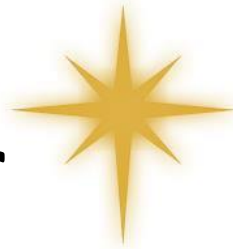# North Star

A vision for Black business development in West Yorkshire

September 2022

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African Caribbean Business Ventures (ACBV) is a development agency set up to promote international trade between businesses in Yorkshire and the Humber and business in the Caribbean and Africa. Its remit includes supporting UK-based African and Caribbean businesses, linking African and Caribbean businesses into national African and Caribbean diaspora networks in the UK and international trade governing bodies in the UK and abroad.

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FOREWORD

West Yorkshire Combined Authority (WYCA) and the Leeds City Region Enterprise Partnership (LEP), have shared visions for everyone to be able to participate in and benefit from a growing economy. The West Yorkshire sub region is diverse, with 18.2%, of its population being of a Black, Asian or other minority ethnic background. Inequalities present in different ways across the different BAME communities, requiring the LEP to understand the differences and to adopt ways of working that ensure that regardless of the difference, all communities are enabled to benefit from the region's growing economic prosperity.

As an ethnic minority community, the Black African and Black Caribbean community in the region is relatively small compared to white and Asian ethnic groups and more geographically dispersed in comparison to the Asian community. Its business sector is not as visible as the Asian business sector, a picture that is mirrored in its reportedly low take up of business support services provided by the LEP and other business support agencies across the region. Whether their uptake of business support services is in proportion to the size of the sector, or low as a consequence of Black businesses not engaging with services, has hitherto been unclear. The LEP has recognized the need to benchmark Black businesses' use of business support services and, if it were found to be lower that it should be, for it to understand the reasons for low take up how it could increase take up.

In March 2022, WYCA and the LEP commissioned African Caribbean Business Ventures to explore these issues and to make recommendations to WYCA and the LEP for increasing Black businesses' uptake of business support services.

EXECUTIVE SUMMARY

This independent action research project, commissioned by West Yorkshire Combined Authority and Leeds City Region Enterprise Partnership, set out to understand the level at which the Black business sector is currently engaging with LEP and other business support services. Information and views gathered through consultations with business support providers, business membership organisations, Black businesses and sources of informal support within communities, supplemented by desk research has generated compelling evidence of the sector's under-utilisation of LEP business support services and a sector that is overdue for development.

The LEP has a dual role. It has the role of driving regional economic growth and it has the role to deliver business support, whether through its own capacity or through contracted delivery partners. In the latter role, the LEP has reported enviable performance, having provided support to 15,000+ businesses, invested £66m+ in over 6,600 projects between 2015 and 2019 and recorded use of its services at three times the national average. The LEP is one of fourteen categorised sources of business support in the region, with others such as accountants, consultants, other businesses and banks, each having a larger share of the market. This raises a conceptual question about whether, through increasing take up of its services, the LEP would be displacing alternative provision or attracting new customers into the market for business support services. The experience giving rise to this project, was that too few Black businesses in the region (and indeed nationally) are using LEP business support services, and they were also less likely than other businesses to be using formal business support services. Accordingly, increasing take up of LEP business support services by Black businesses is indicative of an objective to create additionality – i.e. attracting new users to its services.

The principle of attracting new users is borne out through the region's Inclusive Growth Framework and its mission to enable as many people as possible to contribute to, and benefit from, regional economic growth. A key issue for the LEP is the lack of visibility of Black businesses, either as contributors to regional economic growth or beneficiaries of it. Data to quantify Black businesses' economic contribution is not available. Nationally, published data is either outdated or only available at the generic level of 'non-white'. Regionally, EDI data is generally not recorded or recorded at the level of 'BAME'. As a result, it has not been possible to study historical trends in the Black business sector's growth and demographics. Nonetheless, based on its size and its greater propensity for entrepreneurial intentions, it would not be unreasonable to assume that its organic growth has been slow and beset with insurmountable obstacles. Similarly, it would not be unreasonable to assume that without external intervention, history will continue to repeat itself.

The evidence from the research is that there is potential to increase the Black business sector's contribution to regional economic growth. The Black business sector in the region is smaller than the national average, implying scope for its growth. Engagement with business support services delivered by the LEP and business support agencies in the region has been found to be low for an assortment of

reasons, from Black businesses' mistrust of institutions to business support providers not targeting Black businesses with their services. Communities are providing support through informal support systems as well as structured programmes tailored to Black businesses. Furthermore, providers within these communities have expressed a desire to collaborate with the LEP and its delivery partners, in order to improve their reach into and impact on Black businesses. Ambitions are aligned across all stakeholder groups but what appears to be lacking is a vision for the Black business sector. What should the sector look like and how could the vision be fulfilled? What strategies and interventions are required to sow the seeds of sustainable growth within for this sector? How do the LEP and agencies across the region ensure that Black businesses are encouraged to use their services?

While WYCA and the LEP share a leadership role for the region's economic prosperity, both Black businesses and the communities that support them, believe that the role is best delivered with their meaningful involvement. Black businesses consulted during this project feared that the LEP and other business support agencies did not have the understanding, reach and credibility to engage with them. The invisibility of Black faces within the system (programme management, business support providers, guest speakers, mentors, case studies and publicity information) undermines Black businesses' confidence in institutions and providers' commitment to engage with them. Yet, institutional commitment does exist. It is embedded into the regional Inclusive Growth Framework and was consistently expressed by respondents from the LEP, its delivery agencies and other business support agencies within the region. Achieving harmony between perception and reality must be a starting point.

The scale of the task should not be underestimated, but neither should it be viewed with trepidation. The LEP does not have to do this on its own and there have been no suggestions of the task being assigned to a dedicated Black business support agency. There are strengths and opportunities within the current system that offer a starting point for Black businesses' sustainable engagement and benefit. Similarly, there is a strong desire from within the Black business community, to collaborate with the LEP to make the existing system work better for Black businesses, through better targeting, customisation and bespoke delivery.

The research for this project has been enlightening, yielding a qualitative baseline against which the LEP can monitor progression. It has concluded with recommendations for agreeing a vision, taking a strategic approach and priorities for implementation. The recommendations offer a practical, strategic approach to increasing take up of LEP and other agencies support by Black businesses and ultimately increasing the economic contribution made by this sector.

Recommendations at a glance

| VISION (features)	STRATEGY	IMPLEMENTATION	OUTCOMES
Granular-level	Increase LEP engagement with Black businesses	EDI targets	Increased understanding and trust between the Black busines sector and the LEP
Collaboration		Marketing and promotions	
Recognising the value		Visibility	Increased take up of busines support servicess
Development and growth	Increase the conversion rate of entrepreneurial intention into entrepreneurial activity	Co-design	
Trust		Understanding the Black business sector	Growth of the Black business sector
Risk taking		Community engagement	
	Increase the acceptance of enterprise as a viable career option for young people	Navigators	Increased diversity in the regional economy
		EDI community of practice	
		Social capital	
		Performance management	

INTRODUCTION

The Leeds City Region Enterprise Partnership (LEP) has a role to promote, coordinate and deliver a business support service based on local needs. It provides a single point of access to national and local business support and advice to enable businesses to thrive and grow. Between 2015 and 2021, over 20,000 businesses received advice and support with in excess of £66m invested in over 6,600+ projects. The Leeds City Region Business Survey 2020[1], reported that 6% of businesses in the region received support from the LEP, three times greater than the national average of 2%[2].

Data on the ethnicity of business owners and directors in the region, shows that 11% are from a minority ethnic background. Due to different approaches to data collection and reporting, directly comparable data is not available. Nonetheless, it is useful to note that in the Longitudinal Business Survey 9% of SME employers had at least two owners or directors from ethnic minority groups (Table A19) and 7% of sole owners were reported to be from a minority ethnic group (Table A22). These data suggest a higher than average number of business people from ethnic minority groups in West Yorkshire.

The higher than average representation of ethnic minority owners and directors in West Yorkshire is consistent with the region's above average ethnic minority population - 18.2% compared to the national average of 14.6%. This population is not uniformly dispersed across the region, nor does it have a consistent profile across the region.

Figure 1 West Yorkshire population[3]

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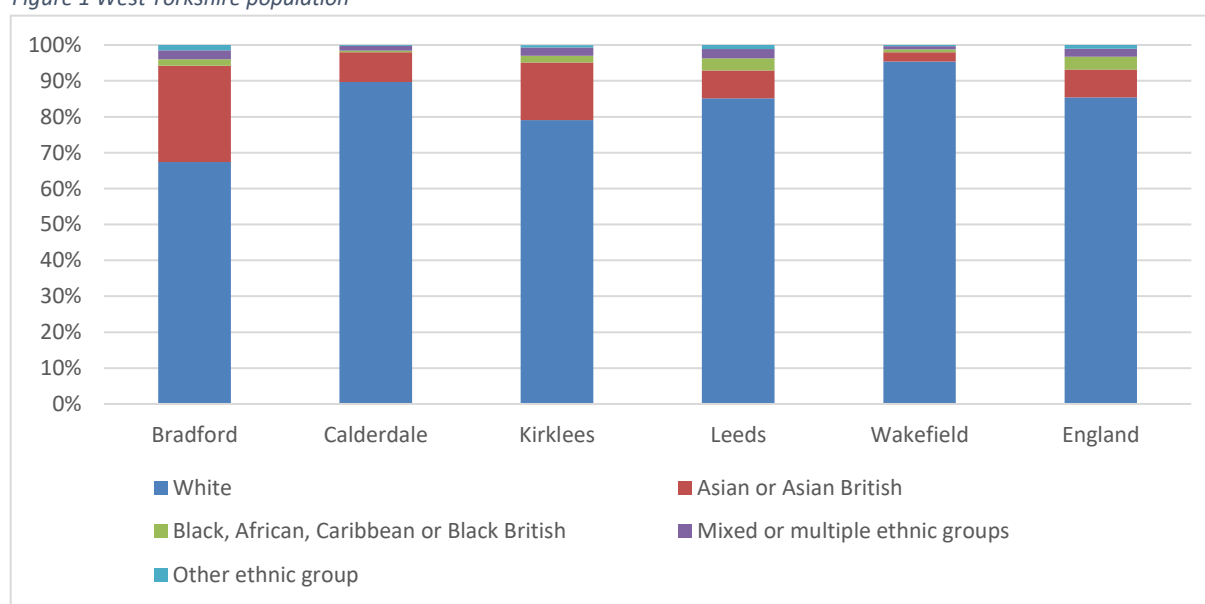
[1] Leeds City Region Business Survey 2020, Leeds City Region Enterprise Partnership
2 K7. Who received information/advice from – UK, Longitudinal Small Business Survey 2020
[3] ONS - Census 2011, Population Profiles for Local Authorities and Regions in England

The Asian (Indian, Pakistani, Bangladeshi, Chinese and Any other Asian background) community accounts for close to 3 in 4 (72%) of the region's non-white community, six times the combined size of its Black (Black African, Black Caribbean and Black Other) communities. Differences across the region are illustrated through Wakefield's total ethnic minority population of 5%, compared to 21% in Kirklees, while in Bradford, the Asian and Black communities account for 26.8% and 1.8% respectively (nearly 15:1) of the city's total population, compared to 7.85% and 3.4% (2.3:1) in Leeds. The size of the Asian community relative to the Black community is duplicated in the profile of ethnic minority businesses in the region. More than three quarters (79%) of the region's ethnic minority businesses are reported to be from Asian backgrounds.

There is good reason for the region to be proud of its Asian business sector and to celebrate the prosperity it brings to resident Asian communities and the region at large. It is a beacon for ethnic minority businesses but regardless of its size, it is still only one community. It is not, and neither does it purport to be, representative of Black businesses in the region.

Enabling a strong and growing local economy is a vital part of transforming the region. Unlocking the region's potential, held within all its communities, is central to this. The Strategic Economic Plan sets out the strategy for *'… creating a strong, productive and resilient economy where a radical uplift in business competitiveness, productivity and profits goes hand in hand with access to good jobs that pay higher wages, and where all residents have access to opportunities and enjoy an improved quality of life[4]'.* A priority for Inclusive Growth sits within this plan, designed to enable as many people as possible to contribute to, and benefit from, the region's economic growth. In the face of a sector lacking in visibility and unrepresented in the take up of business support services, WYCA and the LEP are committed to ensuring that Black businesses are able to access business support services, confident in the quality of service they will receive and the quality of the product.

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[4] WYCA, Growing the Economy, https://www.westyorks-ca.gov.uk/growing-the-economy/

METHODOLOGY

In order to develop the LEP's understanding as required above, the research identified four stakeholder groups and structured the consultations with these groups accordingly.

Delivery partners

This cohort included the LEP, organisations contracted to deliver its services and other government departments.

Consultations set out to understand:

- Who is providing support
- What services are being provided
- Experiences in engaging with Black businesses
- Perceptions of barriers to engagement
- Good practices
- Opportunities for strengthening engagement

Twenty six representatives from fourteen organisations contributed through individual or small group online interviews.

Other business support agencies

This category included membership bodies representing business in the region, a national not for profit business support agency and a former employee at the British Business Bank with experience of working with the LEP.

Consultations set out to understand:

- Services provided
- Experiences in engaging with Black businesses
- Perceptions of barriers to engagement
- Good practices
- Opportunities for strengthening engagement

Five organisations contributed through individual online interviews.

Black businesses

This cohort included businesses from across sectors and at all stages in developing their new businesses or growing their existing ones. Sectors represented included business consultancy, health and social care, creative industries, retail, digital services and fitness & wellbeing. Sixty per cent described their business activities as business to businesses (B2B).

Experience of LEP support services was not a pre-requisite for inclusion in this cohort. The consultations sought to understand:

- Use of independent information and advice
- Use of LEP and partners' support services
- Barriers (perceived or actual) to engagement with LEP and partners' support services
- Characteristics of good support

Twenty five Black businesses contributed through a questionnaire and/or an online focus group discussion.

Trusted Voices

This was the term adopted to describe the informal sources of independent information and advice. Typically, individuals within this cohort were friends, family, other businesses, not for profit organisations and people otherwise identified as having a leadership role within communities.

The consultations sought to understand:

- Who was providing information and advice
- What information and advice was being provided
- Who was asking for information and advice
- Expertise and USPs
- Engagement with the LEP

Twelve trusted voices contributed through one to one interviews and an online focus group discussion.

METHODOLOGICAL CHALLENGES

Benchmarking

The case for accessing support when developing a business has been made and presented in numerous reports e.g. the Global Entrepreneurship Monitor UK 2020 Monitoring Report[5], Alone, together Entrepreneurship and diversity in the UK[6] and Unlocking Opportunity: The value of ethnic minority firms to UK economic activity and enterprise[7]. Support services are delivered under a variety of business models including commercial services, services covered by membership subscriptions, services delivered under a public service contract, services delivered under grant funding and services provided without charge to the consumer or a contractor/funder. According to the Longitudinal Small Business Survey 2020, 24% of SMEs in England had obtained independent information or advice in the preceding 12 months.

LEPs are **a** provider in a wider business support ecosystem, frequently described by LEP business support organisations as '*complicated and fragmented*'. It is also competitive. Figure 2 below shows sources of independent advice used in West Yorkshire. Even with a higher than average take up, Leeds City Region Enterprise Partnership ranks 7th by order of volume, significantly behind accountants, consultants, other businesses and peers.

Figure 2 Sources of independent advice[8]

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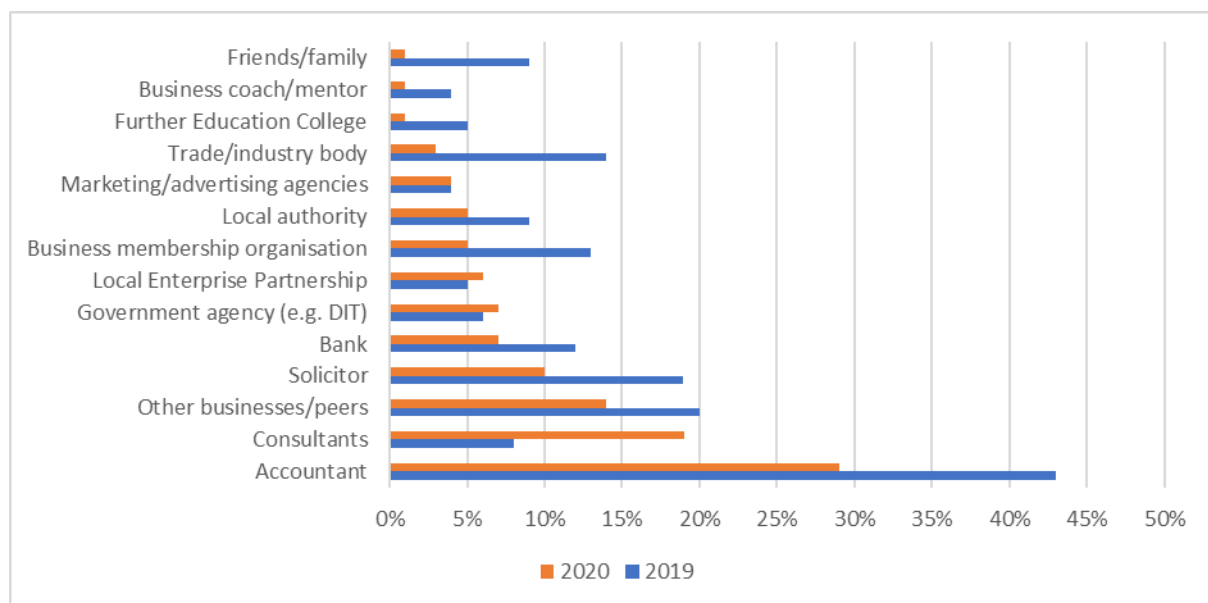
[5] Global Entrepreneurship Monitor UK 2020 Monitoring Report, Enterprise Research Centre, Aston Business School
[6] Alone, together Entrepreneurship and diversity in the UK, 2020, British Business Bank
[7] Unlocking Opportunity: The value of ethnic minority firms to UK economic activity and enterprise, 2020, Federation of Small Businesses
[8] Leeds City Region Business Survey 2020, Leeds City Region Enterprise Partnership

The question of how well Black businesses are engaging with the LEP, presupposes a benchmark of what an appropriate level of engagement should look like. What would be a suitable performance indicator for this? The commissioners and the project team were conscious that high awareness could be a double-edged sword if awareness failed to translate into engagement. Equally, both parties were conscious that a business could access support delivered by a local authority without being aware that a LEP product was being utilised in delivering the support.

The FSB's report *Unlocking Opportunity*, cites in 23% of Black businesses nationally using support services in 2018. That number is likely to have included all the sources of support listed above, with the possible exclusion of friends, family, other businesses and peers. The same report observes that Black businesses are more likely to rely on informal networks than formal business support services. The challenges for benchmarking Black businesses' take up of LEP services are evident – what would be an appropriate slice of the 23%?

Primary research

The project team for this commission has subject knowledge, lived experience as Black Caribbean businesses and pre-existing relationships within the target audience. It is well-respected within the Black business community and expected that this recognition, together with a successful track record of undertaking consultations within this sector, would facilitate ease of access to Trusted Voices and Black African and Black Caribbean businesses. This assumption proved to be overly-optimistic, due initially, to the lack of awareness of the LEP and upon explanation of what the LEP is and its role, a subsequent distancing as prospective respondents were typically unable to identify any of their peers who had been supported via this route. The act of distancing themselves from a discussion about the LEP, became a discussion in its own right and gradually succeed in converting antipathy into a desire to have their voices heard. Throughout these unscheduled preliminary discussions, the team maintained its independence and avoided leading prospective respondents or compromising the integrity of the survey.

A key lesson from this is that even with pre-existing relationships and the ability to engage the target group in discussions, they need to be stimulated to engage. They need to be able to identify with the topic and to believe that giving time for discussion is a worthwhile use of their time. Consultation feedback alludes to how this lesson can be applied in delivering business support to this target group.

Secondary research

Understanding what the project sought to measure was the start of the process and the foundation for designing both primary and secondary research methods. The next step was to agree appropriate

benchmarks against which Black businesses' awareness, engagement and benefit could be compared. In principle, a benchmark target could be set internally, either at a strategic level or at programme levels. Alternatively, external reference points could be used, if any reliable ones could be found.

Targets for engaging and supporting ethnic minority business were introduced in the Start-up West Yorkshire programme launched in September 2021. This is the only programme that contains equality, diversity and inclusion (EDI) targets and even then, the target is set at the global level for ethnic minority businesses. The Start-up programme is just one of 34 programmes in the region and the only one with explicit EDI targets. These factors invalidated its use as a proxy for all business support delivered in the region.

In the Leeds City Region Business Survey, (see Figure 2 Sources of independent advice) 7% of businesses reported using LEP business support services. This compares very favourably with data in the Longitudinal Small Business Survey (Table K7) reporting 2% nationally of businesses using LEPs for information and advice. Data at a granular level is not reported either regionally or nationally, with the subsequent denial of either source as a viable point of reference.

In the absence of a suitable point of reference, the option reserved for the project was to create one from the primary and secondary research findings.

Reliable data (i.e. up to date, valid and statistically significant) on Black businesses proved difficult to locate. National data was either detailed but dated (e.g. Census 2011), not yet available (e.g. Census 2021) or current or available but not disaggregated below the level of 'non-white' (e.g. Longitudinal Small Business Survey). For a combination of reasons, local data on Black businesses proved to be similarly elusive:

- The LEP's Business Support Internet pages either signpost visitors to external sites or invite interested parties to make contact via email. There is no requirement to register and therefore a missed opportunity to start collecting EDI data.
- Where EDI data has been collected, it has reportedly been collected inconsistently and not routinely reviewed.
- Delivery partners are, by their own admission, inclined to monitor the indicators against which they are required to report. If EDI reporting is not a contractual requirement, EDI data is not collected.
- For the purpose of GDPR compliance, where EDI data is collected, it is detached from clients' records.
- Ambiguity over what EDI data should be recorded - the individual receiving business support

or the business that s/he represents?

- Businesses are not required to self-identify ethnicity.

In an era of data-driven decision making, the absence of metrics and data on Black African and Black Caribbean businesses' engagement, experiences and benefits, inhibits the LEP's ability to formulate informed strategy, develop SMART objectives, track performance and collect actionable insights in real time.

CONSULTATION FEEDBACK

Feedback from the four stakeholder groups has been merged in order to present a consolidated view of businesses support services in the region. In some cases, particularly with the trusted voices and the Black African and Black Caribbean businesses, the views expressed reflect perceptions that may be incorrect but nonetheless influence their decision making. The significance in retaining these perceptions is to draw attention to opportunities for the LEP to strengthen its communications messages or to undertake further examination before determining a remedial course of action.

Before presenting the feedback, it is worth noting that all delivery partners interviewed, welcomed the opportunity to discuss the problem of low take up and how to increase it. They were open in both sharing their concerns and volunteering opportunities for strengthening engagement and were receptive to the idea of further discussion following completion of the action research.

The feedback is presented under four headline themes.

Leadership

WYCA and the LEP have leadership over the strategy for ensuring that everyone in the region can benefit as its prosperity increases.

The regional Inclusive Growth strategy has wide ranging reach, covering communities defined by place, identity or collective interests as well as third sector organisations. Under the banner of

communities defined by identity, 'Black' is a subset of one (race) of the nine protected characteristics covered and, as previously noted, Asian communities dominate the composition of West Yorkshire's ethnic minority population. As significant as it is to have race identified in this manner, the assessment across stakeholder groups is that Black businesses are not benefitting from it. The LEP and its partners are not engaging well with the Black business community.

Data from the ONS, Annual Population Survey[9] shows the profile of BAME businesses across the Yorkshire and the Humber Region.

Figure 1 Breakdown of self-employed
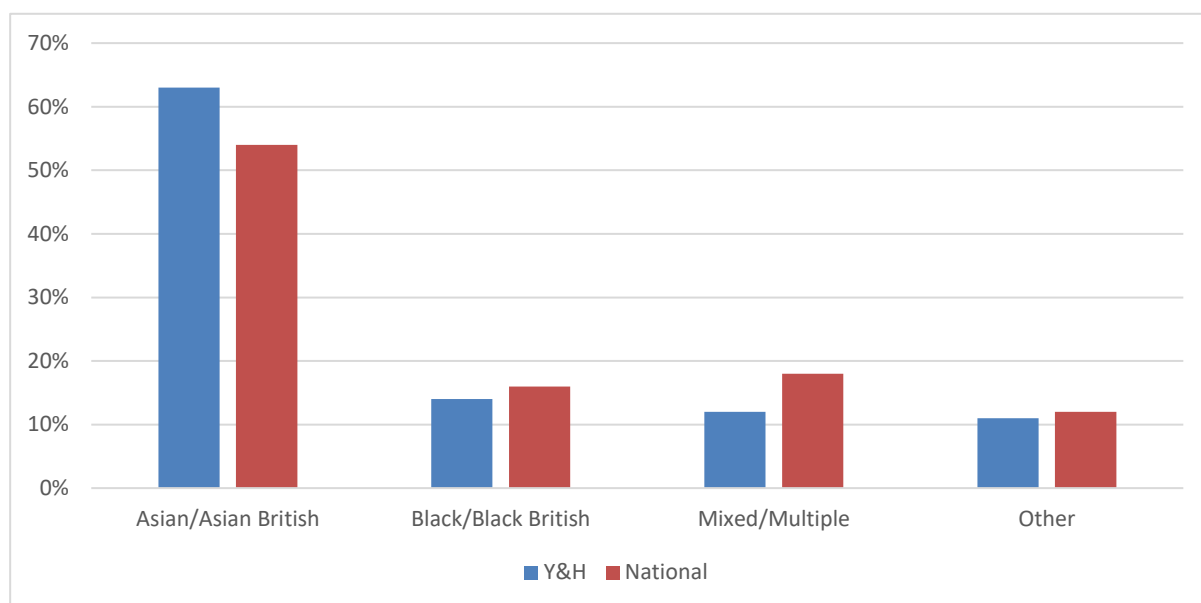
Opportunity alone may not be a sufficient driver for growth. It needs to be accompanied by motivation. The recent Nat West report predicted that a strategic transformation of support for BAME businesses could see a four-fold increase in their annual GVA for EMBs, rising from £25bn to£100bn. This alone offers motivation for growing the under-represented Black business sector. The report also provides a reminder of the wider social and economic contributions that BAME businesses deliver, for example through the employment of marginalised groups excluded from the labour market. With the regional Inclusive Growth Framework having an objective to reduce the employment rate gap for disadvantaged groups, (disabled, BAME, aged over-50), growing the Black business sector offers a means to this end.

A further target under Inclusive Growth is to engage 800 businesses with skills initiatives. Unlike with the target to reduce the employment rate gap, this target does not include an explicit BAME

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[9] ONS, Annual Population Survey, Breakdown of self-employed by ethnic group – UK and its regions, 2018. Cited in Unlocking opportunity: The value of ethnic minority firms to UK economic activity and enterprise. Federation of Small Businesses

reference. This absence can unwittingly lead to the perception that, with respect to BAME communities, inclusive growth is considered through the lens of employability rather than entrepreneurialism. This would be inconsistent with data reported in the Global Entrepreneurship Monitor[10], that rates of entrepreneurial activity within the non-white population are consistently higher than they are within the white population.

Feedback from a small number of partners, suggests that the business case for supporting Black business development has not been clearly articulated. It is a view commonly held amongst business respondents who fear it is little more than a tick box exercise. Regardless of who is asking the question, all parties deserve to know the answer and to sign up to it on the strength of the economic benefits that a strong Black business brings e.g. increased disposable incomes, increased consumer spending, market growth, choice in supply chains and better quality of life. A strong and inclusive economy benefits all and just as delivery partners need to understand the business (not just the moral) case for supporting Black business development, so West Yorkshire Plc needs to understand the role that it can play in making this a reality. The LEP's leadership on this agenda is vital.

Until its disbanding in June 2021, WYCA's Inclusive Growth and Public Policy Panel had an advisory role to support WYCA and the LEP in achieving inclusive growth. When it was disbanded it was superseded by a policy to embed inclusive growth as a "golden thread" in all WYCA's policies. Such a policy acknowledges the value of making EDI everyone's business, but runs the risk that with no single body having oversight of performance on EDI outcomes, it falls off the agenda. The indicators are that this will not be the case in West Yorkshire. The joint appointment of an Inclusivity Champion for the region by the Mayor and the West Yorkshire Integrated Care Board is demonstrative of the high level of commitment to working with stakeholders to address social and economic exclusion in a positive and constructive way, particularly for the seldom heard and seldom seen communities who experience the greatest levels of inequality.

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[10] Global Entrepreneurship Monitor UK 2020 Monitoring Report. Aston university

Reaching Black businesses

Institutional barriers

The incidence of racial discrimination, actual or perceived, is a significant factor in influencing African and Caribbean communities' engagement with institutions. In 2020 the government established a Commission on Race and Ethnic Disparities, chaired by Dr Tony Sewell, to review inequality in the UK and set out an agenda for change. The Commission published its report[11] in March 2021, making 24 recommendations grouped into four broad themes:

- build trust
- promote fairness
- create agency
- achieve inclusivity

In its response (Inclusive Britain)[12] to the Commission's report, the government acknowledged:

'At the moment, too many people from ethnic minority backgrounds feel that the 'system' is not on their side, whether that is through police use of stop and search powers, employment opportunities and pay levels, or in the way our health services are delivered.'

A YouGov poll[13] in the wake of the George Floyd murder, showed that 84% of ethnic minorities in the UK think the UK is still racist, albeit less so than it was thirty years ago.

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[11] Commission on Race and Ethnic Disparities: The Report, 2021. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/974507/20210331_-_CRED_Report_-_FINAL_-_Web_Accessible.pdf
[12] Inclusive Britain: the government's response to the Commission on Race and Ethnic Disparities, 2022, Minister of State for Equalities
[13] https://yougov.co.uk/topics/politics/articles-reports/2020/06/26/nine-ten-bame-britons-think-racism-exists-same-lev. Accessed July 2022

Figure 4 Belief in the presence of racism in the UK

Chart legend: A great deal | Somewhat | Don't know | Not very much | Not at all

To what extent do you think racism is present in UK society today? — 47% | 37% | 5% | 10% | 1%

To what extent do you think racism was present in UK society 30 years ago? — 68% | 18% | 8% | 5% | 1%
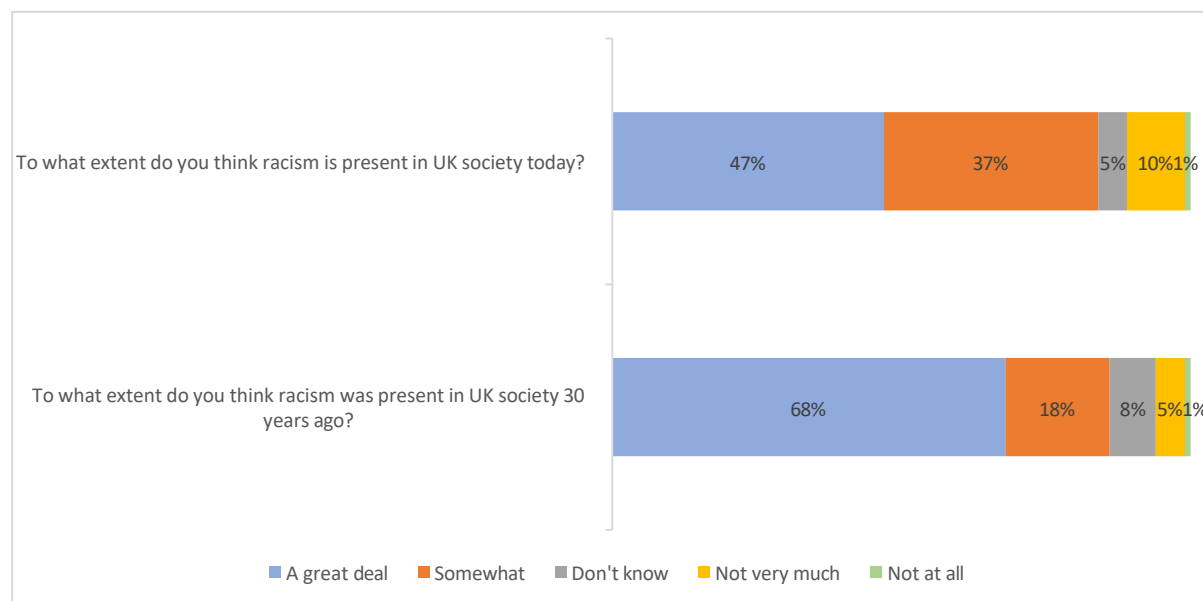
Armed with this history and lived experience, the questions that Black businesses are asking themselves, as expressed in the consultations, are:

Figure 5 Why would I go there?

- Am I going to get fair treatment?

- Am I going to get decent support?

- Are there people I can relate to in the beneficiaries?

The inability to satisfy themselves that the answer to these questions is 'YES', is deterring Black businesses not just from using the support available but in some cases, even exploring what support might be available. When they say they lack confidence, they are not referring to their own capacity, but the propensity of the provider to provide an equitable service, free from bias and constructive in moving their businesses forward.

Marketing and promotions

Whether or not institutional barriers exist, it is the perception of their existence that is an impediment to accessing business support. How does the LEP dismantle this perception? It already has an Inclusive Growth framework and is about to appoint an Inclusivity Champion. EDI output measures are included in the contracts for Start-Up West Yorkshire. And yet there is a

disconnect between the LEP's explicit commitment and Black businesses' concerns about the reception and quality of service they will receive. Something is missing, something that can translate good intentions into attractive and engaging propositions.

> "Until we're ready to set up our business, all their advertising goes completely over our heads. And once we are ready to set up a business, we're almost like starting afresh."
> (Business respondent)

The questions listed in Figure 5 are borne of out of perceptions and the absence of information countering those perceptions. They reflect a default position that is well within the LEP's capacity to change. The common thread binding these questions is visibility, or more appropriately, the lack of visibility. Most of the business respondents who had used LEP services observed that they were the only Black businesses on their courses. They commented about the absence of Black business support staff, tutors and guest speakers. Providers also shared concerns over the lack of diversity, particularly in areas where they had the opportunities to create more diverse delivery teams e.g. in the selection of external speakers on courses. Visualisations of Black businesses were considered absent in marketing and promotional materials, with a view, widely held across all stakeholder groups, that '*Not done much to target'* and *'Don't know if the messages and channels are right'.* All of these concerns are within the LEP's gift to resolve.

Respondents were constructive in suggesting opportunities for the LEP to create the conditions conducive to Black businesses responding affirmatively to the '*Why would I go there?*' questions.

- Incorporate targeted promotions into programme design and costings.
- Targeted promotion to encourage entrepreneurship as a career choice and stimulate business formation within African and Caribbean communities.
- Promote the benefits of using external business support.
- Differentiate the LEP from other sources of business support.
- Supplement central marketing and promotions with devolved budgets, facilitating bespoke promotional activities by delivery partners.
- Develop case studies of Black businesses to promote business formation and to encourage use of the LEP business support services.
- Promotional activities that involve providers going out into the potential market to stimulate demand.
- Obtain and publish testimonials from Black service users.
- Build a database of individuals from Black businesses and the wider support system who would be willing to share their lived experiences, their experiences developing their

businesses and lessons to support delivery to this target group.

- Make use of existing communications channels with African and Caribbean communities.
- Development work with partners to increase awareness and understanding of why Black businesses shy away from their services and how to overcome this in one to one service delivery.
- Marketing activities need to stimulate demand by raising awareness and access options and offering routes to market for providers and changing perceptions.
- Publish data on engagement with Black businesses.

Branding

In the preparatory briefing for this project, the LEP questioned whether their branding was strong enough and if not, whether strengthening it would impact on demand. Businesses and Trusted Voices appeared to be ambivalent about this. Plausibly, this could be a reflection of the low levels of awareness of the LEP and the likelihood that businesses choose a provider without regard to the branding of its products.

From a LEP perspective, it would be ideal for the brand to be recognised, and more than this, for the brand to be valued. A brand is more than the logo, the colours used and the preferred fonts. A strong brand communicates a unique identity, mission and values. It carries through strategy, service delivery, customer relationships and promotional activities. Conceivably, a brand could be ascribed a low value if its mission is not engaging or it is deficient in living up to its values or it has poor customer relationships. And at the same time, it could be experiencing high brand recognition.

Adoption of the new 'Business West Yorkshire' branding and having it consistently displayed on its products and promotional materials, regardless of who is delivering them, will generate high brand recognition for the LEP. Implementation of the recommendations in this report will help to generate high brand value within the Black business community.

Community engagement

The distribution network for LEP services includes its in-house provision, customer-facing providers across sectors and the region, online services and services provided by telephone. On the face of it, any support needed by Black businesses should be within easy reach, even though providers frequently described them as being fragmented and difficult to navigate.

The evidence suggests that while ease of access is a necessary ingredient, the low levels of take up generally reported by LEP delivery partners, shows that in isolation ease of access is not sufficient to stimulate access. Potential users still need to feel confident that the LEP and its delivery partners can *"walk the walk, not just talk the talk"* (voice of Black business respondent, referring to the risk of the LEP changing its promotional activities but not demonstrating more engaging ways of working).

A view expressed by delivery partners was that there should not be parallel delivery channels for Black businesses. This view was shared by Black businesses and Trusted Voices, for whom the priority was to strengthen and build confidence in existing providers. For those respondents, the prospect of organic improvement amongst providers in the aftermath of this action research, does not instil confidence. For them, change needs to be strategically driven (by the LEP) and cannot succeed without community buy-in and engagement.

> "Their (the LEP's) advertising is not going to reach a lot of people, but you want them to reach the people that they will turn to if they want some help and advice. So most people will find out about the LEP, not because of direct communication from the LEP, but because they approach someone in their community who says 'Oh, they (the LEP) might be able to help you'.
> (Trusted Voices respondent)

As a community resource, Trusted Voices are an integral, if informal, component of the ecosystem supporting Black business development. They come in all shapes and sizes including business people, senior managers in employment, not for profit organisations and consultants. Their credibility with Black businesses is hard won, secured through their proclaimed USPs:

- a track record of having achieved positive outcomes for Black businesses;
- recognition of their lived experience;
- experiential learning, they are perceived as having been successful;
- transferrable skills and experiences;
- visibility of success;
- longevity in business;
- honesty and sincerity, as a critical friend;
- technical expertise;
- word of mouth recommendations;
- availability and accessibility;
- providing access to resources e.g. business premises.

The most frequently offered services were sounding board, coaching, signposting, networking and business planning. Demand followed this pattern but it is not clear if demand shaped supply or supply shaped demand.
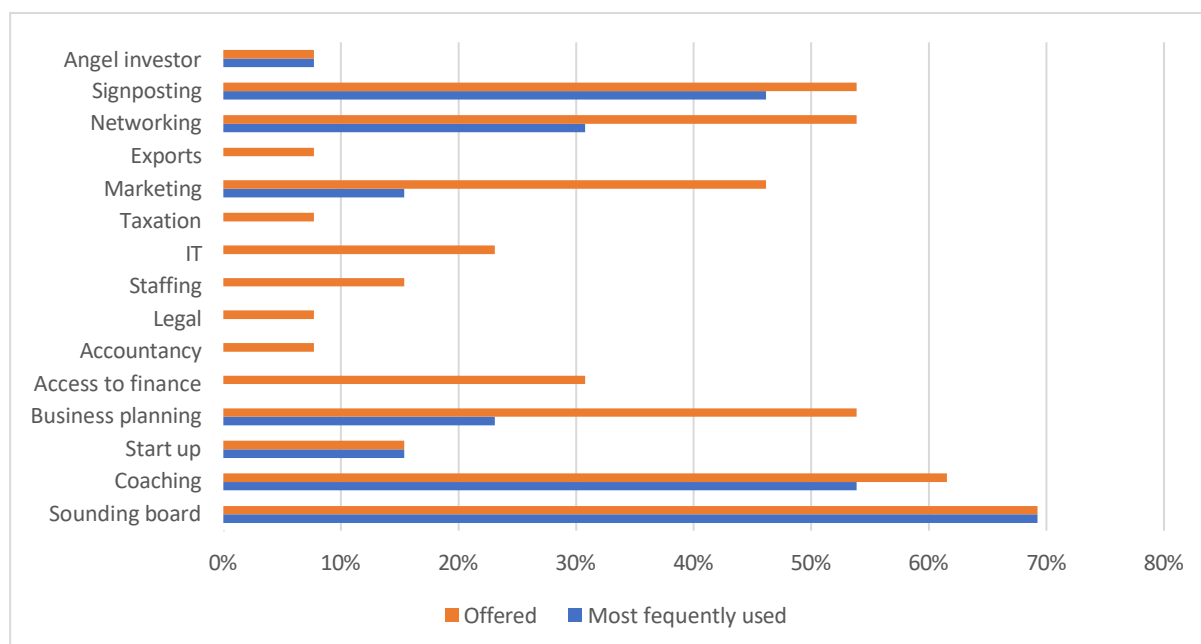
On average, Trusted Voices each see 2-3 businesses per month, with very little referring to the LEP. Contributory factors are lack of awareness of the LEP (only 1 in 3 trusted voices are aware of the LEP and fewer than half of those have knowledge of the services available and how to access them) and lack of feedback on the impact of any LEP support provided.

> "I've not engaged with the LEP at all. I suppose the reason for this is lack of information, to be honest. To some extent, I can sympathise with the LEP because I'm a housing association, but I'm also doing stuff to help people into business and into employment."
>
> (Trusted Voices respondent)

The consultations with businesses and Trusted Voices made a powerful case for strategic community engagement. Delivery partners shared this sentiment, showing an appetite for greater collaborative working. Hitherto, community engagement with formal business support structures has been somewhat episodic, arising on a case by case basis. The community has much more to offer.

In this context, the term 'community' is shorthand for community assets. These include its not for profit organisations, businesses, individuals, employees in positions of influence, networks, knowhow, premises, communications channels and importantly its shared understanding and lived experiences.

The brief for the community is aspirational, including:

- **Navigators** – one to one mentoring and supporting service users to access the right advice, from the right source and at the right time.
- **Speakers** – presenting on business support programmes and at events, in both cases contributing knowledge and experience and raising the profile of Black businesses.
- **Facilitators** – enabling providers' access to the target group whether through specific promotional activities or providing space for providers' outreach activities.
- **Co-production** – active participation in developing LEP products and delivery Mechanisms.
- **Brokerage** – e.g. connecting the LEP to case studies and opportunities for direct engagement with the target group.
- **Stimulate demand** – actively refer Black businesses to the LEP.
- **Dissemination** – of information about new LEP programmes, developments and successes.

> "I'm a qualified health officer. I work as a teacher, but I want to set up a consultancy company specialising in health and safety. Now I keep on asking myself – 'How do I start that company? Who can I contact for advice? Where can I get funding?' I asked myself all those questions then at the end of the day, I end up saying, oh, maybe let me leave it for now. It's too complicated".
>
> (Business respondent)

Growth Managers, co-located with delivery partners, can be instrumental in nurturing mutually beneficial community engagement.

Products

Product range

'Does business support work?' The Evaluation and Analysis of Good Practices in Promoting and Supporting Migrant Entrepreneurship[14] provides an answer to the question raised by one of the delivery partners. In its conclusions, it notes *'This study confirms the importance of offering comprehensive support to migrants who are willing to start up or scale up a business in their host countries. Migrants face a set of specific challenges to establish and manage entrepreneurial activities in their receiving countries. These challenges are often interlinked and typically stem from limited host-country specific human capital, lack of familiarity with the functioning of local labour markets and with local business regulatory frameworks, difficulties in accessing local business networks, and, crucially, start-up capital and business facilities. The study has demonstrated that the measures which address these difficulties holistically, by providing migrants with a combined offer of*

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[14] Evaluation and Analysis of Good Practices in Promoting and Supporting Migrant Entrepreneurship,2016, European Commission

training and regulatory advice, social capital, and facilitated access to business funding and working spaces, are best suited to support migrant entrepreneurs in a cost-effective fashion and help their businesses to thrive.' Feedback from businesses resonates with this assessment, with pleas of *'It's easy to pigeon hole businesses but they are all different',* and *'It's important that, whoever is delivering understands that you cannot provide services like you do for other cultures'.*

There is a comprehensive range of 34 business support services available in the region, delivered by diverse partners through diverse delivery channels. Delivery partners exhibited tremendous pride in their services and were able to cite good practice examples of engagement with ethnic minority businesses, albeit they were almost exclusively Asian businesses. There is however, good reason to believe that subject to winning the target group's trust, their services are transferrable into the Black business sector without any significant modifications.

Particular services prioritised in the community consultations are summarised below.

Access to finance - A well-documented barrier constraining development of ethnic minority businesses is access to finance. Accessible grants for start-ups and access to development finance for growth, were both raised as concerns by business respondents. To some degree, this reflects a lack of awareness of the grants, loans and investment finance available in the region – e.g. Business Enterprise Fund, Business Growth Programme, #Grow, Leeds City Region 'supply chain' Programme and Northern Powerhouse Investment Fund. This deficit can be remedied through promotional activities and signposting by business advisers. Another factor undermining confidence in accessibility to finance, may be businesses' adverse experiences and how easily reports of them are communicated to others. Without evidence to the contrary, these negative perceptions fester and engender even further alienation from the sources set up to support them. This reinforces the case for increasing the visibility of success.

Mentoring – Mentoring is provided through the AD:VENTURE and Start-up loans programmes. At the time of the consultations, the pool of mentors did not include Black African or Black Caribbean representation. An essential ingredient for successful mentoring relationships is trust. Mentees must feel that they can trust their mentors to be there for them and to support them in a manner that is constructive and free from bias. Understanding the mentee, being able to relate to his/her lived experience, being able to communicate on equal terms and being able to support the mentee to achieve his/her objectives are integral to successful mentoring relations. These qualities and experiences are available within Black communities and should be offered to Black businesses as candidates for the mentoring role. It is right that business owners should have choice and there is

evidence from NESTA[15] that a demographic similarity between mentor and mentee can be contributory to successful relationship and positive outcomes.

> "My final point (recommendation), would be to allocate either a peer mentor or business support mentor to all Black-owned business owners who join the programme. This service should be available for a minimum of 6 months, but ideally a year regardless of how old their business is. The business owner would then be able to get tailored support and signposting to help them overcome the challenges that are relevant to their business. It would also allow each business to set their own mentoring goals, so they can assess whether they have been achieved at the end."
>
> (Business respondent)

Stimulate entrepreneurialism – Steps to Business, showcased above, aims to stimulate entrepreneurial activity by cultivating latent capacity for enterprise. Data in the *GEM UK 2020 Monitoring Report* has shown that positive attitudes to enterprise within the non-white population have been higher than those within the white ethnic population, with Total Entrepreneurial Activity (TEA) rates of 14.1% and 6.6% respectively. Paradoxically, the FSB reported in *Unlocking Opportunity*, that up to 2018, the high rate of entrepreneurial intention among people with Black ethnic background did not subsequently translate into actual entrepreneurial activity.

> "I don't think that BME people in the main are brought up from a young age to think about setting up their own business. I remember when I got to 16 and 17 and had done well in my O-Levels, was doing A-Levels and thinking about going to university. My mother told me that her ambition for me was to get a good government job.
>
> I wonder how much of that is still there – breeding a dependency culture."

'Invest in individuals' was a principle shared by business respondents and Trusted Voice alike. They, along with a number of delivery partners, called for enterprise as a career option to be taught to young people and customised programmes developed to support young people from the initial stage of thinking about enterprise as an option, all the way through to celebrating their first anniversary in business. Co-production has been raised as an option for developing such a programme, which could conceivably include training, mentoring, shadowing, visits and trial trading.

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[15] Business mentoring - How strong is the evidence? 19 April 2019. https://www.nesta.org.uk/blog/business- mentoring-how-strong-evidence/. Accessed 17 July 2022

Product delivery

> "If you see yourself as giving information and advice, then in the main you'll be helping people who would've got that information and advice from another source in the end. If you really want to make a difference, though, you have to realise that you have to go beyond information and advice. You've got to go beyond just giving it, putting people on a course and at the end of the course saying, oh, there you are off you go. You've got to give that package of support to go even further and help people actually get established and set up."
>
> (Trusted Voices respondent)

Eligibility criteria - The indication from delivery partners is that Start-up West Yorkshire attracts the greatest level of use from Black businesses, while other services experience very little demand from this target group. There is no evidence to suggest that the other services are intrinsically less suited to Black businesses, leading to any of three scenarios being the causal factor in preventing higher rates of take up:

a. Lack of awareness that the services exist (addressed under 4.2.2 Marketing and promotions)
b. Awareness of poor outcomes for peers deterring others from accessing the services (also addressed under 4.2.2 Marketing and promotions)
c. Eligibility criteria blocking participation

B2B requirements are known constraints. Forty percent of business respondents were in B2C businesses. Beyond this, the risk of eligibility criteria blocking participation was first raised by a delivery partner, in the context of low participation in innovation programmes. The innovation programme was reported to work mainly with businesses with highly qualified staff (PhDs) and did not have a track record of engaging Black businesses. The implication that these businesses are not engaged in innovation is inconsistent with the FSB's findings, reported in Unlocking Potential, that at 30%, the rate of participation in innovation (product or service) for ethnic minority businesses was 11% greater than for non-ethnic minority businesses. The emerging question is whether by design or practice, the targeting, eligibility criteria or selection processes adopted in the region are unintentionally preventing participation by Black businesses.

Clusters – Delivery partners spoke of working with businesses in small groups – 8 – 10 per group. The approach had been observed to work well, focusing on topics such as supply chain development, leadership and management public procurement and international trade. Forums were also illustrated as a medium through which support was delivered in a less formal way and conducive to gender- specific approaches such as women's leadership. Another delivery partner referred to place-

based recovery as another option for targeting programmes to specific communities.

Targeting, whether based on sector, locations, demographics, or discipline is well established within the LEP's product range. It is an approach endorsed by Black businesses and Trusted Voices, if not at the general level of Black businesses then at a more focused level such as African and Caribbean young people. Taking a sectoral approach was also advocated, with the creative industries being offered as ripe for Black business development. Unknown to respondents, the West Yorkshire State of the Region report describes the region as 'one of the UK's leading regions for creative industries', a status that is being protected and advanced through specialist programmes including The Creative Catalyst and #Grow. This lack of awareness is characteristic of the relationship between Black businesses and the LEP.

Leveraging community assets

The community holds a rich vein of intangible assets – its culture, shared experiences, knowhow, resilience, creativity, networks, can-do attitude and unsung heroes and sheroes. These assets sustain communities without seeking external recognition or validation. These assets provide a tremendous opportunity for the LEP and underpin community responses to "*Try different solutions for different communities … and do not reinvent the wheel".*

Three initiatives were mentioned in the consultations with business and Trusted Voices. They each have a valuable role to play in stimulating and supporting Black business development and are either ready for immediate adoption or close to readiness.

i.   Steps to Business – This is an innovative project to stimulate entrepreneurial activity, not just respond to it. The project aims to identify people in the local community who aspire to set up their own business but have not been given the encouragement and support to do so in the past. Participants will be recruited through a selection process that puts the focus on the individual rather than an intended business. They will be given access to the business hub at Unity Enterprise, where they will receive training, professional advice (including legal) and support to write a business plan. Those who complete the programme and wish to continue into business will be offered concessionary terms on a business unit to launch their business.

This is an innovative approach that could create a template conducive to being replicated within African and Caribbean communities in other parts of the region as well as in other communities.

ii. [D-List](#) – D- is for Diversity. The D-List was developed to showcase unique business leaders through sharing their expertise, sector specialism, and dedication in their respective fields.

This is a ready-made database of individuals looking for opportunities to educate, speak and present at events, on panels and at workshops and to act as role models to others.

iii. [Include Me](#) – This initiative provides a space for anyone who feels unheard or under-represented in their journey as an entrepreneur. It aims to give entrepreneurs a safe way to connect, communicate and work together and through its *#Unmute* campaign to ensure voices are heard, important themes around diversity and inclusion identified, amplified, debated and positive solutions found.

All these initiatives can benefit the LEP and achievement of its Enabling Inclusive Growth objectives.

Performance management

The only contract with EDI KPIs is Start-up West Yorkshire. Delivery partners are required to report against these KPIs (Female 50%, EMBs 20%) and consequently collect data to facilitate compliance with this requirement. Where there is no external EDI reporting requirement, the incidence of EDI data collection is significantly lower. The sentiment "If we are not asked to report on it, we don't collect it", was frequently expressed in the consultations with delivery partners. Yet, this sentiment does not accord with delivery partners' enthusiasm to improve their engagement with Black businesses.

The absence of hard monitoring data has not prevented delivery partners from gauging engagement through observations. Illustrations of their perceptions and experiences are - *'Low take up', 'Lots of enquiries through Gateway that couldn't be supported', 'Initial engagement high, but they do not stay', 'Why do people drop-out?', 'Struggle to get non-white to attend events'*. With or without data, there is a view that engagement of Black businesses is low, which begs the question why remedial action is not being taken. There are a number of factors that could potentially be promoting inertia:

- there are no contractual requirements to deliver to Black businesses. In so far as ethnicity is factored into KPIs, the requirement can be met by reporting the engagement of Asian business;

- due to the pressure to hit contracted delivery targets, delivery partners commented that they are inclined to look for winners - '*pick the low hanging fruit'* (howsoever this is defined); and
- reported high levels of self-referral by individuals and cross-referrals between delivery partners. These could be at the expense of targeted promotional activities to stimulate demand.

Organisational culture may also be a contributory factor. The absence of data prevents delivery partners from making a case and securing the resources to make change. It is a perverse cycle, and (in other circles) one that is used as an excuse for inertia - '*We don't have the data'*.

Contrary to the weaknesses illustrated above, there are good practice examples of collecting data, analysing it and using it to make informed decisions.

- Recording ethnicity in business registration forms.
- EDI Advisor working with businesses to be more inclusive
- Tracking client journeys (ethnicity data not recorded
- Monthly discussions on EDI performance
- Avoiding complacency from high self-referrals by analysing data for gaps in take up for the purpose of initiating targeted action.

35

out of 186 participants in a programme of webinars were Black African and Black Caribbean businesses.

(Delivery partner)

These are clear examples of good practice that all delivery partners could follow. The drive should come from delivery partners' own commitments to equality, diversity and inclusion and their roles in delivering the regional vision for **everyone** to participate in a strong and successful economy.

Additionally, as custodian for the vision, the LEP should be monitoring not just for EDI outputs, but also for how commitment to EDI is being embedded into their policies, strategies and delivery arrangements.

CONCLUSIONS

The consultations and secondary research analysis have generated a broad base of evidence about Black businesses' engagement and the Black community's role in supporting business development and growth in the region. The principal messages from the research are summarised in the conclusions below.

1. Take up of LEP services by Black businesses is extremely low.

2. Most Black business respondents and Trusted Voices had been either unaware of the LEP or aware of its existence but unfamiliar with its product range and how to access it. After learning about the LEP through this project, rather than becoming optimistic at the prospect of accessing the LEP's products, many respondents showed signs of frustration, questioning why, given its role and commitment to inclusive growth, had they not heard about it.

3. Black businesses' low take up of LEP products is a consequence of a number of factors including, lack of awareness, lack of confidence in the reception they will get from delivery partners and the service they will receive, absence of role models who have benefitted from the services and alternative support available from within their communities. A business sector participant shared her experience of an *"incremental approach to finding out about business support services available …"* and *"… finding information by chance and no system in place."*

4. Business membership organisations share support providers' concerns over low engagement with Black businesses. The perception of Chambers of Commerce was described as *"old fashioned, white, middle class",* a perception they are working hard to correct. Previous experiences including outreach activities and discounted membership fees have not provided sustainable solutions. The first Black director to the Chambers in the region was appointed during the course of this project and a note of caution expressed that "*changing organisational culture takes a long time".*

5. The Black business sector in the region is poorly understood. A delivery partner expressed the view *"We don't understand the business demographics in the region".* There is poor availability of disaggregated data regionally or nationally and this paucity is a constraint to developing informed strategy, setting SMART targets, allocating resources and managing performance. Even at an operational level, there does not appear to be a uniform approach to collecting and recording EDI data and the requirement to report on EDI currently only applies to Start-up West Yorkshire. A culture shift is required, stimulating delivery partners' collection of EDI data as a matter of course, contractually required or not, and using it to

shape decision making.

6. The business case (social, economic and environmental benefits) for developing the Black business sector has not been made to delivery partners.

7. The validity of a strategy to increase Black businesses' take up of the LEP's business support services rests on its performance in generating additionality, i.e. new service users from the Black business sector taking up support services, rather than existing businesses relocating from alternative providers to the LEP.

8. WYCA and the LEP promote a vision of everyone in the region being able to contribute to and benefit from the region's economic growth. Other agencies follow their lead, particularly in complying with how EDI is delivered in commissioned services. If EDI performance is not an explicit requirement, at best it is not counted and at worst it is not pursued.

9. EDI is everyone's responsibility. WYCA and the LEP have taken a leadership role, developing the Inclusive Growth Framework and the Mayor is seeking to appoint an Inclusivity Champion. They need to be seen to be consistently inclusive in how they operate and the requirements they impose on their delivery partners. This is a basic requirement for trust building and engagement.

10. Leadership on EDI, all the way through to granular levels, must come from the LEP and WYCA.

11. The LEP's value proposition (the benefits or value it will deliver and why businesses should use its services) is either not being communicated to Black businesses (ineffective communication channels, language, timing, misalignment of values) or not being trusted by them.

12. The product range of business support services in the region is comprehensive with no evidence that it is not suited to Black businesses. The suggestion to target young people in schools and at early careers stages, with awareness of enterprise as a career choice and providing a sustained package of support was applauded by business and Trusted Voices. *'More'* was another theme raised by a business that had received four or five mentoring sessions that she had greatly valued, but would have liked to have extended beyond that number.

13. Some business support services are apt to be more accessible than others, simply because of who is delivering them. For example, if people have not had good experiences at school and not continued into further education or training, approaching a university for business

support may not even be a consideration for them.

14. One of the features in the programme that is successfully engaging Black businesses is peer networking. It is strongly encouraged as a means of fostering peer group support. This is also a feature of the community-led Steps to Business programme. A delivery partner suggested that 'disadvantaged groups' were less likely to know about support and people with social capital likely to be more successful. There is some research evidence to support this, but even without it, there is the adage *'It's not what you know, it's who you know'*. Building social capital within the Black business community is a valuable mission, but it is equally important to build social capital between this sector, the LEP and the wider business community. These connections could potentially open Black businesses' access to networks, supply chains, collaborative research and innovation and investment finance.

15. There is a diverse range of delivery agencies across the region. None of the stakeholder groups advocated creating dedicated agencies to target ethnic minority-led businesses. They were universally in favour of making the existing system work better for Black businesses.

16. Delivery partners held common aspirations for greater engagement of Black businesses. Some will be in a better position to achieve this by virtue of access to more flexible pots of funding, greater staff capacity and the likelihood of a critical mass of African and Caribbean communities in their local communities. There are pockets of good practice amongst them, some from working with Black businesses and some transferrable either from working with Asian businesses, or from targeted cluster approaches. The enthusiasm displayed during the consultations should be captured by bringing delivery partners together, in a community of practice, to share experiences, test new approaches and embed good practices. This would also be a forum for reconciling opposing experiences, such as one delivery partner's experience of cultural differences in the use of digital services, suggesting this contributes to low take up, and the feedback from another partner that because of online delivery, it has been able to engage a wider demographic who would not go into a white dominated group.

17. Most enquiries are inbound rather than generated through target marketing.

18. How the LEP markets and promotes its business support services needs deeper consideration by Business Support Services and the Marketing and Communications team. Delivery partners' perception of marketing activities that communicate '*This is what we've got. Come and get it.'* are indicative of a much deeper problem that begins with the relationship between the LEP and African and Caribbean communities. The feeling that *'the system is not on their* side' must be reversed through a strategic approach to winning trust, building

relationships and engaging businesses in business support. The alternative is slow growth of the Black business sector, prolonged economic exclusion and a region not fulfilling its potential.

19. The community holds a wealth of talent that can be harnessed to support Black business development. Established businesses, third sector organisations, managers in positions of influence or with specialist skills and social entrepreneurs are all anxious to support this agenda and in their individual ways, they already are. There is no call for a dedicated agency in parallel with those already providing business support, but there is a great opportunity for a strategic approach to collaborative working between the LEP and the community. Respondents were receptive to the idea of working with the LEP to improve Black businesses' take up of its services.

"*Are we missing out on good business*?" This was the question raised by the LEP at the outset of the project. With low take up of its services and the number of Black businesses in the region being below the national average, the answer to the question must be yes. It is missing out on good business from existing entrepreneurs and foregoing the good business and economic benefits that would flow from a sector commensurate in size with the national average.

RECOMMENDATIONS

The recommendations for a strategic approach to developing the Black business sector in West Yorkshire, beginning with clarity of purpose and direction – a *North Star*, defining the LEP's vision for this sector and providing the focus for strategy and implementation.

Vision

The LEP develops a vison for the Black business sector in West Yorkshire. Features to be encapsulated in the vision are:

- granular-level focus of Black businesses (Black African, Black Caribbean and Black Other) i.e. below the level of ethnic minority-led business);
- collaboration – working closely with community stakeholders;
- value – acknowledgement of the social and economic contributions a thriving Black business sector will make;
- start-up and existing business – welcoming all businesses regardless of their life-cycle status;
- relationship – between the LEP and Black businesses;
- risk taking – translating entrepreneurial intent into entrepreneurial activity;
- growth.

Strategy

The LEP adopts an approach to implementing the vision, built on three strategic objectives.

i.   Increase LEP engagement with Black businesses.
ii. Increase the conversion rate of entrepreneurial intention into entrepreneurial activity.
iii. Increase the acceptance of enterprise as a viable career option for young people.

Implementation

Practical steps that the LEP can take to develop the Black business sector are

i.   **EDI Targets:** EDI KPIs to be included in all contracts and targets for engagement of Black businesses to be expressed within the broader targets for ethnic minority businesses.

ii. **Marketing and promotion:** a promotional campaign targeted at Black businesses, to increase awareness of the LEP and its products, promote brand recognition and stimulate access to services. For maximum impact, the campaign should be delivered through established community media channels.

iii. **Visibility**: increase the visibility of the Black community within the delivery infrastructure (staffing, mentors, guest speakers), within marketing and promotional materials.

iv. **Co-design**: initiate a business support programme targeted (sectoral, management discipline, geographic, gender) at Black businesses and developed through co-design. Use this programme to build the relationship and to showcase the LEPs commitment to developing the Black business sector. Lessons from designing and delivering this programme can provide a template for other programmes and good practice processes for other providers to follow.

v. **Understanding the Black business sector:** all providers to attend a workshop to develop their understanding of the Black business sector in the region – its size, structure, potential contribution to the regional economy, barriers to entry (different to barriers to take up of business support) and working with the community.

vi. **Community engagement:** strengthen relationships with the Black community through providing information, a point of contact, outreach support, collaborative marketing and promotions and pilots.

vii. **Navigators**: Develop a team of 'Navigators' whose (account management) role will be to connect Black businesses with the support they need at the time they need it.

viii. **Community of practice**: establish an EDI community of practice to share experiences, develop good practice and provide peer to peer support. Membership can be drawn from providers, membership organisations, businesses and the community.

ix. **Social capital**: in collaboration with the Black business sector, initiate a programme of networking events with guest speakers on topical business development issues.

x. **Performance management**: of the strategy to increase the size of the Black business sector, inclusive of, but not limited to increasing take up of LEP support services.

Action planning

Building trust and confidence were themes repeated during the consultations. An inclusive approach to action planning based on the implementation activities recommended above, offers a constructive start to achieving this goal.

APPENDIX I SUPPORT AVAILABLE FROM THE LEP AND PARTNERS[16]

Made Smarter Yorkshire and Humber

Do you want to grow your manufacturing or engineering business with emerging digital technologies? Go to market faster? Cut costs? Reduce downtime? Made Smarter can help.

Business Growth Programme

Grants of between £10,000 and £50,000 are available to support businesses in West Yorkshire, looking to grow and create new jobs.

Strategic Growth Programme

Supporting the most ambitious businesses in the Leeds City Region to drive economic growth

The Creative Catalyst

Our commitment to the creative industries is demonstrated by The Creative Catalyst programme, a

£1.5m scheme designed to support the growth of the creative sector across Leeds City Region.

Business Connect

Business Connect is an online support hub that connects small businesses from the region to trusted advisers, business events and programmes in West Yorkshire.

#Grow

If you're a creative, digital/tech, MedTech or FinTech business looking to expand and grow in West Yorkshire, then you could qualify for grant funding of between £10,000 to £50,000 through the Digital Investment Fund.

Growth support

If you're a business with the ambition and potential for growth, there's a wealth of support available.

Innovation

Are you wanting to do something different in your business but not sure how to get there? Our team of Innovation Growth Managers can help you identify and access the right support to make it a reality.

Sustainability

Support is available for businesses on their journey to net zero carbon emissions. We offer free consultancy advice, audits and access to funding to help your business become more resource-efficient, reduce waste and adopt sustainable ways for employees to travel to work.

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[16] Business Support Service, https://www.the-lep.com/business-support/, 7 July 2022

Start-up

Sources of advice, support and funding for business start-ups.

Skills and Training

Developing your workforce's skills and expertise is one of the best investments a business can make. It can result in more motivated, engaged staff and increase your businesses' productivity.

Business leadership and improvement

Developing leadership and management skills within your business can support business growth, strategy and help to overcome business challenges.

Trade and export support

Expanding into new markets overseas can help businesses of all sizes to reach new customers, generate additional revenue and mitigate market risks.

EU Exit: support for businesses

The transition period has ended and new rules are here. Act now to keep your business moving.

Relocate to Leeds City Region

As a national and international economic powerhouse, find out why so many businesses are choosing to start up, scale up or relocate to Leeds City Region.

AD:VENTURE

The programme offers intensive, bespoke guidance to small and medium sized businesses under 3 years old. Support available includes expert mentoring, events and workshops, grants and more.

Digital Knowledge Enterprise

Support is available for eligible small and medium sized businesses to develop their digital capacity and thereby helping them increase their overall performance (competitiveness, productivity and profitability).

Manufacturing Growth Programme

Providing advice and support to manufacturing SMEs to help Identify opportunities, create plans for growth and enhance support with grant opportunities

Leeds City Region 'supply chain' Programme

Providing Strategic 'supply chain' Support to companies in the Manufacturing, Engineering and 'supply chain' sector with grant funding available.

Cyber security support

Support is available from the North East Business Resilience Centre (NEBRC) to help businesses addresses cyber security risks and secure their online systems.

National Business Support Helpline

Your business can access advice and financial help from government-backed schemes and access a range of information, guidance and resources.

Enterprise Allowance Scheme
If you have a new idea and you're currently receiving certain benefits, Jobcentre Plus could provide you with the support and funding you need to start your own business

Start-up loans
Start Up Loans provide business loans, as well as advice and mentoring, to start-up businesses of up to 24 months

Finpoint Business Finance Platform
Find the right lenders and get access to finance options with one simple online application.

Northern Powerhouse Investment Fund
If you're a small or medium sized business, or looking to start-up a new business, the Northern Powerhouse Investment Fund could provide loans and equity finance of between £25,000 to £2 million to help your business realise its potential

Business Enterprise Fund
Loans of between £500 and £150,000 are available for start-ups and existing businesses that have been turned down by high street banks

Business Growth Fund
If you are a small or medium-sized business, investment of between £2 million and £10 million is available for ambitious entrepreneurs who are running growing UK companies, for a minority stake in your company

Key Fund
Loans of up to £150,000 are available across a range of sectors, for businesses and enterprises that deliver a positive social or environmental impact

Manufacturing Growth Programme
Providing advice and support to manufacturing SMEs to help Identify opportunities, create plans for growth and enhance support with grant opportunities

10,000 Small Businesses Programme
Goldman Sachs 10,000 Small Businesses is an investment to help entrepreneurs create jobs and economic opportunity by providing greater access to education, capital and business support services.

National Physical Laboratory
The National Physical Laboratory offers support to small and medium sized businesses in the

manufacturing sector to reduce waste, optimise processes, instil best practice and raise quality

Digital Knowledge Enterprise

Support is available for eligible small and medium sized businesses to develop their digital capacity and thereby helping them increase their overall performance (competitiveness, productivity and profitability).

Leeds City Region 'supply chain' Programme

Providing Strategic 'supply chain' Support to companies in the Manufacturing, Engineering and 'supply chain' sector with grant funding available.

Cyber security support10,000 Small Businesses Programme

Support is available from the North East Business Resilience Centre (NEBRC) to help businesses addresses cyber security risks and secure their online systems.