

ANCHOR NETWORKS IN PRACTICE

“why?” to “how?”



This is the first in a series of case studies exploring the mechanisms for anchor institution networks to deliver on their aspiration to create and reinforce local economic ties.

Here, Conrad Parke (Birmingham Anchor Network Coordinator) explores the mechanisms of turning buy in into action.

Getting buy in for a new anchor institution network is rarely a problem. After all, why would any institution's chief executive turn down the offer to be a part of something that will help them to employ local people and support local businesses. The real difficulty is turning that buy in into action. To this end there are (at least) two main problems:

1. Strategy fatigue

Too often, the lengthy processes involved in devising and writing comprehensive multi organisational strategies can kill the initial momentum of the idea it seeks to service. Similarly, a strategy that is too broad can dilute impact, as it seeks to “do all things for all people”.

2. I got 99 problems but the anchor network ain't one

In most cases it is not the people who sign up to an anchor network who have to turn membership into action. This responsibility frequently lands on the desk of officers who already have 100 other problems to manage. In other words, being in an anchor network is making their life harder, not easier which runs the risk of making them “progress-stoppers”.

In the Birmingham Anchor Network we have tried to overcome these two problems by adopting a “specific action” led approach, as opposed to strategy led, with those actions aimed at solving problems for institutions rather than creating more work for them.

Case study: From hospitality to health

Problem

When I took up my role as the Co-ordinator of the Birmingham Anchor Network, I met with senior managers from each of the seven participating institutions. One of the questions I asked them was “what problem can the Birmingham Anchor Network solve for you?”

For the University Hospitals Birmingham NHS Trust the problem was staffing shortages at all levels of the organisation, particularly in the face of a second wave of Covid-19 and forecast winter pressures.

For Pioneer Housing Group the problem was the threat of redundancy for many of their tenants because of the impact Covid-19 was having on certain sectors, particularly hospitality. There was an obvious match to be made. The problem was that the employment team at the Trust were unfamiliar with delivering targeted neighbourhood based recruitment, while the employment team at Pioneer were unfamiliar with the language, processes, pathways etc required for entering the NHS.

Solution

The two institutions are now working together on a “hospitality to health” project, combining their strengths and experience to deliver pre-employment courses for the NHS in the Pioneer neighbourhood. The scheme just welcomed its first 10 participants.

While helping 10 people may not sound like a lot in the current crisis, the benefit of adopting this “specific action” approach is that it is already leading to other changes. For example:

- The Trust is now reviewing its whole employment process to make it easier for people to switch careers into NHS roles.
- Pioneer Housing Group are now adopting this partnership approach to work with three other major employers in Birmingham for the benefit of their tenants.

By moving from a strategy approach of “why we should help” to the specificities of “how we can help”, the Anchor Network in Birmingham has created a strong pathway towards economic recovery that serves some of the most vulnerable in the city. And crucially, it serves to highlight that progressive change is contingent not just on the strong intent of local leaders but also on the presence of people on the ground who can knit things together and drive the exchange of knowledge and practice for greater social, economic and environmental good.

Further information can be found in the how-to guide for Growing Anchor Institution Networks in Place, published by the Centre for Local Economic Strategies (CLES) in December 2020.

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www.cles.org.uk | @CLEStinkdo



ONE IDEA, MANY OPTIONS



This is the third in a series of case studies exploring the mechanisms for anchor institution networks to deliver on their aspiration to create and reinforce local economic ties.

Here, Conrad Parke (Birmingham Anchor Network Coordinator) explores the process of translating the principles into practice and the different models employed for establishing a network by two neighbouring places in the West Midlands.

The concept of anchor institution networks has taken hold across many areas of the UK, with a number of places either having launched a network or in the process of developing one. But what are the essential components of a successful anchor institution network? And how adaptable are those components to local circumstances?

To investigate these questions I am going to explore two different approaches, in two places that I have been working with: Birmingham and Sandwell.

Although near neighbours, the two areas have been on starkly differing journeys to formulate their anchor institution networks, which can be best appreciated by considering the following “components” of their approaches:

- Establishment
- Membership
- Leadership and governance structure

Case study: Comparing Birmingham and Sandwell

Birmingham

Context

Birmingham is home to 1.1 million people, has the largest urban local authority in the UK and the second biggest economy. There are five universities, multiple hospitals and a myriad of other organisations that can be classified as anchor institutions.

Establishment

While these factors might look like an advantage when setting up a network, the scale itself presented challenging questions. How to scope all of the potential institutions? Which of those should be invited to join a network? How should a network be led? It should be noted at this point that the process for developing an anchor institution network in Birmingham was led by the Barrow Cadbury Trust, who drew on their twin interests in the city and social justice to fund CLES to undertake an initial scoping exercise.

Membership

This exercise identified 42 potential members (identified as organisations based in the city, which were non-private sector, had over 250 employees and over £5m annual turnover). Contacting these organisations to explain the work and ask for their input resulted in a self-selecting list of seven institutions for the initial launch of the Birmingham Anchor Network in September 2019. This membership has been capped at seven while the Network gets established.

Leadership and governance structure

Leadership responsibility is shared equally between the Network's member organisations. Decision making is conducted through a tiered structure:

- A leadership group, of the most senior managers, meets annually
- A co-ordination group meets bi-monthly
- Thematic working groups meet as required to progress identified projects

Sandwell

Context

Sandwell is home to 330,000 people. It is the 31st largest English district by population and 71st in Sandwell and the hospital trust that serves the area is shared with West Birmingham.

Establishment

In light of the above Sandwell would appear to face a bigger challenge than Birmingham in

terms of willing partners to establish an anchor institution network. However, Sandwell has, in fact, been able to turn this into an advantage in a number of ways. Notably, the lack of other "front-runners" enabled Sandwell Council to take the lead in setting up an anchor institution network for the district. In doing so, Sandwell have been able to bypass the complex processes of gaining buy in from multiple partners with differing agendas, resulting in a far shorter lead-in time from conception to establishment of the Sandwell Anchor Network.

Membership

The relative low numbers of anchor institutions in Sandwell meant that it was far easier for initial invitees to the network to be identified. Similarly, this has allowed a broader criteria for membership to be applied – including the private sector and valuable delivery partners such as the Department for Work and Pensions and the Sandwell Voluntary Service Council.

Leadership and governance structure

The Sandwell Network is led by the multi-agency Sandwell Community Wealth Building and Resilience Board. The Board commissions workshops aimed at developing solutions for specific priority issues. Network partners then form working groups to deliver those solutions.

For those who are considering building a new network the key steps for getting started are clear but – a word of warning – don't get trapped into thinking there is only one way of going about it: experience suggests that there is significant flexibility in terms of how those steps can be interpreted at a local level.

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ANCHOR NETWORK SUPPLY CHAIN HUB

A proposal



This is the third in a series of case studies exploring the mechanisms for anchor institution networks to deliver on their aspiration to create and reinforce local economic ties. It details the thinking behind a proposal to create a supply chain hub to service the Birmingham Anchor Network.

Here, Conrad Parke (Birmingham Anchor Network Coordinator) gives us more detail on the project, the logic underlying the approach and the process by which the concept has been developed.

The challenge

For the past six months the procurement leads from the seven Birmingham Anchor Network partners have been sharing ideas as to how they can use procurement opportunities to increase their contribution to the Birmingham economy, particularly by engaging socially generative SMEs and micro businesses.

However, this process has identified a number of obstacles:

- The Anchor Network partners operate at very different levels of procurement value and scale. For example, Birmingham City Council spend £1.2bn annually on procurement and contracts, whereas the two housing association partners in the network spend closer to £6m.
- Different levels of procurement require different solutions for ensuring contracts awarded yield the most social value possible.
- Some Anchor Network partners are already subscribed to their own national procurement frameworks.
- Anchor Network partners have limited resources available to support greater local procurement.

- The Network partners do not know the potential Birmingham based businesses they would like to contract with.
- When an Anchor Network partner does identify a local business that would fulfil the criteria for adding social value to their contract, that business frequently does not have the necessary experience or knowledge to successfully tender for the opportunity.
- Some larger businesses have learnt how to “game” the procurement system, so they can win contracts without necessarily delivering the desired social value outcomes.

The opportunity

A common opportunity identified across all of the Anchor Network partners is sub £25k contracts/orders. Compared to larger contracts, these offer greater flexibility, in terms of using the procurement process to create successful tender opportunities for Birmingham based SMEs. For example, if a contract requires three quotes and if all of these come from socially generative, Birmingham-based SMEs, then a positive procurement outcome is guaranteed.

Small contracts also add value by:

- Providing more significant cashflow for smaller businesses than for larger organisations;
- Providing a low risk opportunity for anchor institutions to try out new suppliers;
- Helping small businesses get established in supply chains and be in a position to win further work;
- Providing a stepping-stone onto national frameworks and larger contracts.

In terms of the scale of opportunity here, one Birmingham Anchor Network partner, The University of Birmingham, has identified £75m of annual spend in sub £25k contracts/orders. Extrapolating that across all of the Birmingham Anchor Network partners results in a potential joint spend of £600m per year.

Alternatively, viewing this opportunity nationally, there are approximately 30 universities of the same scale as The University of Birmingham in the UK – that's £2.25bn of annual spend that could be redirected towards socially generative SMEs. Now, obviously, not all of this sub £25k procurement is going to be appropriate for local spend but, nevertheless, the scale of the prize on offer here is significant.

It is, however, recognised that this opportunity is unlikely to be realised with the current resources available to Anchor Network partners. Similarly, a lot of work still needs to be done to develop the sectors where this sub £25k spend is going.

The proposal

To address this gap in resource, the Birmingham Anchor Network are now exploring mechanisms to fund and pilot a dedicated supply chain hub that can be an active “bridge” between the Network partners and Birmingham based SMEs.

The hub will be delivered by Birmingham organisations who have the knowledge and experience of working with socially generative SMEs and would:

- Identify local SMEs that have the potential to add social value to an anchor network supply chain opportunity (i.e. businesses that pay the living wage, that look to maximise social impact, and in other words, have a social purpose);
- Accredit the social value generated by businesses;
- Develop the capacity of those SMEs to successfully tender for and deliver Anchor Network supply chain opportunities;
- Provide an efficient and accessible way for anchor institutions to invite tenders from socially generative Birmingham-based SMEs
- Conduct ongoing evaluation of the impact of the hub.

This proposal is in the early stages of development. However, it has support from all seven Birmingham Anchor Network procurement leads and potential delivery agencies. Funding for a two year pilot is now being sought with a hub currently expected to open in September 2021.

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SERENDIPITY DOESN'T HAVE TO BE LEFT TO CHANCE



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Here, Conrad Parke (Birmingham Anchor Network Coordinator) discovers that what sometimes looks like serendipity is really intent.

On Friday 11th December, the final Birmingham Anchor Network co-ordination group meeting of 2020 took place. As this turbulent year draws to a close our main agenda item was the agreement of the Network's priorities for 2021.

However, I think because of the proximity to Christmas, a number of the usual attendees (who are either Chief Exec or director level) had to send replacements who, in the main, were more operationally focussed.

This change in participants led to a change in the nature of the meeting – to the point whereby about half-way through our allocated time I realised I had somewhat lost control of the agenda. Instead of long-term planning, the discussion had become far more focused on “here and now” opportunities. As one person spoke about the priorities for their institution almost inevitably a second person would chime in with a comment along the lines of “well, if you want to do that, we are already doing this. So why don't we work together?”.

Since the close of the meeting, less than seven days ago, five action-led proposals and ideas for future work have been brought forward:

- A housing association and the hospital have agreed to roll out the “Hospitality to Health” project to a new neighbourhood, this time with the added possibility of linking it to a supported housing scheme for those whose employability is being undermined by home circumstances or insecure housing.
- Multiple partners have agreed to work with Birmingham's Commonwealth Games team to create a legacy project for the Commonwealth Games employment initiatives and for the local businesses currently being supported to win work in the Games' supply chain.
- One of the universities, concerned about the impact of Covid-19 on graduate unemployment, are leading a conversation about graduate placement programmes with all partners recognising more could be done to co-ordinate this work so that greater value is created for all parties involved.

- Similarly, all the employment leads present recognised the number of youth employment initiatives currently underway, or soon to be underway, (YPP, Kickstart, Get Started) and that more could be done by working together to utilise these resources to create permanent employment pathways for the partners that last far longer than the initiatives themselves
- Led by the Hospital, the meeting recognised that the joint apprenticeship levy for the Anchor Network (approximately £6m per annum) could be used more effectively and that there were options now available, such as levy transfer, that the Network could help facilitate. For example, the business growth hub at one of the universities would help transfer unspent levy to small businesses that might not otherwise consider an apprentice.

What this emphasises is that progress and impact for an Anchor Network does not always have to be through doing something “new”, instead progress can be made and genuine value added by simply joining up more effectively what is already there.

“these apparently serendipitous conversations are too important to be left to chance”

When we consider that all of these programmes of work are employment based, the record levels of redundancies already recorded in this year and the fact that the number of unemployed people in the UK is expected to surge to 2.6 million by mid-2021, it becomes clear that these apparently serendipitous conversations are too important to be left to chance. This is the power of anchor institution networks – the weight of combined resources coupled to an embedded commitment to the communities they serve – is true intent, not serendipity, that changes lives.

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