



**APPG for Ethnic Minority Business Owners
AGM**

**Tuesday 7th March 2023
Macmillan Room, Portcullis House**

Attendees:	
Sir Peter Bottomley MP – Chair	
Sarah Olney MP – Co-chair	Lord Navnit Dholakia MP
Abena Oppong-Asare MP – Co chair	Florence Eshalomi MP
Kate Hollern MP- Treasurer	Mark Logan MP- Officer
Chi Onwurah MP- Officer	Tim Farron MP
Diana Chrouch – Special Advisor to APPG for Ethnic Minority Business Owners	Femi Santos – Alchemy Limited and Worshipful Company of Constructors
Kieran Smith – MP Sarah Olney’s office	Bernard Idowu - BEIS
Rohill Shah – MP Sarah Olney’s office	Bola Adesina – Legal and General
Shah Athar – UK Curry Connect	Rashida Abdulai - Strand Sahara
Silas Ojo - Researcher	Katarina Stawska-Hughes - Sovereign Strategy
Joy Brooks-Gilzeane - APPG intern	Paul Watts - Lenuity
Shakeel Ali – DPM Group – DESI GAP SHAP Mental Health	
Zoom Attendees:	
Lola Owolabi – Proud to be Me	Moslek Uddin – UK Curry Connect (dialled in from Bangladesh)
Maggie Ogunbanwo – African Twist	Professor Kevin Hylton – University of Leeds Beckett
Neelam Afzal – Asian Chamber of Commerce (wildings-solicitors)	Kemi Akinola – Brixton Peoples Kitchen and Community leader
Jennifer Tankard – UK Finance	Irfan Qadir - Iiqnon Exec -Financier (dialled in from UAE)
Arnab Dutt – FSB & Advisor to Cabinet Officer	Assim Ishaque – Envirup
Peter Adegbe – Sunderland Faith Leader and Social Enterprise director	Maggie Ogunbanwo - African Twist.com
David Hall - Lloyds Bank	

1. Election of officers

Sir Peter Bottomley thanks the attendees and congratulates the APPG for its achievements over the past year. He then leads the election of officers. The results include:

- Sir Peter Bottomley MP – Chair

- Sarah Olney MP – Co-chair
- Abena Oppong-Asare MP – Co chair
- Kate Hollern MP- Treasurer
- Tim Farron MP- Officer
- Florence Eshalomi MP - Officer
- Lord Navnit Dholakia MP – Officer
- Mark Logan MP- Officer
- Chi Onwurah MP- Officer

2. Treasurer's report

The treasurers report was presented by Shah Athar director of UK Curry Connect. He outlined the key financial information for the APPG in 2022 to 2023. The APPG received in-kind benefits in the form of pro bono secretariat services by Diana Chrouch of Chrouch Consulting with the kind support and guidance of other volunteers including MP Sarah Olney's office. The support is valued at £12,000

Direct costs have been very minimal as a result of the fact that due to the pandemic, meetings have been held virtually. The main expenditure to report is the cost of the APPG's in person reception at the House of Commons on the 22nd November to launch its Manifesto for Ethnic Minority Business Owners. A further £4128 was received to cover the cost of the reception.

3. Annual report of APPG's Activities

APPG Co-Chair Abena Oppong-Asare MP delivered an overview of the APPG's key events 2022 – 2023:

March

- The APPG wrote a letter to **Secretary of State Michael Gove for Levelling Up** to ask the government to consider including ethnicity as a specific metric for economic targets and monitoring as a part of its Levelling Up strategy.

May

- **Met Kemi Badenoch - Minister of State at the Department for Levelling Up, Housing and Communities Minister for Equalities** in May 2022 to ask for her support in improving access to data about ethnic minority business owners, particularly in relation to their access to finance.
- **Roundtable with Pat McFadden, Shadow Chief Secretary to the Treasury** as part of a round table collaboration with UK Finance. The Shadow Minister expressed his support for the APPG's call for greater data transparency to provide the critical oversight required to enable the shaping of effective financial services and investment strategies to fuel inclusive economic growth.

July

- APPG's Special Advisor - Diana Chrouch was appointed as a trusted government adviser

September

- **Energy crisis roundtable** – APPG Co-Chair Sarah Olney MP hosted a consultation roundtable on the energy crisis with business owners from across the UK. A key concern discussed was the lack of recognition or tailored support for ethnic minority business owners who are highly represented in sectors that are dependent on higher energy usage such as hospitality, retail, transport and services.

October

- **Announced Ethnic Minority Business review** - aims to provide a strategic framework for the creation of an innovative and ambitious action plan to open up concrete opportunities for finance and investment in businesses led by Black and Minority Ethnic business owners. The Review will be chaired by successful entrepreneur Wilfred Emmanuel-Jones - otherwise known as the 'Black Farmer'

November

- **Launch of 'Diaspora Global Festival'**- the APPG has been working in collaboration with the Department of International Trade (DIT) North East to develop and launch the 'Diaspora Global Festival.' The initiative aims to provide an Inclusive Business Support Service to increase international trading levels amongst Ethnic Minority business owners.
- **Launch its Manifesto for Ethnic Minority Business Owners** at an in person reception at the House of Commons with Small Business Minister Kevin Hollinrake MP as the key note speaker. Speakers also included Wilfred Emmanuel-Jones aka 'The Black Farmer' and the APPG's chair Sir Peter Bottomley MP, and co-chairs Sarah Olney MP and Abena Oppong-Asare MP. The event was also attended by business owners from across UK.

December

- **FSB supported the APPG recommendation for ethnicity data to be collected** in its report Credit Where Credit's Due – Small business and the need for external finance for investment and growth

4. Discussion: Impact of the Energy Crisis on Ethnic Minority Led Businesses

Sarah Olney MP:

- Sarah sets out the current situation for businesses with the ending of the government's scheme to support business energy costs in March 2023
- Sets out the impact on business of the scheme ending and the call for the support to remain, particularly for small and medium-sized enterprises to enable them to sustain themselves
- Also pointed out the knock-on effect on business of rising consumer energy bills as they reduce their spending in response to grappling with the resulting higher cost of living

Sarah opens the discussion asking: How are rising energy prices affecting you and your businesses?

Shah Athar:

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www.appgethnicbusiness.co.uk

Secretariat: appg@chrouhconsulting.co.uk

- Rising utility bills impact business turnover. That is especially detrimental for businesses with large amounts of debt taken on during the pandemic, in addition to spiralling costs

Sarah Olney:

- The demand for businesses is not limited to Winter, it is also sustained in Summer periods. Small businesses are vulnerable and local high streets are suffering as a result of this.
- Business rates are difficult to manage as relief is dependent on the size of the relevant premises. In many cases, this is not sufficient to offset additional costs, and many businesses do not qualify.
- Emphasised the need for targeted help for businesses

Bola Adesina:

- Current crisis for accommodation providers. Local councils use accommodations for lower-income families as temporary accommodation, in addition to vulnerable groups and refugees.
- Ripple effect of higher costs on the business ecosystem

Sarah Olney:

- Fixed fuel costs are beneficial but there is a limit to the amount of extra revenue businesses can generate to cover fixed costs

Shah Athar:

- Negative psychological impact of rising energy prices on business owners and employees; businesses cut hours due to reduced capacity to pay staff because of higher bills.

Rashida Abdulai:

- Confounding pressures such as inflation result in a lower budget that businesses have in order to pay for services i.e., legal services
- Difficult for ethnic minority business owners to cushion themselves against rising costs, in addition to accessing finance

Sarah Olney:

- Small businesses raise the Direct impact of rising energy costs and there is a secondary impact on consumers
- Market limitations and limitations regarding resources that businesses can attain as well as the increased cost of commodities result in workforce shortages

Kemi Akinola:

- Businesses in Tooting are choosing to close early or operate a limited service such as evening service or weekend services because of rising rates
- Landlords are increasing the rent for businesses, which means businesses can't afford to pay staff when they are least busy. This, therefore, results in reduced working hours for staff
- Employees are working multiple jobs in order to make ends meet

Peter Adegbe:

- There is greater pressure on charities to meet the needs of communities
- Charities experience a different set of challenges in comparison to businesses

Sarah Olney MP:

- Increased need for charities to offer services and support that businesses are currently unable to offer.

Diana Chrouch:

- There is a cascade impact of businesses struggling to meet rising costs. This directly impacts communities, and the government must take disproportionate levels of dependency into account
- Race and ethnicity need to be metrics used to measure the disproportionate impact of rising energy prices for businesses

Kate Hollern MP:

- Food bank donations have dropped but costs have risen
- Rising childcare and transport costs impact small businesses
- The government needs to rethink 'levelling up'
 - What does it mean?
 - How will create jobs long term?
 - Can it aid the creation of strong foundations for economic growth?

Paul Watts:

- There are many rising costs which affect employees and businesses such as increased transport costs
- Large donations to foodbanks from supermarket chains such as M&S have been reduced
- Reductions to disposable income

Sarah Olney MP:

- Changes to working conditions following the pandemic may benefit small businesses. Businesses may experience an increase in high street trade due to increased levels of people working from home
- Supports greater investment in transport and policing - higher dependency on cars in areas with poor transport links

Professor Kevin Hylton:

- The banking sector is less well-versed with the needs of black businesses
- There is a historical reticence displayed by banks in Sheffield to offer business support
- Lack of support provided by the Chamber of Commerce in South Yorkshire

David Hall:

- Lloyds bank wants to offer bespoke services to black-owned businesses in regions across the UK
- Limitations in terms of capturing ethnicity data pertaining to businesses]

What do you think about the upcoming budget for businesses?

Arnab Dutt:

- Increasing risk profiles are having an adverse effect on access to finance
- Reduced childcare and free childcare would positively impact the multiplier effect of millions returning to work
- Long term solutions must be based on practicality, not ideology

Kemi Akinola:

- Discretionary business rates do not cover charities
- Advocates for free/ affordable childcare

Assim Ishaque:

- Ethnic minority business owners may struggle to deal with challenges in the same way as larger mainstream businesses
- Business support needs to take this into account as some business owners have not had any formal experience working for companies

Sarah Olney MP:

- There are broader environmental challenges for ethnic minority businesses

Professor Kevin Hylton:

- Anchor organisations like universities and hospitals who do not already: (i) work more closely with ethnic minority businesses (ii) monitor and report on ethnicity. Such anchor organisations should be working closely with local communities and procuring networks.

Sarah Olney MP:

- The APPG will continue to ask for financial support and to raise awareness of the disproportionate impact of the energy crisis on businesses in the sectors with higher levels of ethnic minority business owners such as retail, hospitality, transport and services.
- More widely she acknowledged that the current system of business rates is outdated and unequal because it doesn't recognise the different burden for businesses trading out of a premises in comparison to those trading online.

ENDS