

*Case study: Manchester*

## 9 Case Study: Manchester

### 9.1 Introduction

Of the three case study cities, it is perhaps Manchester which displays the most remarkable contrasts between areas undergoing major urban renewal and those so far largely untouched by economic revival. The central area is being redeveloped through a number of large scale projects: it is planned that the G-Mex Exhibition Centre will be accompanied by a £30 million concert hall and office and housing development (the Great Bridgewater initiative); the Great Northern Warehouse is being turned into a festival marketplace; there has been substantial new office development; a light rail system is planned for the conurbation; and in Salford the creation of new housing, leisure and office facilities in the Quays is widely regarded as a highly successful example of property-led urban regeneration. Manchester has two Urban Development Corporations – one for central Manchester, set up in 1988, and one for the Trafford Park area, set up in 1987. Trafford Park DC is developing a large area of derelict former industrial estate for new offices and factories. The Central Manchester DC is developing office, retail, leisure and housing space in a 470 acre site to the south and east of the city centre.

Alongside the notable developments in many parts of central Manchester, there are persistent and deep-rooted problems in other districts. Manchester contains classic inner city areas marked by high unemployment, very low levels of educational qualifications, industrial decline, racial discrimination, very poor quality housing and large numbers of especially disadvantaged residents, particularly lone parents. In Moss Side and Hulme, which has a government Task Force,

unemployment is exceptionally high – some 32 per cent in Hulme and 22 per cent in Moss Side at the end of 1989; there is a weak economic base, with few significant local employers; and there is a severe problem of ‘postcode discrimination’ against recruitment of residents and investment from outside because of the area’s reputation for social problems and crime. In East Manchester unemployment is also much higher than the city average: the district has lost much of its industrial base and has large areas of derelict land following plant closures.

The successes in renewal initiatives in the centre of Manchester could lead to the creation of thousands of new jobs; and many employers in the city have experienced shortages of staff. There should be considerable scope for equipping residents in the hard-hit inner city localities to take up new job opportunities in expanding sectors of the city’s economy – for instance, in Trafford Park. Much of the most striking community involvement on the part of the private sector has been concerned with developing skills among the population of Moss Side and Hulme and East Manchester, as we shall see in this chapter. There is much good practice to be built upon in the 1990s, and there are good examples of the benefits of a long-term partnership approach by the private sector to areas with deep-seated economic and social problems.

For this case study we were referred to companies and other actors on the Manchester scene by senior staff at the government’s Task Force in Moss Side and Hulme and at the government’s City Action Team, which coordinates the activities of the Departments of Environment, Employment and Trade and Industry in the conurbation. Section 9.2 below examines some of the examples of direct private sector involvement with the community; section 9.3 looks at the operation of networks and partnership initiatives involving business; section 9.4 considers constraints on good practice identified by respondents. In section 9.5 there are detailed case studies of the Kellogg company’s community involvement and of the Business Support Group established in Moss Side and Hulme.

## **9.2 Companies and their community links**

As in the other cities visited, the major national corporations are active through their local organisations in the community in Manchester: familiar names such as Barclays, IBM, Laing and Marks & Spencer were frequently mentioned by respondents. In Manchester these are

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accompanied by major locally based employers with substantial community programmes – for example, Granada Television and Kellogg (see separate case study in section 9.5 below). The ‘first division’ of locally committed companies has developed effective partnership ventures, as described in section 9.3, as well as carrying out individual projects and policies for community support. Smaller firms in Manchester tend not to be integrated in the networks and partnerships involving the larger companies, but there are examples of effective involvement in the community, and Manchester Chamber of Commerce emphasises the contribution smaller firms make to its programmes for schools liaison.

### ***Motivation for community investment***

The range of reasons for involvement on the part of companies was wide. Many employers emphasised a desire to ‘put something back into the community’; but many also recognised that a philanthropic approach was complemented by considerations of long-term and more immediate self-interest. The need to appeal to companies’ sense of enlightened self-interest was stressed by public and voluntary sector agencies such as the Central Manchester Development Corporation (CMDC) and the City Action Team (CAT) and Task Force. Varying dimensions of self-interest were revealed:

- General concern for economic and social stability in Manchester and a desire to see the prosperity of the inner city areas increase in order to promote business. In the case of one company suffering from a serious problem of bad debts in inner city districts, one motivating factor was the desire to reduce their incidence through contributing to initiatives for training and enterprise support.
- Concern over recruitment of young people in the light of growing competition for school leavers and demographic trends reducing their numbers in coming years: this has led to interest in recruiting from groups which have been marginalised in the labour market – long-term unemployed people and inner city residents from ethnic minority communities. The need to match local people to local skills demand was a strong motivating force behind new initiatives in targeted recruitment, training and school-industry links.
- The scope for business development in community-oriented ventures: for instance, the construction firm Jarvis is involved in

publicly-funded training programmes through its own training company.

- The desire to gain local goodwill and ensure continuing support from the local community : this was part of the motivation for involvement for Clayton Aniline, a chemicals firm situated next to a residential area of East Manchester; and for Granada Television, the renewal of whose broadcasting contract depends in part on its image and record as a contributor to the community in Manchester and the North West region.
- The desire to raise the profile of the company was the key factor behind sponsorship schemes; in other areas of activity securing publicity tended not to be a strong motivating force.

### ***Policy and budgets***

The local operations of the major corporate donors worked within the policy framework laid down at national level; among locally headquartered firms, the large ones such as Granada and Kellogg ran comprehensive programmes for community involvement with specialist staff and a broad range of activities. Other firms, especially smaller ones, tended not to have formalised policies on community involvement and instead to operate budgets for charitable donations and sponsorship, or to react in a largely ad hoc manner to requests for support. In one case a local small firm was much constrained by guidelines laid down by the head office of its parent company.

Most companies contacted had a donations budget for local requests for financial support: generally these budgets were very small (up to £10,000 only) in relation both to the scale of local needs and to sums spent on national sponsorship programmes by some firms. One respondent noted the enormous difference between his local budget for community contributions in an inner city area (£5,000) and his group's national budget for sponsorship, which was over one hundred times larger; he argued that a transfer of some resources from national promotions to locally targeted economic and social regeneration would not only be of long-term benefit to the community but could also generate publicity and public goodwill just as effectively as sponsorship schemes did.

The problem of securing more local resources for companies to spend and of obtaining a higher level of local awareness among firms aroused strong feelings among some respondents. There was severe

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criticism of the 'London-centred' perspective of many national companies and of the lack of autonomy and resources allocated to local branches. IBM and Marks & Spencer were identified as cases of good practice in this respect, but other big firms were criticised for laying down inflexible policies at national level. As one chief executive put it, 'No-one on London knows how to press a button in Manchester to make things happen'.

### *Types of community links*

Respondents in companies, public bodies and voluntary agencies agreed that there was now a widespread movement in firms' community policies away from concentration on charitable donations towards a greater emphasis on proactive involvement with community groups and networks, and towards seeing staff time and expertise as the major contribution which the private sector can make. Respondents from public agencies and community bodies agreed that provision of expert advice and of secondees or board members for new ventures could be more significant than financial support.

Examples of the types of community links encountered are given below.

### *Donations*

All companies contacted made donations in cash or kind or both to community groups, charities or schools. There were interesting examples of imaginative good practice, as with Granada's establishment of an Actors' Centre on its premises, providing free accommodation, and Royal Mail's donation of computers plus installation and training to the new Community Development Trust in Moss Side and Hulme.

### *Education and training*

Education and training are regarded as a priority by companies involved in community investment and by community groups. There was a strong emphasis among companies of all sizes that the main need in the inner city areas, especially Moss Side and Hulme, was to equip the local population with marketable skills and qualifications, in order to boost their chances of obtaining jobs in areas such as Trafford Park and to attract more businesses into these districts. Small firms in the inner city saw their main contribution to the community as simply

being there to provide a limited number of jobs and thus contribute to the local economy.

A number of companies are involved in school-industry links and Compact schemes, with work experience for students and placements for schoolteachers. This is an area of activity important to the small firms contacted, and to large employers such as Scottish and Newcastle Breweries, whose local community contributions in Manchester are focussed on school links and support for young people.

### *Recruitment initiatives*

The policy of local recruitment and provision of customised training had become important in a number of companies, motivated as noted above by anxieties over demographic trends in relation to recruitment as well as concern over the disadvantages suffered by inner city districts. Smaller firms such as Dawnvale in East Manchester and LT Switchgear in Moss Side recruit locally in any case, but have been involved in schemes for improving local opportunities: for instance, Dawnvale has worked with the City Action Team on a job interview guarantee programme for local people. A notable case of success in local recruitment and targeting is provided by Scottish and Newcastle Breweries, which was obliged by the city council to take on local people for semi-skilled jobs when they sought to expand their Moss Side site, which involved demolishing council flats. The deal struck involved local recruitment and contribution to re-housing costs. Previously the company had employed few local people; the initiative proved to be a major success, and there were some 4,000 applications for 100 jobs under an interview guarantee scheme. The benefits were significant, both for the district and for the company:

- the firm revised its selection procedures for recruitment and came up with a sophisticated new system of assessment for recruitment and for training, in which applicants' potential was taken into account rather than existing qualifications and work achievement;
- the local recruits proved to be of good quality;
- a new pool of labour was opened up;
- the long-term unemployed recruits were very highly motivated;
- turnover of staff from the local recruits was low.

This is a good example of 'tactical' self-interest considerations leading a company to a more 'enlightened' strategic view of the potential of mainstream company activity to contribute to community

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support. Moreover, the radical overhaul of the firm's selection procedures which followed its agreement to recruit long-term unemployed people has brought 'community investment' considerations into the heart of its personnel policy.

A similar case is that of Jarvis Training Management, which operates publicly-funded training schemes in construction and has targeted the long-term unemployed as a recruitment pool. The 'tactical' interest is in the opportunity to run a profitable training operation as well as help the unemployed; the more strategic element is apparent in the company's involvement in partnerships with public sector agencies and its contribution to the Manchester TEC, and its recognition of the community goodwill which can result from 'enlightened' activities. Both Jarvis and Scottish & Newcastle Breweries illustrate how short-term considerations can provide a point of entry to a longer range commitment to adapting mainstream activities to community needs.

Other Joblink schemes have had a chequered history in the inner city areas but are now being developed for Moss Side and Hulme with the support of a range of companies (see sections 9.3 and 9.5).

### *Secondments and other assignments*

Provision of staff time and expertise was highly valued by community groups and by public agencies such as the Task Force. However, secondments were not widely available – even the most committed local companies said that they had no spare staff, having developed 'lean' workforces during the 1980s – and were largely the preserve of major corporations such as Barclays and Marks & Spencer. A further problem with secondments was the quality of personnel provided: there were anxieties among some community respondents that secondees might be 'charity cast-offs' near retirement, when what was needed were mid-career managers of high calibre. An example of good practice commended by community informants was Barclays' secondment of a manager to the enterprise agency AED in Moss Side and Hulme, and the manager's subsequent take-up of a place on the AED board.

Short-term or part-time assignments of managers can also be highly valuable in injecting business knowledge into voluntary bodies and enterprise agencies, and in supplying expertise to partnership bodies. A number of companies were supplying managers to bodies

such as the TEC and the North West Business Leadership Team (BLT), or staff to sit on boards and committees of schools and colleges. Provision of business expertise is also the key element in the assistance provided by the Business Support Group in Moss Side and Hulme (see section 9.5).

### *Sponsorship*

Several firms were involved in arts and social sponsorship in the locality, although in general the main sponsorship budgets were national ones.

Important as examples of individual companies' community links are, the most significant activity in Manchester involves business contributions to partnerships and networks. These are examined in the next section.

## **9.3 Partnerships and networks**

Manchester, like Birmingham and Bristol and several other cities in recent years, has seen the development of a multitude of partnerships, new initiatives for enterprise promotion and urban renewal, and networks involving the private sector. We list here the main multi-firm groupings and some significant partnerships linking the private, public and voluntary sectors.

### *Multi-firm groupings*

#### *The Chamber of Commerce*

Manchester has a large Chamber of Commerce which has a major role in numerous local ventures. The Chamber has some 3,000 member companies which pay a voluntary subscription to support collective activity. Among its activities relevant to community involvement are:

- establishment of the enterprise agency Manchester Business Venture, sponsored by some forty companies;
- overall responsibility for the enterprise agency Tameside Business Advice Service;
- establishment of Network Manchester, a local employers' network for coordination of training provision;
- delivery of youth training and ET schemes;
- school-industry compacts focussed on inner city schools;

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- an Education Liaison Unit to coordinate work experience schemes, teacher placements and other ventures linking business and education;
- involvement in multi-sector partnership initiatives such as the TEC, a European Information Centre and the East Manchester Initiative.

### *Business Support Group for Moss Side and Hulme*

The latest multi-firm group to emerge is the Business Support Group (BSG), established on the initiative of Kellogg in 1989 with the help of Business in the Community. The BSG is a partnership of local companies which aims to catalyse and coordinate private sector activity in Moss Side and Hulme, working alongside community bodies and public agencies. It is a local spin-off from the Business Leadership Team (BLT) established for the North West region. The BSG is described in detail in a separate case study in section 9.5 below.

### *Trafford Park*

The Trafford Park development area has an informal 'Major Manufacturers Group' chaired by a Kellogg manager and an industrial council, TRAFIC.

### ***Multi-sector partnerships***

There are many ventures involving some form of partnership between different sectors in Manchester. The main actors and initiatives are outlined below.

### *Manchester Training and Enterprise Council*

The new Manchester TEC became fully operational in December 1990. Its board and specialist committees bring together representatives of individual companies, the Chamber of Commerce, higher education, trade unions, the city council, Development Corporations, public agencies and the voluntary sector. The inner city areas are represented through members such as the Moss Side enterprise agency AED, companies from the Business Support Group and the Moss Side and District Tenants' Association. The TEC has four area groups and five special committees (for vocational and youth training, adult unemployed training, enterprise, training for the employed, and equal opportunities).

*Central Manchester Development Corporation*

The Central Manchester Development Corporation has established links with the Chamber, City Council, TEC and the City Action Team for partnership in various projects. An Employment Consultancy Service has been set up with the CAT, City Council and TEC in order to simplify provision of advice and information to small firms: the aim is to help small businesses through what one respondent called a 'maze' of networks and advisory bodies and help firms get the most out of the range of public schemes and grants available. The CMDC has worked with the British Council on the relocation of the latter's headquarters to Manchester, which should create some 500 new jobs; partnership initiatives are being sought to provide training for inner city residents in order to enable them to fill the jobs. CMDC is also involved in various education link schemes.

*Manchester City Council*

The City Council has been strongly opposed to the establishment of the Development Corporations, but has recently adopted a pragmatic approach to the existence of the CMDC; various partnership ventures are in process with the CMDC and the private sector in the city centre. Similar collaborations have been successful in Salford between the Salford Council and the private sector in the development of the Quays area. The Manchester City Council is represented on the area groups and delivery committees of the TEC, on the Moss Side and Hulme Community Development Trust, and is a partner of the Chamber of Commerce in a new initiative for coordination of employment and enterprise projects in East Manchester.

*Business Leadership Team*

A number of leading firms are members of the North West Business Leadership Team (BLT), which has so far concentrated on marketing the region and on lobbying for infrastructural improvements for the whole region (such as road improvements). The Business Support Group in Moss Side and Hulme is linked to the BLT.

*City Action Team and Task Force*

Numerous partnership ventures involve the City Action Team and the Moss Side and Hulme Task Force. The Task Force is working with the Business Support Group and the Moss Side Enterprise Agency

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AED; it has also fostered the new community forum for Moss Side, the Community Development Trust, which brings together representatives of community groups, public bodies and the private sector to plan for local initiatives and provide a focal point for discussion. The City Action Team has worked in partnership with Jarvis Training Management Ltd. on a Home Safety Scheme for East Manchester, which provides a free advice service to households on home safety, security and energy saving.

### *The Flying Start initiative*

Over the past eight years Granada Television and private and public sector partners have sponsored an enterprise competition, 'Flying Start', for small firms located in (or prepared to locate in) the North West. Awards of up to £40,000 are made from a trust fund, plus training through the Business Development Unit of Manchester Business School. The scheme includes production of an excellent information booklet for small firms, giving contact details for all private and public sector agencies offering advice and assistance to companies. This is good practice which deserves emulation elsewhere, particularly in view of the proliferation and complexity of services available to the small firms sector.

## **9.4 Overcoming constraints on good practice**

As in Birmingham and Bristol, there are impressive new developments in Manchester and a ferment of new activity involving the private sector in community action. The partnership approach is well established in the city and there is agreement that progress is being made on a number of fronts in urban renewal. However, there is also wide agreement on a number of problems which place constraints on further development of good practice by the private sector and others in community investment. These obstacles are discussed briefly in this section.

### *Government funding and policy*

As we found elsewhere, respondents from companies and community groups complained about the problems they associated with working with government agencies. There was confusion over the funding system for inner city initiatives and the number of different programmes in urban policy; two senior managers argued for direct

Treasury funding to overcome problems caused by fragmentation of programme funding between departments; there were complaints over what were seen as 'jealousies and in-fighting' between departments and agencies; the lack of core funding and emphasis on project funding were criticised as an example of short-term thinking in a policy area which demanded long-term strategy and risk taking on the part of the public sector as well as business; and there was strong criticism of what was seen as the constant changing of policies and rules in urban programmes, which made it hard for the private sector to plan ahead. These are familiar points by now; the vigour with which they are made must be taken into account if government wishes to maximise the cooperation of the private sector in urban renewal and community investment.

### ***The role of the local authorities***

A further area of political problems is the relationship between Government and local authorities. In Manchester there has been a history of abortive initiatives in fields such as training because of disputes between the City Council and government over the Employment Training scheme and the imposition of the Development Corporations. Such disputes have a discouraging effect on many companies which are seeking a way into partnership ventures. However, there are positive developments to report, in that the City Council has taken a more pragmatic line on collaboration with CMDC recently and is involved in the Manchester TEC. The Council has also become fully involved in the Community Development Trust in Moss Side and Hulme (see section 9.5).

### ***'Cultural' differences in the community***

Another factor in the history of failed initiatives in areas such as Moss Side is the 'cultural gap', as one respondent put it, between the private sector and local community groups, which are likely to be hostile to or at least suspicious of business and public sector interest after years of being left on the margins of the Manchester economy. There are no short cuts to partnership between private, public and community bodies in such cases, and this is fully recognised by Kellogg and its partners in the Business Support Group in Moss Side (see section 9.5). The development of renewal projects in inner city districts will need patience, willingness to experiment and fail, long-term commitment

and above all dialogue with the community rather than imposition of 'solutions'.

Although it is too early to judge the success of the BSG in Moss Side and the new Community Development Trust, the experience to date is widely regarded as encouraging and respondents from all sectors said that there is a genuine sense of trust and partnership emerging after initial suspicion from the multiplicity of community groups as to the motives of the private sector partners and the Task Force. The Moss Side area now has a Business Support Group which connects the area to wider company networks; an enterprise agency backed by major firms; and a Community Development Trust to provide a forum for discussion and coordination between all partners in the area. This 'triad' seems to be highly promising and an effective model for other 'problem areas'. East Manchester needs a similarly coherent approach by partnership bodies: it has a Community Forum which could develop into a focus for coordination and debate as in Moss Side; there is an initiative for economic strategy for the area involving the Chamber of Commerce and the City Council; it now needs to draw in private sector support, and the creation of a Business Support Group for the area deserves to be considered in the light of the Moss Side experience.

Such initiatives involving the community groups fully in partnership would also help to place social regeneration issues higher up the agenda for urban renewal in the city; as in our other cities, the emphasis has been on property-led development to date and there is a lot to do in tackling the social problems which persist in the inner city areas. The establishment of Community Development Trusts as in Moss Side can provide a focus for what is often a highly fragmented set of community groups and voluntary bodies.

### ***Getting more companies involved***

Some respondents noted that the same business leaders tend to appear on most of the partnership boards and committees. This is useful in that it reinforces networking, but is not healthy in the long run if it indicates that a new generation of leaders is not coming forward or that the culture of corporate investment in the community is not attracting new firms. In particular small and medium firms tend not to be invited into networks and partnerships, and more effort should go into drawing them in: the TEC may well be successful in this respect,

and the BSG model could accommodate small firms as well as large employers. Recruitment of new leaders and new companies could be assisted by establishment of a Common Purpose scheme for Manchester, and of a local Per Cent Club; both could be affiliated to the TEC to ensure integration into the mainstream local business networks.

### ***Coordination and information***

As in the other cities, respondents from all sectors bemoaned what they saw as the chaotic proliferation of initiatives in recent years in the city and the absence of a city-wide forum to 'pull it all together'. One civil servant wondered how any firms found their way through the 'maze' of business advice services; a chief executive estimated that there were some 80 sources of funding for different forms of urban regeneration in Manchester, and said that TEC member firms were 'bewildered and horrified' by the number of new organisations set up locally in recent years. The last thing needed was more networks, he thought. Others expressed puzzlement over the North West Business Leadership Team, seen as a 'mysterious' or 'remote' body with no clear role.

To some extent the confusions over lack of coordination of activities and information flows are inevitable given the newness of many ventures, such as the TEC, BSG and the Development Corporation. However, there are mixed views over the need for an overall strategic forum that can act as a lead body for referring enquiries in relation to business action in the community, whether from firms or from voluntary groups; that can pull together information sources (the CMDC's initiative on employment consultancy with the TEC and CAT is a promising development in this respect); and that can address itself to the full range of regeneration issues, social as well as infrastructural and economic. Some see a gap needing to be filled by a strategic forum; but we have also heard the strongly expressed view that yet another body – for instance a Manchester Business Leadership Team – would simply 'get people's backs up' and compete with existing bodies and the informal networks which bring all the private and public sectors leaders together.

If there is a gap, it has been filled in part at least by the TEC, which has involved all relevant sectors. There may be a case for providing a more formalised occasional forum for representatives from the

Chamber, TEC, individual firms, higher education, voluntary sector, City Council and Development Corporations to discuss issues not covered by the TEC – principally infrastructural issues and social regeneration initiatives relating to the inner city areas. Given the effective informal networking which appears to take place already and the existence of a regional BLT for the North West, it is unlikely that there is any place for a Manchester BLT on the model of the Bristol Initiative (see section 7.5 above), which would compete for resources and ownership of projects. However, a more formalised system for meetings of key local actors on infrastructural and social questions in which there is common interest may be useful. This could provide a clear focus for businesses and other groups and could simplify the city's networking and information flows in relation to partnership initiatives.

## **9.5 Selected case studies**

### ***The Kellogg Company***

Kellogg has had its UK headquarters in Trafford Park for half a century, and is a major employer in Manchester. The company has developed a substantial programme of community investment over the last ten years and is now widely regarded as an example of good practice by other companies and agencies from the public and voluntary sector in the city.

Before the early 1980s the company's level of community activity was relatively low: there was a charitable donations budget of around £10,000 in 1980. The impetus for change came in the early 1980s from the then Chairman and Company Secretary. The decision was made to increase the level of donations and to develop a policy for community investment in order to target resources effectively and set priorities among the enormous number of requests for support received. Other factors in the growth of Kellogg's programme were desire for long-term revival of the inner city economy; concern over the effect on the workforce of working in a depressed area; and concern over the physical and economic decline of inner city areas in the early 1980s recession, in particular of Trafford Park itself: heavy industry declined, many jobs were lost and large areas of land fell into dereliction.

Policy has developed considerably over the past decade. The company's aim to be a 'socially responsible' corporate citizen is set

out in a Mission Statement prepared in the early 1980s, and the range of activities in which the firm is involved has expanded. There has been a shift from an emphasis on charitable donations to community investment in a broad sense, and the budget for community support has grown very substantially. The budget for UK community investment in 1990 was around £610,000, representing 1 per cent of pre-tax profits (Kellogg was a founder member of the national Per Cent Club). In 1989 over 300 charitable donations were made amounting to £345,000; additional spending on other forms of community investment brought the total expenditure to £574,000.

Policy is implemented by the Corporate Affairs department, which also embraces government relations and public affairs. There is a 'donations committee' which is chaired by the manager of Corporate Affairs, who processes requests for support. Increasingly, the policy is to target resources on 'community economic regeneration' within the North West generally and the inner city in Manchester in particular. There is also an emphasis on welfare, education, health and environmental regeneration. Some two-thirds of total community support is focussed on the North West, with the remainder spread nationwide. Setting priorities is crucial: 'It is very easy to give money away; it is more difficult to make it truly effective'. The guiding strategy in relation to inner city renewal in Manchester is to help develop new economic opportunities in areas such as Trafford Park and equip unemployed residents of districts such as Moss Side and Hulme to take up new jobs created by revival and by demographic pressures on employers. A key element of the overall approach is to seek partners from the private and public sector ('two plus two can equal five') and to work in collaboration with community groups, not impose solutions.

Forms of community involvement other than donations include:

- partnership with private and public sector bodies in the regeneration of Trafford Park, and a leading role in the area's Major Manufacturers' Group and Industrial Council (TRAFIC);
- provision of facilities (for example, hosting of an annual Wheelchair Marathon around Trafford Park);
- involvement in school-industry links, for example local COMPACT schemes, short placements for teachers, provision of time for employees to serve as school governors;

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- work experience placements and chairing Fullemploy Group's local board in the Manchester area;
- involvement of staff on boards of enterprise agencies (for instance in Moss Side), the Manchester TEC, local and regional business groupings and voluntary agencies;
- a leading role in the Moss Side and Hulme Business Support Group (see below) and in various initiatives in the district, such as investment with the Task Force in a new grocery store for Hulme;
- matching of funds raised by employees for charitable causes.

Full-time secondments are not provided, since the workforce is kept 'lean'. Local suppliers are welcomed but there is no formal policy on local purchasing within the overall framework for community involvement.

### *Messages on good practice*

Kellogg's role in Moss Side and Hulme goes back to 1985 when it was involved in development of the Fullemploy initiative in the area. There have been many difficulties in achieving mutual understanding with community groups in the district, but since 1989 there seems to have been significant progress with the setting up of the Business Support Group under Kellogg's leadership and the development of the local Community Development Trust. The involvement of Kellogg in Moss Side and Hulme is a good example of how a company can make a significant contribution to renewal in a highly disadvantaged area through a long-term commitment to support, partnership with public agencies, a catalytic role in bringing in other firms, and dialogue with members of the local community. The company's experience also shows how firms can build up programmes for community investment from a low base, given commitment from senior management and a clear policy framework for setting priorities for action and targeting local needs.

### ***Moss Side and Hulme Business Support Group (BSG)***

As noted above, Moss Side and Hulme is a severely disadvantaged area of the Manchester inner city, with very high levels of unemployment, especially among the young black population, poor housing, low skill levels and many other social problems. For years the area has been on the margins of the Manchester economy and has been starved of private sector interest and investment, with a few

exceptions such as Scottish and Newcastle Breweries' development in the centre of the district. During the 1980s there were several largely unsuccessful attempts to get companies and voluntary agencies involved in the area: these foundered because of poor communications, lack of adequate resources and commitment to long-term action, fragmentation among community groups, and suspicion and hostility among community bodies towards private sector companies which hitherto had shown no interest in the district. In the late 1980s the area was given a government Task Force, which also encountered many of these difficulties.

Following the successes in renewal of the Trafford Park area, in which it had been closely involved, the Kellogg Company, which had previously been active independently in Moss Side, decided to take the lead in setting up a partnership venture in the district which would provide some coordinated activity between the private and public sectors. In 1989 Kellogg, assisted by Business in the Community, established the BSG as a spin-off from the North West Business Leadership Team. Leading locally based companies were approached and there are now 13 members:

Kellogg; British Telecom; Barclays Bank; Co-operative Bank; Laing North West; Price Waterhouse; 3M; Whitbread; Royal Mail; Norweb; Royal Brewery; Amec ; and Manchester Business School.

The BSG was launched by the Prince of Wales in Moss Side in September 1989. The aims of the BSG are set out in its Initial Charter (see below). The group seeks to focus private sector support for the regeneration of the area, work in partnership with public agencies and the community, and work to improve the employment prospects of residents. The companies involved all see their participation not only in terms of social responsibility but also in terms of long range benefits to their businesses from increased prosperity, social stability and recruitment potential. The support to be provided includes professional expertise and advice, secondments, equipment and furniture, loans, sponsorship, access to facilities and training ventures such as customised programmes. Three BSG members are on the board of the local enterprise agency AED, which focusses especially on the ethnic minority communities in the area.

A key element in the BSG's approach is the emphasis on partnership. The BSG's first concrete venture has been to work with the Task Force, Business in the Community and local community

### *Profitable partnerships*

groups to set up a new Community Development Trust (CDT). This was established in 1989, with core funding from the Task Force, and is now chaired by a member of the local community. The aim of the CDT is to provide a forum for discussion between all parties on initiatives for regeneration, and to bring disparate community groups together. There are four private sector trustees from the BSG firms, who sit alongside eight trustees elected from the local community; and there are two members from the City Council. The CDT should prove to be the focus for liaison between the district and outside bodies such as the TEC and Central Manchester and Trafford Park Development Corporations, and is now seeking to identify projects for private sector involvement in fields such as job links, priority hiring, customised training and transfer of management skills. BSG members are contributing time and resources to assist the development of the CDT – for instance in provision of computer equipment and training in its use, accountancy advice, selection of staff, consultancy on business planning and advice on management. They also participate in CDT initiatives such as job interview guarantee schemes and customised training projects, and have a key role as catalysts in attracting further business support.

In addition to their support for the CDT, members of the BSG have raised significant private sector cash contributions to supplement public grants towards the capital costs of refurbishing a listed building on the border of Hulme and Moss Side. This building is to become the Nia Centre for African and Caribbean Culture in the North West, owned by the local community. The members of the BSG see this centre as ‘a vital catalyst in changing the image of the area, crucial to sustainable economic and social regeneration’.

### *Messages on good practice*

Although there have been many problems on the way to establishing the BSG and the CDT, and although it is obviously too early to gauge the success of the ventures, respondents from all parties agree that the BSG and its support for the Trust are among the most promising developments on the urban renewal scene in Manchester. The companies involved have committed themselves to a partnership approach and to long-term action, and have evidently succeeded in overcoming much of the inevitable initial suspicion and scepticism which met the new venture. The BSG appears to work effectively in

harnessing the specific skills and expertise of member firms for supporting the CDT. The combination of a business support group, which links the community to wider business networks, and a community development trust, which acts as a partnership forum for private, public and above all community participants, would seem to be a model worth emulating elsewhere in Manchester (for instance in East Manchester) and in inner city districts in other parts of the country. Finally, the partnership approach and the development of a charter for the BSG (see below) have contributed to the integration of community investment in the member firms' mainstream business.

### **Moss Side and Hulme Business Support Group – Charter**

In October 1989 the Group adopted the following Charter which sets out its objectives:

The aim is to assist in the economic and social regeneration of the Moss Side and Hulme and immediately surrounding areas of Manchester. To do this the Business Support Group (BSG) will:

1. work in partnership with any other agencies or organisations committed to the regeneration of the area. However, it will remain independent of any one interest group and will set its own priorities and targets;
2. assist, where possible, in the analysis of problems and opportunities in the area and in the development of strategies to tackle these issues;
3. encourage and assist in the growth of existing and new economic development initiatives in the area by providing support such as professional expertise and advice, equipment, secondees, finance, sponsorship, access to facilities, premises and any other available and appropriate means. In particular, it will seek to support long-term, income generating initiatives;
4. seek to increase employment opportunities for residents of the area, e.g. through targeted recruitment, 'open door' employment policies, support for and provision of training;

5. support the development of enterprise in the area, e.g. through local purchasing, soft loans, support for business advice agencies, provision of workspace;
6. seek to improve the image of the area within the business community in Greater Manchester and other areas;
7. encourage investment in the area and seek to attract new resources to the area in support of the regeneration effort;
8. at all times seek to work in cooperation with residents of the area;
9. maintain an overview of business involvement in the area, help advise other companies on effective ways to become involved in the area and act as a focus for other bodies seeking private sector support.

To achieve these objectives, member companies will:

1. endorse the aims and objectives of the BSG at the most senior level within the company;
2. establish a Working Group of senior individuals which will undertake the necessary actions in pursuit of their objectives;
3. make a commitment of resources to be deployed in pursuit of the objectives;
4. meet 4 times a year, or more frequently if necessary, to review progress and agree a strategy for future action;
5. seek to develop and implement a long-term rolling strategy for the regeneration of the area in partnership with the community and the public sector.

***Caring for communities: why companies get involved***

Communities sustain business by providing employees, customers and suppliers. Therefore, if business is to be successful, companies must have a vested interest in encouraging the economic and social vitality of the communities in which they operate.

The members of the Moss Side and Hulme Business Support Group wish to participate in and contribute towards the economic and social regeneration of the area, not only as an expression of altruism, but also because they recognise that community involvement benefits business in many important ways.

Active involvement with education and training programmes helps companies develop a quality, skilled local workforce as well as improving job prospects for unemployed people, members of minority ethnic groups and women.

- Supporting the growth of small and developing businesses benefits the entire commercial sector by stimulating local market growth, widening the supplier base, attracting new investments and increasing social stability.
- Creating goodwill for companies among employees, customers, shareholders, legislators and influential opinion-formers.

By formalising their commitment in mission statements and boardroom policies supported by senior management, members of the Business Support Group have ensured that community involvement is a central feature of their mainstream business activity. These business leaders recognise that supporting economic regeneration is a fundamental prerequisite for sustained commercial success in the 1990s.