

As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being or has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

| | |
|--------------------------------------|---|
| Directorate: City Development | Service area: Funding Programme and Business Support ,Economic Development |
| Lead person: Sarah Carling | Contact number: 0113 378 7876 |

1. Title: Equality, Diversity, Cohesion and Integration Screening of Extension of Ad: Venture and Digital Enterprise business support programmes.

Is this a:

- Strategy / Policy**

 Service / Function

 Other

If other, please specify

2. Please provide a brief description of what you are screening

Leeds City Council has successfully delivered the Ad: Venture and Digital Enterprise business support programmes since 2016. Both programmes are delivered across the City Region with Ad: Venture providing essential support to new and young businesses and Digital Enterprise providing support to small/medium sized businesses to use digital technology to aid business growth.

Current funding for these projects comes to an end in 2019. Officers have been working with partners over the last 12 month to secure funding to enable these successful programmes to continue. Leeds CC is currently awaiting final stage funding approval for ERDF applications submitted in Oct 2018, this will be the last element of the funding package for a further phase of these projects, taking delivery through till 2022.

Phase 2 Activity will cover the following:

Ad: Venture

- Core Business Support- A programme of workshops; covering key aspects of business growth including: sales and marketing. Supported with one to one business support and mentoring including access to finance advice.
- Young Enterprise Programme – A dedicated programme of support for young entrepreneurs between the ages of 18-30 delivered through the Princes Trust.
- Area Specific Opt-in - Providing additional sectoral support focusing on the particular needs of individual districts.
- HEI Expert Programme- Enabling new businesses to access academic expertise, either one to one or through specialist events.
- Ad: Venture Growth Grants- Providing grants of up to £25,000, helping new and young businesses grow.

Digital Enterprise

- A Digital Growth Voucher – A grant worth between £2-10,000 to help eligible businesses invest in digital technology to achieve business growth and digital transformation.
- A Connectivity Voucher – To help eligible businesses to upgrade their digital connection – worth between £500 to £1,000.
- Digital Knowledge Exchange Service - A package of events and mentoring, offering entrepreneurs and small business manager’s access to the expertise and advice they need to deploy new digital technology.

This document screens the effect of continuing to operate this service.

3. Relevance to equality, diversity, cohesion and integration

All the council’s strategies and policies, service and functions affect service users, employees or the wider community – city wide or more local. These will also have a greater or lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

| Questions | Yes | No |
|--|-----|----|
| Is there an existing or likely differential impact for the different equality characteristics? | | √ |

| | | |
|---|---|---|
| Have there been or likely to be any public concerns about the policy or proposal? | | √ |
| Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom? | | √ |
| Could the proposal affect our workforce or employment practices? | | √ |
| Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations | √ | |

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?** (think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

Scope of Proposal

The scope of the offer provided by the projects is limited by the restrictions within the funding call, and funding eligibility criteria for European and other funders. Digital Enterprise support is restricted to trading businesses over 12 months in the Leeds City Region. Ad: Venture is open to businesses between 0 – 3 years, with some more limited support for pre-starts. The majority of support thought Ad: Venture is aimed at established young businesses or pre-starts with high growth potential, alongside a smaller dedicated young enterprise programme open to any young person up to 30 years old. For both projects funding criteria excludes support for businesses in the retail, agriculture and fisheries, coal & steel, ship building and education sectors.

Enterprise and Business Ownership amount Equality Groups.

Research would indicate that nationally between 20 % and 33 %ⁱ of businesses are female owned. There is more limited research available for the age profiling and ethnicity

of business start-up's and owner. However, research has estimated that 8 % of businessesⁱⁱ in the UK are ethnic minority owned, and that start up activity is clustered in 25-54 age group, with the highest level among 25-34 year old. ⁱⁱⁱ

Particular Challenges facing Entrepreneurs in Equality Groups.

Research^{iv} has highlighted a number of factors that can particularly effect entrepreneurs in equality groups.

Female Entrepreneurs:

- There is some evidence women-led businesses perceive higher financial barriers and are more likely to be “discouraged borrowers “.
- There is evidence that female led businesses on average start with lower levels of overall capitalization, use lower ratios of debt finance, and less likely to use private equity or venture capital. There is little evidence of supply-side discrimination, but evidence instead that demand-side debt aversion is more pronounced among women.
- There is evidence that women-led businesses are on average smaller and more likely to be located within the services sectors.
- Global studies show that on average women perceive themselves to have a lower level of business capacity, and have a greater fear of failure.^v
- Studies demonstrate that, given the same starting resources, business performance by gender does not differ. However, women-owned enterprises on average start with lower levels of resources including access to management training.

Ethnic Minority Entrepreneurs:

- Although experience is divergent there is evidence that access to finance is a barrier for ethnic minority entrepreneurs. This can be linked to standard risk factors and credit history rather than direct discrimination.
- There is evidence of “discouragement “and that demand-side aversion is a factor. Researcher’s agree that this may be the result of a misperception of discrimination, which could be improved by better information from lenders.
- There is evidence that some ethnic minority business owners are subject to structural disadvantage arising from the market sectors into which they are concentrated. This is a feature that applies to many ethnic minority groups, and is a pattern that is recurring amongst new migrant communities.
- However, ethnic minorities are increasingly well credentialed with a growing presence in sectors such as IT, pharmacy and the media. Nonetheless the mismatch between qualifications and self-employment occupation persists.

Although, there is more limited research available on the experience of entrepreneurs from other equality groups, it is not unreasonable to assume that factors identified above; demand side aversion to lending, perception of lower capability, and access to training and expertise are also factors for other equality groups.

Consultation and engagement activities, & Experience of Delivery to Date

Data from Ad: Venture indicates that to date around 34 % of participants are female, around 19 % are from an ethnic minority background, and approx. 3 % are disabled. These figure are broadly consistent with benchmark for business ownership in equality groups that are available.

Consultation with participants and project staff to date on the projects have not highlighted any particular concerns for entrepreneurs from equality groups. Phase two and final stage of phase one of these projects will include more substantive consultation with participants, this will be a further opportunity to consider equality impact of the project.

- **Key findings**

(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

- The provision of grants support through both projects is likely to positively address issues of access to finance, and business capitalization outlined above. The grants as one part of the overall funding package for an investment, also supports businesses to obtain other types of finance. Events and advice through Ad: Venture on business finance options allow entrepreneurs to make more informed decisions on the type of finance their business needs, potentially addressing the demand side aversion and “discouragement” researchers have found some entrepreneurs in equality group’s experience.
- The advice, training and mentoring offered by these projects allow entrepreneurs and businesses to address gaps in knowledge and expertise, and also encourages confidence in their business capacity. These are both factors that researchers have found particularly effect equality groups.
- Overall the experience of phase one of these projects, and this screening exercise indicates that continuing to operate this service will have positive or neutral effect on equality groups. However, below are outlined a number of measures the project will take to promote positive impacts.

- **Actions**

(think about how you will promote positive impact and remove/ reduce negative impact)

The projects will;

- Ensure that they use inclusive imagery in promotional, marketing and case studies ensuring it represents the full range of entrepreneurs.

- Ensure delivery partners and sub-contractors have an equal opportunities policy in place to cover project delivery, and employment and recruitment.
- Support and engage with events and networks that are targeted at entrepreneurs in equality groups, particularly if on-going monitoring & consultation show that there are issues of under – representation, or barriers to engagement.
- Ensure that project summative assessment & on-going evaluation fully consider any possible equality impacts.
- Continue to monitor the impact of the projects on equality groups, report any results to respective project Boards, consider mitigating action if this highlights particular barriers to participation for equality groups.

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

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| Date to scope and plan your impact assessment: | n/a |
|--|-----|

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|---|-----|
| Date to complete your impact assessment | n/a |
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| Lead person for your impact assessment (Include name and job title) | n/a |
|--|-----|

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

| Name | Job title | Date |
|---------------------------------|--|---------------|
| Phil Cole | Head of Funding Programme and Business Support | |
| Date screening completed | | February 2019 |

7. Publishing

Though **all** key decisions are required to give due regard to equality the council **only** publishes those related to **Executive Board, Full Council, Key Delegated Decisions or a Significant Operational Decision.**

A copy of this equality screening should be attached as an appendix to the decision making report:

- Governance Services will publish those relating to Executive Board and Full Council.
- The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.
- A copy of all other equality screenings that are not to be published should be sent to equalityteam@leeds.gov.uk for record.

Complete the appropriate section below with the date the report and attached screening was sent:

| | |
|--|--------------------------------------|
| For Executive Board or Full Council – sent to Governance Services | Date sent: 25 th Feb 2019 |
| For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate | Date sent: |
| All other decisions – sent to equalityteam@leeds.gov.uk | Date sent: |

ⁱ S Carter, M Ram, K Trehan, T Jone, (2013) Page 5, Diversity and SMEs, Enterprise Working Paper No 3;

Natwest (2018) Page 21, Page 26 2017 Global Entrepreneurship Monitor, UK Report; Feb 20th (2019) <https://www.prowess.org.uk/facts>.

ⁱⁱ S Carter, M Ram, K Trehan, T Jone, (2013) Page 4, Enterprise Working Paper No 3.

ⁱⁱⁱ Natwest (2018) Page 26, 2017 Global Entrepreneurship Monitor, UK Report.

^{iv} S Carter, M Ram, K Trehan, T Jone, (2013) Page 5, Diversity and SMEs, Enterprise Working Paper No 3;

^v Feb 20th 2019 <https://www.prowess.org.uk/facts>