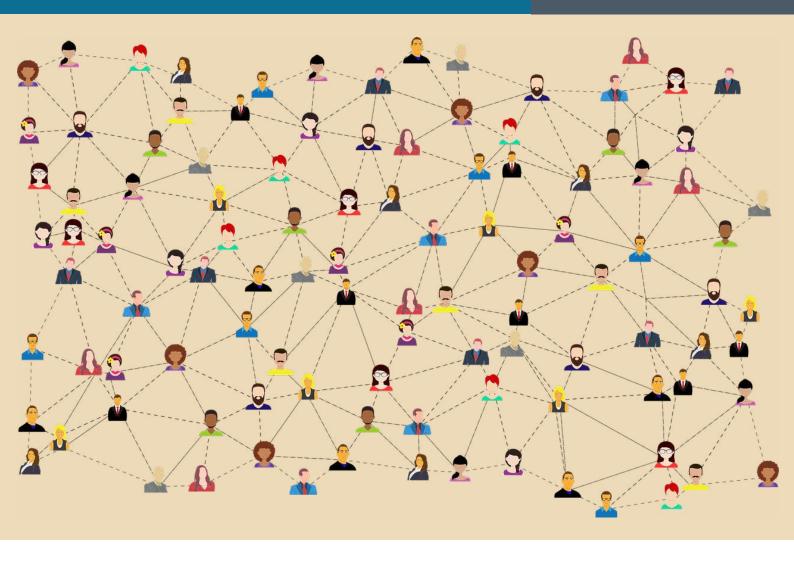
EVERYBODY'S BUSINESS: the role that business can play in supporting cohesive communities









Contents

A quick introduction: the role of business in social cohesion	1
Executive summary	2
Background and context	3
Recommendations: the role of business in social cohesion	4
1. Business as an engine of cohesion	4
2. Business as a community partner	7
3. Recommendations for local authorities	9
References	12

The opinions expressed in this work are the responsibility of the author and do not necessarily reflect the official policy of the Council of Europe.

Written by Belong – The Cohesion and Integration Network with input from the Intercultural Cities Unit and Network

> Intercultural Cities Unit, Council of Europe

A quick introduction: the role of business in social cohesion

This report sets out a series of recommendations about the role that business can play in supporting cohesive communities. This is a quick introduction to help the casual reader understand the drivers behind this. It can be read with the Executive Summary which follows.

What is social cohesion?

Social cohesion is a term we use to describe how well people from different backgrounds mix, interact and get along with each other. Those differences can be ethnicity or faith, but they can also be social class, age, gender, sexuality, or a range of other differences that might potentially divide us. Building cohesive communities is about developing neighbourhoods, social spaces and workplaces where difference is welcomed and celebrated. This involves moving beyond narratives of "us" and "them" towards a greater sense of trust and a shared sense of belonging.

Why it's everybody's business

This idea of social cohesion is not about what particular, often marginalised groups must do to cohere. On the contrary, building a more cohesive society is everybody's business. We are all part of the social fabric, the strength of which can be an important influence on the well-being of communities and individuals. We all have a responsibility to build and maintain the relationships, connections and understandings which make up that social fabric. Cohesion is a shared objective, in which every person, every neighbourhood and every organisation has a role to play.

Why business matters

Business therefore has a responsibility to play its part in this, but many businesses will also be well-placed and well-suited to doing so. The workplace itself can be an important fulcrum for bringing people from different backgrounds and communities together, a place where we form connections and

put down roots. As workplaces change and remote working becomes more commonplace, this is no less important to remember. Some businesses also play important roles in community life, for instance as spaces in which people meet. In this sense, business itself can be, as this report puts it, 'an engine of cohesion'.

Businesses are also in a position to play an active role in supporting cohesive communities in the places in which they are based. Through networks and partnerships, they can support those organisations and places that help bring people together and underpin cohesive communities, in the same way in which businesses deliver other forms of social value. Local authorities can be key partners in this, able to leverage their place-based knowledge and leadership to support businesses who want to do more of this.

Taking this forward

Social cohesion objectives fully align with existing initiatives focused on diversity and inclusion. However, they add to these a focus on bringing people from different backgrounds together, both within the workforce and through enabling business to play a greater role in supporting cohesive community life.

Through taking up some of the ideas in this report, businesses will find themselves more embedded in, and connected with, the communities around them, as well as more able to see and demonstrate the social value they deliver to those communities.

However, this report is the beginning of a conversation, rather than the end. Its success will depend on us all making it easier for more businesses to take up and implement these ideas. We hope it provokes thoughts, actions and further work to continue to take this agenda forward.

Executive Summary

How can business play a role in supporting cohesive communities? This report sets out some guiding principles which can help answer this question and highlights some examples of good practice. The findings and good practice examples have been drawn from a series of roundtable conversations with a number of local authorities (Swansea, Manchester, and Kirklees, Bradford, Calderdale and Leeds in West Yorkshire) and a range of businesses which operate in their areas.

Business as an engine of cohesion

Businesses and workplaces themselves can be a fulcrum for bringing people and communities together. Businesses can help to maximise the positive impact they have in this by:

- 1. Recruiting a diverse body of staff recruiting a workforce which fully reflects the diversity of local communities, across all functions and levels of seniority, is a necessary condition for a business which wishes to support social cohesion.
- 2. Promoting an inclusive culture through cohesion-aware management creating a climate of openness and trust, ensuring demographic attributes do not overlap with functional roles, and supporting meaningful interactions between people of all backgrounds across the workforce, are key elements of workplaces that support cohesion.
- 3. Enabling minorities and diverse groups to lead innovation ensuring that innovation is led by diverse teams and those from under-represented groups enables better understanding of the needs of communities and increases awareness of market and product opportunities that might otherwise be missed.
- 4. Investing in social infrastructure in the local community businesses should consider what more they can do to support welcoming, inclusive community spaces, whether in the course of their everyday operations, or for instance through the innovative use of their commercial property.

Business as a community partner

Businesses can also deliver added social value by

supporting community organisations and initiatives which build cohesive communities. They can do this by:

- 5. Partnering with a local community group or charity businesses should be more regularly twinned with a local community group or charity as part of an ongoing relationship, which might involve sponsorship or support-in-kind, and would help deepen the connections between a business and the community around it.
- 6. Providing direct support through employee volunteering businesses should enable more employee volunteering that aids charities, community groups and hubs that support community life and bring people together, thereby also helping to connect employees to the community and to those from different backgrounds to them.
- 7. Localising their supply chain by applying the 'think local' principle to as much of their supply chain as possible, businesses can extend more opportunities to the local community, and help to strengthen the networks of social and economic ties that can support cohesive communities.
- 8. Evaluating their cohesion impact wherever possible, businesses should evaluate the impact of work that they are doing to support cohesive communities, including the types described above, and they can be aided in this by local authorities (see below).

The role of local authorities

Local authorities can support businesses to do all this by:

- Providing leadership being clear about how businesses can support local cohesion objectives and playing a coordinating role in helping them do so.
- Incentivising businesses to act through highlighting cohesion outcomes in their approach to procurement and social value, and by recognising businesses that do this well.
- Creating an evaluation framework based on local needs – providing a robust and rigorous framework for evaluating cohesion-oriented activity that businesses carry out, including shared measures and reporting.

Background and context

Increasing diversity, inequality and social isolation in cities across Europe has prompted many civic leaders to renew their focus on developing community cohesion. Intercultural Cities are places where people from different backgrounds are supported to mix and interact with one another, which in turn leads to increased trust between these different groups and a high level of cohesion. Successful cohesion strategies are informed by a deep understanding of the characteristics and needs of their local place, as each location has unique opportunities and challenges. This is true whether social divisions are primarily attributable to differences in nationality, ethnicity, language and religion, or include age, sexuality, disability or socio-economic status. Social divisions can also be exacerbated by local conditions such as geography, transport, segregated housing, education and workplaces, as well as political and historical factors.

Alongside this, and in response to renewed focus on the need for policies and practices that strengthen equalities, diversity and inclusion, the private sector has been adapting its practices to reflect a more diverse society. This is in part so that businesses draw the greatest benefit from the potential diversity advantage: a more diverse population bringing new skills and opportunities. Some go beyond this, in seeking to do more to support local community cohesion as part of their agenda as a socially responsible business.

Now almost two years into the Covid-19 pandemic, with its associated lockdowns, growth in working from home and consequent decline in social mixing, the need for policies and initiatives that bring people from different backgrounds together

is greater than ever. Indeed, research by the Belong Network and the University of Kent has found that areas in the UK which prioritised social cohesion prior to the pandemic have had higher levels of political trust and active community engagement during it. This period has also demonstrated the important role of the private sector (particularly small and medium sized locally embedded business) in providing opportunities for mixing, as well as charitable community support in the form of food deliveries and community spaces. Yet too often civic initiatives to foster community cohesion do not consider the role that the private sector can play, focusing more on those tools within the direct control of local policymakers, while businesses do not always consider the positive impact they can have on local cohesion.

This policy brief seeks to address this gap, making suggestions and sharing examples of how businesses can play an active role in developing community cohesion, and how policymakers at the city-level can best work with businesses locally to encourage this involvement. It was produced for the Intercultural Cities programme (ICC) by Belong - The Cohesion and Integration Network, the UK's leading membership organisation on social cohesion and integration. It draws primarily on the experience of the ICC-UK network, based in part on roundtables with member cities Manchester, Kirklees, Bradford, Calderdale, Leeds, and Swansea, but supplements this with examples from the wider ICC network. In this way it is aimed both at businesses wanting to do more to help develop community cohesion and those civic leaders that want to encourage local businesses to do more.

Recommendations: the role of business in social cohesion

We propose that business plays two primary roles in supporting social cohesion:

1. Business as an engine of cohesion

Workplaces are a site of intercultural interactions – this opportunity can be maximised by:

- Recruiting a diverse body of staff
- Promoting an inclusive culture through cohesion-aware management
- Enabling minorities to lead innovation
- Investing in social infrastructure in the local community

2. Business as a community partner

The social value agenda can be harnessed in favour of community cohesion if businesses:

- Partner with a local community group or charity
- Provide direct support through employee volunteering
- Localise their supply chain
- Evaluate their cohesion impact

Role of local authorities

Local authorities can support businesses by:

- Providing leadership, such as a clear strategy for action
- Incentivising businesses to act
- Creating an evaluation framework based on local needs

1. Business as an engine of cohesion

There is tremendous potential to support community cohesion within a business. Research has found that workplaces can provide the opportunity for people from different backgrounds to connect in a way that leads to more positive attitudes towards diversity and higher levels of social cohesion. Those who work in diverse workplaces are more likely to have friends from different backgrounds, though interactions must be more than passing for the effects to extend beyond the workplace.

We make four recommendations for how businesses can do more to support social cohesion in their everyday work:

- Diverse recruitment
- Cohesion-aware management
- Community-led innovation
- Investment in social infrastructure

Diverse recruitment

Recruiting a diverse workforce which fully reflects the diversity of local communities is a necessary condition for supporting social cohesion in the workplace. In addition, businesses which provide employment opportunities to recently arrived migrants play an important role in helping them integrate into the local economy and community, namely by providing occasions for intercultural interaction and mixing.

Diversity and representation are important at all levels of the business hierarchy. If more junior colleagues are consistently from a particular group, and senior colleagues from another group, then cross-level interaction within the business context is unlikely to provide the conditions for positive mixing.

Business and civic leaders should take stock of the diversity of their workforce, analysing this by level of seniority and functional role. In addition, they should consider adopting recruitment practices that have been shown to reduce implicit bias. They should also consider what more they could do to provide opportunities for migrants and refugees to integrate, whether through providing sponsorship, vocational training, or opportunities for language learning.

The ICC have developed the Rating Diversity in Business tool to help cities to assess the employee diversity of companies in their local environment and make clear the benefits of a more varied workforce.

It is also important that both migrants and employers are aware of their rights and of the legal procedures needed to hire migrants. The Portuguese Intercultural Cities Cooperative, together with the cities of Oeiras, Amadora and Loures, have developed a guide with recommendation, advice, good practices and legal information for local businesses on hiring migrants. The guide works also as an important source of information for migrants.

Cohesion-aware management

Research on the effects of management practices on social cohesion in diverse workplaces emphasises the importance of well-designed teams, where demographic attributes do not overlap with functional roles (e.g. where different ethnicities, genders or nationalities are heavily concentrated in different teams), and where unearned status does not accrue to particular demographic groups. It also finds that a climate of openness, trust and psychological safety is important in increasing social cohesion, and suggests the need for employment policies and practices that support meaningful interaction between people of all backgrounds across the workforce. Cohesion-aware management is a necessary extension of diverse recruitment,

because it creates the environment within which diverse teams flourish and become high performing.

In practice, to provide an environment that supports social cohesion, employers should think carefully about how shifts are allocated and teams are composed, to ensure that those from different backgrounds have ample opportunity to interact with one another. They should also adopt management practices that allow connection and trust across differences to flourish. In multilingual workplaces, providing support to learn the local language through formal and informal learning experiences will also support both social cohesion and business outcomes.

The project "Diversity management approaches in the public-private partnership industry", implemented by the intercultural cities of Novellara, Reggio Emilia and Rubicone a Mare, developed a managerial methodology designed to maximise the potential of diversity in business and promote greater inclusion of employees from different social and cultural backgrounds in the structure of an organisation. A summary report from the project is available.

Community-led innovation

Research has shown that firms with greater numbers of migrants develop more new products, and some attribute this to diversity, as it widens the sources of knowledge. In this way, a more diverse and socially cohesive workplace increases the potential for awareness of products and markets that might otherwise be missed. The products that a company provides, and how these are marketed and advertised can also help support social cohesion at a local level, by ensuring that the needs of the widest range of people are met by the market. Businesses should do more to realise this potential, by providing more opportunities for product innovation, especially for those from underrepresented groups, and developing an awareness of diverse customer needs in their local community as part of their market research operations.

Providing social infrastructure

By their very nature, some businesses represent vital social infrastructure that provides opportunities for people to meet and mix across different boundaries. As 'third places', other than home and work, these businesses provide a venue where members of the community can interact with one another informally, and where collective space can be provided for community initiatives such as charitable fundraising.

The experience of the Covid-19 pandemic has made clear the vital importance of these shared spaces. As we learn to live with the virus, businesses should consider what more they can do to provide welcoming, inclusive settings for people to meet and mix, whether in terms of their everyday operations, or in considering whether elements of their commercial property can be opened up further. In some cases, this may mean becoming more sensitive to less visible forms of exclusion based on the needs and preferences of those from a variety of backgrounds, for example through providing menus in translation, or the provision of multifaith prayer facilities. A guide on Diversity and Inclusion in times of global crisis by the Aga Khan Foundation offers further advice and examples.

In **Kirklees, United Kingdom**, the local council cofounded the DIVERSITY = INNOVATION Network with a number of local employers, including larger businesses such as Cummins and SMEs to monitor the diversity of recruitment and promotion locally, and work with employers to champion diverse workplaces. These employers seek to be ambassadors for diversity in their own right: for example, Cummins recently partnered with Conscious Youth to deliver an international event on black leadership in recognition of Black History Month.

In addition, the council has itself adopted an approach of name-blind recruitment, resulting in a more diverse pool of interviewees than more conventional methods of CV-sorting, as the latter can be subject to both explicit and implicit bias. Instead, applications and CVs are judged on the

applicant's credentials, rather than their names or other personal details.

In Manchester, United Kingdom, the Manchester International Festival has partnered with the construction firm Laing O'Rourke to provide employment opportunities for a diverse range of young people based in Manchester in the construction of The Factory, a landmark new cultural space. Key to the offer is the support and training provided over the course of a 6-month programme, meaning that those currently furthest from sustained employment can benefit both by gaining experience of paid work and gaining qualifications to take into future roles. This helps to address multiple disadvantages at once, increasing the diversity of those working in the construction sector.

In Leeds, West Yorkshire, a group of the thirteen largest (primarily) public sector employers, including the city council, local universities and Yorkshire Water, have formed the Inclusive Anchors Network, with a focus on driving inclusive growth across the city. As part of this, in partnership with the Open Data Institute Leeds, six of these organisations publish regular data on the diversity of their workforce on a publicly available dashboard, enabling employees, service users and members of the public to hold them to account on their diversity commitments. In addition, the local council has collaborated with the organisations Diverse and Equal and Wild Digital and convened the support of a wide range of local digital businesses, to conduct research and develop recommendations to increase diversity in the technology sector. The benefit of this is founded on the understanding that more diversity will lead to greater innovation and growth (the diversity advantage). The recommendations stress the importance of structural change within businesses to improve inclusivity and reduce bias, both in terms of recruitment and management decision-making.

In **Montréal, Canada**, particular efforts have been made to integrate new migrants into the workforce. A work training programme led by the city government provided training for both qualified migrants and the HR departments of local

businesses to improve intercultural communication and therefore employment outcomes. In addition, the city's Economic Development Department provides funding for training in entrepreneurship for those from diverse backgrounds, as well as access to local entrepreneurship networks, to support those who want to create their own businesses.

There are many other examples of employment support for refugees and asylum seekers across the ICC networks. In **Erlangen, Germany**, the city and the employer Siemens have collaborated to provide internships for skilled asylum seekers, including vocational training as well as lessons in the German language and culture. In **Neuchâtel**, **Switzerland**, the Prosperimo project worked with the local restaurant sector to provide employment and training opportunities for refugees. And in **Ravenna**, **Italy**, refugees and asylum seekers were provided with career counselling, including training on CV writing, job interviews, and IT, to support their integration.

In Reggio Emilia (Italy), the municipality launched the Diversity Lab programme to explore the advantages of cultural diversity, with particular reference to new plural economies and open innovation processes. The programme, implemented by the Foundation Mondinsieme, aims to disseminate a renewed vision on Diversity Management, able to effectively combine inclusion and valorisation efforts (overcoming its simple reparative function). A key strategy to reach this goal consists in integrating Diversity Management and Diversity Marketing strategies. These strategies offer different local actors (businesses and commercial organisations, start-ups, public institutions, collaborative spaces etc.) both customised training opportunities and the possibility of participating in awarenessraising events and collaborative initiatives. The programme is three-stranded and includes diversity management initiatives targeting: 1. private organisations; 2. public institutions; and 3. the setting-up of a new innovative and intercultural start-up ecosystem.

2. Business as a community partner

Businesses also play an important role in supporting cohesion as an integral part of the local community. Some businesses are already doing this, through for instance developing partnerships with charities and community groups, whether as a natural extension of their existing relationships, or as part of a conscious push to create social value. Yet there are many ways to add social value, and the sheer range of possible good causes and a relative lack of familiarity with social cohesion as a concept means that too few businesses explicitly support those in the social sector working to create a more integrated society. This section sets out how businesses can move from their current approach to social value to focus more directly on social cohesion.

We make four main recommendations for how businesses can do more to support social cohesion in their communities:

- Sponsor a local charity
- Direct employee volunteering
- Review your supply chain
- Evaluate your impact

Sponsorship and donations-in-kind

Many businesses provide direct sponsorship for charitable activity, whether corporately or through fundraising drives among employees. Similarly, where appropriate, donations-in-kind are also coordinated and encouraged by employers – for example, donations to food banks or items for charity auctions. This is true of smaller businesses as well as the larger corporates: the UK's Federation of Small Businesses (2019) estimates that as many as 80 per cent of SMEs have contributed to the local community through volunteering or donations.

While generosity in charitable giving is to be applauded, more strategy and coordination in the approach taken in a local area would maximise the impact. For example, each business could be twinned with a local community group or charity. In this, the ongoing relationship which is formed

would be a valuable outcome in itself, helping to bind businesses closer to their local communities.

A business or owner might consider establishing a charitable foundation with a clear purpose and strategy to enable more consistent giving over the long term. There is often a circular relationship between social cohesion and various forms of disadvantage in a local area, with material deprivation contributing to growth in social divides. We recommend that businesses consider the needs of their local area holistically, learning in partnership with other philanthropists and community representatives to ensure that resources are distributed effectively, and unmet needs are minimised.

Employee volunteering

In recent years, there has been growing interest in employee volunteering. This is typically an arrangement in which a business coordinates opportunities for employees to give their time to a cause, often in the local community. For many businesses, the small investment of staff time-off reaps dividends in terms of employee engagement and satisfaction. While often the activity is addressing an immediate need, such as renovating a community space, this can also take the form of 'impact volunteering', where employees use their professional skills, such as accountancy and law, to help community organisations.

However, there is scope to make much more of the potential for employee volunteering schemes to support social cohesion. While community-orientated volunteering can in itself help to support cohesion, more businesses should consider how they can encourage their employees to dedicate their time and skills to charities, community groups and social spaces which enable social cohesion, through supporting community life, bringing people together and enabling the integration of new arrivals to the area.

The volunteering activity itself can often be a chance to bring employees together with members

of the local community and to connect with those from different backgrounds to them. For instance, renovation of a community space can be planned so that it is undertaken in pairs, where one person is from the local community group and one person from the company. A shared lunch can be planned and other activities which enable greater interaction can be included.

Supply chain social responsibility

When developing their corporate social responsibility strategies, an increasing number of businesses are thinking about this not just in terms of their own operations but also their local community impact and the growing complexity of globalised trade. This has prompted some to adopt a model of 'supply chain social responsibility'. What this means in practice is thinking carefully about procurement decisions and ensuring that suppliers meet the same ethical standards applied to one's own practice.

In so doing, more businesses should adopt the principle 'think local'. Localising the supply chain wherever possible will produce benefits in terms of the resources and opportunities available in the local community, which in turn will strengthen the networks of social and economic ties that make up the social fabric of a local area.

Evaluating activity

There are clear business benefits to practices which generate social value, whether in terms of staff morale (and therefore retention) or organisational reputation. However, it is also crucial that the role business plays in supporting social cohesion in their local community has the positive effect intended. Yet, too many initiatives do not take stock of their impact on their intended beneficiaries.

More businesses should adopt an approach to measuring performance that evaluates the social value goals, including impact on the local community, alongside profitability and other traditional metrics. One approach to this is the B Corp certification, where companies commit to independent auditing

on their social and environmental impact. However they do this, companies should ensure that in their charitable activity they remain accountable to the communities they aim to serve, and that they are constantly learning and adapting their practice to meet their local area's needs

In Manchester, United Kingdom, The Co-operative Group, a large retail consumer co-operative, has developed an online platform to coordinate volunteering opportunities for colleagues, members and interested members of the public. The platform, called 'Co-operate', has the express purpose of developing more resilient communities by connecting community groups and opportunities with those who want to support them.

Originally piloted in the Manchester area of Stretford and since expanded nation-wide, a key aspect of the platform is its bottom-up nature, enabling local groups to advertise opportunities to volunteer which are local to them. At the time of writing there are 5,224 volunteering opportunities advertised across the UK, addressing the Co-op's national missions of opportunities for young people, sustainability and fair access to food, plus a broader range of community issues. In addition, the Co-op's community fund has raised over £100m from members to support local causes voted for by members.

In Swansea, United Kingdom, the heating services company Gower Gas and Oil has led a variety of initiatives to address social isolation locally. Chief among these is #DontDanceAlone, a social media campaign which, in partnership with local radio stations The Wave and Swansea Sound, raises awareness of elder isolation and money for older people's charities. In addition, they help to coordinate the Gower Isolation Support Group, which helps ensure that isolated older people are visited regularly, with a view to ensuring positive social and health outcomes, particularly important during the recent Covid-19 lockdowns.

In Kirklees, United Kingdom, a number of businesses have provided support for the Jo Cox Foundation, created in memory of the local MP who was

murdered by a far-right terrorist in 2016 and focused on developing stronger, more compassionate communities. For example, the local firm XYZ Law sponsored and raised money for a cycle ride from Kirklees to London in aid of the foundation, alongside their ongoing impact volunteering in support of local charities. In addition, local medical supplier Ferno UK raised funds for the Great Get Together, an annual event co-ordinated by the foundation which brings neighbours together in parks, streets, and other public places to share food and get to know one another. Elsewhere in West Yorkshire, in Bradford, United Kingdom, the cosmetics manufacturer Orean Personal Care works hard to maintain an ethical supply chain, seeking suppliers that meet high social and environmental standards. Orean are currently being assessed to become B Corp certified, which would make them the first UK personal care manufacturer to do so.

3. Recommendations for local authorities

While the focus so far has been on what businesses can do to support social cohesion locally, there is an important role for civic leaders in encouraging and coordinating the efforts of local businesses. This is partly because of the inherently place-based focus of local authorities. While markets can range across the world, local authorities are primarily focused on improving lives within their boundaries. As a result, they typically have the best understanding of the cohesion profile of the area: the needs, opportunities, and the community groups already doing good work. In addition, they can influence behaviour in numerous ways: through regulation and taxation; through their approach to procurement; and through softer mechanisms such as issue leadership and providing guidance and support.

We make three recommendations for how local authorities should encourage businesses to do more to support social cohesion:

- Providing leadership
- Incentivising businesses to act
- Assessing the impact

Providing leadership

One of the most important things local authorities can do to support businesses in developing social cohesion in their local areas is provide clear leadership on this issue. In practice, this firstly means being clear about the importance of social cohesion and the cohesion objectives which are most important for its area. This will help address the relatively low levels of awareness among businesses and encourage them to find out more and direct some of their social value activity towards these ends.

In addition, local authorities should lead the development of an evidence-based social cohesion strategy, in consultation with local businesses and community groups, where the specific local issues and targets to address these are agreed. Such an approach will bring the issue to life for these important stakeholders, gaining their buy-in while also enabling learning and adaptation of the strategy based on their experiences.

Finally, local authorities should help to coordinate activity to ensure that work does not take place in silos, so that effort is not duplicated, and all needs are met. This could follow the approach of the UK Integration Areas programme, a systemic approach to multi-sector collaboration supported by the national Government in Bradford, Blackburn, Walsall, Waltham Forest and Peterborough, which research by the Belong Network has found to bring individual and community-level benefits. In any case, effective coordination of efforts is likely to be crucial to the successful integration of business into strategic activity.

Incentivising businesses

A second important consideration for local authorities is how to increase the amount of business activity aimed at supporting social cohesion, both through engaging a wider range of businesses in this work, and by encouraging those already contributing to cohesion efforts to do more. Appropriate incentives will vary across different

settings, partly based on authorities' own powers. Business regulation and taxation are powerful but possibly blunt tools in addressing this outcome. Beyond this, a range of other policy options are available to local authorities.

Firstly, they can do more to prioritise social cohesion in their approach to procurement: when commissioning a company, they should weigh up the impact on the local community alongside other considerations such as cost and quality and could prioritise a local business or require that certain activities in support of cohesion are performed as part of the contract. In the UK, local authorities can do so under the auspices of the Public Services (Social Value) Act 2012, in which improving community cohesion is explicitly mentioned as criteria to be used when evaluating tenders.

In addition, the use of influence and soft power can be effective. For example, those local employers who already do this work well could be branded as 'cohesion champions' or 'community connectors' and given opportunities to spread the message to other parts of the private sector. Furthermore, providing guidance and case studies alongside a cohesion strategy, so that businesses can clearly understand what is meant by social cohesion and what more they could be doing locally, would have a powerful effect.

Assessing the impact of a range of different policies can be a challenge for local authorities. The Intercultural Cities programme offers all member cities easy-to-use checklists and a full guide to assess planned or proposed projects, policies or actions against three principles: real equality, diversity advantage and meaningful interaction.

Assessing impact

A final important contribution that local authorities can make is to provide a robust and rigorous framework for evaluating the social cohesion-oriented activity that businesses carry out, working from the strategy to establish whether the desired impact has been achieved. This could

involve the agreement of shared measures and reporting as part of the strategy process, which would help ensure comparability across different businesses and activities. Such an approach may be appealing to businesses, as this integrated approach will save their effort in developing their own evaluation design. In this way local authorities can act both as an honest broker, ensuring that the community is benefiting from the strategy and the activities that populate it, and as a guarantor of quality, by applying research designs which truly test the impact.

In doing this, local authorities need to be particularly mindful of the position of small businesses. Smaller businesses will have limited capacity to be able to deal with additional paperwork that might accompany assessment, but will often be highly connected to and active in their communities, delivering social value in often unrecognised ways.

In Bradford, United Kingdom, the accountancy and consulting firm Grant Thornton have developed an Inclusive Employers Toolkit in partnership with the local authority. This aims to help local employers to become more inclusive by providing them with a method for self-evaluation, including clear instructions for how to collect data on current levels of diversity and established practice within the business, set targets and then implement a plan to achieve these. It also provides guidance for evaluating progress and updating targets based on this new information.

It does this based on five inclusion factors, relating to: talent attraction; talent development; strategic development, which assesses the quality of the inclusion strategy itself; organisational culture; and external impact, relating to the effect on customers, suppliers and the wider community. In this way, the council is providing leadership for the local business community, in partnership with a leading champion of inclusive business practices.

In **Calderdale, United Kingdom**, the local authority has led the development of a social cohesion strategy, produced in consultation with

the local public, under the banner of 'everyone different, everyone matters'. This sets out a clear understanding of why the issue matters in the local area, the priorities over the next five years, what the council will be doing in terms of policy and its own internal practices, and how it will measure progress. It also stresses the importance of working in partnership with the private sector as well as charitable organisations. In this way it provides both the conceptual and practical guidance that can enable interested employers to get involved and contribute.

In Manchester, United Kingdom, the local city council has been at the forefront of rethinking the procurement process, focusing on how it can better support local regeneration. Since 2011, contracts awarded by the council have been judged partly on the social value they offer to the local community. This approach has increased the proportion of council funds spent locally, from 51.5% in 2008/09 to 69.2% in 2019/20, while also generating over 47,000 hours of support for the local voluntary and community sector. This approach has also influenced local businesses, with some adjusting their approach to procurement to focus more on supporting local suppliers.

In **Oslo, Norway**, the OXLO Business Charter is a partnership between the city authorities and local businesses aiming to support the integration of migrants in the labour market, in recognition of the important role they play in economic growth. Initiated by the Oslo Chamber of Commerce following requests for greater support from the business community, the charter provides advice on intercultural recruitment and inclusivity at work, integrating the ICC's Rating Business in Diversity tool. In addition, it has supported projects promoting diversity in business, including among start-ups, mentorship programmes and networking to help businesses learn from one another.

References

Aga Khan Foundation Portugal, Equality Strategies (Ireland) and Estonian Centre for Human Rights (2021) *Diversity & Inclusion in Times of Crisis*. Available at: http://www.diversity-work.eu/wp-content/uploads/2021/08/DI-in-times-of-crises-guide.pdf (Accessed: 25 January 2022).

Broschak, J. P. and Davis-Blake, A. (2006) 'Mixing Standard Work and Nonstandard Deals: The Consequences of Heterogeneity in Employment Arrangements', *The Academy of Management Journal*, 49(2), pp. 371–393.

Cabras, I. and Mount, M. P. (2017) 'How third places foster and shape community cohesion, economic development and social capital: The case of pubs in rural Ireland', *Journal of Rural Studies*. Elsevier Ltd, 55, pp. 71–82. doi: 10.1016/j.jrurstud.2017.07.013.

CLES (2017) The Power of Procurement II: The policy & practice of Manchester City Council - 10 years on. Available at: https://cles.org.uk/wp-content/uploads/2017/02/The-Power-of-Procurement-II-the-policy-and-practice-of-Manchester-City-Council-10-years-on_web-version.pdf (Accessed: 23 June 2021).

CLES (2019) *Manchester City Council Spend Analysis 2019/20*. Available at: https://cles.org.uk/wp-content/uploads/2021/02/Infographic-and-findings-2021.pdf (Accessed: 23 June 2021).

FSB (2019) *Small Business, Big Heart: Bringing Communities Together*. Available at: https://www.fsb.org.uk/resource-report/small-business-big-heart-communities-report.html (Accessed: 4 June 2021).

Guillaume, Y. R. F. et al. (2017) 'Harnessing demographic differences in organizations: What moderates the effects of workplace diversity?', *Journal of Organizational Behavior*, 38, pp. 276–303. doi: 10.1002/job.2040.

Harris, C. and Valentine, G. (2016) 'Encountering Difference in The Workplace: Superficial Contact, Underlying Tensions and Group Rights', *Tijdschrift voor Economische en Sociale Geografie*, 107(5), pp. 582–595. doi: 10.1111/tesg.12197.

Kokkonen, A. et al. (2015) 'Diverse Workplaces and Interethnic Friendship Formation — A Multilevel Comparison across 21 OECD Countries', *Journal of Ethnic and Migration Studies*. Taylor & Francis, 41(2), pp. 284–305. doi: 10.1080/1369183X.2014.902300.

Laurence, J., Schmid, K. and Hewstone, M. (2019) 'Ethnic diversity, ethnic threat, and social cohesion: (re)-evaluating the role of perceived out-group threat and prejudice in the relationship between community ethnic diversity and intra-community cohesion', *Journal of Ethnic and Migration Studies*. Taylor & Francis, 45(3), pp. 395–418. doi: 10.1080/1369183X.2018.1490638.

Portuguese Network of Intercultural Cities (RPCI Cooperative) (2021) 'Inclusive Labour Market: a handbook for intercultural organisations'. Available at: https://rm.coe.int/guide-inclusive-labour-market-en/1680a535d5 (Accessed 25 January 2022).

Rodell, J. B. et al. (2016) 'Employee Volunteering: A Review and Framework for Future Research', *Journal of Management*, 42(1), pp. 55–84. doi: 10.1177/0149206315614374

Diversity has become a key feature of societies today and is particularly tangible in urban centres. While people of diverse national, ethnic, linguistic and faith backgrounds have immensely contributed to post-war prosperity, inequalities related to origin, culture and skin colour persist, and anxiety about pluralism, identity and shared values is often politically instrumentalised. The challenge of fostering equity and cohesion in culturally diverse societies has become more acute. Cities are uniquely placed to imagine and test responses to this challenge. The Council of Europe and its partner cities have developed and validated an intercultural approach to integration and inclusion which enables cities to reap the benefits and minimise the risks related to human mobility and cultural diversity. A decade after the start of this work, there is growing evidence that diversity, when recognised and managed as a resource, produces positive outcomes in terms of creativity, wellbeing, and economic development. The Intercultural Cities (ICC) Programme invites cities in Europe and beyond to explore and apply policies that harness diversity for personal and societal development.

www.coe.int

www.belongnetwork.co.uk

The Council of Europe is the continent's leading human rights organisation. It comprises 47 member states, including all members of the European Union. All Council of Europe member states have signed up to the European Convention on Human Rights, a treaty designed to protect human rights, democracy and the rule of law. The European Court of Human Rights oversees the implementation of the Convention in the member states.

Belong – The Cohesion and Integration Network is a charity and membership organisation with the vision of a more integrated and less divided society. Belong connects, supports and mobilises people and organisations across sectors and neighbourhoods via its digital platform, events, training programmes and resources to improve the practice and policy of integration and cohesion.

Belong would like to thank Ralph Scott for his work in writing this report, the local authority partners who worked to organise the roundtable workshops (Manchester City Council, Swansea Council, Kirklees Council, City of Bradford Council, Calderdale Council and Leeds City Council), all the businesses and individuals that attended those events, and the project Oversight Panel, chaired by Belong trustee Shalni Arora, for all their input and advice during the course of this project.





