

**BIS** | Department for Business  
Innovation & Skills

**BUSINESS IMPROVEMENT  
PROGRAMME**

Equality Impact Assessment

JUNE 2011

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## INTRODUCTION

1. This Equality Impact Assessment (EIA) accompanies the implementation of the Business Improvement Programme. The Business Improvement Programme is the delivery of the reforms to the way Government (HMG) supports SME start-up and growth.

2. The proposals affect services which may potentially be used by anyone running or starting a business and so affects those groups with the following “protected characteristics”:

- Gender
- Disability
- Race
- Religion/Belief
- Sexual orientation
- Transgender
- Age

3. The purpose of this document is to assess the potential impact of this programme on these protected groups.

4. A number of diversity organisations and individuals have been involved in the consultation process and further details are provided in the ‘involvement and consultation’ part of the document.

5. Any queries about this EQIA should be addressed to:

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## SCOPE OF THIS EQUALITY IMPACT ASSESSMENT

6. The Department for Business, Innovation and Skills (BIS) is subject to the public sector duties as set out in the Equality Act 2010. Equality Impact Assessments are an important mechanism for ensuring that we gather data to enable us to identify the likely positive and negative impacts that policy proposals may have on certain groups of businesses and to estimate whether such impacts disproportionately affect such groups.
7. Government is changing the nature of how we assist business, shifting the balance of responsibility between business and state. The change to the way government provides advice and support was set out in the publication 'Bigger, Better, Business' that was published on 5 January 2011. In short, the business support offer outlined will provide:
  - Online business information and tools tailored to each business' needs
  - A national contact centre to help businesses who cannot find the information they need on the web or who are not connected to the internet
  - Help for start-ups, including the New Enterprise Allowance
  - Developing a network of at least 40,000 experienced business mentors offering practical advice.
  - Business Coaching for Growth (BCG), backing small and medium enterprises (SMEs) with high growth potential to enable them to realise their potential
  - Tailored action to raise low entrepreneurial activity among key parts of our communities including the unemployed, and black, Asian and minority ethnic (BAME) groups and Service leavers, being delivered through wider Government activity.
8. This Equality Impact Assessment covers those proposals that are part of the Business Improvement Programme led by the Enterprise Directorate in BIS. The Business Improvement Programme's portfolio of projects is identified as:
  - Business Coaching for Growth
  - Contact Centre
  - Mentoring
  - Businesslink.Gov (Website)
  - Start up Hub - Online Training
  - Business Link Transition Project
9. The first three strands of this programme are given most attention as the equality impact of the others has been covered elsewhere. The impact of the closure of the regional Business Link network will be considered in the EQIA for Spending Review 2010. HMRC is the lead Department for strands 4 and 5.

## DESCRIPTION OF THE POLICY

10. There has been a wholesale re-think about the role government should play in the provision of support and advice to SMEs. As a programme, we want to encourage more and better private sector provision and focus resources to where we can add most value. The change to the way government intends to enable advice and support usage by new and small businesses was set out in the publication 'Bigger, Better, Business' that was published on 5 January 2011, mentioned earlier.
11. As outlined above, this equality impact assessment focuses on three elements of this new business support offer.
12. Business Coaching for Growth will work with individual business people from high growth potential firms to identify the strategic issues preventing business growth, to provide them with subsidised coaching and/or access to suitable mentors and to rapidly connect them with other relevant kinds of help provided by the private or public sector (e.g. UKTI) in the Solutions for Business Products and beyond. Business Coaching for Growth will build the capability of these firms and also act as a catalyst for growth by bringing them together with finance and equity networks and other professional services and knowledge networks such as the innovation networks run by TSB (Technology Strategy Board). Business Coaching for Growth will be based around the existing infrastructure and services such as that available in business incubators, science parks, and Higher Education Institutes.
13. A Contact Centre to provide telephone assistance for those who cannot find the help they need on BusinessLink.Gov and for the 20 per cent<sup>1</sup> of businesses who currently do not, or cannot, use the internet.
14. A national Business Mentoring Gateway led by the British Banking Association (BBA), mentoring organisations and business groups which will provide an online resource enabling mentors and mentees to find each other more easily alongside a programme of activity to increase awareness of the benefits of business-to-business mentoring.

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<sup>1</sup> Small Business Survey 2010.

## THE EVIDENCE BASE

15. In considering equality impact of the programme statistical information has been reviewed from the following sources:
- Official Labour Market Statistics (LFS)
  - Annual Small Business Survey (ASBS) 2007/08
  - Small Business Survey (SBS) 2010
  - Global Entrepreneurship Monitor (GEM) 2002-2009
  - Monitoring Data from existing business support programmes
16. These sources provide information on entrepreneurship and business ownership for the following protected characteristics.
- Race/Ethnicity
  - Gender
  - Age
  - Disability
  - Religion/belief
17. We have not been able to locate relevant information/statistics on:
- Sexual orientation
  - Transgender
18. At a programme level the target group is all those involved in starting or running a business. At the start of 2010 the UK had 4.5 million private sector enterprises. Small and Medium Sized Enterprises<sup>2</sup> (SMEs) accounted for 99.9 per cent of all private sector enterprises and together had employment of 13.3 million - 59.1 per cent of the total private sector workforce<sup>3</sup>. Each year there is significant churn in the business population. In 2009 around 270,000 UK businesses newly registered for VAT or PAYE.<sup>4</sup> If un-registered enterprises are also included, then the annual number of new starts may be as high as 500,000.<sup>5</sup>

### Race/Ethnicity

19. It is estimated that around 6.3 per cent of all SMEs<sup>6</sup> are UK Black and Minority Ethnic (BAME) - led<sup>7</sup>, this equates to 280 thousand SMEs in the UK<sup>8</sup>. It is estimated that in the

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<sup>2</sup> SMEs are defined as all enterprises employing less than 250 employees.

<sup>3</sup> BIS SME Statistics 2009

<sup>4</sup> ONS (2010) 'Business Demography'

<sup>5</sup> BIS Enterprise Directorate Analytical Unit estimates from data produced by BBA and Barclays

<sup>6</sup> BIS estimate, based on ASBS 2006/07, ASBS 2007/08 and SBS 2010

<sup>7</sup> Over half of the partners/directors are people from ethnic minority groups.

<sup>8</sup> BIS estimate, calculated as 6.3% of the estimated 4,471,000 SMEs at the start of 2010 – BIS Business Population Estimates 2010

BAME-led SME businesses contribute about £25 billion to Gross Value Added (five per cent of the UK SME GVA total).<sup>9</sup>

20. Enterprise activity amongst those from BAMEs can also be measured using data on the self-employed.<sup>10</sup> There are currently around 360 thousand self-employed people from a BAME group in the UK, representing nine per cent of the self-employed population.<sup>11</sup>
21. The BAME population as a whole engages in enterprise and self-employment at rates similar to the white population. However, there are substantial differences in entrepreneurial activity between different minority groups. For men, Asian/Asian British and Chinese groups are more likely to be self-employed than average, whilst Black/Black British and Mixed Ethnic are less likely. For women, the Chinese group has a much higher rate of self-employment than the white group, but for other minority groups self-employment rates are lower.<sup>12</sup>
22. Analysis of Global Entrepreneurship Monitor (GEM) data from 2002-09 indicates that those from non-white ethnic groups are more likely than those from a white group to feel that they have the skills, knowledge and experience to start a business (53 per cent compared to 49 per cent).
23. The non-white ethnic minority self-employed population has risen by over 110,000, or 44 per cent, in the last five years. This is a steeper rise than that of the white self-employed population, which grew by six per cent over the same period.<sup>13</sup>
24. The evidence therefore indicates that BAMEs minorities represent a significant presence in terms of enterprise. The proportion of BAME-led SMEs that made use of general business advice over the last 12 months is not significantly different from the total SME population (19 per cent).<sup>14</sup> This suggests they may be as likely to want to access the support which will be provided.

## Gender

25. Women in the UK are significantly less likely to start and own a business than men. It is estimated that 15.5 per cent<sup>15</sup> of SMEs are majority women-led (over half of the partners/directors are women). This equates to around 690 thousand SMEs in the UK<sup>16</sup>. It is estimated that in the UK majority women-led SME businesses contribute about £50 billion to Gross Value Added (12 per cent of the UK SME GVA total)<sup>17</sup>. Larger businesses

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<sup>9</sup> BIS analysis of ASBS 2006/07, 2007/08 and SBS 2010 and ONS Annual Business Inquiry 2008

<sup>10</sup> One would expect the proportion of the self-employed from an ethnic minority to be higher than the above estimate for the SME population, particularly as the figures for the SME population are on the basis of BAME-led.

<sup>11</sup> BIS analysis of ONS Labour Force Survey data Q2 2010

<sup>12</sup> BIS ED analysis of ONS Labour Force Survey 2009

<sup>13</sup> BIS analysis of ONS Labour Force Survey data Q2 2005- Q2 2010

<sup>14</sup> Annual Small Business Survey 2007/08

<sup>15</sup> BIS estimate, based on ASBS 2006/07, ASBS 2007/08 and SBS 2010

<sup>16</sup> BIS estimate, calculated as 15.5% of the estimated 4,828,000 SMEs at the start of 2009 – BIS SME Statistics 2009

<sup>17</sup> BIS estimate, based on ASBS 2006/07, ASBS 2007/08 and SBS 2010 and ONS Annual Business Inquiry 2008

are less likely to be majority-led by women. Of SMEs with no employees, 15 per cent are women-led, whilst of medium-sized businesses (50-249 employees) only 7 per cent are women-led.

26. Based on the ONS Labour Force Survey (Q4 2010), 1.169m women are self-employed, accounting for 29 per cent of the self-employed. Women represent around 46 per cent of all those economically active and are therefore under represented in self-employment. However, women account for 38 per cent of newly self-employed and the number of self-employed women has been increasing since 2005, whilst the number of self-employed men has remained much more flat.
27. Women are significantly less likely to start and own a business than men and this will have a corresponding affect on use of the support to be provided. However, there is some evidence that women entrepreneurs may be more likely to benefit from the support provided. For example, women are much less likely than men to feel that they have the skills, knowledge and experience to start a business (43 per cent compared to 62 per cent).<sup>18</sup> Women-led businesses may also be more inclined to seek external business advice, 25 per cent of women-led SMEs were found to have sought general advice and information for running their business in the last 12 months compared to 18 per cent of male-led SMEs.<sup>19</sup>

## Age

28. Evidence from the Labour Force Survey (LFS) shows that over the last ten years the levels of self-employment have increased for both younger entrepreneurs and for those aged 50 years and over.
29. The contribution of older entrepreneurs to business activity in the UK is becoming increasingly important:
- The self-employment rate (based on all those in work) for those aged 50 years and over has increased from 18.3 to 19.9 per cent between Quarter 2 2002 and Quarter 2 2010.
  - In every region and country in the UK, self-employment rates for those aged 50 to 64 years are higher than those aged 16 to 49.
  - However, those aged 50 years and over are less likely to be involved in new start-up activity: 40.8 per cent of the existing self-employed are aged 50 and over, whilst only 13.7 per cent of the newly self-employed (those in self-employment for fewer than three months) are aged 50 and over.
  - There are just over 650,000 self-employed people in the UK aged 60 years and over. Almost 470,000 (71.9 per cent) are men and over 180,000 (28.1 per cent) are women.
30. Analysis of GEM data from 2002-09 indicates that those aged 18-24 are least likely to feel that they have the skills, knowledge and experience to start a business (36 per cent compared to 44 per cent for population aged 18-64).

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<sup>18</sup> GEM UK 2010. On other questions about attitudes to entrepreneurship, such as whether starting a business is a good career choice, there are a much smaller differences in responses by gender

<sup>19</sup> ASBS 2007/08.



## Disability

31. In 2010 Q3, the proportion of the self-employed in the UK reporting that they have a long-standing illness, disability or infirmity<sup>20</sup> was 17 per cent. This compares to 15 per cent of the total who are economically active.<sup>21</sup>
32. The evidence indicates that those with a long-standing illness, disability or infirmity represent a significant presence in terms of enterprise. According to the SBS 2010, around 17 per cent of all SMEs have at least one partner/director with a long-standing illness, disability or infirmity.<sup>22</sup> This proportion declines with business size; 19 per cent of non-employers have a partner/director with a long-standing illness, disability or infirmity compared to 12 per cent of micro employers (1-9) and 9 per cent of both small (10-49) and mediums (50-249).<sup>23</sup> The proportion of SMEs that were majority led by a partner/director with a long-standing illness, disability or infirmity was found to be 12 per cent.

## Religion/Belief

33. The only information identified on levels of enterprise by religion or belief was from the national Census. This data, presented in the table below, shows that as a proportion of the economically active self-employment is lowest amongst those of Christian faith or no religion.

**Table 1: Self-Employment rates by religion**

	<b>Number of economically active</b>	<b>Self-employed (Full-time)</b>	<b>Self-employed (Part-time)</b>	<b>Percentage Economically Active Self-Employed</b>
Christian	16,890,102	1,563,911	489,602	12%
Buddhist	75,701	10,010	4,043	19%
Hindu	282,295	36,539	6,471	15%
Jewish	119,929	23,423	10,193	28%
Muslim	480,947	56,818	15,945	15%
Sikh	159,390	20,226	3,223	15%
Any other religion	85,965	9,753	4,982	17%
No religion	4,056,773	388,168	110,500	12%
Religion not stated	1,605,605	152,107	49,074	13%
<b>ALL PEOPLE</b>	<b>23,756,707</b>	<b>2,260,955</b>	<b>694,033</b>	<b>12%</b>

Source: CENSUS 2001, England

## Implications

<sup>20</sup> DDA disabled and/or work-limiting disabled

<sup>21</sup> BIS analysis of LFS.

<sup>22</sup> The SBS questions on disability are

<sup>23</sup> The decline by size of business may just reflect that in larger organisations the individual survey respondent has less knowledge about that disability status of all partners/directors.

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34. The available information shows that each of the protected groups represent a significant minority of the overall target group – those involved in starting and running a business. Once the programme is operational, it will be important to develop the evidence base in order to determine whether any groups face barriers to access or are disproportionately impacted. Monitoring and evaluation arrangements are discussed later.

## **USAGE OF EXISTING BUSINESS SUPPORT PRODUCTS BY PROTECTED GROUP, WHERE INFORMATION IS AVAILABLE AND RELEVANT**

### Business Mentors

35. During the course of the 12 months prior to the SBS 2010 survey, one in ten SME employers (11 per cent) and 7 per cent of all SMEs had used a business mentor, i.e. someone with business expertise who provides ongoing support with the development and running of their business.
36. The use of mentoring has been examined by whether the SME is women-led, BAME- led or had at least one partners/director with long-standing illness, disability or infirmity.
37. The data suggests that current use of mentoring is higher for women-led and ethnic minority led SMEs, however the difference is not statically significant.

### Understanding Finance for Business/Starting a High Growth Business and Coaching for High Growth

38. There are three Solutions for Business products (Starting a High Growth Business, Coaching for High Growth and Understanding Finance for Business) that have been reformulated and will be delivered through Business Coaching for Growth. In their original format their potential equality impact was considered as part of the 2007 Impact Assessment and no serious concerns were identified.<sup>24</sup>
39. More recently, these programmes were included in a monitoring survey<sup>25</sup> that collected survey information on whether recipient businesses were at least 50 per cent women-led or BAME- led and whether respondent had a long term disability illness or infirmity. Unfortunately the sample sizes are small and therefore caution is required when interpreting the results. The results suggest that women-led businesses may have been over-represented as users, while usage by BAME-led businesses was similar to expected levels. Those with a disability illness or infirmity may have been under-represented, but the sample size is small. Overall this information suggests that there were no major issues with access, and use of the new programmes by protected groups is therefore likely to be broadly proportional to their presence in the enterprise population.

### Business Link Regional Contact Centre

40. Monitoring data for 2009/10 shows that 26 per cent of engagements, including those handled by the contact centres, were for majority women-led enterprises, 15 per cent were majority BAME-led and 4 per cent were majority disabled-led.

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<sup>24</sup> Business Support Simplification Programme: Impact Assessment <http://www.bis.gov.uk/files/file42813.pdf>

<sup>25</sup> BIS (2010) 'Solution for Business Cross-Product Monitoring Survey'.

## **INVOLVEMENT AND CONSULTATION**

41. Although there has been no formal consultation on the Business Improvement programme, we have undertaken a number of consultations about how the market failure in business support could be addressed and about the constituent parts of the programme as it is developed with a variety of stakeholders and representative bodies, and these findings, together with research findings, are being used to develop the delivery of this programme overall.
42. For the programme as a whole, we have consulted with stakeholders and representative groups, details are at Annex A.
43. At an individual project level, we have also undertaken a number of stakeholder discussions as set out below.

### Regional Development Agencies (RDAs)

44. We had a telekit on 12th April 2011 with David Parkin, RDA Business Link Network Director and Ian Harrison, Head of Business Support and Enterprise Policy. From the discussion we were able to draw on two reports, which are relevant to this paper, 'The Greater Return on Women's Enterprise Report' and Government response and the Government response to the Ethnic Minority Business taskforce 2009.

### Business Coaching for Growth

8th April – ensured equality issues were reflected in the Prior Qualification Notice (PQQ) to suppliers

11th April – discussed equality issues with Business Angels

11th April – held a stakeholder meeting, with non-executive members of the Business Improvement Programme Board in attendance, regarding equality issues.

18<sup>th</sup> April – discussed equality issues with a number of key BIS stakeholders, including the Engineers Employers Federation (EEF) and British Chambers of Commerce (BCC).

20<sup>th</sup> April – discussed equality issues during BCG discussion with the BIS Access to Finance experts group.

### Mentoring

45. The Coalition's programme for Government included a commitment for a national mentoring portal, including the BAME community. BIS has been working with the Department for Communities and Local Government (CLG) and the Department for Work and Pensions (DWP) to agree a mentoring network, and as part of this work the departments have been holding various meetings.
46. The mentoring project which forms part of this programme has had substantial stakeholder involvement, including the Prince's Trust and Horseshoath and equality and diversity

issues have been identified and addressed as part of the development work. There was a specific sub-group to assist with the needs of potential mentees. The group consisted of:

- Tim Campbell (Bright Ideas Trust)
- David Coates (Technology Strategy Board)
- Jackie Brennan (FreshIdeas Events)
- Bob Wallis (Fredericks Foundation)
- Polly Gibb (WiRE).

### Start-up Hub

47. A meeting was held on the 15<sup>th</sup> March with organisations who work with those who are under-represented in business ownership to discuss the start-up hub.

48. A variety of issues were covered including usability, the extent of the digital divide for disabled people and others of this target group, accessibility, language, mentoring, intensive start up support and how to capture information sensitively.

49. For the contact centre, there were questions on whether the contact centre will replicate the breadth of information available on the website enabling those who use the contact centre (perhaps due to a disability) to get a similar service.

50. Invitees included representatives from:

- FEBA
- Disability Dynamics Ltd.
- Inclusive Business Solutions
- Gatwick Diamond Initiative
- Women's Wisdom
- Entrepreneurs from the BAME community.

51. There were also a range of regional/local providers with a recognised track record including:

- East London Small Business Centre
- Merton Chamber and SouthLondon.biz
- PreVista
- Blue Orchid Management Consultants
- Enterprise for All
- Hackney Business Venture
- Representative with expertise in micro finance/ working with disadvantaged groups
- Representative specialising in dealing with long term unemployed people
- 'Think Enterprise' working with young entrepreneurs.

52. We are also undertaking extensive design testing with a wide range of stakeholders and representatives.

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Businesslink.gov

53. HMRC have undertaken a number of discussions, enabling them to present an EIA separately. We have drawn on their work for this impact assessment, and the outcome of their discussions has shaped the businessLink.gov proposition, including the design and accessibility of individual elements.

## KEY FACTS AND FINDINGS AND DEVELOPING OPTIONS

### The new Business Improvement landscape

54. The critical issue is access to the different parts of the Business Improvement Programme. The programme is not expected to have an adverse impact on the equality agenda summarised above because as yet no particular barriers have been identified to protected groups accessing the overall product offering. The projects are not specifically designed for protected groups but should be accessible to all - therefore certain proportionate adjustments are being made to ensure that protected groups can access the information and advice they require. There will also be monitoring and evaluation<sup>26</sup>, which will assist in deciding on any further necessary developments.
55. Through the reforms, the Government is looking to the private sector to play an increasing role in the provision of services which can be tailored and relevant to the groups. Therefore an important element of the plans is to ensure that SMEs can also get information about private sector solutions, giving them the ability to identify which ones are best suited to address their needs. Certain protected groups may feel that there are individuals or existing organisations in their communities, for example, who are well placed to assist them.
56. We have had a number of discussions with stakeholder groups, including those representing protected groups that are under-represented in terms of enterprise. There was some concern about the loss of face to face local support, and a web-based proposition. The development of the contact centre and mentoring portal, alongside the greater role for 'not for profit organisations' and private organisations in delivering business advice will have an important role to play in addressing these concerns. We are currently considering how SMEs take advice, with a view to helping to stimulate private sector provision.
57. We know that existing face to face services deliver the best customer satisfaction but at the highest cost and that current web-based services represent good value for money but can be limited in their impact. The proposal is to replace these services with Business Coaching for Growth networks (targeted at high growth businesses) and new, more tailored on-line services. We are establishing a single Contact Centre, with the objective of this working in parallel with the website.
58. Some stakeholders have suggested that it is not possible to know the impact of our policies on the protected groups, especially in relation to the most recent protected groups, such as sexual orientation. Their view was that as this is a change in the business model, the most appropriate approach would be to monitor the effects as far as we are able to in consultation with stakeholder groups, once we have delivered the programme.
59. A number of stakeholders commented that, as far as it is possible to establish, this programme meets the variety of stakeholder accessibility issues by providing both access to the web and access to the helpline centre.

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<sup>26</sup> The specifics of the evaluation and monitoring strategy for the programme are still being developed, but plans have been informed by the information collected through the EQIA process.

## Website

60. There are a number of benefits from web-based services, including accessibility at any time to suit individuals, the ability centrally to update information quickly and the consistency of information. These benefits were briefly touched on in stakeholder discussions.
61. In terms of barriers for protected groups to the website, specific concerns were raised in relation to older people and those whose second language is English. The Contact Centre was viewed as a means of mitigating this risk and therefore offered some positive benefits, especially with the provision of a language line and with the possibility of the Contact Centre sending out information (and not re-directing to the web). It was also thought that the Contact Centre could mitigate against some disability issues, where individuals have difficulty accessing information online. As a result of discussions, we are now considering how this might be monitored, for example through a customer satisfaction survey.
62. Stakeholders discussed issues around disabled access to the web, giving examples of potential issues around complex language and lay-out. Specific recommendations were made by stakeholders in respect of access. Adjustments will be made as a result of these recommendations, which include ensuring:
- The need for simple and plain language
  - Personalisation as far as possible
  - Recognising the need for balance and prioritisation of information
  - Word documents rather than pdfs
63. These elements are being taken forward by BusinessLink.gov, who recognise that these changes are reasonable and proportionate adjustments for protected groups.

## Business Coaching for Growth (BCG)

64. Stakeholders indicated that the main issue for protected groups was around using traditional business models, which could disadvantage certain groups, such as women. The eligibility criteria for BCG that we have set out are designed to ensure that businesses with high growth potential will benefit regardless of their business model, sector or management background. The key determining factors are whether they have high growth potential and if there are barriers to achieving this that the programme can help to overcome. In addition providers will be required to provide information on the make up of the businesses they assess and support, including on gender, disability, race and age so we will be able to monitor and understand how disadvantaged groups are represented on the programme and take action if that is appropriate.
65. Evaluation studies will assess the wider social impacts and well being, including a review of Equality and Diversity. Finally, through the procurement process we are assessing bidding suppliers' own approach to Diversity & Equality as part of the selection process.
66. BCG is neutral to sector, race and other issues. It is focused entirely on growth potential. There is no reason to believe that protected groups will be disadvantaged by the programme, with stakeholder comments focusing on mobility (paragraph 66) and gender (paragraphs 67 and 68) issues in particular as one for the programme to consider in this area.



67. The delivery of BCG will be based upon an outreach model that shapes support around the individual business. Therefore there is a strong emphasis on advisers and coaches visiting businesses and individuals at their premises. This should help in overcoming any mobility or access issues that some groups may have. Firms with high growth potential that operate using non-traditional business models, such as social enterprises, would not be excluded from BCG.
68. Other gender-specific issues were around language/terminology, with suggestions that some language can deter access. As a result of the consultations we recognise the need to be careful in the use of our language, including for those who speak English as a second language and will therefore consider how best to do this.
69. There were also suggestions in the consultations that setting quotas or targets for support to BCG female businesses could ensure female businesses are given what is considered an appropriate level of support. There is insufficient evidence to suggest this is needed or a proportionate response. But as set out in paragraph 63, providers will be asked to monitor a range of information and when assessing suppliers, we will be taking into account and looking for evidence of how suppliers have engaged with women and other protected groups.

### Contact Centre

70. The Contact Centre was welcomed as a way of mitigating against some of the issues identified in relation to protected groups. Some elements of the policy are specifically designed for the benefit of these protected groups, in particular those that would not be able to make full use of the internet, which include some disabled people and older people. Stakeholders discussing disability issues with us focused our attention to practical issues around how to make the Contact Centre accessible through named contacts, training on how to respond to disabled people's requests and fulfilment.
71. The Small Business Survey 2010 of SME businesses in the UK suggests that although internet use amongst SMEs is relatively high, 1 in 5 (20 per cent) of all SMEs interviewed did not use the internet, rising to 23 per cent for non-employers. The main uses of the internet were email (96 per cent of users), business website (72 per cent), purchasing (71 per cent) and selling over the internet (43 per cent).<sup>27</sup> We also know from a COI study in 2010 that older people are less likely to use the internet.
72. Wider Government activity is also looking to promote greater internet usage and the universal availability of broadband. For example, the e-Accessibility Forum<sup>28</sup> and Broadband Delivery UK<sup>29</sup>.
73. The EIA from the digital economy impact assessment is:

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<sup>27</sup> Annual Small Business Survey 2007/08. The 2010 survey only asked about 5 core services – seeking general business advice, selling goods/services, promoting goods/services, paying taxes online, and advice on regulations

<sup>28</sup> [http://www.culture.gov.uk/what\\_we\\_do/telecommunications\\_and\\_online/7782.aspx](http://www.culture.gov.uk/what_we_do/telecommunications_and_online/7782.aspx)

<sup>29</sup> [http://www.culture.gov.uk/what\\_we\\_do/telecommunications\\_and\\_online/7781.aspx](http://www.culture.gov.uk/what_we_do/telecommunications_and_online/7781.aspx)

<http://webarchive.nationalarchives.gov.uk/20100511084737/http://interactive.bis.gov.uk/digitalbritain/wp-content/uploads/2010/04/Digital-Economy-Act-IAs-final.pdf>

74. Stakeholders also recognised that there may be language issues for some ethnic minority groups, providing important reassurance to Government that language line should form an integral part of the Contact Centre proposition. There will be no additional cost to the caller from the use of Language Line.
75. Stakeholders also mentioned the desire for a named contact, who can be used on numerous occasions and enables trust to be built up and developed. Whilst this is not feasible for generic calls, as a result of stakeholder engagement we are now considering whether this will be possible for more complex calls where more detailed business support is required.
76. Stakeholders also mentioned that Contact Centre staff should take into account the needs of the caller when sending out information, and we have reflected on this information. The discussions drew attention to the need to recognise IT and internet issues for older people and certain other protected groups, and not simply direct people to website addresses. This will now be built in to the training for the Contact Centre staff. In addition, we will now ensure that the contact centre will have a fulfilment capability which enables it to send out printed materials to those with no web access.

### Mentoring

77. Tim Campbell and the mentoring sub-group raised a number of concerns including on how to raise awareness amongst some groups of the value of seeking advice / mentoring support. The British Bankers Association (BBA) have been considering these issues and through the use of road shows aim to reach a number of different groups. We believe that the best way to reach these groups is by enlisting the help of mentoring organisations with a proven track record in reaching out to them. We are working with the BBA to encourage these organisations are accessible through the online portal they are developing, as well as those networks, both online and local, who particularly add value for these groups and are a route to more formal mentoring relationships.
78. One equality concern raised with us was on accessibility for women and BAME groups. The mentoring scheme is available to all and will provide support to under-represented groups, such as women and BAME communities. There will be a range of ways of reaching different groups, and BCG will also link in to the mentoring scheme. We are currently identifying gaps in mentoring provision so that we can build capacity and target promotion activities where most needed. We are working alongside business representative bodies, corporates and key organisations like Business In the Community and the Institute of Enterprise and Entrepreneurs to find ways of bringing volunteer mentors into these gaps.
79. There was also a concern about targeting, which could be at the cost of quality. Equality representatives were keen to ensure mentors could draw on a wide range of examples and business models in their diagnosis, recognising that different groups may develop in different ways. There need to be good links between mentors at local level, which will potentially mitigate this.

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### Marketing activity options

80. In addition, stakeholder feedback indicated a need to consider alternative ways of marketing, not relying on the traditional approaches, as some protected groups might not be reached through a traditional route or a reliance on representative bodies. Various examples were given of how to reach protected groups. Within the context of the overall marketing freeze, we are considering how best to incorporate this in to our communications programme, involving our communications team in the process. We will seek to involve a range of stakeholders in the cascade of our work and look at non-traditional routes as part of the reach-out, such as Job Centre plus sites and similar locations. Here again there are opportunities to adopt an approach that stakeholder groups themselves see as effective, and which they may wish to take forward on their own initiative.
81. Several stakeholders indicated that it was hard to judge in advance of 'going live' whether there would be any significant impact on any protected groups, especially in relation to some of the newer equality strands (such as sexual orientation). They suggested that monitoring and evaluation would be necessary, which could then inform policy going forward. Information on monitoring is provided in the next section.

## MONITORING AND REVIEW

82. We are in regular communication with stakeholders and SMEs on the programme through our monthly newsletter which is due to run for the year ahead. The RDAs will continue to deliver messages on developments and the programme throughout the transition. Feedback is inbuilt, via an extranet and through stakeholder discussions. We also have a wider stakeholder engagement strategy in place, including regular contact with stakeholders, and will continue to include equality on the agenda.
83. Once the programme is operational, equality and diversity will be monitored during the delivery of the programmes through management information on usage, as well as evaluation studies which will consider whether there are any barriers to access and whether benefits are being realised. There is also an intention to monitor overall awareness and usage through regular business surveys.
84. We will be monitoring the position for protected groups through the Contact Centre which will deal with a range of calls. Where there is a rationale for capturing data (for example on complex calls or in-depth conversations) we will capture a range of information, recognising the need to cater for the protected groups. From our stakeholder discussions we recognise that we will need to consult with stakeholders on caller sensitivities about being categorised and how to capture information sensitively. We have already had some information in this area from our discussions, for example on how to establish whether someone is disabled, and we will ensure this is integrated into our approach.
85. We will also ensure that training plans for the Contact Centre cover the protected strands, including consulting with relevant groups on how best to undertake the training and what needs to be covered within the training, recognising the diverse needs of groups. We will also draw on wider BIS call centre experience in this area.
86. For mentoring, the BBA who are responsible for the website, will be collecting a range of data, which will be shared with BIS, where this is possible. The nature and extent of this information is still under discussion. BIS is also doing a gap analysis to establish the number of mentors and the coverage across the UK provided by existing private sector and wider mentoring schemes. We aim to record the numbers of volunteer business mentors where possible, as the capacity of the market is grown through the support of Government, the banks, mentoring organisations and the key business bodies.
87. BusinessLink.gov already monitor activity. They already undertake quarterly online customer satisfaction surveys, which capture age, gender and disability. There is also a quarterly customer satisfaction survey on market penetration, which includes age and gender. In addition, any new or significant changes are user tested with a range of stakeholders, including representatives from protected groups. This is underway for the new BusinessLink.gov website. This new website will include a personalised information section, and the intention is for the customer satisfaction information to be used alongside this to identify equality issues. Information from the Contact Centre can also be used to decide if changes are needed to BusinessLink.gov.
88. Under the Business Coaching for Growth project equality and diversity will also be monitored during the delivery of the programmes through management information on

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usage by gender, BAME and age. Evaluation studies will consider whether there are any barriers to access.

89. The Programme recognises the changed landscape and monitoring and evaluation will be forming an integral part of the delivery process.

### Responsibility

90. This Equality Impact Assessment is available electronically at <http://www.bis.gov.uk/equality-impact-assessments>. Where possible, we will make other versions of this document in Braille, other languages, or audio-cassette available on request.

## **ANNEX: CONSULTATIONS/ENGAGEMENT**

### Equality stakeholder meeting on 19th April 2011.

Main issues discussed:

- Concerns about the new landscape, and in particular, the website as the main information provider.
- Importance of trust for protected and disadvantaged groups
- Providing information/contacts for other organisations who can help small businesses
- Issues for women and others around language (references to business coaching not being relevant to all groups)
- BCG – use of intermediaries (such as accountants), whether targets need to be set for women
- Contact Centre – continuity of conversation, cost of calls, different approaches adopted by telephone and face to face.
- Mentoring – quality of mentors, accessibility for certain groups, range of experience.

Attendees including representatives from:

- Gatwick Diamond Initiative
- Inclusive Business Solutions
- Blue Orchid Management Consultants
- Representative specialising in dealing with long term unemployed people

**Separately 2 in-depth conversations** with:

Jackie Brierton, Director of 'Think enterprise' on 8 April 2011:

- Language and Ease of use
- Mentoring challenges
- BCG and women
- Contact Centre

Penny Melville-Brown, Managing Director, Disability Dynamics Ltd on 6 April 2011:

- Reaching out/Marketing to different groups
- CRM/Contact Centre and changes for accessibility
- Information formats and the web

### **Programme Level**

Two tele-kit meetings on 4<sup>th</sup> April and 18<sup>th</sup> April 2011 with a number of stakeholders.

**4<sup>th</sup> April:** Stakeholders including EEF and FPB.

**18<sup>th</sup> April** Stakeholders including BCC – Adam Marshall (AM), CBI – Lucy Armstrong (LA), EEF – Sue Kirby (SK)  
FPB – Alex Jackman (AJ), ICAEW – Clive Lewis (CL)

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Main issues discussed:

- Difficulty in assessing impacts for new protected groups
- Monitoring impact as part of new landscape and business model
- Age and accessibility to the internet

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