

Lewisham High Streets – Independent, and Black, Asian and Minority Ethnic Business Head Count and Survey



Executive Summary, October 2021





Introduction

Lewisham is one of the most diverse boroughs in the country. You only have to walk along our high streets and through our town centres to see this reflected in the many shops and services on offer

We are the first local authority in the country to commission this annual headcount study of our high streets. We did it because we want independent retailers of all ethnicities and backgrounds to know there is always a home for them here in Lewisham.

That said we know the pandemic has been devastating for our business owners and has ultimately changed the retail landscape. All too often during periods of economic uncertainty, it's the small family-owned shops and services that can quickly and quietly disappear from our communities.

While we already offer a robust programme of support and promotion for local businesses this census is about helping our high streets get back on their feet, providing a deeper understanding of the challenges specific to our retail sector. The findings make for interesting reading.

70% of retail businesses in Lewisham are independent. As we take our next steps as a borough, they will play a pivotal role in rebuilding our local economy and creating employment opportunities for local people. In order to weather any potential storm, they want to become more self-sufficient. So we are developing a programme of targeted practical support, offering them the tools they need to build resilience and flourish.

Two thirds of our independent businesses are owned by Black, Asian and Minority Ethnic entrepreneurs. Race is always a key consideration for us. As a Council we are working towards

building an economically sound future in which every person and every business in Lewisham can flourish and succeed, regardless of background

We recognise that BAME business owners may face systemic inequalities. This has been brought back into sharp focus during the pandemic with the Black Lives Matter protests and the disproportionate number of COVID-19 deaths among ethnic minorities.

While our BAME businesses have shown incredible resilience in the past, if we wish to protect the diversity of our high streets, now is the right time to take a more robust approach to supporting them. This survey shows there is still plenty of work to be done to build trust between BAME entrepreneurs and the Council.

We are taking immediate steps to address this, including conducting more meetings face-to-face and partnering with trusted business networks to offer support. In fact we are offering discounts to a selected number of BAME-owned businesses on Federation of Small Businesses memberships.

Local retailers need an increase in footfall. Our high street business owners have told us they rely on in-person sales to bolster revenues, but footfall levels are still perceived to be lower than they were pre-pandemic. We are thinking more creatively about options for increasing footfall which includes driving down our shop vacancy rates – even though they are in line with the rest of the country.

We are proud of our vibrant high streets and want to ensure they have a bright future. We are using this census to produce an overall vision and drive the reform needed to empower our business owners so they are in the strongest possible position as we emerge from the pandemic and beyond.



A handwritten signature in black ink that reads "Damien Egan".

Damien Egan
Mayor of Lewisham



A handwritten signature in black ink that reads "Kim Powell".

Councillor Kim Powell
Cabinet member for
Business and Community
Wealth Building

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Background

The COVID-19 pandemic has triggered an economic crisis which has hit many of us hard. Although we have turned a corner, its impact continues to be felt by businesses right across Lewisham, with disparities for those coming from ethnic minority backgrounds.

As one of London's most diverse boroughs, tackling inequalities in all areas is a key priority for the Council. We are working towards building an economically sound future in which every person and business in the borough can flourish and succeed, regardless of ethnicity or background.

In order to support the diversity of our high streets as we begin to emerge from the pandemic, we intend to undertake an annual headcount of our local independent retailers on the high streets. The aim is to monitor and provide a deeper understanding of the challenges business owners, but particularly those from Black, Asian and Minority Ethnic (BAME) backgrounds, are facing in the current climate in order to better support them and ensure they are set up to succeed.





Lewisham Council commissioned London Southbank University to undertake an independent survey to better understand:

a. The number of Independent and BAME businesses on the following high streets and town centres across Lewisham.

- Lewisham town centre
- Catford town centre
- Deptford High Street
- New Cross Road
- Blackheath
- Lee Green
- Sydenham
- Forest Hill
- Crofton Park
- Honor Oak Park

b. Impact analysis of the footfall and key top-line factor(s) that might influence their survival.

This study is the first time a council has undertaken a headcount to establish the diversity of independent businesses on its high streets. While the Council already delivers a comprehensive package of support and promotion to local businesses, the survey's findings will enable the council to re-evaluate its offer, to shape policies and deliver more targeted support.

The survey consisted of five separate studies of the businesses and consumers in these defined locations across the borough.

Key survey findings

This Executive Summary focuses on the key findings relating to the BAME businesses on the high street, for the full findings please review the full Lewisham High Street report.

1. 66% of independent businesses on Lewisham's high streets are in Black, Asian or Minority Ethnic ownership

- The breakdown by ethnicity is as follows:
 - Asian/Asian British (29%)
 - Black/African/Caribbean/Black British (11%)
 - Mixed/Multiple ethnic groupings (6%)
 - There were nearly forty different ethnicities named in the "Other Ethnic Group" category (20%)
- At 70% Catford has the highest concentration of BAME owned businesses in the borough
- Lewisham high streets benefit from the richness of their ethnically diverse independent businesses.
- Less awareness and uptake of the various Council-led business support initiatives among BAME business owners vs non-BAME
- Have limited contact with the Council
- Lack trust that authoritative institutions including the Council, have best interests at heart
- BAME entrepreneurs have lower levels of business confidence looking forward

2. Almost 70% of retail businesses in Lewisham are independently owned

- Retail sector recovery is still considered fragile as we emerge from pandemic
- Individual traders may require immediate support to negotiate a short-term crisis, and many want to trade out of trouble if they can.

3. We want to increase footfall levels on high streets

- Current footfall levels perceived to be low by businesses, although some data suggests local high streets are performing well
- Environmental improvements, particularly in cleaning, lighting, green spaces, and security will help attract people
- Individual place-based plans and activities could be undertaken to identify distinct positioning for each location based on its existing offer/character.

4. Lewisham's vacancy rates are similar to elsewhere

- Retail unit vacancies in the borough reflect London-wide and nationwide levels
- Encourage innovation and entrepreneurship happening elsewhere in the community on to the high streets

5. Diversity around the high street offer should be encouraged

- Multiple brand names can attract footfall, but they also stifle competition with local independent businesses in the same sector
- Support local high streets to diversify beyond a retail offer to include other uses such as hospitality, cultural and community uses so that they are attractive places to visit and spend time.

How do we plan to address the challenges raised in the findings?

1. Support we will give BAME owned businesses

Black business owners and those from Asian and other Minority Ethnic backgrounds face persistent disparities in business outcomes, with broader systemic inequalities and disadvantage potentially playing a key role. In order to protect the diversity of ownership on Lewisham's high streets, we need to ensure BAME business owners know how and where to access the support that is available to them to build business resilience.

- Increase trust among BAME business communities towards the Council and Council-led support
- Face-to-face business engagement to build relationships and better understand barriers and needs and use this to deliver tailored business support
- Use established and trusted networks to connect with BAME business owners including Federation of Small Business and Blueprint for All's networks
- Support peer to peer information dissemination through local initiatives e.g. High Street Champions
- Track Black, Asian & Minority Ethnic businesses included in the survey to assess whether targeted support is improving business outcomes and re-evaluate measures if necessary (subject to funding).

2. Support we will give all our independent retail owners

This is about empowering independent business owners, ensuring they have the knowledge, tools and skills to put them in a better position to weather the current challenges facing the retail sector.

- Develop and deliver tailored business support for:
 - Established businesses: Advice, grants and training – financial accounting, marketing, diversifying their offering
 - Early stage start-up: Advice, test trading and sector-specific FAQs
- Practical support for small to mid-sized businesses in bidding for large, public sector contracts.
- Negotiate, where possible, “meanwhile use” with landlords in vacant spaces on Lewisham's high streets
- Build networks and promote existing partnerships
- Promotional campaigns
- Tie in with plans to build visitor economy
- Develop evening and night-time economy action plans
- Support business participation in forthcoming London Borough of Culture 2022

3. How we plan to drive increased footfall on our high streets

We want to make post-lockdown high streets more attractive to residents and workers, both in regards to the offer and environment.

- A package of practical business engagement, promotion and support to help businesses to adapt and attract customers
- Develop an improved transport & public realm strategy
 - Renovating street scene/ furniture
 - Walking highway
 - Cycling lanes & parking spaces
- Develop bespoke place-based strategies for different town centres
- Develop a Visitor Economy strategy:
 - Diversify evening and night time economy offer
 - Riverside attractions
 - Expand offer of culture, community, workspace

4. Our plans to reduce vacancy rates on Lewisham's high streets

While our retail unit vacancy rates may be on a par with London-wide and national levels, we want to keep empty units to a minimum. We will support leaseholders who may be struggling financially and drive innovation for 'meanwhile use'.

- Practical business engagement, communications and support to mitigate factors leading to vacancies
- Lewisham is leading a campaign to introduce an Article 4 direction, with London Councils and Greater London Authority support, to protect commercial space in town centres.
- Pilot 'meanwhile use' with Council support for established and start-up businesses in vacant units, where possible, linked to London Borough of Culture, Lewisham Creative Enterprise Zone and public spaces.
- Work in partnerships to leverage existing programmes to maximise support to high streets and local supply chains.
- Longer term options include
 - Implementing character and community-driven planning policies
 - Develop growth sector strategies
 - Expand culture, community, workspace offer

5. Our plans to diversify the high street offer

We want to help drive the kind of entrepreneurialism we see in other business sectors onto the high street and into our retail sector. Where possible, we will:

- Pilot 'meanwhile use' with ongoing support for established and start-up businesses in vacant units
- Tie in with the Mayor of London's London Borough of Culture 2022, Lewisham Creative Enterprise Zone and public spaces to develop more entrepreneurial and creative uses of vacant units.

Conclusion

We are using insights from the study to introduce measures which better support our independent business owners and give our town centres and high streets a new lease of life.

These measures are intended to increase resilience among our independent retailers, including those who may face systemic inequalities, ensuring they are in the strongest possible position as we emerge from the pandemic.

Our intention, subject to funding is to conduct a business headcount study each year, to re-evaluate our strategies and ensure they are having the desired impact on our high streets.



The term BAME is used throughout this report only as an abbreviation for Black, Asian, and Minority Ethnic. Its use does not reflect the view that it is representative of one ethnicity grouping.