

LOCAL GOVERNMENT AND REGENERATION COMMITTEE
PUBLIC SECTOR REFORM AND LOCAL GOVERNMENT
SUBMISSION FROM THE FEDERATION OF SMALL BUSINESSES (FSB)
SCOTLAND

FSB Scotland and Community Planning

Further to our recent conversation, I agreed to send you some more details on the F5B's thoughts on Community Planning (CP).

Our comments are informed both by the recent Audit Scotland report on Economic Development work of Community Planning Partnerships (CPPs) and the feedback of FSB representatives who have participated in the Community Planning process. The feedback from our representatives often relates to economic themed sub-groups, as opposed to the wider Partnership, however it provides a flavour of the experience of businesses in Community Planning.

Background

The FSB has engaged in the development of Community Planning and has encouraged members to get involved at local level. Private sector input was originally via the Local Economic Forums (LEFs). To some extent then, most local businesses would be involved at a level 'below' the CPP. The experience of FSB members on LEFs was mixed. The different boundaries between LEFs and CPPs were a difficulty because many local businesses were primarily interested in their council area, as opposed to the wider regional remit of IEFs. Our members reported IEFs being (understandably) dominated by local authorities and local enterprise networks but often with limited serious input from elected members. Where this arose, it led business representatives to question the value placed on such meetings by councils and consequently, the extent to which their input was valued.

Since 2007 different groups and approaches have emerged, meaning that each council can decide what kind of structure for engaging on economic aspects of CP works best. Again, where the FSB has representatives involved in the process, their experience is mixed.

Feedback from FSB representatives

1. Culture of Meetings

A frequently-cited complaint is that meetings are simply taking place to inform attendees about ongoing work of the local authority (or other public sector organisation), or to rubber-stamp decisions already taken in principle. Businesses

have often complained that they feel they are contributing little, with limited tangible output from meetings.

This could be inevitable where small businesses representatives are often the only non-service providers and 'volunteers' at the table. Nevertheless, the sheer time it takes to absorb paperwork and attend meetings makes it difficult for small businesses to participate.

This may be why some local authorities struggle to get business input, beyond the involvement of the usual suspects (often a key employer, usually a larger business). Breaking out of the traditional governance approach of meetings and looking at different methods of participation is key to engaging with businesses.

2. Wider Engagement

Whether or not they are not involved in specific economic-themed groups, FSB representatives are sometimes invited to wider CPP events. For example, discussion events open to many different communities of interest, with a large number of participants. In very general terms, our representatives report concerns that such meetings are too large and unfocused to be of interest to business representatives.

3. The SOA Process

The Single Outcome Agreement process could be seen to have focused the work of CPPs and some feedback suggests this has happened. However the Audit Scotland report highlights some of the weaknesses about the analysis underlying economic indicators in SOAs. Other comments from our representatives highlight concerns that the SOA has become an end in itself. This means that too much effort and discussion is focused on demonstrating progress with the SOA and reporting on this, rather than tackling the priorities outlined in the SOA.

Conclusion

The need to improve economic and employment outcomes is a priority at both national and local level. With Scotland's small businesses responsible for around a third of private sector employment, they should have a crucial role to play in CP.

While our feedback cannot be seen as a comprehensive view of business engagement in CP, it does suggest that the input of businesses could be improved and highlights, for example, that good intentions have been consumed in meetings and progress reports. Far from being unwilling to engage, experience with Business Improvement Districts in Scotland suggests that businesses are willing to get involved locally (perhaps there is a clearer sense of the role businesses can play in developing and influencing services and priorities).

The FSB recognises the benefits of the CP process but the experience of our representatives at community level is varied. Such feedback may suggest that CP is not yet fulfilling its potential across Scotland. We look forward to further development of the CP process and ensuring the participation of local businesses.

FSB Scotland
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