

## Phoenix Development Fund: Themed Report Summary

### Themed Report Title: BME Businesses and Refugee Support

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#### 1. Intro

- Seven BME/Refugee projects (delivered by six different organisations) were included in the lessons learned project. These were:
- **ABi Associates - Faith in Business Project.**
- **ABi Associates - Fit to Supply Project.**
- **Business Link Hertfordshire - Share and Succeed.**
- **International Management and Recruitment Consultants - Enterprise Support for Disadvantaged Groups.**
- **Asian Trades Link.**
- **RETAS - BARON (Business: A Refugee Option Now).**
- **Business Link for Birmingham – The 12/8 Network.**

Completed questionnaires were received from 6 and follow up telephone interviews were held with 4. A site visit was paid to ABi Associates to look at two projects. One project (RETAS) was not able to complete the questionnaire.

It should be noted that the refugee target group was not well represented amongst the projects responding, hence there is more focus on BME groups, which may influence the findings. However, additional input from the Refugee Council was obtained at a workshop on 15<sup>th</sup> February and additional comments received by e-mail.

#### 2. General Findings

Projects used a range of different intervention models to deliver their projects. Upto nine different models were used across the seven projects, however the most frequently used models were one to one business support, business support training and networking.

##### Approaches to targeting, marketing and outreach

Projects used a range of different approaches to targeting, marketing and outreach. There was a fairly even mix of methods used, with some projects relying on a single outreach method due to the nature of their target group (e.g. the Faith in Business project used mainly road shows in the churches targeted, with some direct referrals from pastors).

One feature of this theme is the use of networking, both as a delivery method and as an outreach tool. This is in marked contrast to the housing association theme, where networking did not feature heavily.

##### The role of PDF and SBS

Projects reported that they would not have been able to deliver the project without the PDF.

The flexibility of the funding stream was identified by some projects as being significantly different to other sources of public funding (e.g. the European Social Fund).

##### Overall impact of PDF on the theme

All of the projects demonstrate that working with grass roots community or faith organisations provides an effective mechanism for reaching out to BME businesses and refugees who would not otherwise access business support. Research by the Refugee Council has shown that refugees tend to stay in their communities and seek help exclusively there – there will be language barriers and issues surrounding trust in “official” sources of support. The implications of this for policy makers and institutions is that, in order to reach out to these communities, it will be necessary for institutions to integrate a community based approach into their equal opportunities delivery policies and practices.

## Strategic issues

If government wants to reach “hard to reach” groups, business support interventions from bodies such as BME networks, specialist BME and refugee focused support providers and appropriate mainstream services must be developed nationally. Many BME and refugee groups will not readily access mainstream support, and the ability of the mainstream to access them as a client group will always be limited. By using and up-skilling (where necessary) a trusted intermediary, then success stories like those delivered via PDF funded projects will be able to be replicated in far greater numbers across the UK. In summary, it is more likely that sustained changes to disadvantaged communities will occur when using existing intermediary infrastructure, than if mainstream provision is parachuted in.

A “disadvantage surcharge” or “hard to reach surcharge” needs to be identified and quantified and then accepted as the norm when wishing to affect real and lasting change for BME and refugee groups. The support for these clients needs to be more intensive, more flexible, delivered locally and “out of hours” and delivered by people with the right mix of skills and cultural and religious awareness, and this will cost more than mainstream interventions

### **3. Innovation and Best Practice**

For those projects delivered by mainstream organisations, it was considered that a significant element of good practice was the understanding gained by the ‘host’ organisation of the issues and needs of BME businesses, for example, adapting existing mainstream training products for the target group. Another example of this was within the BL Herts Share and Succeed project where the Business Link’s international trade team worked very intensively with a group of BME women who were enabled to meet their needs exactly using funding from the PDF project.

The Fit to Supply project found that they needed to take a wider view of business development needs in order to then deliver tendering focused activities. They felt that this represented best practice in procurement development, i.e. a holistic view of a business’s development needs as a pre-cursor to procurement interventions. The good practice within the Fit to Supply project has been recognised by some RDAs and Business links, and has been incorporated into the LDA’s procurement work.

Trainers and mentors need to be matched to cultural groups – this was an issue that many projects raised.

### **4. Future developments**

None of the projects were anticipating being able to continue the PDF funded activities at the same rate or intensity. Some projects were not anticipating any activity continuing beyond the end of the PDF project, whilst others were confident that some elements of learning and delivery would be picked up by other organisations.

### **5. Conclusions**

#### Key lessons learned

Using existing organisations/community and faith groups to access clients worked well for all projects. There were real issues around trust and awareness of mainstream providers, and all the projects demonstrated that the PDF delivery methods succeeded because of the ability of the projects to use existing networks and groups to establish awareness of what was on offer and provide enough trust for clients to take up the offer.

The flexibility of the support offered was seen as a key reason for the success of many of the projects. Being able to offer support at convenient locations, out of hours and by advisers with similar cultural or faith backgrounds were all seen as key. It would have been impossible to deliver many of the projects if project workers had not been willing to deliver on Sundays, in the evenings, or in people’s places of business etc.

Another project experienced difficulties in replicating the model of delivery across other parts of the region. This highlighted the need for local knowledge, connections and community leaders to be on board from the early stages of the projects.

One project experienced practical difficulties in operating a project across two different parts of the country.

Only one project mentioned tensions within the client group based on cultural differences, for most projects this did not seem to be an issue.

### Opportunities

Many projects identified significant opportunities for replication and roll out of activities to wider audiences (see future developments, above). However, very few of the projects had identified funding support to enable this to happen.

## **6. Messages for policy makers and commissioners**

This PDF theme has demonstrated that there are real issues of trust and visibility connected with mainstream business support. Many BME business and refugees will not access mainstream provision because of the issues discussed above. The use of trusted local intermediaries, community and faith groups, and pre-existing minority business networks will be the key to unlocking the latent entrepreneurial potential of these groups.

As mentioned above, the unit costs are necessarily high for this type of intervention (the so-called "hard to reach surcharge"), and most of the projects relied on intensive and empathetic one to one support, out of hours delivery and open-ended support.

Policy tensions exist in the procurement arena between the desire to support local businesses and social enterprises (often those created by the support of the PDF projects) and the need to demonstrate efficiency savings and adhere to procurement policies.

Clear replicable models have been identified which have the potential to be spun out across wider geographic and faith based communities. The devolution of funding resources for business support to Regional Development Agencies could make it more difficult to prevent the "re-invention of the wheel" on a regional basis.

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