Prosperity Review's findings and recommendations underpin the Greater Manchester [Local Industrial Strategy](#) which was jointly developed with national government. The review encourages collaborative working by informing actions of local and national decision makers from across the public, private and voluntary, community and social enterprise sectors in driving froward the area's productivity and prosperity. A clear set of priorities around how to drive inward investment, what business support is commissioned and how to embed economic priorities in the planning framework have all helped encourage cross-sector collaboration. The

collaborative approach has also led to the creation of new partnerships such as the Greater Manchester Advanced Materials and Manufacturing Alliance.

It can sometimes be challenging to give a voice to all the relevant stakeholders, organisations and individuals. One way Greater Manchester try to manage this is through constant engagement between GMCA and other public bodies and representative organisations. For example regarding businesses they engage with the GM Chamber of Commerce, FSB, CBI, IOD, Pro Manchester, ICAEW, and North West Business Leadership Team every few weeks, through which new engagement exercises emerge and can be coordinated. The LGA run modules supporting local authorities with business and stakeholder engagement.

7. Are existing policies and funds, such as the Towns Fund, Levelling-Up Fund and Community Renewal Fund, effective at encouraging businesses engagement in place-based working?

Councils can work with Government to deliver an ambitious programme of financial stimulus, and have the knowledge and expertise to direct funds where they will have the most immediate impact to protect jobs and livelihoods and support long-term transformation of the economy, infrastructure and services.

Local decision makers are best placed to know what resources they can expect for the long term, including from the UK Shared Prosperity Fund, and the flexibility to use them in a way that makes sense locally. The scale of the challenge ahead means that a new approach to growth and policy responsibility is now required, one that matches the place leadership of councils and their crucial role in convening wider investment in public service with the need for locally tailored reconstruction and renewal.

It is welcome that councils have been given a leading role in the delivery of the Levelling Up Fund, but for existing policies and funds to be more effective at encouraging businesses engagement in place-based working there must be greater devolution to councils. Local leaders need the powers and resources to bring government departments, agencies and local stakeholders together to deliver locally determined and democratically accountable outcomes. Devolving economic powers means that local and regional leaders can use their local knowledge and their integration into the local community to utilise resources more efficiently and develop partnerships with businesses to grow their economies. Local leaders are better able to innovate to make the places they represent more inclusive through progressive procurement, living wage areas or anchor institutions.

In the longer term, we should test place-based budgets, bringing together the many funding streams into a single pot which is managed by the local council, but with the

widest ownership of strategy and delivery through a partnership with government, communities and business. The LGA's [Work Local model](#) shows the benefits and next steps to make this a reality.

8. To what extent is it currently possible to gain consensus across sectors and within the community to develop a 'vision' for individual places? What role should business play in this?

It is possible to gain consensus across sectors to develop a joint 'vision' for a place and there are many examples highlighting this. However, this is only possible when the following factors are observed:

- Thinking beyond political cycles to develop a longer-term vision

Bristol City Council brought together a huge range of public, private, voluntary and third sector partners within the city to share the aim to make Bristol a fair, healthy and sustainable city – the [One City Plan](#). The city's first plan was published in January 2019 with the goal of setting out the challenges facing the city and bringing together leading voices across sectors to tackle the common causes. The One City office believed that to create meaningful change, for example on issues such as the climate emergency, and to bring on board a range of sectors, they needed to think beyond the traditional five-year structure and have a whole city approach with realistic and long-term objectives. Sequencing the activity until 2050, and refreshing the plan every year, has brought on board a more diverse range of sectors including businesses as it shows the council, and wider community, is committed to the longevity of the project rather than it being the vision of one administration. Business leaders have since led workshops with the business community to develop the vision and the creation of the vision is a flexible process to respond to changing circumstances.

- Drawing upon areas of expertise and having a clear sense of how assets can help deliver economic vision

Watford Borough Council undertook a joint venture with Kier Group for a major residential and commercial development, [Watford Riverwell](#). The project will deliver over 1,000 homes (including affordable housing), a hotel, school and other commercial facilities creating a new sustainable neighbourhood community for Watford. The collaborative partnership brought together land, finance and expertise which unlocked significant investment and transformed difficult, under-developed urban land into a varied residential area. The project also maximised working relationships between partners and secured the council a regular profit and return on capital, with a regeneration uplift adding to sales values. The success of the project

demonstrates the need for collaboration between sectors in drawing on different pockets of expertise to achieve a common goal.

9. To what extent should place-based regeneration involve the local community? What benefits does community engagement bring? What are the challenges?

It is essential that place-based regeneration gives residents within local communities the opportunity to have their say on issues that affect or interest them to improve transparency and shape decision making and local democracy is strongest when there are high levels of civic representation. Community engagement holds the council and partners to account, while allowing for the voices of diverse communities to be heard. Good practice often takes the form of a comprehensive consultation process undertaken at the beginning of the project to inform the vision and approach. Following this, a community steering group is advisable in bringing together representatives from across the local area to feed into an iterative process.

In addition, local councillors are well positioned in their front-line role to engage with neighbourhoods and communities. The LGA's workbook for councillors on community engagement states how few other community leaders have the mandate to coordinate different interests, reconcile diverse views and encourage open debate and dialogue in the way councillors can. This is especially so for town and city centres where a range of commercial, community and cultural issues combine and provide a hub for a much wider geographical area.

It can often be a challenge for councils to reach diverse communities and ensure the views expressed are representative of a whole community rather than just groups and individuals who are easiest to reach. For example, if consultation processes are only shared online, residents who are digitally excluded are unable to engage. Councils can overcome this challenge through conducting outdoor engagement events, using empty shop windows for exhibitions, delivering print products and surveys in different languages to households, and working with community groups as well as parish and town councils to reach communities. The LGA has recently published research focusing on how councils can work with their local voluntary and community sector to improve civic participation of underrepresented groups. An engagement framework is an effective way of reaching communities and capturing views. Equality impact assessments can be conducted on an engagement framework to ensure all communities are reached.

10. What can be done to ensure that place-based regeneration reduces racial or ethnic inequalities? What role should business play in this?

There is a real opportunity for councils to address broader issues around inequality through place-based regeneration and as they recover from the impacts of the

Covid-19 pandemic. One such way is through the roles of microbusinesses. Microbusinesses are extremely diverse across age, gender, ethnicity, sector and industry. The understanding that councils have of their microbusiness community enables them to provide direct support to disadvantaged groups, which in turn can help shape regeneration programmes. For example the Marches Growth Hub (covering Herefordshire, Shropshire, Telford and Wrekin) highlighted that during the pandemic they received an increase in queries from taxi-drivers of Asian ethnicity asking for assistance with grants due to English not being their first language. Salford City Council has launched 'The Salford Way' project which is focussed on tackling inequality and driving social change through economic development. This illustrates the targeted benefit councils can deliver around inequality when working closely with businesses. The LGA has produced guidance on engaging microbusinesses it has recently published an export toolkit for councils which highlights the role of trade in driving growth and the opportunities for councils in working closely with local diaspora communities.

11. Are there any lessons that were learnt during the Covid-19 pandemic, where we saw an increase in community self-organisation and cross-sector collaboration, that we should carry forwards? Do you think the increased use of digital technology since the start of the pandemic has changed the ability of businesses to contribute to a place?

Increased community self-organisation and cross-sector collaboration leads to new and innovative ways of designing projects. For example, during the Covid-19 pandemic Watford Borough Council saw a large increase in cross-sector collaboration. This gave the council an opportunity to reshape their Town Hall Quarter regeneration programme, which previously comprised of a number of individual regeneration projects operating in isolation of each other. The council undertook a comprehensive market engagement exercise bringing together the views of stakeholders including businesses, start-ups and community representatives. Early engagement with the private sector played a critical role in shaping the ambition of the project and ensuring that it was firmly grounded in commercial reality. Although this project is still in its early stages, building on the cross-sector relationships established during the pandemic has allowed for a joined-up vision of place owned by all the actors involved.

Other councils took direct steps to support local businesses who may not have had an online presence prior to the pandemic. Derbyshire County Council funded an online retail platform for businesses, alongside employing specialist business advisers to support their badly affected tourism sector. They delivered over 60 webinars to support businesses and developed a wifi town centres initiative to support business resilience. In turn, businesses are coalescing around a shared

vision for the area, developing a distinctive town centre offer to build vibrancy and increase footfall. Many are also enthusiastically supporting a new programme of festivals and large events to rebuild community conference, increase local pride in place, and attract more visitors to the region.

More broadly, during the pandemic, councils also demonstrated their place-leadership role by working with national government to support local communities and ensure future growth. When the pandemic hit, the sector was at the forefront of supporting the Government's national package of measures for businesses. Councils paid out over £19 billion in business grants. They were quick to work with their local businesses to ensure that places could reopen in a safe and manageable manner. Throughout the various lockdowns councils provided support and advice to local businesses via a range of phone and online options.

Covid-19 has shown us the interdependence between successful economies and the infrastructure needed to support them. During the pandemic access to effective broadband services has become essential to support businesses and enable people to fully participate in society. However, 17 per cent of rural residential premises and 30 per cent of rural commercial premises still do not have access to superfast broadband (30 Mbit/s or higher). Businesses that have been unable to pivot their working models due to poor connectivity may be at risk. To truly level up communities across the country, Government must commit to continued transparency on contingency measures for residents and businesses in deeply rural and hard-to-reach areas in order for all businesses to fully contribute to a place.

The impacts of digital exclusion became significantly more pronounced during Covid. Councils used their cultural and sporting services, and worked with local cultural and sporting institutions to reach out to those in the community who lacked digital access or were particularly vulnerable. Our research on this, highlighting best practice examples, was published in 'Leisure under lockdown'. Examples include distribution of food parcels in Holbeck and Beeston, provision of family creative activities in Norfolk and Cornwall, and tackling social isolation in East Lindsey.

12. What are the most effective ways of evaluating the impact of place-based regenerative working? What existing measurement frameworks exist?

There is no standard model used to evaluate the impact of place-based regenerative working and approaches will vary depending on the type of regenerative scheme taking place and organisation/s leading on the project. For effective evaluation, an outcome-focussed approach should be taken. Outcomes can either be selected generally giving a broad overview of how the place-based regenerative working contributes to local priorities and covers several policy themes, or they can be chosen thematically demonstrating in detail the contribution place-based

regeneration makes to the outcomes of one or more specific policy themes. The following steps can then be carried out to evaluate the impact of the project and determine whether the desired outcomes have been met:

1. Select a basket of performance indicators – Identify a small number of performance indicators that will help measure the outcome. These should be overarching strategic outcomes that set the overall responsibilities of councils and partners. The indicators can be both long and short-term and should be measured by both quantitative and qualitative data, alongside existing management information. As the debate around 'levelling up' has unfolded it has become increasingly clear that pockets of deprivation and other challenges on the microscale can be hard to detect without granular data – this is something we think the ONS should look at in more detail.
2. Challenge the effectiveness of each performance indicator – Understand whether the performance indicators selected will help deliver the desired outcomes. Remove any that aren't effective.
3. Consider the data source – The performance indicators need to be populated with data so they can be measured. Consider whether there is an existing local or national data source that can be used, or whether a new data collection approach is necessary. Remove any performance indicators that are too expensive or difficult to collect and ensure the data is collected and can be measured on a regular basis.
4. Finalise the performance indicators so they reflect local priorities.

The LGA's Local Government Inform (LG Inform) and Local Government Inform Plus (LG Inform Plus) are useful benchmarking tools to evaluate the impact of place-based regeneration and identify outcomes. LG Inform brings together a range of key performance, contextual and financial data for authorities in an online tool. LG Inform Plus provides ward-level access to more detailed information of an authority's business challenges and performance. This information can be used to identify challenges and subsequently shape the outcomes the regenerative project is looking to achieve.