

# Accountants and Business Link - A Good Practice Guide for closer co-operation



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# Business Links and the Accountancy Profession (BLAP)

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The objective of this paper is to outline suggested processes to create partnership schemes between Business Link (and other business support agencies) and the accountancy profession bodies. It is based upon the practical experiences of the local district societies of the accountancy profession bodies and Business Link(s) Hampshire and IOW during 1998/99.

For this to be possible, suitable support from district society Office Holders and Committees and Business Link Partners must be forthcoming together with the establishment of responsible "Regional Co-ordinators".

For background, BLAP (Business Link and Accountancy Profession working party) was established in 1997 to develop national initiatives to help enhance the working relationship between the Business Link movement and the accountancy profession. So far it has:

- a) brought together the partner bodies who target SME development nationally
- b) established a voluntary code of practice between the parties
- c) established positioning papers from the accountancy profession and Business Link perspectives
- d) monitored and sponsored an initial pilot scheme in the South of England (Hampshire and IOW)
- e) reported to appropriate sponsoring national bodies (Institutes, the Business Link umbrella bodies and the DTI)
- f) established RDA area co-ordinators (Business Link and Accountancy bodies)
- g) monitored and developed initiatives according to policy requirements of government, the professional bodies and SME requirements.

The programme is in the form of a headings checklist. Papers from the original Hampshire pilot are available in support.

1. The Business Link / Accountancy bodies regional champions (co-ordination officers) should liaise first of all to determine their course of action.
2. For the accountancy profession a letter should be sent from the Regional Co-ordinator of the local district societies to the Presidents, Committees and Enterprise Committees (as appropriate), proposing a committee agenda item to consider the enterprise function, with particular reference to the local support and Business Link joint initiative. As Government policies are reviewed and modified, the position of Business Link and support agencies may change and the overall approach may need to be modified to liaise with the appropriate agencies.

In July 1999, the Business Link CEO National Forum were formerly advised of the rationale of the joint working group and the progress to date.

3. For the accountancy profession the aim should be a local review of Enterprise in line with the strategy agreed. Scope should include:
  - the role of the Enterprise Liaison Officers and the support team within the district society
  - liaison with other accountancy bodies and approaches to the Business Link network and other agencies
  - potential member database development
  - potential event development
  - communications to encourage members to participate in initiatives
  - budget considerations
  - mobilisation of resource
  - plan schedule

Letters sent to Heads of Business Links, signed by the joint chairs of the CEO National Forum and the Presidents of the three accountancy professions encouraged all Business Links to adopt the Voluntary Code of Conduct and establish/actively review their relationship with the accountancy profession in their area.

4. The district societies in question should agree to the action with priority to approach Business Links. The first initiative is likely to be a regional pilot scheme. It would be necessary for the parties to determine whether
  - a) to cover one Business Link as a pilot, followed by others later, or
  - b) to cover all or a group of Business Links in the district society area

To establish this initiative, the following should be considered:

- a) arrange a meeting at the highest level with all parties
- b) develop a working development team (from all the accountancy profession bodies)
- c) establish an agreed programme and timetable in principle

Business Link co-ordinators have been established in each of the nine RDA regions to provide a lead to the Business Links in their region and to spread examples of good practice. District societies should be aware that their boundaries are unlikely to be coterminous with any one Business Link and that a meeting involving more than one Business Link may be needed. It is also apparent that district society and Business Link boundaries may be subject to change and constant review is needed.

5. A development plan between the local societies of the accountancy bodies and the local Business Links should be consolidated through:
  - a) product determination (for example, a members register/enquiry database)
  - b) a communications mechanism (to all relevant targets)
  - c) formal liaison organisation between all parties.

To effect the above, the following are suggested:

- i) adoption of the existing pilot scheme principles by the committees of the local accountants' district societies and local Business Link(s)
  - ii) adoption of the nationally recommended voluntary code of practice and 'positioning' papers, which may require local amendment
  - iii) full communication with accountant members (which should embrace the establishment of an effective communications database)
  - iv) public announcements development
  - v) a full monitoring and liaison schedule with the joint working party
  - vi) the establishment of satisfactory budget arrangements (for at least twelve, but preferably eighteen months)
  - vii) the establishment of delegated duties within each organisation relating to volunteers and resource staff
  - viii) most of all, recognition of the aims and needs of Business Links, qualified accountants, and their (and your) clients and to adopt a suitable attitude in the development of a mutually beneficial partnership.
6. Launch; a full high level launch of the scheme is desirable to confirm the commitment of all parties and to engender a suitable relationship between all concerned.
  7. Timing; from the initial approach to launch, the Hampshire pilot was approximately nine months (see Appendix 1). However, it has to be recognised that many developments were initial and that some products and developments will be available almost ready-made to assist further pilots (for example, an on-line enquiries database, documentation, programme agendas, committee/resource procedures). It may well be, therefore, that an elapsed period of four to six months will be possible for further regional projects.
  8. The programme, with local accountants' district society and Business Link(s) agreement, should

establish a complete full complement of events and initiatives over the period. The costs will be:

- a) apportioned on an agreed basis, proportional between the professional bodies
- b) supported by the Business Links on a product/project/mailling cost basis (determined at local level).

9. Pilot Costs; these are likely to vary according to size of assignments (the number of Business Links in an area and geographical spread). However, the Hampshire experience of SOSCA (the ICAEW local society) for the project will provide some indication to requirement for an eighteen-month programme.

*Please note that pro rata costs (dependent on size of membership at local level) will be involved and that many costs should be apportioned between all the partnership parties (the Accountancy Bodies and Business Links) which should be determined at the earliest stage.*

10. Next Stages; when the pilot is fully working, the completion of liaison between the accountancy bodies and all Business Links in the local (RDA) area is needed. This should be undertaken in collaboration with the champions established by the other parties in each region.

The following considerations must be made:

- local support in principle from accountancy bodies (District Societies, office holders/committees, other parties), similar for Business Links
- budgets
- resource
- the establishment of suitable teams

11. Ongoing Costs; the costs involved should be considered pro-rata to the pilot, but locally. The following might be considered by the ICAEW (with other bodies pro rata):-

- a) first regional pilot £5,000
- b) extension to each individual or group of Business Links, £1500, with the overall amount varying per district society
- c) extension to other RDA area activities £2,000

*A significant proportion of the above costs relates to the member awareness meetings. A charge to those attending would defray the costs of those meetings.*

For each Business Link, some product is to be rolled out from earlier sources (such as the enquiry database), but an estimate in establishing 'buddy' relationships is between £5k and £7k depending on the level of action during development

12. National Policy; PLEASE NOTE - it should be born in mind that the number of Business Links will decrease following the introduction of the new Small Business Service. Similarly, this might mean the modification of activity to reflect government policy. Some flexibility is therefore desirable.

*BLAP will be continued in order to monitor the situation and develop national policy needs for all parties accordingly, to identify activities, projects and good practice for national dissemination.*

13. The Future; the overall aim is to establish a working consensus nationally. This is to include Wales which operates under a different system, but where many of the elements remain the same. It should be borne in mind that further developments should be encouraged locally and nationally to further enhance this relationship. For example, the use of digital technology opportunities is envisaged for items such as "chat" and information lines, with wider provision through linkage of database and website communications networks envisaged. A constant watch on resource and costs to enable this will therefore be required.

*NOTE: These guidelines can be supported by working papers from the partners involved in the Hampshire pilot (letters, agenda, schedules, etc).*

David Tinker, on behalf of BLAP working group.

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## APPENDIX 1 - The Hampshire Pilot

The Hampshire pilot established the following:

- initial meetings took place October 1998
- measures to effect liaison with the other professional bodies November 1998
- formation of working party November/January 1999
- programme approval January 1999
- district society member communication (mailshot) February 1999
- on-line database directory development completed April 1999
- official launch early May 1999
- series of open awareness meetings May 1999, reflected in spread of locations
- development of other programme activities etc May 1999 onwards
- communication with all local businesses June 1999
- amendment to database in response to feedback August 1999
- review of use by enquirers and the design of a reporting facility within the database August/early September 1999
- monitoring of initiatives (for example, the directory) September 1999
- Regional Development (RDA) considerations June 1999 onwards
- other ongoing developments (for example, seminar events October 1999 - May 2000) from August 1999
- monitoring of effects of (changing) government policy

ICAEW (SOSCA) costs are estimated as:

- a) general development/meetings/travel etc. £2,000
- b) events/initiatives within eighteen month development period £3,500
- c) plus substantial initial administration / volunteer time

Other accountancy bodies will have incurred similar costs (pro rata)

Business Link Hampshire's costs to date are estimated to be

- a) database development £13,000 to date
- b) initial events £2,500
- c) general development/meetings/travel/administration etc. local and national £3,500
- d) pr and publicity/printing costs £2,500



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