

City Fringe Partnership

Innovative private-public partnership to deliver economic development in east London through supporting business development.



Who is involved?

The City Fringe Partnership (CFP) was established in 1996 by the London boroughs of Hackney, Islington and Tower Hamlets, and the Corporation of London. LB Camden joined in 1998. The CFP is an unincorporated partnership that now includes the membership of the London Development Agency (LDA), two statutory bodies – the Learning Skills Council and the Business Link for London – and five partners from the business community.

Karianne Gaede is the chair. Karianne is a Vice President of Deutsche Bank.. The employing agency is the Corporation of London. The 5 LAs and the LDA have signed a Joint Venture Agreement for the Partnership. The CFP has seven full-time employees who generate ideas, make recommendations to the LDA, monitor and evaluate existing projects run by contractors for the LDA. and disseminate best practice from its analysis.

City Fringe is an area of inner London bordering the northern and eastern boundaries of the City of London, the 'square mile'. It is an area with significant problems and high levels of social disadvantage amongst its diverse residents. It has some of the worst social exclusion in the country, with high levels of economic inactivity, unemployment and deprivation. However, it also offers tremendous opportunities: It is an area of significant, concentrated economic activity with a thriving enterprise culture and potential to generate more growth.

The CFP has the vision to build an area of thriving competitive industries and an area whose residents prosper from the success of the region. It aims to support and maintain a diverse economic base, a diverse residential base and diversity in employment.

Approach to CSR

"The CFP does not have a specific approach to CSR as it is not seen as an add-on" said Sarah Purvis the business development manager. "We are about new ways of working through partnership to promote economic growth for local business; this involves various aspects of CSR".

These aspects include stakeholder involvement and engagement in particular, ensuring that businesses are integrated into the design and delivery of projects set up to either train people to get jobs with them or help devise business support projects to make their business more competitive, the promotion of good governance through transparency and accountability through a diverse board, stimulating local sourcing and environmental regeneration. The CFP can influence the design of projects to ensure CSR is featured in a way that will deliver our aims.

The drivers

The CFP was established initially to bridge the gap between the wealth of the city the poverty in its fringes. The main drivers for the future of the CFP is the desire to focus on the competitive advantage and the potential of inner city areas rather than the social disadvantages. The development of government strategies with related funding opportunities has been a key driver as they have placed enterprise and business at the heart of regeneration. Today these strategies have cumulated in the City Growth Strategy (CGS) for which the City Fringe is a pilot area. The CGS builds on the American experience pioneered by the business guru Professor Michael Porter at Harvard Business School.

The initiative

The CFP initial programme 'Revitalising the City Fringe' was funded by the Single Regeneration Budget 2 Programme which was succeeded by the SRB 4 Programme 'Bridging the Gap'. The CFP has evolved and responded to latest UK Government thinking and is currently engaged in the Government's CGS. This case study focuses on the 'Bridging the Gap' programme and shows how the current CGS is building on this work.

'Bridging the Gap' ran over 5 years, 1998 -2003, funded with an £8 million SRB grant that was used to support a wide range of imaginative projects designed to bridge the gap between the wealth of the City and the deprivation of the communities on its borders. Over a 100 separate projects were supported, many specifically directed at developing small business sectors and at overcoming the disadvantage experienced by City Fringe residents through unemployment and lack of qualifications. Funding from the partnership has also helped to lever significant additional funding from public and private sources, so increasing the cumulative impact on the City Fringe area and acting as a catalyst in tackling barriers to growth and maximising benefits for local communities.

'Bridging the Gap' had four programmes:

- City bridges enhanced the skills, motivation and employment prospects of local people, especially the young and disadvantaged, to enable them to compete for jobs in the City and the City Fringe and to promote equality of opportunity in the job market;
- Confident communities fostered stronger, more self-assured neighbourhoods via estate safety schemes and projects to enhance young people's educational opportunities and life skills;
- Managing the impact aimed to gain benefit for local people and businesses from the City's physical expansion into the City Fringe by working with developers, planning authorities and community groups;
- Thriving industries assisted local small businesses, especially creative and City support industries, to improve their competitiveness through specialist advice, access to affordable workspace and environmental improvements.

Examples of initiatives with the Thriving industries programme include the environmental regeneration of Hoxton Street Market aimed at making the street a more attractive place to shop. The Hoxton Trust administered and managed this regeneration project. It started with extensive consultations with the local community including market traders, local businesses, residents and school children on how to enhance the prosperity of Hoxton Street's traders and of the local community. As a result, the street received a facelift that included a new arched sign, attractive signposts, new street furniture and sculptures with the effect that the street was 're-branded'. At the same time local retailers improved their shop fronts so completing the transformation. With these improvements came a change in attitudes as business became more receptive to business support programmes: a website was set up to advertise the market and retailers, a map of the street and its surroundings was produced and London Underground advertising and street entertainers attracted visitors in the crucial pre-Christmas shopping period.

Another example of the Thriving industries programme included support to traditional crafts and design businesses, like jewellery makers in Hatton Garden area. The CFP has enabled the Clerkenwell Green Association to develop a range of support services designed specifically to meet their business needs – courses on marketing and public relations, accounts and cash flow, IT, and longer-term business development. The Association's Pennybank Chambers, where the courses are run, also provides showcase space where local designer-craftspeople can display their work.

The SRB 4 funding programme ended in March 2003 but much of the Bridging the Gap programme has been absorbed into the CFP's City Growth Strategy. The strategy has a cluster development approach looking at supporting business through competitive strategies. CFP are looking at a range of supply chains e.g. fashion and jewellery so building on the 'Bridging the Gap' programme. Ideas and support are given to those industries in the production, distribution and retail areas of the supply chain. The CFP have taken an issue based approach. For example workspace, by interviewing over 100

business they have built an understanding of the supply and demand for workspace this has resulting in leveraging £4.5 million from the LDA to fund premises to house over 50 local fashion companies.

Challenges

The greatest challenge has been to understand the current situation of the industries the strategies are trying to help. An absence of real data on which to base ideas has proved to be a challenge, as has trying to understand the dynamics in an area where 75% of business employs less than five people. This has been overcome by taking an issue based approach which has involved consultation and business involvement.

Benefits

The CFP have helped business express and address their needs in their own terms by being a catalyst for change, enabling them to articulate their business aspirations and provide support for essential things such as training and workspace. This has resulted in leveraging funding for a variety of industries, e.g. in partnership with the London Metropolitan University a new workspace facility in Whitechapel for product design, digital manufacturing and furniture industries. Funding of £2 million has also been used to train local people in a variety of industries including, creative industries, manufacturing, the green economy e.g. waste management and recycling, and financial industry.

A review of the CFP programme over 1998-2003 revealed, amongst others:

- £25.2 million additional public sector spending
- £53 million additional private-sector spending
- 550 new jobs were created
- 8,500 pupils benefited through improved attainment
- 2,400 people obtained qualifications
- 3,560 City Fringe residents were assisted into employment
- 1,600 previously unemployed people were given training and obtained permanent jobs
- 150 new business were established and 2,200 existing businesses received support and advice
- 1,100 people took up voluntary

Why is it CSR?

The CFP activities support both the workplace – training and development - and community through local employment initiatives for the regeneration of the area. There are no CSR activities per se but the partnership promotes shared responsibility both internally and externally through outreach with the business through good neighbour programmes and visual impact/environmental improvements. The

governance exhibited by the CFP also demonstrates CSR both through stakeholder engagement and involvement.

What next?

The CFP aim to make the projects they support more sustainable, through establishing social enterprises business models and mainstreaming activity. The Partnership will be negotiating a further 2/3 year contract to continue its work whilst exploring ways of engaging business to invest in the aims of the Partnership.

For more information

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