



New Chapeltown Development Trust (CDT) Delivering Enterprise support to inner city residents

1. Introduction

CDT has offered enterprise support to inner city residents from 2014 - 2017. Starting with European Union (EU) funding to deliver the **Chapeltown Enterprise Network (CEN)**, in partnership with Unity Enterprise, CDT developed enterprise support through the **Gateway @ Chapeltown** programme. This report highlights the achievements and challenges encountered in delivering enterprise support in inner city Leeds.

The CEN was funded through the European Union (EU), European Regional Development Fund (ERDF). The fund stipulated a limit of 12 hour support for each business/entrepreneur. This was insufficient time to meet the multiple needs of many inner city entrepreneurs who approached the CEN. Many entrepreneurs faced difficulty in translating viable business ideas/ concepts into viable businesses. Often lacking the skills or capacities to develop the business concept; entrepreneurs presented a range of needs that served as barriers to translating the business from concept to reality. These ranged from low self-confidence, self-esteem and self-belief to basic behavior/ negotiation skills and low competency in Information Technology (IT), literacy and numeracy, to basic financial management such as opening a bank account or access to business loans. Additionally, many entrepreneurs lacked business skills such as writing a business plan, assessing the market environment, risk and competition, book keeping, and understanding of, or access to, constitutional and legal advice. Gateway @ Chapeltown sought to address these issues by developing a 'bespoke', needs based, approach; beginning with undertaking a comprehensive assessment of the individual needs of Gateway clients.

The CEN provided important learning for Gateway; an individual needs-based approach that sought to offer the support required without limiting the support offered. In reality this required Gateway to offer considerable periods of time to meet client's needs, indeed Gateway worked with some (a small number) of clients for over a year to support the client in building a sustainable business. With limited staffing Gateway recognized that building partnerships and referring clients was important to meet the needs of inner city clients. Referring clients to partner organisations was central to the work of Gateway.

2. Staffing and partnerships

CDT was originally funded through the EU to employ 1 part-time (3 days a week) business support worker for the equivalent of 24 months from late January 2014 – late September 2015. Following the end of EU funding, CDT recognized the importance of continuing to support clients as many remained on the business development journey, some required

further support and the success of the work had led, by word of mouth, to more individuals coming to the CDT office for support. CDT secured sufficient funding to continue, and develop, enterprise support for a further 21 month with a part-time (3 day week) member of staff. During this time a second worker was employed, also on a part-time basis and a student volunteer undertook a 6 month placement with CDT's Gateway. Funding for Gateway remained both insecure and inadequate. Yet substantial outputs were delivered. These include the following:

- **102 entrepreneurs** and local business supported;
- **17 new businesses** are still trading;
- **13 new social enterprises** are still trading;
- **80 computers** were recycled to local entrepreneurs and small businesses;
- **£130,600** in cash/grants was realised for new social and commercial businesses;
- **5 new businesses presented** in the 'Strictly Come Business' competition for additional local resources; of these 2 were still trading a year later and one new business (less than a year old the time) gained a sustainable contract with a local school to support children with behavioral difficulties through sport;
- A series of '**Street Law**' business law awareness raising sessions were offered in partnership with the University of Leeds, School of Law;
- A series of '**Law Clinics**' were held, offering free legal advice to new and existing businesses; and
- **Enterprise workshops** were run in-house or by partner organisations (as outlined below).



3. Workshops and Partnerships

The 'Strictly' event was run in partnership with Leeds City Council, Area Management Team. It was immensely successful attracting 87 guests including partners, young people and residents. The event led, for example, to one participant receiving support from Leeds Library Business and IP Centre. The event generated 10 new referrals from attendees and families and friends of contestants. Additionally, the monitoring report indicates that young people who presented at the event reported feeling valued through sharing their experience as young leaders. They also reported feeling more confident and 2 young women explored self-employment as a future employment route via Gateway.

The 'Law Clinics' were well received by those clients who attended them offering positive feed-back (see case studies). The clinics required a degree of preparation for clients and to ensure the time available from business law firms was most effectively used.

Enterprise workshops were delivered by Gateway staff, in-house, or offered through a range of partners. An indication of the workshops and information guides offered to Gateway clients include:

- Employment skills (level 1) (Delivered in partnership)
- CV tips (information guide)
- Introduction to self-employment (delivered in-house)
- Writing a business plan (delivered in-house)
- Entrepreneurial self-assessment (information guide)
- Personal development (7 week course delivered in partnership)
- Role of new directors (delivered in house)
- Becoming a director (offered in-house & information guide)
- Business start-up (delivered in partnership)
- IT for beginners (3 week course delivered in partnership)
- ESOL (delivered in partnership)



4. A few case studies

The following case studies provide a glimpse of the support offered by Gateway to a few, randomly selected, clients. The range of support offered varies from referral to Job Centre Plus – for individuals to come off Job Seekers Allowance (JSA), clients attending skills development workshops, to the long-term support offered to some clients covering a wide range of inputs; support with funding, legal status, training and hand-holding in setting up a Social business.

Please note **all individual and company names have been anonymized.**

(i) Business: XXX design and fashion – clothing designs for women and girls.

This company is registered to LS10

Joselyn Nigra wanted to develop her design and fashion business; she was a tenant of a local managed work space provider but Joselyn was struggling to pay the rent and to make her business work. Like many local entrepreneurs Joselyn was claiming Job Seekers Allowance (JSA) whilst setting up her business.

With support from Gateway Joselyn was referred to Job Centre Plus to join the New Enterprise Allowance (NEA) programme. The scheme was set up by the Department of Work and Pensions to support individuals who are out of work (JSA claimants) to start their own business through a programme of business support, advice and guidance over an 8 week period. Once the business is running, NEA continues to support the individual financially for the first 6 months. Joining NEA meant that Joselyn did not have to worry about meeting JSA commitments which freed her up to focus on her business.

In light of Joselyn's struggle to pay the rent, Gateway also engaged in negotiations with her land lord for a reduction in rent for the business. Gateway supported Joselyn through the NEA process with support to produce a business plan and by attending enterprise workshops run through Gateway.

This company is no longer registered with Companies House.

(ii) Business: Property Corporations: domestic buildings.

This company is registered to Chapeltown LS7

John Bowler was a company director in partnership with another named individual. There were however difficulties in the partnership arrangements. John required legal advice and support to untangle the difficulties he was facing with the original partnership agreement. John was unable to access legal advice to amend the existing partnership agreement or to draw up a new one.

Gateway supported John to amend the company name via Companies House. John then also attended the 'Becoming a Director' workshop and Gateway arranged free legal advice for him through the Law Clinics. The Law Clinic provided him with the legal advice he required to draft a new and workable partnership agreement for his company.

This company is still trading.

(iii) Business: Supreme Catering, parties and activities (CIC)

Laura and Aziz Hussain (LS 14)

Laura and Aziz approached Gateway for support in setting up their business as a Community Interest Company (CIC). They also received support to create a business programme flyer and to apply for an Awards for All (A4A) grant.

This company is still trading.

(iv) Business: TisandTat; Unemployed people's health and fitness

This is based on Chapeltown Road (LS7)

TisandTat was the business idea of Erol Hendry. Erol required support with setting up at the most basic level – office equipment (computer) and premises to establish the business and so on. Erol benefitted from one of the donated computers from Gateway. Gateway worked with CYDC and with Mandela Centre to secure free space for Erol to start his company. The practical support offered by Gateway was crucial for Erol to get started. This company was registered as a Community Interest Company (CIC).

This company is still trading

(v) Business: Karlimix Healthy Food education (CIC)

This company is registered to Lincoln Green (LS9).

Karlinska was already running a company that was registered with Companies House. However, Karlinska wished to change direction from being a commercial business to being a social enterprise. Karlinska approached Gateway for support to make this change. Gateway supported Karlinska to close the registered commercial company and helped with setting up a new Community Interest Company (CIC) with Companies House.

Gateway supported Karlinska to put together a programme of classes on nutrition and healthy foods. Gateway supported funding applications to A4A and to Leeds Micro Grants Fund. She also attended 'Becoming a Director' and 'Business Start Up' workshops. She also benefitted from receiving 2 donated computers.

This company is still trading.

(vi) Business: New Migrant Café/advocacy hub (CIC)

Ondrej Rajko lives in Harehills (LS 9)

Ondrej wanted to develop the idea of a support and advocacy hub for new migrant communities through the use of food/café as a way of bringing the community together. This business idea was a great concept but required considerable support to translate the concept into a business reality.

Gateway helped Ondrej to translate the concept into reality. To do this Gateway supported Ondrej to develop the policies and procedures required for a community interest company, to develop a business strategy and marketing plan and offered numerous face to face meetings to talk through the business idea over the two year period of Gateway. Gateway helped Ondrej to find premises for the café in partnership with the Migration Access Project (MAP). Gateway also supported Ondrej to find funding opportunities and to apply for funding. Applications supported by Gateway include applications to the Community Wellbeing Fund and to A4A.

This company is still trading.

5. Challenges and successes

Two key challenges have been identified in the delivery of early-start enterprise support to inner-city residents. These are:

- The difficulty of accessing funding and developing partnerships to deliver timely and cost effective basic skills and early enterprise support; and
- The difficulty of building a sustainable business model for Gateway given that its clients are unable to pay for services.

However, the outputs and outcomes identified in this report demonstrate that even with a small amount of funding considerable work can, and has, been undertaken with positive long-term outcomes for CDT's clients. The case studies clearly show that Gateway clients required a wide range of support from very practical support, such as access to a computer, to confidence building and basic skills development as well as business skills development. Additionally, Gateway was successful in drawing financial and skill resources into the neighbourhood. Most importantly CDT can demonstrate that it has established new social and commercial businesses, has supported individuals to leave welfare benefits behind by

coming off JSA and can evidence that many businesses are still trading some 3-4 years after being established.

CDT's work on enterprise development has met a clear need in the area; at times CDT staff have been unable to meet demand from clients and have struggled to refer clients to other services. Two key learning points arise from this assessment of CDT's enterprise support are:

that for a genuine needs-based enterprise support approach to be sustainable a wider network of partners are required to provide a safety net of enterprise and support services and/or more funding is required to fund long-term support work; and

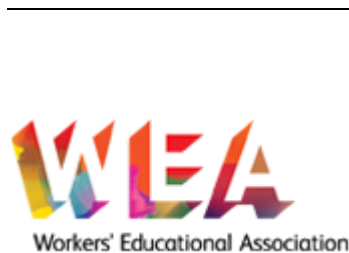
that long-term support for inner-city residents can lead to individuals who face multiple barriers to self-employment establishing sustainable businesses



Working in Partnership



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