



Report to Economic Development and Skills Policy Committee

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Report of: Kate Martin, Executive Director City Futures

Report to: Economic Development and Skills Policy Committee

Date of Decision: 30th November 2022

Subject: Race Equality Commission and the Business Growth Response

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 1323				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>				

Purpose of Report:

This report seeks to update the Committee on the focus and progress of Business Sheffield towards supporting the delivery of the Race Equality Commission (REC) report recommendations and to approve a specific action for the development of a diverse and inclusive Sheffield Business Board for the city.

In doing the above the report will outline

- Race Equality Commission (REC) background
- Overview of Business Sheffield's response to the REC Commission
- Provide an update of the progress made to date towards recommendations of the REC Final Report
- Outline a key action for a diverse and representative Business Board

Recommendations:

That the Economic Development and Skills Policy Committee:

1. Notes progress of Business Sheffield in meeting the recommendations and actions from the Race Equality Commission Final Report dated July 2022.
2. Endorses a proposal to develop a new Sheffield Business Board which is representative of the city's diverse business base. The board will be developed with other business facing services of the Council and in collaboration with the Sheffield Chamber.
3. Instructs that once developed, the proposed terms of reference for the new Sheffield Business Board be brought back to the Committee for consideration and further recommendations as appropriate.

Background Papers:

- Sheffield City Council Race Equality: Business and Employment Hearing Business and Invest Submission
- Race Equality Commission Final Report, July 2022
- African Women's Group – case study
- The Federation of Small Business "Unlocking Opportunity" the value of ethnic minority firms to UK economic activity and enterprise (July 2020).

Lead Officer to complete:-									
1	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;">I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</td> <td style="width: 50%; vertical-align: top;">Finance: Kerry Darlow</td> </tr> <tr> <td></td> <td style="vertical-align: top;">Legal Marcia McFarlane</td> </tr> <tr> <td></td> <td style="vertical-align: top;">Equalities & Consultation: Bashir Khan</td> </tr> <tr> <td></td> <td style="vertical-align: top;">Climate: Jessica Rick</td> </tr> </table>	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Kerry Darlow		Legal Marcia McFarlane		Equalities & Consultation: Bashir Khan		Climate: Jessica Rick
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	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>								
2	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">EMT member who approved submission:</td> <td style="width: 50%;">Kate Martin, Executive Director, City Futures</td> </tr> </table>	EMT member who approved submission:	Kate Martin, Executive Director, City Futures						
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4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for								

submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
Lead Officer Name: Yvonne Asquith	Job Title: Head of Business Sheffield
Date: 31st October 2022	

1. PROPOSAL

- 1.1.1 This report seeks to inform the Committee on Business Sheffield's progress towards the recommendation 7 of the Race Equality Commission (REC) Report: Sheffield Equal and Enterprising: Supporting Black Asian and minoritized ethnic Business and Enterprise. It will provide background to both the REC and Business Sheffield's progress in developing a more diverse business support programme.

'Sheffield an Anti-Racist City', is Sheffield City Council's wider response to the Sheffield Race Equality Commission Report, and will be tabled at the Strategy and Resources Committee on 5th December.

The Economic Development and Skills Committee requested an early update on Business Sheffield's progress to date. A summary of the key actions that Business Sheffield is focussing on to meet the recommendations of the report will be tabled in the Strategy and Resources Committee paper as well.

1.1.2 **Background**

The Race Equality Commission is an independent commission into racism and racial disparities in Sheffield. The Commission was established by Sheffield City Council in June 2020, to provide an independent strategic assessment of the nature, extent, causes and impacts of racism and race inequality within the city.

The Race Equality Commission has been chaired by Professor Emeritus Kevin Hylton from Leeds Beckett University who was supported by 24 Commissioners.

The Sheffield Race Equality Commission carried out inquiries, taking evidence before producing its report making recommendations on the key themes of:

- Education
- Business/Employment
- Health
- Civic Life and Communities
- Crime and Justice
- Sport and Culture

The Sheffield Race Equality Commission has considered a range of written and oral evidence received from organisations and individuals from Sheffield and elsewhere. It has looked at what people thought would work to tackle racism and racial inequalities in the city.

Hearings for each of the six themes were held between May and July 2021 after which evidence was assessed. An interim update was published in October

2021 and the final report with full recommend actions was published in July 2022. It is important to note that the recommendations are for a range of organisations and key stakeholders in the city and our own response to the report has involved us liaising with the Sheffield Chamber of Commerce in particular.

The Commission made seven overarching recommendations. The first was identified by the report as fundamental to everything that follows. The recommendations are:

- Sheffield: An Antiracist City - Governance, Leadership & Workforce
- Educating Future Generations and Showing Leadership in our Educational Institutions
- Inclusive Healthy Communities: Wellbeing and Longevity for All
- One Sheffield in Community Life: Inclusion, Cohesion, and Confidence
- Celebrating Sheffield Through Sport and Culture: Past, Present and Future
- Proportionality and Equity in Crime and Justice
- Equal and Enterprising: Supporting Black, Asian and Minoritised Ethnic Business and Enterprise

For completeness this report focuses on the four specific actions relating to Equal and Enterprising, Supporting Black Asian minoritised ethnic Business and Enterprise and are listed below:

- Action 36 - Business Development/support organisations to be made more accessible and available locally for Black, Asian and minoritized businesses
- Action 37 - Banks, funding agencies and anchor organisations in Sheffield to improve access to finance for Black, Asian and minoritised ethnic businesses.
- Action 38 - Sheffield businesses to consider signing up to the Business in the Community Race at Work Charter and the Race Equality Code
- Action 39 - Sheffield Chamber of Commerce and partners to improve its membership, engagement and support for Black owned businesses.

This report also seeks to identify key actions from Recommendation 1: Sheffield: An Antiracist City – Governance, Leadership and Workforce, that are highly relevant in the business support context, namely:

- Action 2 – Organisations need to invest in educating and developing leaders and employees to design-out racism from their organisation, services and practices.

- Action 4 – Governing Bodies and City Partnerships should seek to increase the diversity of their boards to reflect the diversity of their client group and the city.

1.2.1 Overview of Business Sheffield's response to the Business and Employment REC Hearing.

Business Sheffield has been making continuous improvements in its inclusivity and accessibility over the last two years, in response to the pandemic and subsequently learning from both the REC Employment and Business hearing, and the REC draft and final report. The evidence provided at Appendix 1 highlights the full submission to the Employment and Business hearing but the points to note are outlined below.

Our starting point:

Business Sheffield data outlined that during 2019/20 we recorded working with 834 businesses of which 18.32% identified themselves as BAME. The report stated that business support offered by Business Sheffield had consistently been accessed by a diverse client base from across Sheffield, that BAME businesses attended the workshop programme and networking events and added value to those sessions. For businesses who did not speak English as a first language we would offer a 1-2-1 with a business advisor with a colleague and/or family member to help translate.

New delivery models during COVID:

In expanding Business Sheffield significantly during Covid and working with 10 times the number of businesses, the Business Sheffield team was exposed to a much larger number of businesses. Businesses were contacting us by telephone to access critical support and Government funding, we were providing same day critical advisor support, providing webinar and workshops with Covid specific content and we also introduced a new team of High Street Advisors; Business Information Officers who took support out to all Sheffield's local high streets to provide door to door support to the businesses that were hit the most during the pandemic.

Opening up to a larger business base and expanding our customer service team, advisor team and delivery model allowed us to better understand the needs of businesses. We provided clear communications and resources to a wider and more diverse business base, provide guidance on restrictions and opening up safely and critically how to access and apply for financial support available during the pandemic for businesses to survive.

Messaging and communications were coordinated across the Council's business facing services including Business Sheffield, Health Protection Teams, Licensing, City Centre Management and Business Rates and Local Community Response Teams. Communication to businesses was extensive and used many different forms of media from social media, radio, digital promotion of surveys, direct mails to accountancy services and grants flowcharts. We proactively focussed getting messages out and engaging with BAME

businesses using video business case studies with a specific focus on BAME business owners, community newsletters, local papers and community radio programmes. Business checklists and posters were produced in nine different community languages available on line and distributed to businesses by the Business Information Officer Team.

Learning:

The submission highlighted key learning in how to engage and communicate more effectively with BAME led / owned businesses, supporting understanding and accessing of the support available, including grants and the importance of taking a more proactive approach to inclusion so we represent the diversity of the business base we serve. This learning is embedded into service design and delivery.

The Submission also acknowledged that there are structural inequalities in the wider business ecosystem, and often programmes are designed and tested with a small segment of businesses, that is not diverse and representative of the full business base. It highlighted the need to design our partnership interfaces and engagement to be more inclusive.

1.3.1 Progress towards Recommendation 7: Equal and Enterprising, Supporting Black Asian minoritised ethnic Business and Enterprise

Since Business Sheffield’s involvement in the REC hearing and the publication of the final report we are progressing the following key activities against the REC report recommendations.

The actions required for an impactful response to Recommendation 7, are far reaching and beyond that of Sheffield City Council alone. We have already started working with Sheffield Chamber of Commerce to share insights and collaborate on key actions (detailed in the table below). We have more to do to convene key stakeholders across the Business Support landscape to collaborate on these actions.

Action	In progress	Next Steps
Action 36 - Business Development/s support organisations to be made more accessible and available locally for Black, Asian and minoritized businesses	Continuation of support businesses in their communities and on local highstreets – The Business Information Officers established during COVID, have been a critical change to how we deliver Business Services. They are working in communities, and by providing face to face and bespoke support we are delivering a much more inclusive service.	Black, Asian and minoritized businesses to be directly involved in designing and developing business support.

	<p>We work hard to connect with BAME led businesses, and utilise community champions and trusted intermediaries to connect us with new businesses that required support.</p> <p>Bringing together business facing Council services - Business Sheffield works to bringing together Council services including Environmental Health, Licensing, Planning, City Centre team and Business Rates to identify key issues being faced by vulnerable sectors and businesses, identifying key communication and resources and the distribution of these key communications and translating these messages into the nine community languages.</p> <p>Widening our business engagement – BAME business owners / leaders speak of accessing advice from within their own community settings and networks and from relatives as key sources of support. Business Sheffield will continue to widen our business engagement with established BAME businesses by using community networks, business forums and word of mouth. We are also working to deliver business support in community settings and with established groups as well as centrally.</p>	
<p>Action 37 - Banks, funding agencies and anchor organisations in Sheffield to improve access to finance for Black, Asian</p>	<p>Early conversations are in train to identify best practice across finance and investor networks. Meetings planned with Lloyds Bank to their Supporting Black-owned businesses Business Support Lloyds Bank.</p>	<p>Further focus required by Sheffield Anchor institutions</p> <p>Sheffield City Council to act as convener for discussions as appropriate</p>

<p>and minoritised ethnic businesses.</p>		<p>SHEFFIELD CHAMBER are collaborating with British Business Bank around start up loans targeted at minority businesses and the aim is to work with Business Sheffield to target appropriately.</p>
<p>Action 38 - Sheffield businesses to consider signing up to the Business in the Community Race at Work Charter and the Race Equality Code</p>	<p>Business Sheffield Advisor network to be informed of these opportunities and signposted to key information.</p>	
<p>Action 39 - Sheffield Chamber of Commerce and partners to improve its membership, engagement and support for Black owned businesses</p>	<p>Business Sheffield has been building better relationships with BAME led businesses and being more presentative of the city - The report to the REC and feedback during the hearing was that we needed to use our experience to build better relationships with a wider business base, outside of high street small businesses and also with individuals looking to start up a business. We have made progress in piloting activity, examples are included below. What we have learnt in this process will influence the future delivery of the business support programme.</p> <ul style="list-style-type: none"> • Street Smart Young Men's Group – African Caribbean heritage. Attending an established group resulting in ongoing business support with specialist advisors for individuals working at senior levels in Sheffield businesses 	<p>Sheffield Chamber are planning a session to be led by Malcolm John on encouraging diverse trustees onto charity boards. Education piece for the charities on how to attract diverse people.</p>

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	<p>that were not already working with Business Sheffield and providing start up support to those individuals who had start up ambitions and ideas that Business Sheffield is now helping them progress with 1-2-1 support.</p> <ul style="list-style-type: none"> • African Women’s Group; a group of first generation immigrants looking to utilise their existing skills and experience to start their own businesses in Sheffield. We have been able to speak to the group in their own community setting, where they feel comfortable, with interpreters and with colleagues in Employability and Skills to link into the statutory training required for their chosen fields. A full case study is attached at Appendix 2. • Business Sheffield through its Advisor team have actively engaged with a further 20 BAME business owners/leaders through word of mouth and networking. This group of businesses have also helped us to progress some of the overarching thinking about the makeup and function of a more diverse and representative Business Board. <p>Sheffield Chamber are working with a new business forum for Page Hall, acting as a sounding board in an area that they have never worked in before.</p>	
<p>Action 2 – Organisations need to invest in educating and developing</p>	<p>Sheffield Chamber have hosted a racial literacy workshop to give the staff team, executive, board, Patrons and Council the tools on how to talk about race and to make sure their policies and</p>	

leaders and employees to design-out racism from their organisation, services and practices	processes are inclusive through workshops.	
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The above activity is helping us to ensure our current business support offer is more reflective of the diversity of the business base. We are also feeding these insights into the future business support landscape as we work with other local authority partners, SYMCA and the universities on future business support funding, including Shared Prosperity Fund for local business support as the fund that will replace existing European funded business support programmes.

However, we recognise that we need a more effective way of hard-wiring in diverse business voices and insights into shaping future service and business support provision. As such this report also recommends, a new diverse and inclusive Sheffield Business Board, which will represent the diversity of the city’s business base.

Action 4 – Governing Bodies and City Partnerships should seek to increase the diversity of their boards to reflect the diversity of their client group and the city	Sheffield Chamber are working with Melanie Ellyard of D-List (Diversity List), a diverse directory of UK entrepreneurs and put her in touch with key people in the region and stakeholders including LEP and key institutions so they can improve the diversity of their boards and panels.	Development of a new Sheffield Business Board which is representative of the city’s diverse business base. The board will be developed with other business facing services of the Council and in collaboration with the Sheffield Chamber in consultation with BAME business owners.
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A proposed new representative Sheffield Advisory Business Board

During the pandemic, the Business Response Group, which is made up of Sheffield’s leading business networks and support organisations convened fortnightly to work collectively to develop solutions to key economic issues facing businesses during COVID. They co-authored the Business Recovery Plan with Sheffield City Council. Its membership included Sheffield Chamber, Sheffield Property Association, Sheffield Digital, The Company of Cutlers, The Culture Consortium, Unight Sheffield, The University of Sheffield and Sheffield Hallam University .

Priority 6 of the Business Recovery Plan highlighted the need to work with business leaders on a longer-term Economic and Business Strategy for

Sheffield. The BRG worked well during the pandemic, and it is demonstrating the ability and appetite for the public and private sectors to work effectively together, however going forwards the BRG recognise that a different mechanism is needed, that brings together a more diverse set of businesses and economic actors together.

As such we propose, with the BRG and the Sheffield Chamber of Commerce that we develop a new Sheffield Business Board which is representative of the city's diverse business base to act in an advisory capacity. The fundamental recommendation of the REC to be an antiracist city, is to design out racism from our organisation and practises and involve those from underrepresented groups in the strategic development of the City. This is at the core of the proposal to develop a new representative Business Board which will act in an advisory capacity.

The new board will;

- Be representative of the city's business base
- Influence future economic strategy
- Inform how businesses access and engage with other business focussed services within the Council and city
- Shape future business support proposals

1. The development of the Advisory Board will be formulated over the next few months and will involve identifying potential board members from a more diverse business base, working on a terms of reference for the board and establishing how the board will connect into and inform Sheffield's anchor institutions. The Board draft terms of reference will be brought back to the Committee once developed for final approval at which point the Committee will be asked to approve the setting up of the Board.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The decision contributes to the Council's corporate response to the Race Equality Commission and in particular how Business Sheffield will contribute to the recommendations made in the Final Report for the seventh recommendation related to providing Equal and Enterprising support to Black, Asian and Minoritised Ethnic Business and Enterprise. Finally, it will contribute the overarching and fundamental recommendation, Sheffield an Antiracist city in the REC Final Report.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Consultation through the REC process, followed by:

- Ongoing work with high street businesses through the Business Information Officers.
- Consultation with groups who represent diverse backgrounds to fully understand their needs.

- Consultation with black and minority ethnic business owners, their views of our services and needs from a business support programme.
- 3.2 Consultation with key groups such as the other SY LA's and both universities will be engaged in respect to Business Support and Skills development for future business support programmes.
- 3.4 Consultation with the Business Recovery Group with respect to the future of the new Business Board has also been undertaken.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 Purpose of the work is to make the business support programmes future more equal and representative of need alongside ensuring that ore representative business leaders are involved in the future economic strategy development. As individual projects of activity are developed the equality impacts will be at the core of project development.
- 4.1.2 The Council as a public sector organisation is subject to the Public Sector Equality Duty (PSED - Section 149 of the Equality Act 2010). It also applies to services and functions that we contract with who are carrying functions on our behalf.

Decisions need to consider the requirements of the PSED. The General Duty notes that we must pay due regard to the need to:

- Eliminate discrimination, harassment, victimisation
- Advance equality of opportunity
- Foster good relations between people who share a characteristic and those who don't

4.1.3 The Equality Act 2010 identifies the following groups as protected characteristics: age; disability; gender reassignment; marriage and civil partnership (discrimination only); pregnancy and maternity (employment only); race; religion or belief; sex and sexual orientation.

4.1.4 There are also other equality implications outside of the Equality Act that the Council commits to responding within our Equality Impact Assessment (EIA) process such as socio-economic disadvantage and carers.

4.1.5 An Equality Impact Assessment has been completed and highlights the work in response to the recommendations of the Sheffield Race Equality Commission's report is to make the business support programmes future more equal and representative of need alongside ensuring that more representative business leaders are involved in the future economic strategy development. As individual projects of activity are developed the equality impacts will be at the core of

project development and this will help drive progress on all areas of inequality and to ensure that the business support culture within the Council becomes more inclusive.

4.2 Financial and Commercial Implications

There are no financial implications for the report the development of a Business Board will be undertaken with existing resource. Finance have signed the report off with no amendments.

4.3 Legal Implications

4.3.1 Implementing the REC's recommendations will facilitate the council's efforts to improve its delivery on the Public Sector Equality Duty which is set out in section 149 of the Equality Act 2010. This duty is already summarised in the Equality of Opportunity Implications of this report.

4.3.2 Currently there are no further legal implications from this report but there are likely to be legal implications when the Committee is asked to consider the draft Terms of Reference for the new Board and further recommendations as appropriate.

4.4 Climate Implications

There are no significant climate impacts for this report. The Business Board should consider if low carbon action can be part of its remit or a working group set up from it that focusses on low carbon action.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 The *Do Nothing* option is discounted developing a more diverse Business Board is essential in meeting the recommendation for an equal and enterprising city. To not follow through on the work already undertaken by supporting this part of the Commissions feedback and recommendations would pose a reputational risk for Business Sheffield and for the Council more generally in meeting the specific recommendation and its contribution to the wider overarching theme of becoming an antiracist city.

6. **REASONS FOR RECOMMENDATIONS**

6.1 To note the work undertaken so far by Business Sheffield in becoming anti racist and reaching and diverse business base in its provision and

- 6.2 To ask Members to endorse and agree the proposal for a new Business Board and to note that the draft terms of reference for the Board will be brought back to Committee for consideration and further recommendations as appropriate.

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