



## **APPG for BAME Business Owners**

### **Inaugural Meeting**

6 March 2019

16.00 pm

Portcullis House: Room P

### **Attendees Present**

1. Chi Onwurah MP – Chair
2. Baroness Burt of Solihull – Co-Chair
3. Theresa Villiers MP
4. Afzal Khan MP
5. Jennifer Davis for Eleanor Smith MP
6. Rupa Huq MP
7. Sir Peter Bottomley MP
  
8. Monder Ram - Centre for Research in Ethnic Minority Entrepreneurship - Expert Advisor to APPG (MR)
9. Diana Chrouh - Chrouh Consulting - Marketing & Income Generation - Special Advisor to APPG (DC)
  
10. Arnab Dutt - FSB
11. Deborah Turner – FSB
12. Aminata Diaby - GLA - Senior Project Officer - Economic Development & Regeneration
13. Alex Mitchell - Chair of the IoD 99
14. Mayank Shah MSD UK - Driving Supplier Diversity & Inclusive Procurement
16. Hashmukh Pankhania - EM Foundation
17. Jamel Dietz- JD Fitness UK
18. Femi Santos - Alchemy Design + Build Ltd
19. Monika Serafinska - VA Office
20. Ade Fadaka – Ref Capital - Mortgage Brokers
21. Joanna Palinskiz - Joanna Group – Construction Project Management

### **1. Welcome and Introductions**

Attendees briefly introduced themselves, their positions and the organisations they represented as indicated on the attendee list.

### **2. Why the Need for an APPG for BAME Business Owners?**

**2.1 Chair Chi Onwurah** – talked about the need for an APPG for BAME business owners by outlining the strong economic and social case for supporting and building the potential of BAME business owners.

She also talked about the important contribution of BAME businesses to the UK economy and described how they have long made a significant impact to wealth creation both nationally and regionally. Key factors were that in many local communities BAME businesses have provided employment for people and aided with social mobility.

She also talked about the history of BAME entrepreneurship and the fact that many immigrants to the UK have chosen self-employment as a way to earn a living when faced with barriers to employment such as discrimination on the grounds of race.

She concluded that there was a need for the government's industrial strategy to directly address diversity

**2.2 D. Chrouch** - talked about why she had originally approached LB about creating an APPG for BAME Business owners because of frustration about a lack of focus on the issues that they face as result of policy decisions and business services that ignore their needs.

**2.3 M. Ram** - talked about how the APPG was long overdue, after his 30 years of researching into, and supporting BAME entrepreneurship. He commented that there was a need to engage with policy makers to ensure that the industrial strategy takes a more inclusive approach.

He also explained that there are three main reasons why there is a need for an APPG to support BAME Businesses to help them overcome important barriers that they face including:

- I. Economic – increased levels of marginalisation and exclusion from the UK's economic system which limits the options for economic survival
- II. Social – limitations to social mobility as a result of racism and exclusion which motivates many BAME business owners to choose self employment as a way to earn a living and enable social inclusion.
- III. Institutional – through key institutions that unwittingly lock out diverse business owners through their historic and current practices.

**2.4 M. Shah** – talked about the difficulties he found with identifying the ethnicity of the 3000 business owners in his own membership organisation MSD UK. He went on to say that there is a wider need for more accurate data about the number of BAME business owners in the UK. He also suggested that policy makers and the business community need to have better systems to collect this data because without this information it will be difficult to identify, reach and support BAME businesses. He expressed particular concern that Companies House does not ask business owners for their ethnicity

**2.5 L. Burt** – has had similar issues with identifying the number of women business owners nationally when doing research for the Burt Report- Inclusive Support for Women in Enterprise. As a result, she has recommended systematic government monitoring to enable better information about female entrepreneurs.

**2.6 M. Ram** – agrees that there is a need to improve data about BAME business owners and talks about research that he did with the Department of Trade and Industry which showed that approximately 1 in 7 entrepreneurs are born abroad. However, in his estimation this was a massive underrepresentation of the number of BAME businesses that there are in the UK because this figure does not capture data about BAME business owners born in the UK.

**2.7 C. Onwurah** – said that the Labour Party have clearly articulated how diversity fits into its industrial strategy.

**2.8 A. Fadaka** - raises the need to clarify how we define BAME businesses

**2.9 M. Shah** – explains that his organisation defines BAME businesses as those that have a 51% majority share BAME ownership.

**2.10 A. Mitchell** – said that the IOD is currently looking at best practice for supporting BAME businesses and the regional differences amongst them with the aim of sharing best practice. He mentioned a particular concern was access to funding and mentioned the fact that less than 1p in every pound of VC funding is given to minority owned business. He said that the IOD is also keen to avoid tick boxing exercises.

### **3. All Party officers for the APPG Representative Elections**

**3.1 C. Onwurah** proposed the election of officers for the APPG. Elections were held and the following MPs were nominated and elected as deputy chairs: Theresa Villiers (Cons.) Afzal Khan (Lab.) and Lady Burt (Lib Dem).

### **4. Define the Main Objectives of the APPG for BAME Business**

**4.1 C. Onwurah** asked the group to discuss what they thought the key priorities for the APPG should be. She started by recommending that the most effective ways for the group to get the government's attention would include: asking questions, taking part in debates and conducting investigations.

**4.2 A. Dutt** – returns to the issue of the need for more data about BAME businesses and informs the group of research that is currently being planned with the Office for National Statistics to compile data about entrepreneurs and he suggests that the APPG collaborate with this work

**4.3 T. Villiers** supports the need for more data and also said that it would be useful to do research to ascertain a greater understanding of BAME businesses and how successful they are. She also asks that the group also focus on BAME women in business as an important group for research and support.

She additionally highlights the need for a strategy to ensure that there is support for the BAME business pipeline through enterprise education and training in technology skills.

**4.4 M. Ram** - supports the idea of a special focus on BAME women business owners and suggests the need to look into how BAME women in particular, and ethnic minorities in general fit into the industrial strategy.

**4.5 D. Chrouch** – talked about the need to start by conducting a listening exercise with grass roots BAME business owners to find out what their concerns and requirements are. She talks about conducting this outreach exercise via pre-existing business support frameworks such as the LEAPS and Chambers of Commerce

**4.6 A. Dutt** – informs the group that the FSB is doing outreach work to engage BAME businesses to open up a dialogue about key issues including business rates

He also recommends including the Office for Civil Society in the outreach framework since they are focussing on cross sector partnerships and grass roots communities with the aim of building a more inclusive economy.

**4.7 T. Villiers** – asks clarifies her request for a focus on issues that BAME business women face by, in particular, looking at issues they encounter when setting up a business.

**4.8 C. Onwurah** - recommends that the group not over extend itself during the early phase of its work and that to maximise success, it focusses on a smaller number of key priorities. She summarises these as:

- I. Data about BAME businesses
- II. BAME women starting businesses
- III. Integration of diversity into the industrial strategy
- IV. Procurement supplier diversity strategy

**4.9 L. Burt** - suggests putting forward a programme of work to be sent out to APPG members for comment and suggestions about the priorities with the aim of agreeing the priorities at the next meeting

**Action: D. Chrouch to coordinate a programme of work to be sent out to APPG members.**

## **5. Wider Membership of the APPG**

**5.1** The group discussed the need to ensure that important policy makers are consulted and invited to join the APPG.

**5.2 M. Ram** – said that a key objective for the group will be to work out which institutions we want to influence. Of particular interest will be those organisations with the power to influence the life chances of BAME businesses and find out how they engage with BAME businesses e.g. banks, regulators, procurers. These organisations are critical because they provide influence and support to businesses and we need to find out how they engage with BAME businesses. He goes on to say that the APPG should focus on a strategic level with influencers and policy makers

**5.3 C. Onwurah** - suggested the Runnymede Trust and Parliamentary ICT Forum

**5.4 D. Chrouch** - mentioned that the CBI and UK Finance had been previously invited. The group agreed that they should be consulted again about membership.

**5.5 T. Villiers** - suggested that trade associations would be a good way to reach BAME business owners and so should be invited.

**5.6 L. Burt** - agreed that trade associations would be good partners and even if they do not join the group, may be a good source of information about BAME business owners if they monitor the ethnicity of their members.

**5.7 M. Ram** - suggest that we should also invite the chair of the LEAPS and ensure that we are not replicating what business support networks are doing. Also suggests asking for a slot at their quarterly meeting

**5.8 L. Burt** - suggests writing to corporations to ask what they are doing to engage BAME businesses.

## **6. Secretariat for the APPG**

**6.1 L. Burt** – informs the group that a specification has been created and that DC has made enquiries into potential service providers and funders for the APPG.

**6.2 C. Onwurah** – said that finding a secretariat is a priority because this service will enable the group to work out its work load capacity and plan its priorities.

**6.3 D. Chrouch** – has been in discussion with a couple of organisations but no final decision has been made

**Action: D. Chrouch to coordinate approaches to potential organisations**

## **7. Next Meeting**

Date to be confirmed