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Via Voltapaletto, 11 – 44100 Ferrara

Quaderno n. 27/2008

November 2008

On the role of local governments
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Abstract

An extensive body of recent literature has focused on partnerships between the public, private and voluntary sectors. But the existent theoretical and empirical literature does not provide conclusive answers to crucial questions: are partnerships up to expectations? Are they effective? Further, how can successful partnerships be built at the local level? And finally, is there a role for local government? The paper attempts to shed light on these issues using evidence from a case study of one city – Birmingham, England – where partnerships in local economic development have been a focal theme in the local policy discourse and practice for many years.

Drawing from the outcomes of a survey of Birmingham service sector businesses, the paper shows that a local government could foster a trustful local climate which in turn positively impacted on local collaboration for economic development. The businesses that responded to the survey were generally supportive of the city council initiatives for local economic development, suggesting that a local government can effectively take action in partnerships with the support of the business community.

'Partnership' has become one of the code words of our times in the field of public policy generally, and local economic development in particular. (Mackintosh, 1992, p. 210)

1. Introduction

The advantages from the coordination of economic actors through partnerships are widely recognised both by the organisational behaviour literature about the private sector (Kanter, 1989) and in the public policy literature (Huxham, 1996; Osborne, 2000). Partnerships are common in public policy making and implementation (Lowndes and Skelcher, 1998; Sullivan and Skelcher, 2002), especially in local economic development (Basset, 1996; Lowndes and Skelcher, 1998). This is particularly so in British urban policy (Ball and Maginn, 2005), not least because the government made them a condition of funding. There are many descriptive studies partnerships, as well as guidelines for good practice in partnership building and management (Hudson *et al.*, 1999; Ling, 2002; Newman 2001; DETR 2000, 2001; DTLR, 2001), but there is little empirical work which has identified the practices most associated with success.

This paper focuses on the role of city councils, finding evidence that they can foster partnerships by promoting a collaborative and trusting climate at the local level. As regards local economic development, local councils are potentially in a key position to foster partnership work: they have resources and competencies over key issues and represent the interests of the wider local community. The evidence presented is from the city of Birmingham, England, where collaboration between local organisations is significant (Coulson and Ferrario, 2007). Further, the paper looks at whether this collaborative climate has resulted in the implementation of effective local economic development policies.

2. Partnerships and local economic development: a theoretical perspective

Institutional economics identifies three main mechanisms that allow the coordination of economic agents: the market, hierarchy and networks (Williamson, 1985; Williamson, 1988; Thompson *et al.*, 1991). Networks may involve individuals (in some cases within the same organisations), organisations (Huxham, 1996, p.1; Thompson *et al.*, 1996, p. 15), or both, and are based on cooperation and trust, as opposed to the price mechanism, which characterises the market, or authority, the basis of hierarchies (Thompson *et al.*, 1991, p. 171)[1].

The term "collaboration" is often used with a generic and encompassing meaning, to identify all the different forms of social interaction characterised by the network mode of coordination of economic agents (Huxham, 1996; Sullivan and Skelcher, 2002), although in public policy the term "partnership" is widely used (Mackintosh, 1992)[2] to refer to an approach both to

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[1] For a synthetic presentation of the main differences between these three modes of social coordination see Powell, 1991, p. 269.

[2] According to Sullivan and Skelcher (2002, p. 43) partnerships are simply "one" type of collaboration, characterised by some form of explicit agreement among the social actors. However, in the public policy

policy making and policy implementation. At a theoretical level, the alleged advantages from collaboration are extensively described, essentially they stem from the opportunity to overcome the limits of individual organisations acting alone. This is clearly explained by Finn (1996, p. 152):

> "The collaboration concept is a fundamentally new public policy approach to understanding and dealing with issues that are larger than the capacity of any one actor or organization is able – or perhaps willing – to comprehend or deal with".[3]

Lowndes and Skelcher (1998, p. 313) expand on these ideas and highlight the public policy debate within which the concept of collaboration is encountering growing favour:

> "Debates in the academic and public management worlds are currently emphasizing the benefits that collaborative, inter-agency partnerships can offer as a means of achieving public policy goals. The idea of 'collaborative advantage' (Huxham, 1996) presents an attractive alternative to the market, quasi-market and contractualized relationships that have dominated the public management reform movement internationally in the past decade. It also encourages further progress away from the large-scale bureaucratic and paternalistic public service organizations which developed to deliver welfare state programmes in the third quarter of this century".

Parallel to the theoretical debate, collaboration is increasingly sought also in the practice of public policy:

> "Funding and authority for the development and delivery of public policy are increasingly located in collaborative ventures involving a range of governmental, business, voluntary and community agencies (…) and are found in all fields of public policy" (Sullivan and Skelcher, 2002, p xi; see also OECD, 1999, p. 36 and Balloch and Taylor, 2001).

And the growth of partnerships' number, competencies and importance is recognised as an international trend (Osborne, 2000, p. 1), which goes along with a diffuse belief in their beneficial effects. Theoretically, Mackintosh (1992) proposed a tripartite classification of the potential benefits from collaboration. First, there is the efficiency and effectiveness stemming from partnerships achieving what single members cannot do individually (synergistic rewards). Secondly, individual organisations may benefit from budget enlargement. These first two categories may be labelled as the "economic" rationale for entering a partnership. Thirdly, there is what may be called the "cultural" rationale, that is members' transformation in terms of working practices, organisational culture, managerial approaches and so forth, resulting from mutual exchanges and imitations.

The literature on collaboration in the public sector identifies further areas of alleged benefits. First, under an effectiveness perspective, partnerships benefit from the establishment of operational activity at arm's length from elected officials and bureaucratic offices (Munro *et*

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literature, the term partnership is used to refer to many different configurations, so that it has almost lost any meaning and may be conceived as an "empty signifier".

[3] It is however debatable that collaboration is a "new" public policy approach: significant examples may be traced back in time, for instance, the New Deal and Tennessee Valley Authority in the US (thanks to Andrew Coulson for suggesting these examples). Rather, what appears new in public policy is the current emphasis on collaboration.

al., 2008, p. 61-62). Second, there is a "search-for-consensus" rationale: by labelling initiatives with a private sector tag, partnerships may enhance confidence and legitimacy of public sector actions (Huxham,1996, p.3). In addition, collaboration is deemed capable of increasing the opportunities for citizens engagement, thus responding to civil society demand for participation (Falconer and McLaughlin, 2000, p.121). Finally, there is what Huxham (1996, p.3) calls the "moral rationale", that is, the belief that important issues and the big challenges of modern societies (the so-called "wicked issues") can be confronted only if different interests work together. Unfortunately, empirically there is a lack of strong evidence on the benefits from collaboration, partly due to difficulties in measuring partnerships outcomes and outputs, partly due to counterfactual problems: it is often difficult to envisage what would have happened if partnerships where not there.

At the local level, there are many partnerships (Sullivan and Skelcher, 2002, p. 30). They are either the result of spontaneous initiatives by local public and private actors or they arise under the impulse and as a consequence of national government policies (Huxham, 1996, p. 2). In the UK, local economic development is among the policy areas in which collaboration is applied the most (Basset, 1996, p. 539; Lowndes and Skelcher, 1998, p. 313; Osborne, 2000, p. 1). Moore and Pierre (1988, p. 169) argue that, despite differences in political management of the economy across Western countries, and despite important discrepancies in macro political and economic objectives, as regards local economic restructuring there is a noteworthy convergence in practice and "the instruments of policy formulation and delivery have (…) shifted away from public agencies to new partnerships of public and private sector organisations at the local level". Despite the limited empirical evidence on the benefits from collaboration, some contributions stress its positive impact on local economic development (OECD, 2001, p. 3; Bailey, 1995, p. 1), and collaboration is increasingly included among the policy directions for local economic development promotion (OECD, 1999, p. 42) and in some cases it is directly encouraged (European Commission, 2006).

Notwithstanding this framework, concerns have been raised over the excessively positive view on the potential of collaboration, ascribed to an "optimistic" (Challis *et al.*, 1988) or "naïve" (Booth, 1988) model of interagency relationships, excessively relying on assumptions of agents' rationality and altruism. Conversely, it has been recognised that partnerships may be difficult to achieve, unless a set of necessary preconditions for their success is in place (Hudson *et al.*, 1999). Once partnerships are established, problems may arise in making them work, or they may turn up to be excessively time consuming or even unable to deliver any positive result (Huxham, 1996, pp.4-5; Huxham and Vangen, 2000, p. 293). Various reasons may bring partnerships' failure, as synthesised by Coulson (2005a, p. 155): "the aims of the different partners [*may be*] ultimately incompatible, or their cultures and histories too diverse to be brought into harmony in a short period of time, or because of inequalities in the power of different partners (…). Excessive numbers of partnerships create problems of accountability and create ambiguities about who is responsible for what. Partnerships are a challenge – certainly not a panacea." Further, warnings have been made that the rise of collaboration can create a condition in which "no one is in charge" of public policy (Bryson and Crosby, 1992), so that partnerships as the locus for public policy making and implementation may cause a deficit of democratic representation (Munro *et al.*, 2008, p. 62). Although sometimes extreme, these views are relevant as they remind us that collaboration is generally not easy to achieve and surely it is not always a boon (Huxham, 1996, p. 2).

3. Partnerships and British urban policy

In British urban policy, partnerships have been a constant key theme, though with varying emphasis over time, to an extent that it has been claimed that from the mid 1970s the partnership approach has become the "modern orthodoxy in urban regeneration policy" (Ball and Maginn, 2005, p. 10). Together with the more traditional market forces, central government planning and local authority interventionism, collaborative arrangements are now an established actor in urban regeneration.

From the mid 1970s, UK central government urban regeneration programmes and policies promoted partnership work at the local level, albeit with different tools and for partially different purposes. The turning point may be identified with the Labour Government's 1977 White Paper "Policy for the Inner Cities" (HMSO, 1977) which advocated a broad partnership approach to involve the private sector, voluntary organisations and local communities, besides local government[4]. The latter was still conceived as the key actor in local regeneration, although its role was shifting from that of a direct producer to an enabler (Cochrane, 1993).

Soon after, under the Conservative government led by Margaret Thatcher (1979-1990), urban regeneration policies emphasised the involvement of the private sector, the centralisation of policy making and the reduction of local governments' resources, competencies and autonomy. Partnerships were promoted at the local level between private or public-private actors, and between central government and local actors. This approach has been alternatively defined "privatism" (Barkenov *et al.*, 1989), "Thatcherism" (Thornley, 1993), or the "enterprise culture" (Deakin and Edwards, 1992). Privatism refers to the "reliance on the private sector as the principal agent of urban change" (Barnekov *et al.*, 1989, p. 1); "Thatcherism" embodies "a combination of economic liberalism, authoritarianism and popularism" and a focus on deregulation and simplification of the planning system (Bailey, 1995, p. 46); finally, "enterprise culture" refers to the increased emphasis on economic efficiency, on private sector managerial principles transferred to the public sector, and on the advantages of involving the private sector in urban regeneration. Although these three concepts highlight partially different facets of the Conservative approach to urban regeneration, they all convey the great emphasis placed on the private sector. So, the major programmes of the Thatcher government for urban economic development – the Urban Development Corporations (UDCs), the Urban Regeneration Grants, a redirection of the Urban Programme, the City Action Teams and the Inner City Task Forces – pursued private sector involvement, often with a preference for partnerships between private, or public and private actors, while implying a marginalisation of local governments, the voluntary sector and local communities (Bailey, 1995, p. 48). For instance the UDCs, a central government-private sector partnership aimed at regenerating rundown city centre areas or derelict industrial sites, were intended to bypass local governments bureaucracies, accused of being slow and rigid (Bailey, 1995, p. 51-52) and of stifling local development (Hill, 2000).

In the 1990s, with John Major as Prime Minister (1990-1997), the focus on partnerships intensified (Ball and Maginn, 2005), and local governments' involvement was revitalised (Hall and Nevin, 1999). Central government funds continued to be allocated on the basis of competitive bidding, under the assumption that competition improves the quality of funded

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[4] In practice, however, Inner City Partnerships resembled more a board taking decisions over projects to be founded, rather than proactive groupings of local actors.

projects. However, most of the existing programmes and initiatives were eliminated and replaced by a single funding scheme, the City Challenge and then the Single Regeneration Budget (Bailey, 1995), advocating "new, broad-based partnership arrangements" (Ball and Maginn, 2005, p. 14), and focusing more on local people needs, rather than essentially on land redevelopments and property investments. The City Challenge, introduced in 1991 and implemented for two rounds (1991 and 1992), required selected local governments to bid for central government's funds by presenting projects that involved public and private actors (DoE, 1992, p. 3). In 1993 a Single Regeneration Budget (SRB) was introduced, which pooled 20 different grant schemes and which run for 6 rounds. It was administered regionally by the Integrated Regional Offices, later to become "Government Offices".[5] Allocation criteria for the SRB favoured partnerships of local organisations expressing significant local interests, presenting a citywide strategy and proposing innovative or intensive regeneration projects. Local authorities were encouraged to take on a coordinating role. In addition, in 1994, the City Pride initiative, initially for the cities of London, Birmingham and Manchester, required city governments to establish a local partnership for the purpose of preparing a prospectus of strategic activities for the coming ten years. Finally, in 1994 English Partnership (EP) was introduced, a urban regeneration agency for England based on a public-private approach and funded by central government.

With the new Labour government, after 1997, partnerships were given further emphasis and were intended to become more inclusive, by strengthening the voluntary and community sectors participation. A new code word entered the urban regeneration discourse: "joined-up government" and a wide range of partnerships arose, some new and some a continuation of Conservative policies (Falconer and McLaughlin, 2000, p. 121). Among the former, the New Deals for Communities, were introduced in 1998 to concentrate investment in areas of greatest need. Differently from the City Challenge, they aimed to give local people control and thus pursued greater community involvement on their boards. It is however questionable whether community representatives actually had an egalitarian role. Another initiative, the Local Strategic Partnerships (LSP), was launched in 2001 by the central government to coordinate initiatives and spending by the most relevant local actors, and as the locus responsible for the definition of a community strategy for their area and for the use of the Neighbourhood Renewal Fund (NRF), where applicable[6]. Generally chaired by the Leader of the City Council, they also pursued the objective of rationalising existing partnerships in order to limit duplications (DTLR, 2001, p. 19). But their effectiveness and inclusiveness is questionable (Coulson, 2005a, pp. 159-160; Audit Commission, 2005, p. 2). Meanwhile, central government funds began to be allocated on the basis of need instead of competitive bidding.

New Labour's focus on partnerships is not new to British urban policy, conversely, New Labour's regeneration policy has enthusiastically adopted and further promoted this pre-existing tool (Whitehead, 2007, p.4), which well suited its new policy approach, the so-called "Third Way" (Giddens, 1998). However, policy documents are increasingly recognising the risk of "partnership overload", warn that partnerships are not necessarily *the* solution to every problem, and that they can be time and resource consuming (Audit Commission, 1998, p. 7-9)

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[5] Government Offices were established in 1994 in the eight English regions and in London, to co-ordinate investments by different ministries (Environment, Employment and Skills, Transport, Trade and Industry), especially in regeneration.
[6] LSPs had wide autonomy in managing the NRF, which put considerable resources into urban areas of deprivation, but had few guidelines.

and slow in achieving their aims (ODPM, 2005, p.14). In addition, it is controversial whether the emphasis on partnerships is actually based on solid evidence of their beneficial effects (Asthana *et al.*, 2002, p.781; Coulson, 2005a, p. 153), and concerns have been raised over the actual possibilities of evaluating partnerships' outcomes (Ball and Maginn, 2005). Conversely, partnerships' processes seem to be better investigated: there's no shortage of "guides" to build successful partnerships, both in policy documents (DETR 2000, 2001; DTLR, 2001) and from academic sources (Hudson *et al.*, 1999; Ling, 2002; Newman 2001). In a recent review of this literature, Dowling *et al.* (2004) identify the following common themes:
- high level of engagement and commitment of the partners;
- agreement about the purpose of and need for the partnership;
- high levels of trust, reciprocity and respect between partners;
- a favourable environment in which the partnership operates, including the financial climate, suitable institutional and legal structures, and wider interagency activities;
- satisfactory accountability arrangements, and appropriate audit, assessment and monitoring of the partnership;
- adequate leadership and management of the partnership.

However, this literature neglects one critical and more basic issue, that is the search for the necessary preconditions that allow partnerships to be established, or as Hudson *et al.* (1999) put it: "what increases the probability of collaboration?". Only once this point is clarified, then what makes a partnership effective becomes a relevant issue.

In their attempt to answer to this basic question, Hudson *et al.* (1999) identify ten preconditions. Not surprisingly, some of them are also listed above, among the critical factors for a partnership to succeed once it has been established, such as the recognition of the need to collaborate; the articulation of a clear sense of collaborative purpose; the building up of trust; the nurturing of fragile relationships. Among these, trust is often identified as a *sine qua non* of successful collaboration (Hudson *et al.*, 1999, p. 248): it is vital to initiate co-operation and it is crucial for networks to form and operate (Thompson *et al.*, p.171). Later sufficiently successful outcomes are crucial to reinforce trusting attitudes and achieve what Cropper (1995) terms "collaborative sustainability".

4. Local Government and partnerships for local economic development: in search for clarifying evidence

In practice it is difficult to evaluate partnerships outcomes, and assess why partnerships are successfully established and effectively working in some places and not in others. In addition, in local economic development there is no clear acknowledgement of the specific role (if any) that the different institutional actors may play. Among the local organisations, the local council is often the one with institutional competencies over many issues that are relevant for economic development, in addition it is generally endowed with resources for such purposes and it has access to national or international (EU) funding schemes. So it possesses both legitimacy and resources. This makes the local council a potential catalyst for the creation of a trusting and collaborative environment at the local level and for the establishment of economic development partnerships. In Britain, city councils promote and sit in most of local partnerships pursuing local development. Often they do so to comply with central

government's directives, which sometimes even require local governments to take the lead or to be the accountable body. For instance, city councils were encouraged by the central government to take on a coordinating role in bids for the SRB, and later to take the lead of LSPs, where they were recognised to be one of the main driving organisations (ODPM, 2005, p.14). But can a local council use its potential power to foster collaboration in an actual practice? How can it promote collaboration at the local level?

The objective of this paper is to contribute to clarification of this latter issue, by providing evidence that city councils can play a crucial role in the creation of a trusting and collaborative climate at the local level and in favouring the establishment of effective partnerships for local economic development. The evidence presented is from the city of Birmingham, England, and refers to the period 1984-2004.

The city of Birmingham provides an interesting case study of partnerships and local economic development for three main reasons. First, during the twenty years 1984-2004, it recovered from the acute economic crisis of the late 1970s and early 1980s, when the UK economy faced a deep recession which hit hard its industrial sector. As a consequence, expecially in industrial cities, unemployment rose, social problems exploded together with physical decay, especially in inner city areas, and many industrial sites were abandoned. Birmingham, traditionally the industrial heart of Britain, was among the most hit cities: for instance, unemployment rose well above national average, up to 23% in 1983. Secondly, the local economic structure of Birmingham has markedly changed after 1984, from an industrial city to a city with a vital service sector. Thirdly, Birmingham is an interesting case study because there is diffuse agreement that the local civic culture has been traditionally characterised by a "pro-partnership" orientation, which developed locally and existed even before the 1970s (Leather, 2001, p. 41). Birmingham is also characterised by long lasting collaborative relations between the city council and local businesses (DiGaetano and Klemanski, 1999, p. 88).

Between the 1984 local election and the local election of June 2004, Birmingham was under constant Labour rule, resulting in a significant degree of policy continuity. As for local economic development, strategies to overcome the economic crisis were first outlined in the 1984 Labour party electoral manifesto and later in policy documents on economic development strategies. During the twenty years, despite revisions and adaptations, local economic development strategies show significant consistency, as summarised in table 1, where the local economic priorities outlined in policy documents between 1984-2004 are listed. Among the priorities identified in 1984 there was the modernisation of local industries (BCC, 1984, p.3), and then the diversification of the local economy, through the strengthening of the service sector (BCC, 1995). In addition a method was devised: partnership work at the local level (BCC, 1985), which was soon implemented, for instance with the Highbury Initiative[7] and the UDC[8]. Birmingham City Council (BCC) pro-partnership attitude built on the local culture and on pre-existing schemes, such as the NEC Group (a partnership of BCC and the Birmingham Chamber of Commerce and Industry-BCCI formed in 1976, which built

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[7] The City Centre Challenge Symposium, or "Highbury Initiative" (from the name of the building where it was held the first time, in 1988; it was then repeated in 1989 and 2001) brought together relevant local actors to define and share a view for the future of the city (BCC 1988, BCC 1989, BCC 2001).
[8] One of the 13 UDCs introduced after 1981, Birmingham Heartlands Development Corporation, was unique in being created as a partnership body involving local developers and the city council. The others were created directly by the government which directly appointed their boards.

and manages the National Exhibition Centre), but the city council added a constant emphasis on partnership building and management (BCC, 1999, p. i).

4.1.   The case study: objectives and methodology

The first objective of the case study is to detail the proactive role of Birmingham City Council, thus providing evidence that city councils can effectively promote a trusting and collaborative climate locally. Secondly it looks at whether these peculiar local conditions can foster effective policies and programmes that can be beneficial to local economic development.

The methodology adopted here is based on the assumption that effective economic development policies are those that "can make a difference" for the – actual and potential – local business community. Therefore, relevant local economic actors' opinions were collected through a questionnaire sent to a selection of Birmingham businesses. The survey addressed only the local service sector, as after 1984 the Council strategy for Birmingham economic development clearly pointed to the strengthening of this sector. In addition, by targeting only one sector, it was possible to draft one focussed questionnaire, and hence to maximise its significance.

The drafting of the questionnaire, as well as the analysis of the results, relied also on information collected through preliminary interviews with 20 senior representatives of major local organisations (conducted between July and November 2004). At the end of November 2004 the questionnaire was sent out to 325 local businesses.[9]

The questionnaire, directed to top decision makers in companies, was made of 4 sections: general information on the company; evaluation of the City Council's action to promote a collaborative climate; evaluation of the so-called "Breakfast Meetings" (bi-monthly meetings between the leader of the City Council and the business community); evaluation of policies and programs defined in the collaborative setting and implemented either by the City Council alone or in partnership with other local organisations.

A total of 91 questionnaires were returned (return rate of 28%)[10]: 60% of the respondents were from the professional service sector (e.g. legal, accounting, consultancy firms); 14% from financial services (such as banking and insurance); 7% from hotels and leisure, and 19%

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[9] The initial recipients' list included 376 names, all members of Birmingham Forward (BF), the local association of service sector businesses, plus a number of businesses who participated to the so-called "Breakfast meetings", regular bi-monthly meetings with the Leader of the City Council. This initial list was then reduced to 325 names, after a screening to eliminate duplications (names appearing in both lists) and non-qualifiers, such as business associations, public sector bodies, voluntary organisations, and few non-service sector firms. Furthermore, when more than one company referee was listed, only the one occupying the highest position in the company was contacted (generally the chief officer, such as the chief executive, managing director, senior partner). Additional contacts were retained only when holding the same position of the first one (for example, partners of a consultancy, of a law firm, or of an architects studio).

[10] Questionnaires have been numbered in progressive order to keep them anonymous. Questionnaires are referred to using the capital letter q followed by the number of the questionnaire (e.g. for questionnaire 1: Q. 1), while references to individual questions are indicated with the low case letter q followed by the question number in the questionnaires (e.g. for question 1 in section 1: q 1.1).

from technical and other services (such as architects, design, services connected with real estate and renting, IT, telecommunications).

As regards the company dimension in terms of number of employees, all categories of businesses were significantly represented: very small ones, with ten or less employees, amounted to 18.5% of respondents; small ones (11-50 employees) to 31%; medium ones (51-200 employees) to 18.5%; and big ones (more than 200 employees) amounted to 32%.

Nearly half of the respondents' companies were established in Birmingham after 1990 (45%), of which 22% came to Birmingham in the year 2000 or after, while 23% between 1990 and 1999. Among the companies established in Birmingham earlier, 41% were already in the city before 1980, while 14% were established between 1980 and 1989.

Table 1. **Priorities of Birmingham Economic Development Strategies between 1984-2004 (the second row proposes a common heading for similar priorities).**

Part I - *1984-1992*	*Priorities as described in the documents*										
Document	*Aid to existing industries*	*Promotion of endogenous development*	*Promotion of new technologies*	*Promotion of Inward Investments*	*Tourism and marketing*	*Physical and urban regeneration*	*City centre regeneration*	*Training*	*Developing people and communities*	*Collaboration and partnership*	*Others*
Priorities for Economic Development 1984	Aid to industry	Local enterprise	New technology	Industrial promotion		Land and buildings	Inner areas policy	Training	Wider needs		Reorganisation of BCC
Strategy 1985/86	Supporting existing businesses		Technology development			Land and Buildings	Improving image of the city	Training	New Jobs	Collaboration	lobbying EU, national government,…
Review Economic Strategy 1986	Business Development		Promoting the development and adoption of new technology		Tourism and Marketing	Provision of new industrial sites and buildings, improvement of existing industrial areas and premises		Training	Community Initiatives and unemployment programmes	Collaboration	
Strategy and development programme 1986	Business Development		Promotion of Technology	Promotion of new Investments	Tourism and the Environment	Land and Buildings		Training and Community Initiatives			
Strategy 1989	Business Development					Land and Buildings	Improving the image of the city	Training		Partnership	
Strategy 1992	Reducing leakage of investments	Promoting Indigenous investments		Promoting flow of investments					Counteracting economic disadvantage and market failure	Partnership &	Lobbying

Part II - *1993-2004*	*Priorities as described in the documents*										
Document	*Aid to existing industries*	*Promotion of endogenous development*	*Promotion of new technologies*	*Promotion of Inward Investments*	*Tourism and marketing*	*Physical and urban regeneration*	*City centre regeneration*	*Training*	*Developing people and communities*	*Collaboration and partnership*	*Others*
Strstegy 1993-94	Reducing leakage of investments	Promoting Indigenous investments		Promoting flow of investments		Stimulating the property market			Counteracting economic disadvantage and market failure	Partnership &	Lobbying
Strategy 1994-97	Improving business performance	Encouraging development and investments		Encouraging development and investments		Regenerating local areas	Encouraging the economic role of the city centre	Developing Skills and Employment		Participation	
Strategy 1995-98	Improving business performance	Encouraging development and investments		Encouraging development and investments		Regenerating local areas	Encouraging the economic role of the city centre	Developing Skills and Employment		Participation	
Strategy 1996-99	Improving business capacity and performance			Encouraging property development and investments		Regenerating local areas	Encouraging the economic role of the city centre	Developing Skills and Employment		Participation	
Strategy 1999 (The Vision)	Improving business competitiveness and diversity	Encouraging local businesses competitiveness and sustainability, and the diversification of the City's economy		Retaining existing businesses by offering land and premises and providing an attractive economic environment for investments		Investing in sustainable development and infrastructure		Raising skills and qualifications of Birmingham people and improving their progression into jobs	Developing people and communities		
Strategy 2004-15 (consultation draft)		Fostering business development and diversification				Development and investments		Creating a skilled workforce	Creating sustainable communities and flourishing neighbourhoods		

Source: own elaboration based on Birmingham City Council Statement (1984); BCC Economic Development Strategies (various years, from 1985 to 2004); BCC Economic Development Programmes (various years, from 1994 to 2000).

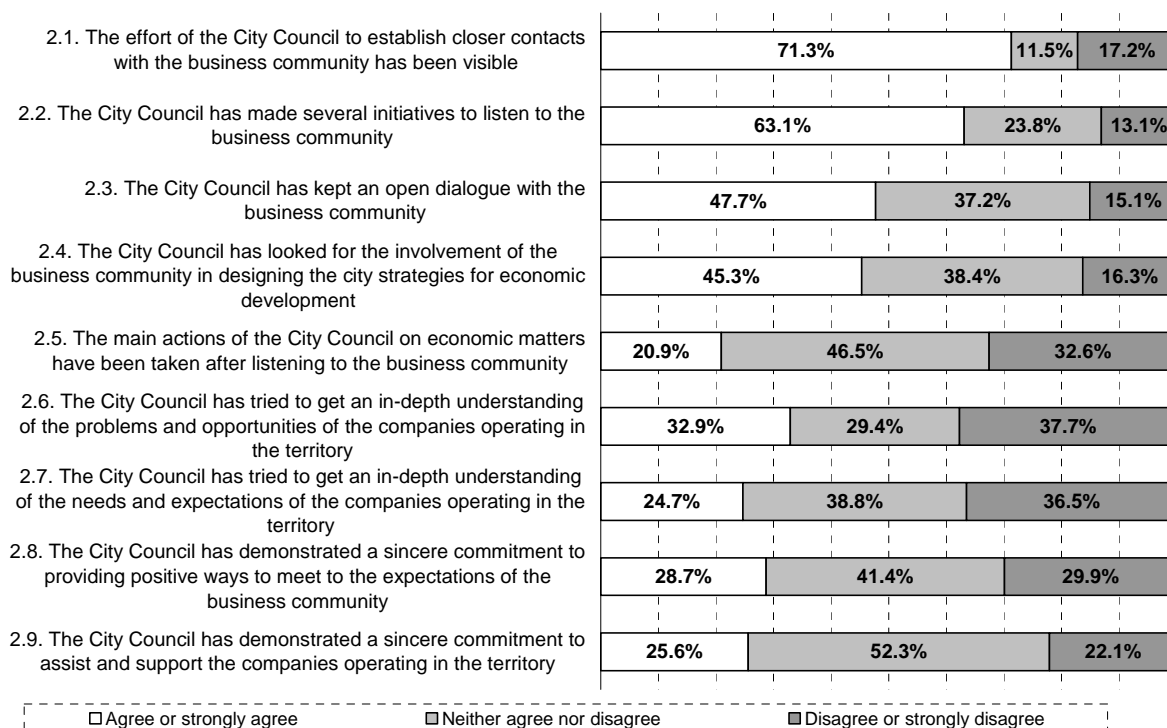## 5. The city council: a driver of local public-private collaboration?

With reference to the city councils' role in promoting collaboration, the case of Birmingham is revealing. Birmingham City Council early understood its potential role to promote institutional collaboration and stated it as one of its main policy objectives (BCC, 1985). Collaboration was intended as a means to jointly define, create consensus over and implement effective economic development strategies (BCC, 1985). Coherently, the City Council was active in reaching out to the public, the private and the voluntary sector (BCC, 1999).

The survey first investigated the degree of success of Birmingham City Council in creating a trusting and collaborative environment with local businesses for the definition and implementation of development strategies. It then focused on a specific initiative taken by the City Council to foster trust and collaboration: regular bi-monthly meetings between Birmingham City Council and local businesses, promoted in 1999 by the then Leader of the City Council, Sir Albert Bore, together with BF and BCCI. These meetings responded to the Leader declared intention to strengthen relationships and exchanges with the local business community, especially with service sector companies. Participants included the Leader, some top political or executive people in the City Council and the business community, in particular the service sector, as represented by members of the two business organisations. These meetings are a significant example of the ongoing public-private collaboration in Birmingham and their effectiveness was specifically examined.

5.1. Building relationships and trust with the business community

Section two of the questionnaire investigated whether city councils can favour trust and a collaborative attitude, and whether they can be successful in strengthening relationships with other local actors, even those significantly different in terms of organisational culture, objectives and priorities. In addition the questionnaire investigated whether in Birmingham the local business community felt listened to and involved in the design of local economic development strategies. The results are sketched in figure 1.

As regards the City Council attitude to reinforcing relationships with the business community, (q.2.1, 2.2), responses were significantly positive, an evidence that the efforts done by the City Council to get in contact and create occasions for sharing opinions with local businesses had been perceived and understood. 71.3% observed that the City Council efforts to establish closer contacts with the business community were visible and 63.1% that the City Council had promoted several initiatives to get in touch with the business community (negative responses and uncertainty are both very low). As regards BCC openness and the quality of occasions for contacts and exchanges (q. 2.3, 2.4, 2.5), responses were again generally positive, though with a different shade. The City Council's attitude for an open dialogue and for involving the business community in the design of economic development strategies was clearly acknowledged (respectively, 47.7% and 45.3% agreed or strongly agreed; while disagreement was limited to, respectively, 15.1% and 16.3%). However, the City Council was described as less prompt to take key decisions on economic matters after having listened to the business community. The percentage of positive responses reduced to 20.9%, while disagreement rose to 32.6%, with a high degree of uncertainty (46% neither agreed nor disagreed).

	Agree or strongly agree	Neither agree nor disagree	Disagree or strongly disagree
2.1. The effort of the City Council to establish closer contacts with the business community has been visible	71.3%	11.5%	17.2%
2.2. The City Council has made several initiatives to listen to the business community	63.1%	23.8%	13.1%
2.3. The City Council has kept an open dialogue with the business community	47.7%	37.2%	15.1%
2.4. The City Council has looked for the involvement of the business community in designing the city strategies for economic development	45.3%	38.4%	16.3%
2.5. The main actions of the City Council on economic matters have been taken after listening to the business community	20.9%	46.5%	32.6%
2.6. The City Council has tried to get an in-depth understanding of the problems and opportunities of the companies operating in the territory	32.9%	29.4%	37.7%
2.7. The City Council has tried to get an in-depth understanding of the needs and expectations of the companies operating in the territory	24.7%	38.8%	36.5%
2.8. The City Council has demonstrated a sincere commitment to providing positive ways to meet to the expectations of the business community	28.7%	41.4%	29.9%
2.9. The City Council has demonstrated a sincere commitment to assist and support the companies operating in the territory	25.6%	52.3%	22.1%

Figure 1.   Responses to section 2: questions on the relationships between the City Council and the Business Community (percentages are calculated excluding the responses "I don't know", which are very few).

This suggests that, while the dialogue was open and the City Council looked for business involvement when envisaging potential initiatives for local economic development, the decision stage was less involving, or restricted to a minority of businesses and local organisations. The emerging picture is one of a City Council open to dialogue and seeking for occasions of exchanges with the business community, interested in collecting views and contributions for the definition of local economic development strategies, but less involving at the decision making stage, at least as regards parts of the business community.
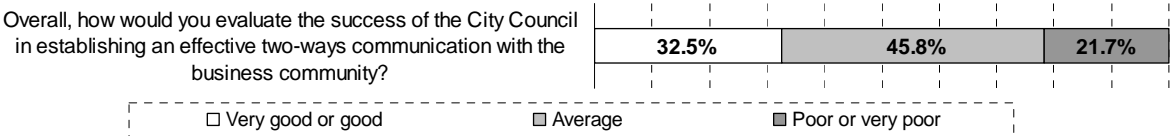
This appraisal is partly supported by some of the respondents' comments, arguing that only few businesses were truly involved in the decision making processes: "I think the business community in Birmingham is very cliquey and insular" (Q. 40). Other comments such as "A few briefings with select Birmingham Forward members does not constitute good communication with business. SMEs are ignored" (Q. 75) are a clue to the difficulty of transforming purposes of open dialogue into effective and inclusive opportunities of exchanges, especially in a city as big as Birmingham. However, the neglect for SMEs is not supported by a statistical analysis of answers collected.

A bivariate analysis of responses to the first five questions does not support a clear dependency of responses from company dimension. While agreement by smaller companies was generally lower, disagreement did not show a clear pattern of dependency from company's dimension. Furthermore, high levels of uncertainty (neither agree nor disagree) confused the overall picture. Further, a chi square test for the five questions did not allow refusing the null hypothesis of independence of responses from company's dimension (even

when uncertain responses are ignored). Therefore, data do not support conclusive statements on a difference between small and big companies' opinion on the City Council's attitude to involve them in consultations and decision-making moments. The only clear difference regards the attitude of the City Council to take decisions on economic matters after listening to the business community (q. 2.5). SMEs' perception of involvement at the decision-making stage was definitely lower.

Finally, as regards the ability of the City Council to listen to and involve the local business community in the design of local economic development strategies (q. 2.6, 2.7 ,2.8 ,2.9), agreement returned at higher levels with regard to the City Council commitment to understand local businesses' problems and opportunities (32.9%) and needs and expectations (24.7%), although disagreement was higher than agreement in both cases (respectively, 37.7% and 36.5%) and levels of uncertainty were also high (respectively, 29.4% and 38.8%). Furthermore, these perceptions were definitely lower than those concerning the Council attitude to contacts and exchanges. Similar judgements concerned also the City Council commitment to provide ways to meet businesses' expectations and to support them (agreement stays at, respectively, 28.7% and 25.6%). These two latter questions were affected by very high levels of uncertainty (41.4% and 52.3% respectively).

Overall these responses suggest that in Birmingham there existed a trusting and collaborative climate between local businesses and the City Council, which significantly benefitted from the Council attitudes and actions. The picture emerging from these responses is one of a City Council wishing and willing to get in touch with the business community, interested in collecting businesses views and opinions on economic development strategies, but less willing or able to open up crucial decision processes to the wider business community. Furthermore, the perception of the City Council significant commitment to contacts and exchanges with the business community was not matched by a similar perception of the City Council commitment to understand (and respond to) specific businesses problems, needs and expectations. Nonetheless, when faced with a request for an overall judgement on the success of the City Council in establishing relationships and in communicating (figure 2), the business community was remarkably positive: according to 78.3% of respondents, the City Council was above average, good or very good. This is also confirmed by some final comments, such as: "The City is far more receptive to comments of business to try to improve its working practices and recognises that it has still more to do. We are very pleased to be able to work with the City (…) to help make a difference. There is a positive mood for cultural change which is to be applauded" (Q. 79).

| Overall, how would you evaluate the success of the City Council in establishing an effective two-ways communication with the business community?	32.5%	45.8%	21.7%
	□ Very good or good	▨ Average	▨ Poor or very poor

Figure 2.   Section 2: overall judgement on the relationships between the City Council and the Business Community (percentages are calculated excluding the responses "I don't know", which are only 8.8%).

5.2. Meetings between the City Council and the business community

Among the City Council actions to promote collaboration and exchanges with the local business community, the "Breakfast Meetings" were an innovative and peculiar initiative. Opinions collected through preliminary interviews ranged from high appreciation to criticisms for them being restricted (although there was no close list of participants) or simply a "personal-marketing" opportunity for the Council Leader. The third section of the questionnaire investigated whether such initiative fostered a trusting and collaborative climate, under various perspectives (figure 3). This section was filled in only by those who had participated at least once to the meetings (68.1% of respondents).

The overall judgement (q. 3.1, 3.2, 3.3) was an appreciation for the meeting's potential to allow exchanges of views and opinions, in general (88.5% maintained that the meetings allowed frank exchanges to a great extent, to a considerable extent, or to some extent), with the City Council (74.2%) or with colleagues (85.3%). Only a few declared that exchanges were few or none (respectively: 11.5%, 25.8% and 14.7%). Therefore, these meetings provided valuable opportunities for exchanges between individuals and between the public and private sectors: they allowed exchanges of views with the City Council on the existing and perspective situation of the city and among businesses on issues of specific concern.
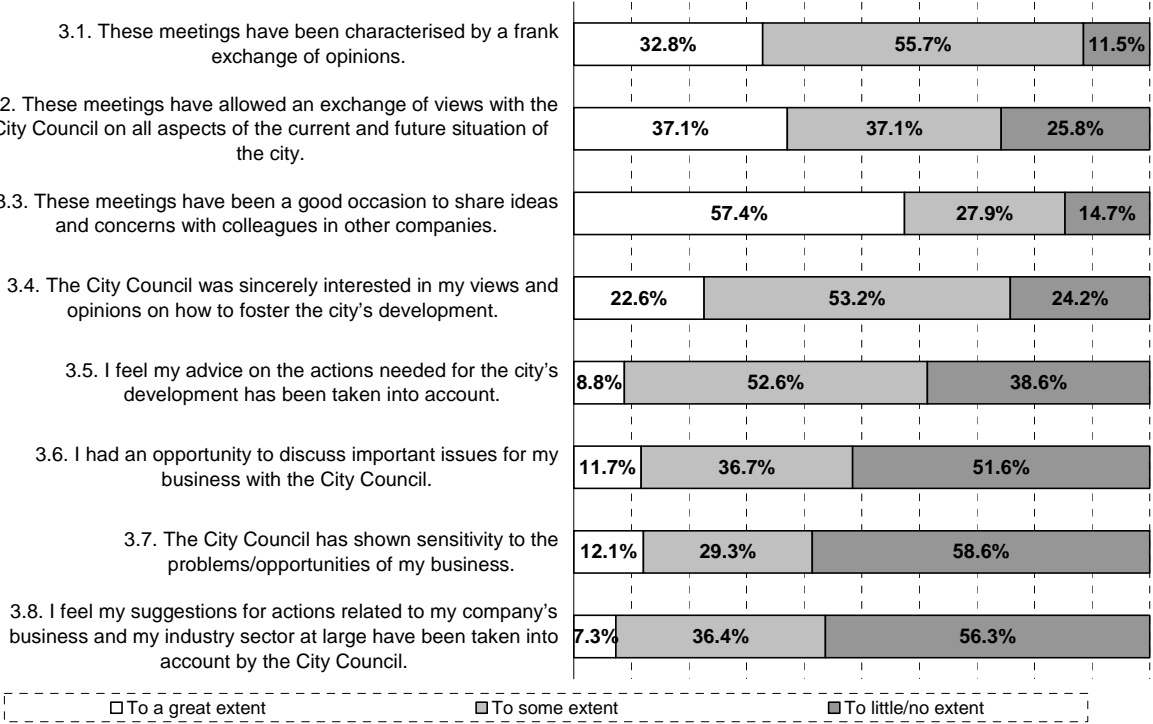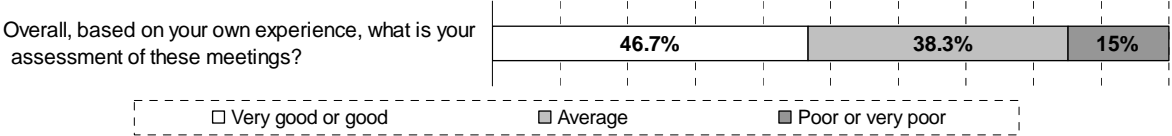

Figure 3. Responses to section 3: questions on business meetings (percentages are calculated excluding the responses "I don't know", which are very few).

As regards businesses' contributions (q. 3.4, 3.5), the City Council was described as sincerely interested in their opinions on city's developments (75.8%), but when asked if the City Council made use of these opinions when defining economic development policies a lower share (61.4%) was positive. This partially reflects the dichotomy described in the previous section, and suggests that policies not always matched businesses needs and expectations.

From a different perspective, it was a positive result to have 61.4% of businesses declaring that the City Council took their advices into account, given the significant diversification of interests and priorities within the business community. Finally, these meetings were described as limitedly useful for businesses specific problems and interests (q. 3.6, 3.7, 3.8). More than half of participants declared that meetings allowed the discussion with the City Council of important issues for their own business only to a little or no extent (51.6%); even more declared that the City Council had shown little or no sensitivity to their business problems or opportunities (58.6%); finally, for 56.3% of responding businesses, City Council actions related to their company or sector did not take significantly into account businesses suggestions.

These answers reflect and confirm the results from section two of the questionnaire: the City Council was described as open to exchanges with the business community and able to create an occasion, through the "Breakfast meetings", which brought to useful, wide ranging and valuable discussions and exchanges of opinions. A further outcome of these meetings was that City Council took into account businesses opinions when defining and implementing economic development policies. However, these exchanges were limitedly useful for businesses' individual objectives, but it is debatable whether they had ever pursued such purpose. These meetings might therefore be described as a useful mean to nurture institutional relationships, to exchange views and opinions, and to define economic development policies, but not much for tackling issues of specific concern to individual businesses. Nonetheless, the business community overall judgement on these meetings (figure 4), was positive (85% of respondents).

Figure 4.   Section 3: overall judgement on business meetings (percentages are calculated excluding the responses "I don't know", which are only 3.2%).

6. Local public-private collaboration and effective policies and programs for economic development

Results from section two and three of the questionnaire show that a city council can positively contribute to the establishment of a collaborative environment with the local business community. Further the questionnaire investigated whether such collaboration was successful in promoting economic development, by favouring effective initiatives by individual organisations or by partnerships of local actors.

Evidence collected through the survey shows that, in Birmingham, the existing collaboration favoured effective initiatives both by the City Council and by partnerships of local organisations. The fourth section of the questionnaire listed a number of City Council

initiatives and local partnerships for economic development and collected opinions on their effectiveness[11] (figures 5 and 6).
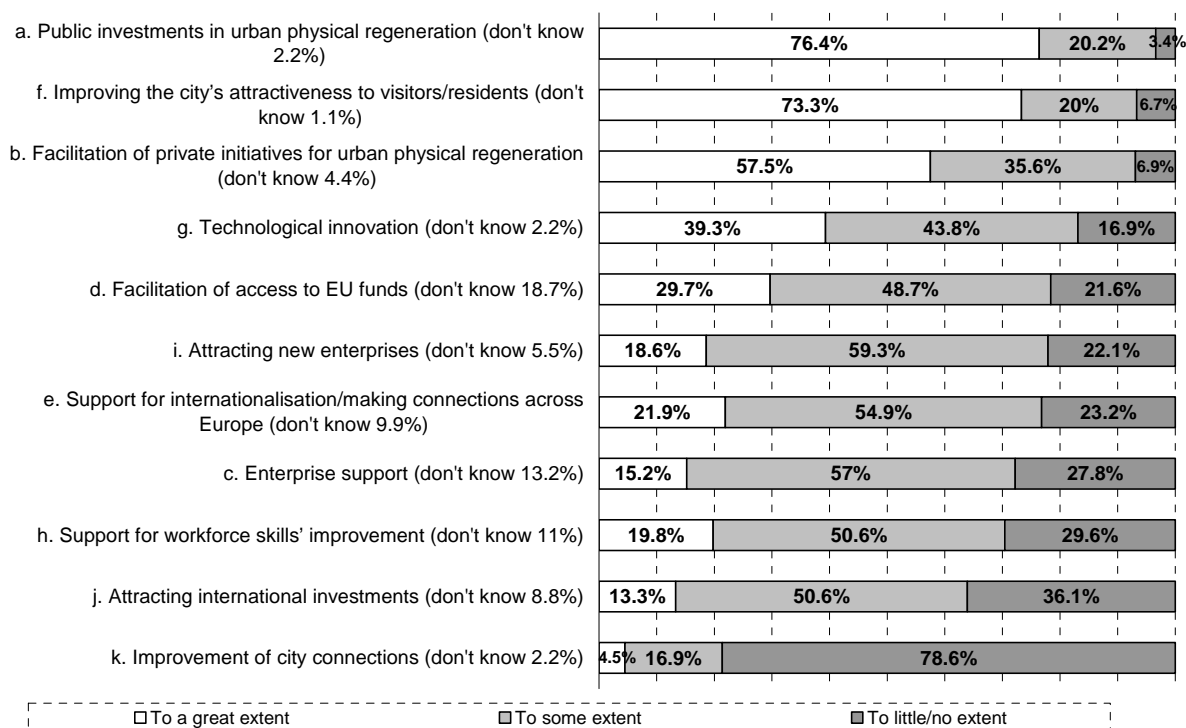
6.1. City Council policies and programs

As described elsewhere (Coulson and Ferrario, 2007), Birmingham institutional milieu is characterised by a significant number of formal and informal partnerships concerned with economic development, and the City Council is involved in most of them. A number of initiatives implemented by the City Council to promote local economic development were actually defined and shaped within formal and informal partnerships. Having derived a list of actions from City Council documents (mainly the Economic Development Strategy and the Economic Development Programme), they were grouped in eleven major areas of interventions, as listed in figure 5. All areas were significantly influenced by the ongoing collaboration. For instance, in physical regeneration and in initiatives to transform the city image and attractiveness, City Council strategies and actions were significantly shaped by exchanges with other local actors, for example through the three Highbury initiatives. Technological innovation and enterprise support benefited from the ongoing relationships with local universities and business organisations. Access to EU funds and strategies for the internationalisation of the local economy often passed through the Birmingham Brussels office (established by the City Council but currently representing all West Midlands local authorities and the regional development agency "Advantage West Midlands"- AWM). Finally, employment programmes were influenced by collaboration with other local organisations (such as the Learning and Skills Council), while the improvement of city connections result from the actions of both local and national organisations (such as Centro, National Rail,…).

All the eleven areas of City Council intervention were proposed for evaluation through the questionnaire. As summarised in figure 5, nine of them were judged significant for the achievement of local economic development by no less that 70% of respondents; one further area by little less that 64%. Only one of the City Council programs was described as definitely not effective.

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[11] The effectiveness is again measured by local businesses' perceptions.

	To a great extent	To some extent	To little/no extent
a. Public investments in urban physical regeneration (don't know 2.2%)	76.4%	20.2%	3.4%
f. Improving the city's attractiveness to visitors/residents (don't know 1.1%)	73.3%	20%	6.7%
b. Facilitation of private initiatives for urban physical regeneration (don't know 4.4%)	57.5%	35.6%	6.9%
g. Technological innovation (don't know 2.2%)	39.3%	43.8%	16.9%
d. Facilitation of access to EU funds (don't know 18.7%)	29.7%	48.7%	21.6%
i. Attracting new enterprises (don't know 5.5%)	18.6%	59.3%	22.1%
e. Support for internationalisation/making connections across Europe (don't know 9.9%)	21.9%	54.9%	23.2%
c. Enterprise support (don't know 13.2%)	15.2%	57%	27.8%
h. Support for workforce skills' improvement (don't know 11%)	19.8%	50.6%	29.6%
j. Attracting international investments (don't know 8.8%)	13.3%	50.6%	36.1%
k. Improvement of city connections (don't know 2.2%)	4.5%	16.9%	78.6%

Figure 5. Responses to question 4.1: judgement on the impact of selected City Council policies and programs on economic growth (percentages are calculated excluding the responses "I don't know", and their number is reported in brackets for each question).

As summarised in figure 5, three of the effective programs significantly contributed to local economic development for more than 90% of respondents (with a very low rate of no response), and they were all linked to the transformation of the city's assets and image: public investments in urban physical regeneration (very effective for 76.4% of respondents, to some extent for a further 20.2%); improvements of the city's attractiveness to visitors and residents (respectively very effective for 73.3%, to some extent for 20%); facilitation of private initiatives in physical regeneration (very positive for 57.5%, of some value for an additional 35.6%).

A second group of initiatives were described as significant, even if not as sharply as the previous ones: for around 80% of respondents they contributed to local economic development at least to some extent. Among these, support to technological innovation ranked first, followed by support to internationalisation and attraction of new enterprises (they contributed considerably for, respectively, 39.3%, 21.9% and 18.6%). A final issue, facilitation of access to EU funds, was considerably significant for 29.7% and limitedly so for 48.7%. However in this case, a rather high percentage of respondents (18.7%) did not express any opinion. This could be due to a lack of knowledge about the City Council activities in relation to EU funds. This is surprising as the City Council was very good in accessing this source of finance (BCC no date, p. 52), but probably not equally able to diffuse knowledge about this opportunity.

Programs for enterprise support and support for workforce skills' improvement received lower degrees of appreciation. For about 70% of respondents they impacted on local economic development (respectively, 72.2% and 70.4% expressed this opinion), but few said

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they had considerably impacted (respectively, 15.2% and 19.8%). This could be due to the City Council lower involvement in programs for enterprise support and workforce skills' development. Enterprise support was increasingly becoming the competency of Business Link and the BCCI, while workforce skills' development was mainly addressed by the Learning and Skills Council. This result could also reflect the peculiar difficulties of small service sector businesses to recruit skilled workers, as opposed to the labour supply for bigger manufacturing companies.

Two last policies ranked lower: attraction of international investments and improvement of city connections. The former had at least some impact for 63.9% of respondents and considerably impacted only for 13.3%. Economic downturns impacting on major manufacturing firms' location and volume of activity, as described in the previous chapter, may have influenced this judgement. However respondents came mainly from the service sector, and their answers could be sectorally biased. One respondent pointed to one of the possible causes of the perceived lower effectiveness, that is the involvement of many uncoordinated bodies in investment attraction: "The approach to attracting international investment into this region is dangerously uncoordinated. There are too many access points and no driver" (Q. 76).

Finally, the actions for the improvement of city's connections were very ineffective: for 78.6% of respondents they had no impact. This result could have been influenced by a general negative opinion on the status of, and policies for, city's mobility, generally described as a major problem. Other forms of transport infrastructures, such as the airport or the M40 or M6 Toll (generally considered a useful improvement) were probably obscured by this main concern. Again, some comments well conveyed these perceptions, both on the inadequacy of transport facilities and management and on their low quality and appearance: "Transport remains diabolical, and a real threat to future growth and prosperity" (Q. 42); "Transport and parking are of considerable concern" (Q.41); "Despite private development, signage and city streets are very poor and transport still is not moving forward; despite claims of improved parking, businesses space is restricted" (Q. 75); "New Street Station is a major embarrassment" (Q. 21)[12].

In conclusion, the efforts to improve the city image and attractiveness, also through physical transformations, was perceived as an important contribution to local economic development, while more traditional policies, such as various forms of support to firms (technology developments, workforce development, support for internationalisation or access to sources of finance), were deemed to have achieved less, although the appraisal of these areas of intervention was generally positive too. To interpret these results, one needs to take into account that delivery on these latter themes was not only the competency of the City Council, but also, and more significantly, of other organisations. Overall, this section provided a clear indication that, despite differences in the degrees of achievement of various City Council policies and programs, the general perception was that the City Council had been able to deliver for local economic development. This judgement was also reflected in a number of respondents' comments, such as:

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[12] New Street Station is Birmingham's main train station, located in the city centre.

"No doubt they sincerely want to achieve it. There is a lack of focus and clarity. Far too many initiatives, often addressing similar/identical issues in different ways. It is therefore confused and confusing. On the physical end they have worked miracles over the last 15 years" (Q. 42).

"The City has done really well - or did 5-15 years ago - in developing major projects such as the ICC[13]. But it has paid very little attention to business in its more routine day to day agenda or issues like transport (especially roads), planning and creating a business friendly city centre" (Q. 88).

These comments acknowledged the relevance of City Council actions to improve the physical environment and the attractiveness of the city, but they also pointed to weaknesses, primarily as regard transport. They also pointed to a perceived complexity of interventions, which is a threat to achievement.

6.2.   *Joint policies and programs by the City Council and other local organisations*

The last section of the questionnaire investigated the extent to which local partnerships and/or their initiatives impacted on local economic development, according to local businesses perceptions (figure 6). Twelve initiatives were proposed for evaluation, and upon return of the questionnaires, they were organised into four groups, the classification criteria being the percentage of responses declaring that an initiative had been at least of some value for local economic development.

The first group of initiatives includes the development of the International Convention Centre and of the National Exhibition Centre, both implemented by a Birmingham City Council-BCCI partnership that dates back to the early 1970s. 99% of respondents declared that they were at least of some value for local economic development, and 91.2% that they were indeed of high value. The rate of no response for this question is nil.

The second group includes partnerships that were declared to be of at least some value for local economic development by more than three quarters of respondents: Aston Science Park (of at least some value for 82.8% of respondents), opened in 1983 by a partnership between Aston University, Birmingham City Council and private companies; Birmingham Research Park (82.8%), a partnership between the University of Birmingham and Birmingham City Council established in 1986; Locate in Birmingham (78.1%), the city inward investment service established in 1996, funded and staffed by the City Council but directed by a board of private sector representatives; the City Centre Partnership (77.8%), founded in 2001 by the City Council and guided by a board composed by some of the most relevant public and private sector organisations operating in the city centre; City Council, BF and BCCI joint organisation of delegations to and from other countries (75.6%). Among these, Aston Science Park and Birmingham Research Park, were gauged of high relevance for local economic development by 34.5% of respondents, and the City Centre Partnership by 25.9%. The remaining two, were of high value for a lower percentage of respondents: delegations were declared to be of high value by 20.7% and Locate in Birmingham by 17.1%.

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[13] The ICC (International Convention Centre), opened in 1991, is a major flagship project which prompted the economic revitalisation of the city (Barber, 2001).
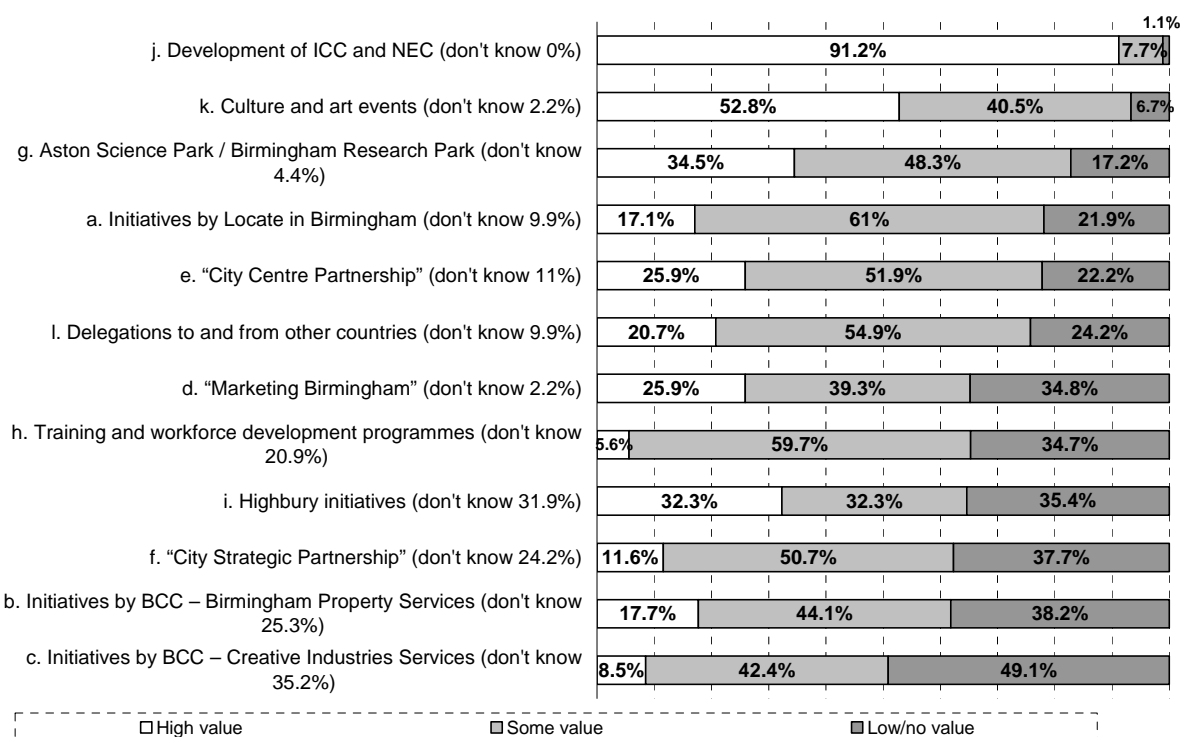
Figure 6. Responses to question 4.2: judgement on the impact on economic growth of selected joint policies and programs (percentages are calculated excluding the responses "I don't know", and their number is reported in brackets for each question).

The third group includes initiatives that were at least of some value for approximately 65% of respondents: Marketing Birmingham (65.2%), firstly established in 1982 as Birmingham Convention and Visitor Bureau, to become in 2004 an agency at arm's length from Birmingham City Council, owned by seven major local organisations (AWM, Birmingham Airport, BCCI, Birmingham City Council, BF, MARCHE and the NEC Group) and training and workforce development programmes (65.3%) resulting from the Birmingham Economic Development Partnership (in 2004 a sub-group of the City Strategic Partnership), which involved a partnership between the City Council, the BCCI and the Learning and Skills Council. In this latter case, responses were similar to those concerning workforce development programmes by the City Council alone (see previous section). Hence, this judgement suggests some degrees of dissatisfaction with the capacity of local organisations to support private firms with adequate workforce development programmes. The establishment of the Learning and Skills Council might have brought some improvements, but it was definitely an area of weakness.

Marketing Birmingham was another critical issue: nearly all respondents expressed an opinion (97.8%), suggesting that city marketing was a concern of high relevance. However, judgements on achievements were rather contrasting: 25.9% declared that Marketing Birmingham had highly contributed to local economic development, while 34.8% expressed opposite perceptions. Business opinions were approximately evenly divided. Criticisms to the achievements of the marketing strategy, together with the identification of weaknesses and/or areas needing improvements, emerged also from a number of comments, such as: "More

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joined-up thinking required; major marketing spend necessary" (Q. 9); "More coordination of city's external marketing required. A one-voice approach. High profile endorsements needed to promote aspects of the city. Quality of life as well as good business facilities. AWM - where do they fit in? Shouldn't they support the city?" (Q.16); "Future efforts should be focused on raising the profile of the City/Region outside and beyond the Region" (Q. 29); "The various agencies such as AWM, Marketing Birmingham and Birmingham Business Focus must speak with one voice" (Q. 65). And this is a truly crucial issue in a region that refuses to recognise Birmingham as its focal city (Coulson, 2008, p. 4).

These comments help summarise the perceived limitations of the then existing marketing approach. First, there was a perceived lack of coordination between local actors, who had been able to work together for economic development initiatives, but not as much to market the city. Also, on marketing issues, some organisations seemed to pursue autonomous strategies. Furthermore, comments suggested that the marketing strategies implemented so far were too much focused on promoting the city as a place where to do business, while they neglected other assets of the city, equally important for economic development. In particular, the strategies were deemed inadequate in marketing the city as a place where to enjoy quality of life as well as business opportunities. Finally, marketing strategies were blamed for having focused too much on residents and not enough on outsiders, to communicate Birmingham achievements.

The fourth group of initiatives includes those that were of at least some value for local economic development according to less than 65% of respondents. Among these there were the Highbury initiatives (at least of some value for 64.6%) and BCC – Property Services (for 61.8%). They were also characterised by very high rates of no response, respectively: 31.9% and 25.3%. The high rate of no response on Birmingham City Council Property Services might have been caused by inadequate communication from the City Council about its activities.

Finally, the Highbury initiatives were promoted by the City Council, but they involved, with a key role, a number of other major local organisations. Local policy makers and major organisations (among which BF, BCCI)[14] described Highbury initiatives as a milestone in the definition and delivery of Birmingham economic development strategy. Thus, it was surprising that these initiatives obtained contrasting judgements: approximately one third of respondents described them as of high value for local economic development (32.3%) while another third described them as of low or no value (35.4%). The most striking feature was the very high rate of no answer: 31.9%. A number of factors contributing to this outcome can be enumerated, although information from the questionnaire is not enough to support any complete and exhaustive explanation. In previous sections of the questionnaire, responses seemingly indicated that moments of exchanges with the City Council and other businesses were welcomed and positively judged, even if businesses were less satisfied with the City Council inclusiveness at decision-making stages. These same concerns might apply also to the Highbury initiatives, which could be an emblematic case of initiatives perceived as a good moment of exchange of views and opinions, but less focused on finalising decisions for action. This judgement might also be accredited to a diffuse impression that decisions took place in different and more restricted contexts. On the contrary, positive responses may be the

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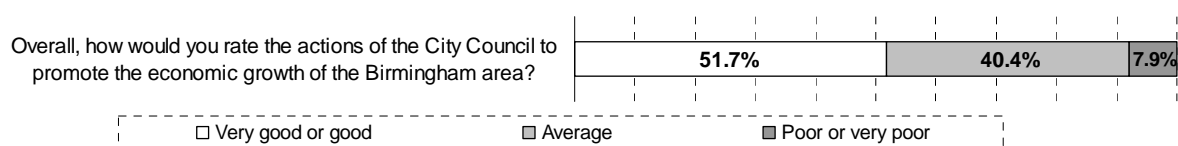[14] In interviews with the author.

result of the acknowledgement that the exchanges during, and outcomes of, the Highbury initiatives were a fundamental step for the subsequent definition of successful strategies.

A bivariate analysis provides some further insights. Reported judgements on the value of the Highbury initiative showed significant variations across respondents' subsets classified on the basis of the year their business was established in Birmingham. The Highbury initiatives seemed to be judged of higher value by businesses established between 1980 and 1989 and between 1990 and 1999. In these two subsets, the percentage of responses declaring the Highbury initiatives to be of high or very high value were significantly above the average of 32.3%: respectively 50% and 41.2%. Therefore, business established during the years of major crisis and interventions and during the years of the Highbury initiatives were expressing a generally very positive opinion on the relevance of such initiatives for local economic development. To an extent that among businesses established between 1980 and 1989, those declaring that the initiatives had little or no value were only 16.7% (against an average of 35.4%). This pattern might suggest a positive impact of these initiatives on new businesses. Finally, the most recent businesses (established on or after the year 2000), although expressing the view that the initiatives had not been of high value (only 15.4% thinks so – against an average of 32.3%), ranked second in declaring that the initiatives were at least of some value (only 30.8% declared that the initiatives were of low or no value, below the average of 35.4%). In spite of this, a chi test did not allow to reject the hypothesis of independence of responses by businesses established in different years. There was also no significant variability in patterns of responses according to the businesses dimensions (number of employees), sector or markets served.

In conclusion, policies and programs implemented by Birmingham organisations were perceived as effective in promoting local economic development. In particular, among the initiatives listed, 9 were judged at least of some value for economic development by no less than 65% of respondents and four were judged of high or very high value by at least 35% of respondents. In addition, the International Convention Centre and National Exhibition Centre, together with cultural and art events, were described as extremely significant. These policies had often been defined by local organisations through exchanges and collaboration, and in many cases they had been jointly implemented. These initiatives therefore were the product of a particular institutional milieu, characterised by collaboration, exchanges and joint commitments. The lack of such institutional conditions could have prevented many initiatives from being accomplished (such is the case for the ICC, NEC; the Aston Science Park and Birmingham Research Park, or the City Strategic Partnership).

The respondents' views are synthetically conveyed by their answers to a final question, which asked for an overall evaluation of Birmingham City Council policies and programs to promote local economic development (both alone and in partnership with other organisations). The overall evaluation was extremely positive (figure 7), with 51.7% responding that City Council actions had a very good or good impact, and a further 40.4% describing them as of average value. The dissatisfied were limited to a mere 7.9%, and the very low rate of no answer (2.2%) was indeed a clue to the visibility of the City Council actions.

Overall, how would you rate the actions of the City Council to promote the economic growth of the Birmingham area?	51.7%	40.4%	7.9%

☐ Very good or good   ☐ Average   ☐ Poor or very poor

Figure 7. Overall judgement (percentages are calculated excluding the responses "I don't know", amounting to 2.2%).

7. Conclusions

Evidence presented in this paper and collected through a survey of opinions of selected Birmingham businesses', allows to draw two main conclusions on city councils and partnerships for local economic development. First, it reveals that in Birmingham existed a collaborative climate and shows that the City Council was able to foster it. In addition, it allows an assessment of a number of programs and policies defined or implemented by partnerships of local organisations.

The survey provides evidence that Birmingham City Council contributed to the establishment of a collaborative climate, in particular thanks to its openness and ability to relate with other local organisations. Essentially, local businesses recognised and appreciated the City Council efforts to get in touch with the business community, to collect business views and opinions, and to use them to shape economic development strategies (although the City Council was described as less open at the decision stage). In particular, the "Breakfast Meetings" initiative was widely appreciated, as an occasion for exchanges on issues concerning the city's economic development, rather than for tackling matters of specific interest to individual participants. These results support the relevance of behavioural and process factors to sustain collaboration. In particular they confirm that it is important that local councils possess specific qualities if they wish to act as catalysts for collaboration: openness to exchanges, ability to involve a variety of interests and take them into account, strategic leadership.

Further, the survey allows an assessment of the impact of collaboration on local economic development. Specifically, it investigated the relevance for local economic development of a number of programs and policies which had been defined, shaped and made possible to implement by the existing collaboration. The general opinion on these initiatives, implemented either by the City Council or by a wider network of local organisations, was therefore critical, as it reflected a judgement on the effectiveness of collaboration in producing valuable initiatives. Most policies were judged positively and described as having effectively impacted on local economic development. Crucially, the City Council contributed, also with its resources, to the definition and implementation of joint initiatives. Birmingham City Council open approach and capacity to deliver had enhanced trust and collaboration, and favoured further achievements. Therefore, a local collaborative climate seems critical to allow the definition and implementation of effective local economic development policies and programmes

In conclusion, evidence from the survey describes a generally positive role of Birmingham City Council in promoting a collaborative climate and suggests that local collaboration was effective in fostering economic development. In particular, the balance of judgements expressed by the local business community can be synthesised in three points. First the City

Council attitude to involvement and consultation was well perceived. Overall, those who responded described a City Council open to exchanges, suggesting the importance of such attitude for the creation of a collaborative climate. Secondly most businesses appreciated the opportunity of being an active part in the institutional milieu, not only with their business activities, but also for their contribution to strategic decisions. Finally, those who replied were – generally – supportive of the city council initiatives. The impact of many local economic development initiatives, defined and implemented thanks to the existing collaboration, was judged positively. Therefore, evidence collected suggests that local governments can effectively take action in partnerships and supports the relevance for local economic development of programmes and policies defined and implemented thanks to the local collaboration.

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