

OFFICER DELEGATED DECISION 27 JULY 2021

Report title: Stride - Creative Grassroots Business Support Grants

Wards: All

Portfolio: Cabinet Member for Planning, Investment and New Homes: Councillor Matthew Bennett

Report Authorised by: Eleanor Purser and Sara Waller: Strategic Directors for Sustainable Growth and Opportunity

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REPORT SUMMARY

Stride is a partnership between Lambeth, Lewisham, Southwark and Wandsworth Councils. The partnership has received a total grant of £8,000,000 funding from the City of London which funds a variety of activity to support inclusive creative economy growth, from workspace, to business support, talent development and knowledge exchange. Following a competitive process, this report recommends grant awards totalling £351,690 to the three successful business support providers.

FINANCE SUMMARY

The report recommends £351,690 of the revenue Stride grant is awarded to the 3 chosen providers. The grant awards are dependent on the providers securing match funding of £592,240.

RECOMMENDATIONS

1. To allocate £351,690 of the previously approved Grassroots Business Support strand of the Stride programme, to fund the three successful organisations.

1. CONTEXT

1.1 Background

The creative industries account for two million jobs across the UK and prior to the pandemic were growing twice as fast as the wider economy. The creative and digital industries (CDI) have benefited from supportive industrial strategy at a national level allied to local level interventions. Joint action by industry and the public sector can unlock further growth and ensure that the benefits are spread evenly.

In 2018 Lambeth published 'Creative Ways to Grow – Lambeth's Creative & Digital Industries Strategy for Growth'. This document set out the vision that for Lambeth to have an integrated approach to industry partnerships, workspace, skills, culture and lifestyle and encourage inclusive growth in its communities. The strategy commits to 5 key objectives –

- Space – The Council will protect and grow workspace across the borough.
- Business friendly services – The Council will join together service areas across the borough to support inclusive growth.
- Networks and support – The Council will develop a strong business 'ecosystem' for creative and digital businesses.
- Place – The Council will foster culturally vibrant places that showcase the borough's creative past and future.
- Talent – The Council will work with employers and innovate to tackle inequality in the creative and digital industries.

Following publication of the strategy and a successful funding bid for Strategic Investment Pot (SIP) funding from the Corporation of London, one of the initiatives that Lambeth proceeded with was Stride (formerly called 'South London Innovation Corridor'). Lambeth is Accountable Body for Stride, and in 2019 entered an £8,000,000 SIP grant agreement with the Corporation of London.

Operating across Lambeth, Lewisham, Southwark and Wandsworth, the Stride programme creates opportunity, develops talent and supports creative and tech enterprises. We want South London to be a leading centre for innovation, now and long into the future. Utilising the £8,000,000 SIP grant to co-fund a wide range of projects, the Stride programme has four elements:

- Workspace
- Talent Development
- Knowledge Exchange
- Business support (the subject of this report)

Projects funded through Stride must have at least 50% Black, Asian and Minority Ethnic and 50% Women beneficiary rates.

1.2 Stride Business Support Programme

Stride has a total budget of £800,000 for business support advice and guidance projects, through which a minimum of 80 businesses will receive in depth advice and guidance. Stride identified the need for sector-specific business support which provides:

- Practical advice about starting one's own business, as well as the opportunity to develop ideas and business concepts.

- Specialist knowledge through creative topic workshops, hackathons, start-up weekends, one to one coaching, advice and training, and dedicated monitoring.
- Training and advice in core business skills such as marketing, project management and financial literacy.
- Access to professional support networks that build social capital.

In November 2019, Stride awarded Capital Enterprise (in partnership with UK Black Tech and Foundervine) a £400,000 grant to deliver the 'One Tech' programme. One Tech supports underrepresented founders and entrepreneurs to break through into London's tech scene.

Taking a cohort-driven approach, One Tech has hosted a series of workshops, bootcamps and pre-accelerators for people across Lambeth, Lewisham, Southwark and Wandsworth. One Tech is on track to support 60 start-ups. Key partners in the programme include UK Black Tech, who run workshops on topics like building your first website, pitching your ideas and navigating the start-up world. Foundervine's Start Up Weekends and Pre-Accelerators have provided aspiring founders with business training and coaching to test their ideas and get ready to launch. Expert mentoring is also ongoing to connect aspiring entrepreneurs with people who have been through the process of getting their ideas off the ground and understand the unique challenges faced by underrepresented founders.

With the remaining £400,000 business support funding, Stride has prioritised the commissioning of business support for the creative sectors through the 'Creative Grassroots Business Innovation Fund'. Through learnings from One Tech, Stride is aware that often fledgling businesses are not as far along in the process as they originally believe before gaining professional business support advice. The programme has also highlighted the need for intensive, one to one support.

Our boroughs are highly diverse, with a high proportion of residents from Black, Asian and Multi-Ethnic backgrounds, however, the UK's creative and technology workforce does not reflect this diversity. Research by the Creative Industries Federation shows that Black, Asian and Multi-Ethnic people, women, people with disabilities and people from lower-income backgrounds are all under-represented in the creative industries. They are also likely to be in less senior roles.

Within the Stride area, there are a small number of innovative business support agencies providing new models of business support to residents from underrepresented backgrounds. Creative and digital enterprises are a popular choice for aspiring businesses, but funding for sector focussed, intensive business support advice is scarce, with limited free provision at a London level. The 'Creative Grassroots Business Innovation Fund' commissioning round was initiated to select intensive, high quality business support provision designed to help those businesses at an early point in their progression.

2. PROPOSAL AND REASONS

- 2.1 Extensive consultation has occurred with the Council's Procurement Team across the Stride programme to guide commissioning and grants award activity. Due to the innovative nature of the programme, coupled with the need to ensure a wide range of providers and targeted, specialist provision, the Programme Management team have been advised that a competitive grants award process is the most suitable and expedient method of appointing providers.
- 2.2 A submission process was held and 16 business support providers participated in this. Following assistance in the scoring process from Stride partner boroughs, three providers have been successful through the selection process. It is recommended that the total amount of funding allocated is £351,690, provided across three separate providers:

Stride grant award

- Goldsmiths University £110,000
- University of Arts London £118,690
(Creative Futures)
- Does Ltd £123,000

2.3 All three projects selected come with match funding. Further information on the selected projects is provided below.

University of Arts London (UAL) Creative Futures – Grant £118,690, Match £310,240

2.4 UAL are the largest specialist art and design university in Europe and one of the top two art and design universities in the world. They currently run an incubation programme for students and graduates interested in setting up creative businesses. This programme will see the existing programme, which would usually require participants to be students or graduates of UAL, opened up to residents of the Stride boroughs who are not students or graduates of UAL. The course will be free of charge of residents recruited from Stride boroughs.

2.5 The programme will take place in a number of workspaces located in Stride boroughs – Greencoat Studios in Southwark, Camberwell College of Arts Campus and at the Fabric Floor in Lambeth's International House. This will also help to make the courses more accessible to local people within different areas of the Stride geography. The programme could also be extended to other appropriate workspaces within the Stride geography.

2.6 The programme offers seven modules, each of five weeks, followed by one week of evaluations. The participants can choose to attend all seven modules or can mix and match should they feel competent in them. A wrap around support programme of workshops, talks and mentoring is available throughout the programme. Once the programme is complete, participants will have access to an online platform for ongoing peer to peer support.

2.7 Projected outputs for this programme are –

Number of participants	150
Participants from target groups	112
2 hours one to many	150
2 hours one to one	100
12 hours one to one	50
New businesses	30
New jobs	10

Does Ltd – Grant £123,000, Match £221,000

2.8 Does Ltd is a social mobility enterprise, which is registered in Lambeth and began life in the Southwark based Hotel Elephant workspace. Over the past two years, Does Ltd has created initiatives promoting access for underrepresented communities, with a focus on entrepreneurship and new businesses. One of these initiatives is the M&C Saatchi Saturday School which provides practical advice about starting your own businesses and is aimed at the Black, Asian and Multi-Ethnic communities. The Mentor Black Business programme was born in response to the Black Lives Matter protests, with a complimentary programme Black Business Incubator which is hosted by and in partnership with Somerset House Trust.

- 2.9 The M&C Saatchi School has reached 3,500 people, running online, in the last 12 months. 90% of the people who attended identify as women. Mentor Black Business is currently supporting over 500 Black businesses and provided them access to over 1500 mentors. There has been great demand for the courses from individuals across the UK. The Stride grant will open-up these already successful programmes to residents in the Stride geography, guaranteeing 250 spaces for local residents, at the M&C Saatchi Saturday School, 450 places for mentoring and 35 incubator workspaces at Somerset House.
- 2.10 The target audience is Black women aged between 26-41, with the aim of ultimately helping to raise income levels, bridging the gap among households that have women as the primary earner, who on average earn less than male primary earner households.
- 2.11 Projected outputs for this programme are –

Participants in M&C Saatchi Saturday School	250
Mentor Black Businesses	450
Black Business Incubator spaces	35 spaces at 50% subsidy

Goldsmiths University – Grant £110,000, Match £61,000

- 2.12 Goldsmiths University run several business and entrepreneurship programmes such as the NX Hub, a centre for business start-up support and growth, the Institute for Creative and Cultural Entrepreneurship and the SYNAPSE creative business support programme. They are partnering with Do It Now Now (DINN), who are an open innovation organisation committed to bringing social empowerment to Black communities across the globe. DINN works with Stride already through the Talent Development programme, where they are delivering their Voltage Revolution project.
- 2.13 The SYNAPSE programme will deliver an intensive creative business start-up programme, addressing underrepresentation of Black, Asian and Multi-Ethnic people, women, and people from lower income backgrounds. The programme will target and support 30 new ventures. SYNAPSE will provide workshops and business development support which enable participants to explore entrepreneurial tools, think about their wider future and consider the impact they would like to make in the world with their ventures. The programme has a 94% success rate in enterprises remaining trading after two years.
- 2.14 Do It Now Now will be providing access to community building, access to social networks, social capital, confidence building and confidence in accessing support. Do It Now Now will also run a series of inspiration and insight sessions.
- 2.15 Widening participation in the SYNAPSE programme to non Goldsmiths graduates and alumni, Stride funding will enable residents within the Stride geography to enter the programme, with 30 guaranteed start up spaces. All 30 participants in the programme will have access to a £1,000 grant to help start up their business. This is to be used to purchase equipment, to gain access to a workspace or to prototype or test their business concept.

Grant Management

- 2.18 Grants will be monitored on a quarterly basis in line with the requirements from the City of London. Each organisation will receive a small percentage of funds to begin delivery. They will be required to detail spend and outputs on a quarterly basis and will receive payments as per the schedule of payments in the grant agreement.

Supporting Economic Recovery

- 2.19 The creative economy is integral to both Lambeth and the UK but has been severely impacted by the COVID 19 pandemic. The Creative Industries Federation estimate that more than half of creative organisations have already lost 100% of their income due to the Covid-19 pandemic. The Lambeth Business Survey (May 2020) identified that 96% arts, culture and entertainment organisations in Lambeth had experienced lost income. The council's discretionary business hardship funds have been oversubscribed by creative, arts and culture organisations.
- 2.20 Following the first lockdown, events and cultural activities have largely been unable to take place since March 2020 - effectively halting the industry overnight. Around a third of employees in the arts and entertainment industry are currently furloughed, compared to only 9% across all industries. A halt to concerts, festival and other music events is expected to reduce the UK music industry's GVA by £3 billion this year.
- 2.21 Lambeth Council previously approved the Economic Resilience Fund in December 2020. The Cabinet Member Delegated Decision report attached to this fund, identifies that creative and cultural businesses and their supply chains are vulnerable in the face of the Covid-19 pandemic. The Stride programme compliments this recovery programme for existing at risk businesses, providing support to residents wanting to begin a business in the creative and cultural sector.
- 2.22 The Lambeth Council and South Bank BID commissioned report 'Engine of Recovery. Culture on the South Bank and Waterloo' highlights the potential for the creative sector to help the UK economic recovery. The report demonstrates that five of Lambeth's largest cultural organisations (National Theatre; Southbank Centre; Rambert; The Old Vic and Young Vic) generated over £500,000,000 per annum in Gross Value Added for the UK economy before the pandemic, creating 2.5 jobs for every one job they employ directly.
- 2.23 The Stride Creative Business Innovation Fund and the three recommended projects that will receive funding is a medium-term measure for economic recovery for residents who are in the very beginning stages of starting a creative business. This support will result in a number of businesses receiving free, high quality advice and mentorship, as well as linking them to established networks and workspaces.
- 2.24 The recommended projects are well aligned with the Lambeth Economic Resilience Strategy (August 2020), including the objectives to:
- *Support our residents into employment pathways, with a particular focus on our black, young and disabled residents* – the recommended projects will support self-employment pathways, working with providers that provide specialist and focussed support to priority resident groups.
 - *Enable our residents to unlock their potential through upskilling, reskilling, training provision* – the recommended projects will provide high quality business skills and training with significant industry input.
 - *Work with developers, SMEs and our academic institutions to prioritise place-based investment and establish Innovation Districts and Corridors to drive future growth* – the recommended projects are part of the cross borough Stride (formerly 'South London Innovation District) programme, which is guided by SMEs and academic institutions.

3. FINANCE

3.1 Table 1 below details the recommended revenue grant awards and match funding

Table 1: Recommended Funding

Provider	Stride Grant	Delivery Partner Match Funding	Total
UAL, Creative Futures	£118,690	£310,240	£428,930
Does Ltd	£123,000	£221,000	£344,000
Goldsmiths University	£110,000	£61,000	£171,000
	£351,690	£592,240	£943,930

- 3.2 The grant awards are proposed to be funded through the Stride grant of which £400,000 is available and ringfenced for this activity. The balance of £48,040 will contribute towards marketing, events and programme management staffing costs.
- 3.3 Payment of the grant awards is conditional on milestones, outcomes and match funding being achieved.
- 3.4 The overall approved Stride grant from Corporation of London is £8,000,000 of which £5,200,000 is earmarked for capital and £2,800,000 for revenue.
- 3.5 The Stride programme is a partnership arrangement with Lewisham, Southwark and Wandsworth councils with Lambeth appointed as the accountable body

4. LEGAL AND DEMOCRACY

- 4.1 Section 1 of the Localism Act 2011, which provides the Council with the power to do anything that individuals generally may do. This power can be used for commercial purposes. The Council may exercise this power for, or otherwise than for, the benefit of the authority, its area, or persons resident or present in its area.
- 4.2 Section 111 of the Local Government Act 1972 provides powers for a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 4.3 Should any of the awards fall under the purview of the Public Contract Regulations, then, as the services are to do with education, training, social matters, the "Light Touch Regime" would apply only if the value of any individual arrangements exceeded £615,278 in value. For awards below that threshold, the Council's duty is to act reasonably and proportionately when identifying candidates and evaluating the efficacy of making awards to particular service providers.
- 4.4 The Council's Constitution requires that issues of an important or sensitive nature will be published on the Council's website for five clear days prior to the decision being taken (Constitution, Part 2, Section 3), where this is required by the Cabinet Member or Director concerned. It is suggested that this proposed decision is published on Officer Decisions in the interests of transparency. Any representations received during this period must be considered by the decision-maker before the decision is taken.

5. CONSULTATION AND CO-PRODUCTION

5.1 The Lambeth Creative and Digital Industries strategy, from which Stride was created, was informed by a significant amount of evidence building and engagement, primarily through the Lambeth Creative and Digital Industries Study 2017 and the production of our London Borough of Culture bid — *Radical Hearts Open Minds*. This included:

- The formation of an Advisory Group made up of representatives from across Lambeth’s existing CDI organisations (including B3 Media, BFI, Champion Agency, ITV, Southbank Centre) Business Improvement Districts, education providers (including King’s College London, London South Bank University, Morley College), workspace operators, pan-London business support organisations (Capital Enterprise) and other partners (including Greater London Authority, Guys and St Thomas’ Charity, Young Lambeth Coop).
- Several events with over 100 local stakeholders, exploring the cultural distinctiveness of Lambeth and future ambitions for change.
- A survey of local businesses, with 160 responses.
- A literature review, including research already undertaken by organisations such as Creative Industries Federation and Tech UK.
- In-depth interviews with 40 stakeholders.
- A review of the property market and planning framework relating to the creative and digital economy.
- Workshops — with businesses, sector-focused business support bodies, property developers, and education providers

5.2 The Stride initiative is guided by a ‘Stride Partnership Board’. Alongside Cabinet Member representation from the four partner boroughs, the Partnership Board involves a range of industry experts who provided challenge and strategic advice helping to guide the Stride programme.

6. RISK MANAGEMENT

6.1 The Programme Team have developed a risk register in Table 1 below. The main risks that might impede on the successful delivery of this grant process are:

Table 1 – Risk Register

Item	Risk	Likelihood	Impact	Score	Control Measures
1	Lack of interest in offers	2	4	8	Approach providers proactively and engage market to encourage interest and allow early preparation if interest is low.
2	More interest than funding allows	2	2	4	Ensure that there are other agencies or offers within the Stride geography to refer participants too.
4	Delays to planned timeline	3	2	6	Routine monitoring of plan to avoid delays. Resource planning to ensure officers

					within the wider division (from Economic Inclusion team) and partner boroughs make time to assist SLIC colleagues with the application and funding process. Ensure providers are able to deliver immediately at invitation stage. Should procurement start during the Covid 19 lockdown period, proposals will need to show how they can deliver under these conditions. Strid is also likely to receive an extension until March 2023.
5	Providers are not able to meet their targets	2	4	8	Regular monitoring of enrolments from each provider each month. Support for recruitment and targeted actions. Payment will be in stages and noted in the funding agreements of each provider. Payment will be on delivery of milestones agreed at funding stage.
6	Continuity of service provisions	2	2	4	A business continuity plan will be sought for all providers at grant award to ensure there are robust actions to minimise disruption to service. This should include actions during the Covid 19 lockdown and recovery time. Additionally, there are a range of providers who could deliver the services in the event of provider failure.

Key

Likelihood	Very Likely = 4	Likely = 3	Unlikely = 2	Very Unlikely = 1
Impact	Major = 8	Serious = 4	Significant = 2	Minor = 1

7. EQUALITIES IMPACT ASSESSMENT

- 7.1 As the Stride emerged as an action from the 'Creative Ways to Grow- Lambeth's Creative and Digital Industries Strategy for Growth', document, the EIA that was developed for this document applies. This document is available via the link in the background documents section.

- 7.2 The document asserts that for the protected characteristics of Race, Gender, Disability, Age and Socio-Economic factors, that the outcomes of this programme will be positive. The Stride programme's main outcome is to further the prospects of women and people from Black, Asian and Multi-Ethnic backgrounds, in the Creative, Digital and Innovation industries, as such 50% of the participants must identify with either of these groups.

8 COMMUNITY SAFETY

- 8.1 Not applicable.

9 ORGANISATIONAL IMPLICATIONS

Environmental

- 9.1 None

Health

- 9.2 None

Corporate Parenting

- 9.3 None

Staffing and accommodation

- 9.4 None

Responsible Procurement

- 9.5 There has been extensive consultation with the Procurement Team, who have advised that the issuing of grants is the preferred way forward for this project.

Good Quality Jobs with Fair Pay and Decent Working Conditions

- 9.6 None.

Quality Apprenticeships, targeted Employment for Lambeth residents and Lambeth Priority Group

- 9.7 None

Reduce Emissions: Lambeth Council has a commitment to being Zero Carbon by 2030

- 9.8 None

Single Use Plastics

- 9.9 None

Positive Health and Wellbeing

- 9.10 None

Other Offers (Innovation)

- 9.11 None

10 TIMETABLE FOR IMPLEMENTATION

Activity	Proposed Date
Decision report published	20 July 2021
Decision made	28 July 2021
Inception meetings	w/c 26 July 2021
Commencement of delivery	August 2021
Outcomes completed	March – September 2022

Audit Trail				
Name and Position/Title	Lambeth Directorate	Date Sent	Date Received	Comments in paragraph:
Councillor Matthew Bennett	Deputy Leader of the Council (Planning, Investment and New Homes)	12.7.21	19.7.21	
Eleanor Purser and Sara Waller – Strategic Directors	Sustainable Growth and Opportunity	9.7.21	9.7.21	
Nabeel Khan – Director – Economy, Culture and Skills	Sustainable Growth and Opportunity	8.7.21	9.7.21	
Matthew Blades, Assistant Director – Economy and Inwards Investment	Sustainable Growth and Opportunity	22.6.21	5.7.21	Throughout
Paul Badiani, Finance	Finance and Property	22.6.21	25.6.21	3
Michael O’Hora, Legal Services	Legal and Governance	22.6.21	23.6.21	4
Wayne Chandai, Democratic Services	Legal and Governance	22.6.21	28.6.21	

Report History	
Original discussion with Cabinet Member	n/a
Report deadline	n/a
Date final report sent	n/a
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	No
Date first appeared on forward plan	n/a
Key decision reasons	4. Not applicable.
Background information	Cabinet Member Delegated Decision Report, 28 March 2019 – South London Innovation Corridor Programme Cabinet, 25 June 2018: Lambeth Creative & Digital Industries Strategy for Growth Equality Impact Assessment – Creative and Digital Strategy Cabinet Member Delegated Decision 7 December 2020 – Covid-19 Additional Restrictions Grant Scheme – Lambeth Economic Resilience Fund
Appendices	Appendix A – Creative Grassroots Business Innovation Fund – Statement of Requirement

APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Signature: _____ **Date:** _____

Post: Nicola Whyte
Stride Programme Manager

I approve the above recommendations:

Signature: _____ **Date:** _____

Post: Eleanor Purser and Sara Waller
Strategic Directors for Sustainable Growth and Opportunity

Any declarations of interest (or exemptions granted): none

Any conflicts of interest: none

Any dispensations: none