



20-24 POPE'S ROAD, BRIXTON,

PLANNING STATEMENT ADDENDUM 3

November 2021

DP9 Ltd
100 Pall Mall
London
SW1Y 5NQ
Tel: 020 7004 1700
Fax: 020 7004 1790

CONTENTS

1. INTRODUCTION	2
2. CONCLUSION	9

1. INTRODUCTION

1.1 This Planning Statement Addendum has been prepared by DP9 Ltd (DP9) on behalf of AG Hondo Pope's Road BV ('the Applicant') in support of the enhanced offer in response to discussions with the Greater London Authority (GLA) in its role as local planning authority in this case about the impacts and benefits of the Pope's Road development to the planning application (Ref: 20/01347/FUL), which proposes the redevelopment of 20-24 Pope's Road, London, SW9 8JB ('the Site').

1.2 Hondo Enterprises have an interest in both Pope's Road and the adjacent Markets (Brixton Village and Market Row) which were purchased in March 2018 with the intention of securing the markets' unique character in the long term and enhancing the markets for the benefit of shoppers, traders, visitors and the local community. To date, Hondo have made significant improvement to the operation, infrastructure and management of the markets.

Planning Policy Framework

1.3 When the planning application was submitted in March 2020, the Development Plan consisted of the following:

- The London Plan: Spatial development Strategy for Greater London (March 2016);
- Lambeth Local Plan (September 2015).

1.4 The Draft London Plan 2017 had undergone consultation and Examination In Public and the Inspectorate had concluded that the Draft London Plan met the tests of soundness subject to recommended modifications. An "intend to publish" version of the draft London plan was issued to the Secretary of State in December 2019. The Planning Statement submitted in March 2020 outlined that the policies of the Intend to Publish Local Plan held weight in the determination of the planning application.

1.5 The Draft Revised Lambeth Local Plan Proposed Submission Version and associated Proposed Changes to Policies Map January 2020 were published in January 2020. The Lambeth Local Plan at the time of submission was in its early stages and carried little weight in the determination of the planning application.

1.6 The Development Plan for the Stage 3 decision will consist of the following:

- London Plan (2021).
- Lambeth Local Plan (2021)

Background

- 1.7 Following extensive pre-application with London Borough of Lambeth (LBL), the planning application was submitted in March 2020. The genesis of the project began under then adopted London Plan policy which directed tall buildings to town centres like Brixton. The scheme has evolved during the progression and adoption of the new London Plan in March 2021. Lambeth committee resolved to grant planning permission at the November 2020 Planning Applications Committee. The application was advertised as a Departure from the Development Plan on the basis that the site is not allocated for a tall building, but the wider area is seen as having potential for tall buildings and that the balance of benefits delivered outweighed the conflict with those policies. It was referred to the GLA under the Stage 2 procedure in December and the Mayor allowed Lambeth to continue to determine the application. The first Stage 2 was rescinded in January 2021. On 1st March 2021, the Mayor considered the second Stage 2 report where officers maintained their December 2020 recommendation to allow Lambeth to continue to determine the application.
- 1.8 In March 2021, the Mayor decided to call-in the application to enable him to further scrutinise the impacts and benefits of the scheme. Following the Mayoral Call in, the Applicant has been in discussions with the GLA about height and public benefits in response to the Mayor's letter to Lambeth Council dated 01 March 2021.

Brief

- 1.9 Brixton is a key town centre in the heart of Lambeth. It contains a diverse mix of uses and character. It is in a highly accessible location. It has not been a traditional office location, but town centres are a preferred location for new office development. The diversification of town centre activities is also supported by policy.
- 1.10 The brief for Pope's Road was to create an office ecosystem with supporting amenities to attract a range of occupiers to Brixton and to allow flourishing new and small businesses somewhere to expand. After Lambeth Council's investment in the Town Hall and the refurbishment of the Department Store and the Piano Works there has been increased interest in Brixton as an office location. Pope's Road forms part of a group of sites known as Brixton Central, which the LBL is promoting as a local regeneration initiative including significant employment and job creation. Pope's Road is at the heart of this initiative. The brief for Pope's Road was therefore to create a critical mass of office to enable this ecosystem to succeed. Through various research and Savills agency studies, the critical mass was identified as 200,000sq ft to 250,000sq ft. This is commensurate with other developments in initially non-recognised office locations such as White-Collar Factory in Old Street and the Relay Building in Aldgate.
- 1.11 Adjaye Associates was selected as the architect because of their track record at creating strong place making and public realm, particularly eroding the threshold of indoor and outdoor space. Adjaye are also pioneers in the creation of social programmes that benefit local communities. As well as designing Popes Road they have also recently unveiled the

Cherry Groce Memorial in Windrush Square. David Adjaye recently received the RIBA Gold Medal Prize 2021. He is undeniably one of the UK and the world's leading architects.

- 1.12 Pre-application discussions begun based on a 23-storey scheme totalling about 240,000sq ft. It was and remains the Applicant's opinion that this struck the right balance of townscape response, architectural elegance and providing a critical mass of office space to create the ecosystem. During discussions, Lambeth assessed the impact of this scheme and concluded that 23 storeys was too visible in a number of views from within the Brixton Conservation Area. It was agreed to reduce the height to 20 storeys striking a new balance of heritage impact and public benefits. At 20 storeys, the scheme creates 200,000sq ft offices within but at the bottom end of the critical mass to create the business ecosystem. Notwithstanding that the Applicant does not agree with Lambeth's assessment of less than substantial harm.
- 1.13 At 20 storeys, the design is part of a careful consideration of proportion and scale. The slenderness ratio would be reduced if the height is reduced and the greater the height reduction the less elegant it becomes and the architectural distinction is diminished. A reduction in height started to undermine the benefits associated with the height of the building and 20 storeys is the optimum scheme to deliver the eco system and development as a whole.

Proposed Enhanced Offer

- 1.14 This section of the Planning Statement Addendum sets out the Applicant's enhanced offer in response to consultation with the GLA officers about the impacts and benefits of the Popes Road scheme. This is fully cognizant of the concerns raised by the Mayor at the time of the Stage 2 recovery. Those concerns are focussed on the planning balance of the less than substantial harm identified by the GLA to heritage assets and the extent to which it is outweighed by the public benefits. This document builds upon the scheme that gained a resolution to grant by LBL in November 2020 and following discussions with Local businesses, such as Impact Brixton and Black Seed Fund as discussed in more detail below. It expands on the agreed Lambeth S106 package including types of employment programmes that the Applicant is looking to incorporate into the development.
- 1.15 The Applicant proposes a further enhanced package that seeks to build upon the jobs, skills, training and outreach programmes that will be provided as part of the development and to be agreed via the Section 106 Agreement. The main areas for discussion are: -
- Affordable Workspace
 - Brixton Job Training Fund
 - Employment and Skills

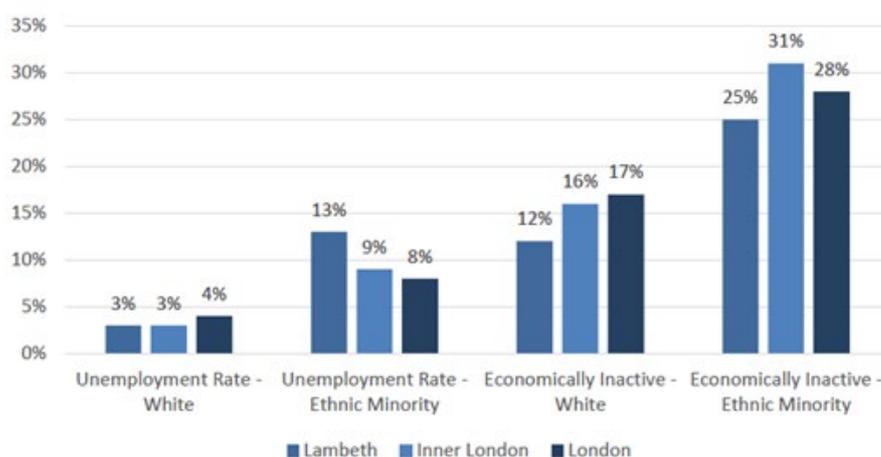
Affordable Workspace

- 1.16 The Applicant is proposing to increase the term of the Affordable Workspace to 2090 to match the term of the Applicant's lease with Network Rail (the freeholder of the site). A

period of 25 years was originally presented to Lambeth's Planning Application in November 2020.

Brixton Job Training Fund

- 1.17 The Applicant is proposing a new Brixton Job training fund of £1,000,000 (£40,000 per annum for a period of 25 years) in addition to the LBL employment and skills endowment fund.
- 1.18 As of March, 2021¹, Lambeth will be home to the most unemployed people in London, with 26,000 unemployed residents. The average number of unemployed residents in a London borough is around half the number of unemployed Lambeth residents.
- 1.19 It can be seen from the graph below that the unemployment rate for ethnically white LBL residents is significantly below that of minority ethnic residents (3% compared to 13%). When comparing to Inner London & London, the gap between unemployment rates for white and ethnic minority residents is larger within LBL (a 10-percentage point gap, compared to 6 percentage points in Inner London and 4 across London).



Source: ONS, 2019. Annual Population Survey

- 1.20 As of Feb 2021, 5.7% of Lambeth 16- and 17-year-olds are Not in Education, Employment or Training (NEETs) compared to a London average rate of 4.0%, which means Lambeth has the 5th highest rate of London boroughs, after Haringey, Wandsworth, Lewisham and Southwark.²
- 1.21 From undertaking research, it is evident that:
- Coldharbour and Brixton are some of the most deprived parts of Lambeth;

¹ A detailed Study of unemployment in London March 2021 (Volterra Partners LLP)

² Department for Education

- b. Employment is a strong driver of this deprivation;
 - c. Ethnic minorities suffer more from unemployment than their white counterparts;
 - d. Lambeth has a lot of children affected by income deprivation (poverty); and
 - e. Lambeth has a high rate of young NEETs.
- 1.22 The above all points towards the value that improved opportunities for young and BAME communities could deliver for the borough, helping to address these long-standing socio-economic issues.
- 1.23 The Applicant proposes that this new training fund, focusing on Coldharbour Ward (to become Brixton Windrush Ward) includes direct allocations that invest in employment and skills training targeted at the improvement of employment prospects for local youth in the BAME communities, arising directly from the development and the surrounding regeneration of Brixton Central.
- 1.24 It is anticipated that the investment would be part of a joint initiative between the Applicant, GLA and Lambeth, with the main objective of linking the development to the eco system, Employment & Skills training, Affordable Workspace and the proposed community outreach programme, helping to ensure that new jobs created by this development and the immediate surroundings including Brixton Central regeneration, can be accessed by local people, particularly youth groups.
- 1.25 Examples of the sort of programmes that Hondo is currently involved in, in relation to the existing markets, and anticipate developing further as a direct result of the development include the:

1) The Brixton Village Youth Employment Programme

This focusses on creating employment opportunities for young people refreshed annually, providing first job opportunities for up to 20 young people each year. The objective of this programme was to meet the need for entry level employment opportunities for young people in Brixton and at the same time provide a sustainable labour resource pool for new traders and those who struggle to attract talent. From this, the employees will develop core/key employability and socialisation skills within the local community, but it will also build a community among young people establishing an employment base within which they can interact, learn and grow. Trialled in 2021, two local young people in their first year of college working in hospitality jobs in two restaurants in Brixton Village. Both candidates are still employed with their original employers. The Applicant is seeking to continue this type of initiative within the new proposed development at Pope's Road (refer to Appendix 1 for further information on this initiative).

2) Existing office space being used by Local Businesses

Within the existing Brixton Village Market, the previously vacant office space is now housing local businesses, such as the Black Seed Fund and Impact Brixton.

The Black Seed was founded by two London based entrepreneurs whose objectives are to bring capital and community to black-owned businesses. As set out in Appendix 2, Black Seed is seeking to be the bridge between the tech industry and the UK's black community. The business is raising £10,000,000 in funding for black -led start-ups and the aspiration is for Brixton to become "the next Black Silicon Valley." The Black Seed fund wants to build a portfolio of up to 30 black led start-ups across Europe over the next three years. It is proposed that this business could be one of the first businesses in the new development at Pope's Road.

Impact Brixton is the Applicant's preferred Affordable Workspace Provider. The company was formed by Gerald Vanderpuye and Jenine Baptiste, both local Brixtonians. 50% of the employees and volunteers are from a BAME background and the company is run by 20 members of the local community. Impact Brixton is a local social enterprise that has built a co-working community within Brixton that offers training opportunities, events and affordable places for people to start their businesses within the area. This includes the Exchange Programme, where people offer their experience - such as design, marketing or IT skills - to other members, or through their 'Open Project Nights', where these same skills are offered to local charities, individuals and groups every week. After starting out in Pop before moving to Brixton Village, this new space will offer nearly 500 people these opportunities.

- 1.26 In conjunction with Lambeth, the objective would be to make sure these opportunities are widely accessible to the local community and we envisage these jobs being publicised via various channels, for example through engagement with local Ward Councillors, Community Groups within the area, the Community Development Group set up as part of the section 106 Agreement. These opportunities could also be publicised on a specific website controlled by the Applicant, the Council's website and employment and skills team. For those who do not have access to the internet, the Applicant, as part of this programme, could arrange for separate flyering across the Ward.

Employment and Skills

- 1.27 In addition to the number of apprenticeships already agreed, provide an additional 50% for apprenticeship opportunities during the Occupation Phase but those additional apprenticeships will be targeted specifically for BAME communities.
- 1.28 It is proposed to link in with companies like the Black Seed Fund who can help to provide access to these employment opportunities. Black Seed has the ambition to build venture studios, seed programmes, events, funds and other activities supporting Black business founders.
- 1.29 The development at Pope's Road is bigger than the existing markets and can provide other opportunities. The Applicant would channel the training into on-site opportunities which could potentially include building management, community and the affordable workspace provider.

- 1.30 Whilst the Applicant cannot control tenant job training policy, they would seek to use reasonable endeavours to encourage tenants to adhere to the obligations and look to set potential criteria for use of this space for businesses focusing on local employment.
- 1.31 All other S106 commitments would be maintained as per the November 2020 resolution.

2. CONCLUSION

- 2.1 This Planning Statement Addendum has been prepared by DP9 Ltd (DP9) on behalf of AG Hondo Pope's Road BV in support of the enhanced offer in response to consultation with the Greater London Authority (GLA) about the impacts and benefits of the Pope's Road development to the planning application (Ref: 20/01347/FUL), which proposes the redevelopment of the Site.
- 2.2 Pope's Road is part of Brixton Central, which the LBL is promoting as a local regeneration initiative including significant employment and job creation. Pope's Road is at the heart of this initiative and, if granted permission will create a critical mass of office to enable the ecosystem to succeed and provide much needed office floorspace within the centre of Brixton.
- 2.3 The proposed enhanced offer as set out in this document is in response to consultation with the GLA about the impacts and benefits of the Popes Road scheme. This offer is fully cognizant of the concerns raised by the Mayor at the time of the Stage 2 recovery. These further workspace and employment opportunities will provide further significant opportunities that will directly benefit the local community and provide additional benefits that will significantly outweigh the harm identified by the GLA to the surrounding heritage assets.
- 2.4 Since there have been no changes to the quantum or uses, the scheme continues to meet the Site-specific planning policy requirements set out within Lambeth's Local Plan, as well as the objectives for Brixton contained within the Local Plan and the London Plan. As recognised in the committee report, the scheme delivers a new building of excellent architectural quality which will create a landmark for Brixton with substantial economic and public benefits.

Brixton Village Youth Employment Programme - Hospitality Sector

Programme Overview

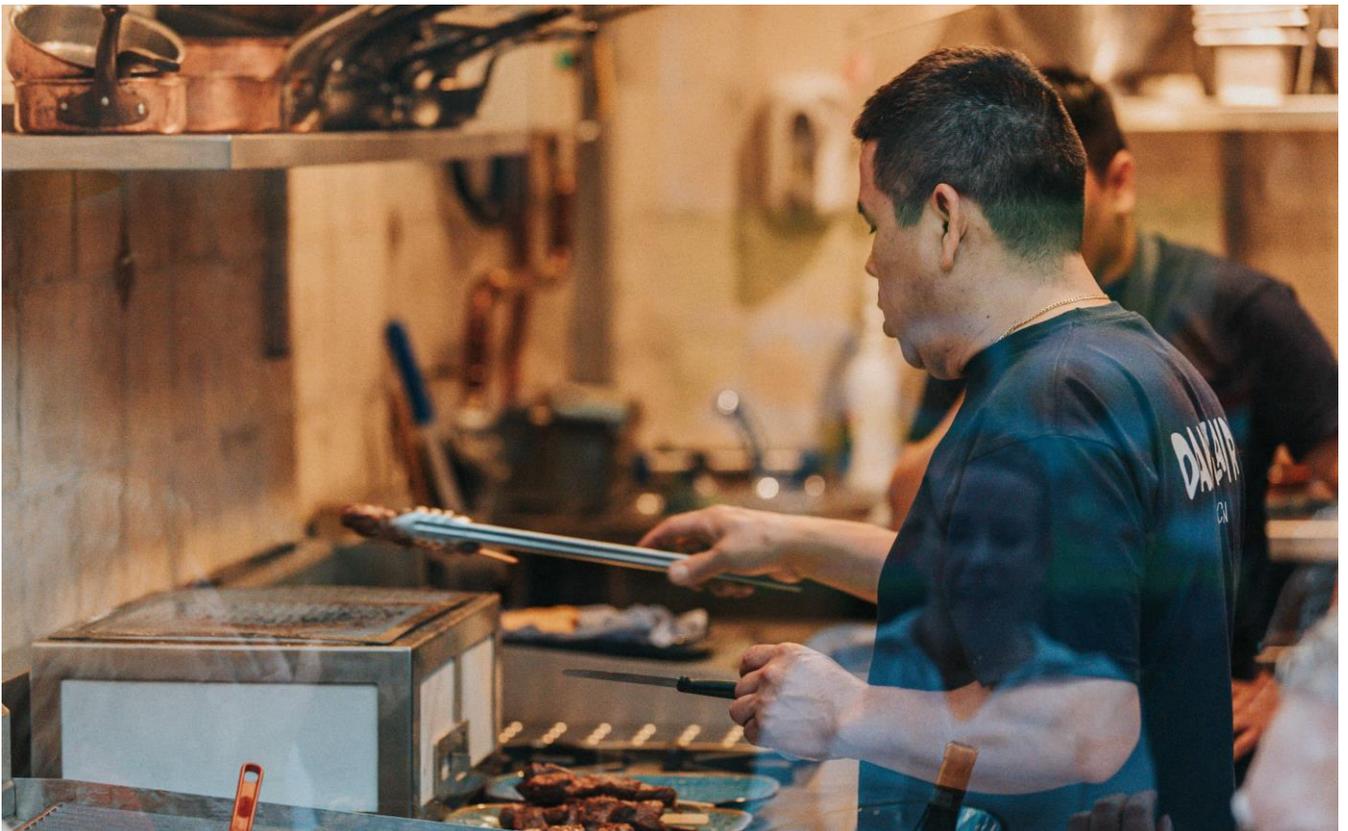
The Brixton Village Youth Employment Programme was designed in collaboration with local youth and employability partners who are focussed on creating employment opportunities for young people.

The key objectives of the programme include the following:

- Meet the need for entry-level employment opportunities for young people in Brixton
- Providing a sustainable labour resource pool for new traders and those who struggle to attract talent

VILLAGE BRIXTON VILLAGE BRIXTON

- Develop core/key employability & socialisation skills within the local community
- Reduce the likelihood that young people will resort to illegal activity to earn an income
- Build *community* among young people by establishing an employment based within which they can interact, learn, and grow
- Longer Term, establish Brixton as a centre of hospitality expertise and skills development



The Pilot Programme

Programme viability was tested during the summer of 2021 with the placement of 2 local young people in the first year of college into 2 Brixton Village locations.

Candidate 1 was placed with one of our newer traders (Chishuru), who was also a Brixton Kitchen competition runner up, in a front of house position. Although the candidate had no prior experience, he had been supported via a local careers provider (Spiral Skills) to move from at-risk status in his school to a confident student with an improved vision for his future career.

The Trader provided a nurturing environment for growth and development and the candidate excelled as an employee.

Candidate 2 was referred to another new trader (Temaki) via Chishuru and Candidate 1 with similar performance and experience outcomes. It was the young person's 1st job and although not in his area of career interest, it provided an important opportunity to earn and develop essential employability awareness.



Outcomes

Currently both candidates are still employed with their original employers and their performance ratings are both classified as excellent.

Candidates feedback and observation suggest that the social experience of meeting and interacting with new people and adults and the opportunity to connect with other young people was a valuable part of their experience.

As entry level opportunities, candidates admit to aspiring to higher level positions, but understand the value of having proved themselves at this level and having established relationships and network opportunities.

Programme Design & Structure

Based on the learnings from the pilot effort and the feedback and needs from traders the programme design was finalised with the following characteristics:

- A pool of 20-30 young candidates, refreshed annually, providing first job opportunities for up to 20 young people each year.
- Preparatory training for both Employers/Traders and Employees to increase likelihood of success and longevity
- Social, discount, and entertainment benefits embedded for young people
- 3 Key Stages including:
Preparation, Training, & Orientation (Employer & Employee)
Employment, Monitoring, & Support
Graduation, Promotion/Reward, & Progression Planning



Resource Pool

To provide sustainability and flexibility for traders, a large pool of young starters will be recruited into a pool that allows each trader to have access to primary and secondary employees who are trained to be able to work with at least 2 market traders. As young people graduate from the programme, new trainees recruited from local secondary schools, will be added to the resource list and put through the same development process so that each year, there are dedicated opportunities available for Year 11 graduates.

Training & Preparation

Social & Benefits

Programme Stages

black seed

Disclaimer

The information and opinions contained in this document and any other material discussed verbally are preliminary in nature and provided solely for information purposes and as at the date of this document and are subject to updating, completion, revision, verification and amendment and as such it may change materially. This document has not been approved by any regulatory authority, including but not limited to the UK Financial Conduct Authority (the "FCA") or the U.S. Securities and Exchange Commission. This document does not constitute, or form part of, a prospectus or offering memorandum or any offer or invitation or a solicitation of any offer or invitation for the sale or purchase of securities or of any of the assets, business or undertaking described herein. In addition, it is not intended to form the basis of or act as an inducement to enter into any contract or investment activity, and should not be considered as a recommendation by Founders Factory (the "Company"), or their respective employees, directors, agents or affiliates, or any other person in relation to the Company or its business. No reliance may or should be placed by any person for any purpose whatsoever on the completeness, accuracy, fitness for use or fairness of the information or opinions contained in this document, or any material discussed verbally, and no liability whatsoever (whether in negligence or otherwise) arising directly or indirectly from the use of this document is accepted and no representation, warranty or undertaking, express or implied, is or will be made by the Company, any related party, or their respective affiliates with respect to the completeness, accuracy, fitness for use or fairness of such information, opinions or material, or for any errors, omissions or misstatements, and none of them accepts any responsibility or liability as to its accuracy or completeness. In addition, no duty of care or otherwise is owed for any loss, cost or damage suffered or incurred as a result of the reliance on such information or opinions or otherwise arising in connection with this document. To the fullest extent permissible by law, each of the Company, each related party and their respective affiliates disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this document. Recipients should not construe the contents of this document as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters. The information in this document is not intended to form the basis of any contract. The information contained in this document has not been independently verified. This document does not purport to be all-inclusive or to contain all the information that a prospective investor may desire or require in deciding whether or not to

offer to subscribe for any investment. The provision of the information in this document should not be treated as giving investment advice and the document should not be relied upon as a representation of any matter that a potential investor should consider when evaluating the above Fund (the "Fund"). Prospective investors should make their own independent evaluation of an investment in the Fund and will be solely responsible for forming its own views as to the potential future performance of the Fund. The document does not take into account the objectives, financial situation or needs of any person, and independent personal advice should be obtained. This document and its contents are strictly confidential and should not be distributed, published or reproduced by any medium or in any form, directly or indirectly, in whole or in part to any other person. This document is only addressed to and directed at persons in member states of the European Economic Area (the "EEA") who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC, as amended by the 2010 PD Amending Directive (Directive 2010/73/EU)) ("Qualified Investors") and, where addressed to and directed to persons in the United Kingdom, to persons who are also those: (i) who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005, as amended (the "FPO"); or (ii) who are high net worth entities as described in Article 49(2) of the FPO; or (iii) to whom it may otherwise be lawful to distribute it and in all cases are capable of being categorised as a Professional Client or an Eligible Counterparty for the purposes of the FCA Conduct of Business Rules (all such persons being together referred to as "Relevant Persons"). Any person in the EEA or the UK who receives this document will be deemed to have represented and agreed that it is a Relevant Person. Any such recipient will also be deemed to have represented and agreed that it has not received this document on behalf of persons in the EEA other than Qualified Investors or persons in the UK and other member states (where equivalent legislation exists) for whom the investor has authority to make decisions on a wholly discretionary basis. The Company will rely on the truth and accuracy of the foregoing representations and agreements. Any person in the EEA or the UK who is not a Relevant Person should not act or rely on this document or any of its contents. Failure to comply with this restriction may constitute a violation of applicable securities laws.

We empower Black founders to build the impossible

Rooted in Brixton, with global ambition, Black Seed is building a unique franchise which begins as a seed programme and community but will grow into the definitive name in Black tech entrepreneurship.

Led by Black founders, for Black founders.



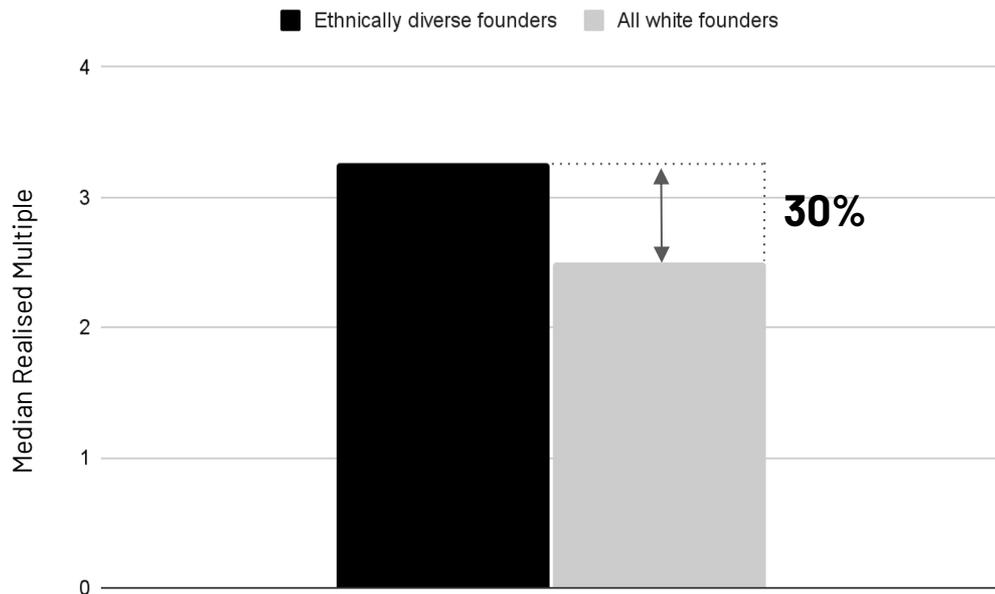
Black founders are over mentored and under funded

0.24%

VC funding received by Black entrepreneurs between 2009 and 2019 in the UK – 38 businesses in total, of those only one Black female founder raised Series A.

Source: Extend Ventures report, November 2020

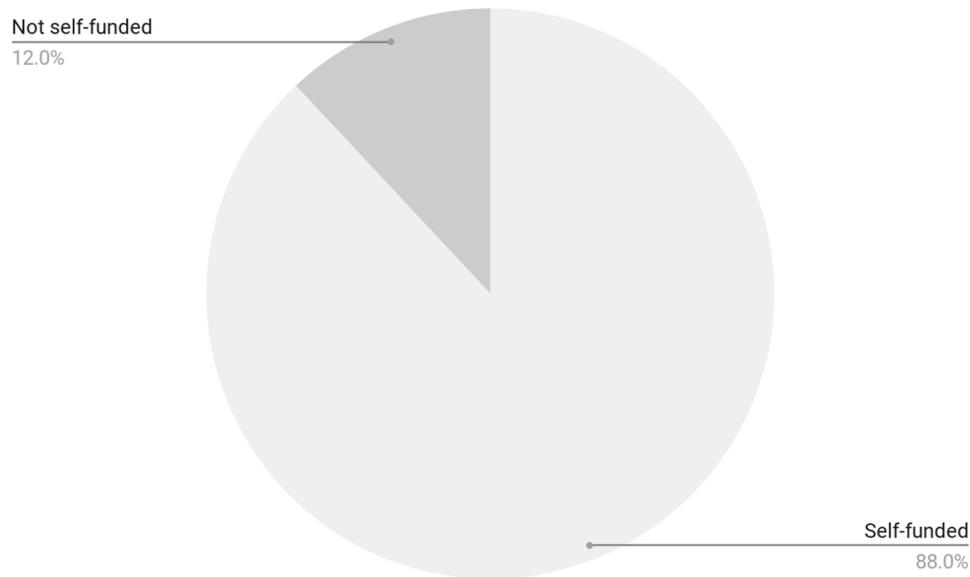
Yet companies founded by ethnically diverse teams have historically outperformed all white founding teams by over 30%



Ethnically diverse founding teams have also earned a 3.26x median realised multiple on IPOs and acquisitions, compared to a 2.50x realized multiple for white founding teams, a 30% increase.

Source: Kauffman Fellows report, February 2020

Black founders disproportionately fund their own ventures



A VC accessibility gap: 88% of Black founders in the UK self-fund at least part of their venture.

There's always been entrepreneurialism in the Black community.

Venture capital just hasn't made its way to them yet.

Source: *The Black Report, 2020*

To ensure more equal and successful investment, investors need to be more diverse too

3%

According to data from Diversity VC, **only 3% of VCs in the UK are Black**, and very few of these are partners or people with decision-making capability.

18%

A study at Harvard Business School showed that **racial homogeneity among fund general partners decreases investment success rate** by 18%.



Black Seed is building a new kind of tech community

Black founders are the most underrepresented in the tech ecosystem today.

They need a space and community where they will be challenged, but also understood, championed and funded - this is what we are building.

Black Seed, built by Black founders, has the ambition to build venture studios, seed programmes, events, funds and other activities supporting Black founders.

The team is based out of Brixton Village while its home in the exclusive new working space 'One Brixton' is being built. In 2024, One Brixton will be the first entrepreneurial ecosystem in Britain dedicated to Black entrepreneurship, and Black Seed is considered key to its success.

Our 5-year vision

**100+ Black-led
startups receiving
funding from the
Black Seed
programmes &
Venture Studios by
2026.**



Black founders can identify untapped markets that technology companies have traditionally ignored

Diverse founders see the world from a variety of perspectives, notice problems others don't see and devise innovative solutions.

They reach communities underserved or ignored by mainstream offerings and can access untapped markets.

Beautystack. Uses social media to help beauty professionals become financially independent. Sharmadean Reid secured \$6.1m of venture capital in an industry where the average funding for Black women is \$42,000.

AfroCenchix. Broke into the hugely underserved afro hair market with an all-natural, vegan, fair-trade hair company. Now selling online hair care products to consumers in 23 countries.

WorldRemit. International money transfer service founded by Ismail Ahmed. Currently considering taking its listing to the US at a \$1.5 billion valuation.

It's a myth there is no pipeline of Black founders

Selected deals already in our pipeline:

- UK Rapper 2-part duo, D2C Baby products (250,000 in orders)
- Female-led Uber Eats for Afro- Caribbean foods
- Female-led, AI-powered family planning app
- Female-led fintech making NFC payment hardware

Even a base case scenario shows that today there should be at least 10 black founded technology startups a year:

670,000 companies founded in UK in 2018/19.

Around **1.8%** of all incorporated companies are technology companies.

Around **1.7%** of all technology companies have at least 1 director or partner who's black (13,400).

That gives **205** tech companies with a black director (670k x 1.7% x 1.8%)

Around **5%** of new tech companies get seed funding.

That means you'd expect to see **10** black-led technology startups a year.

... and the future pipeline for a new generation of entrepreneurs is much bigger

At Black Seed, we will inspire and build a future pipeline by building a community of entrepreneurs.

An aspirational number for the pipeline could be as high 30 per year in the UK alone, assuming perfect alignment with demographics.

The UK population is around **5%** Black (including mixed race people.)

Around **600** seed deals happened in 2019.

Keeping all things equal we would expect **30 Black founders** to be in that group of 600 (i.e. 5% x 600).

Two leaders with the experience and grit to support Black founders



Cyril Lutterodt, CEO & Managing Director, Black Seed | CEO & Co-Founder, Zoi.ai

A second time founder, Cyril took part in over 10 of the top accelerators in the country and pitched to over 100 VCs, experiencing first-hand the funding gap faced by Black entrepreneurs in the UK.

After receiving a scholarship to study Software Engineering at the University of Texas at Arlington, Cyril dropped out in 2014 to found a robotics startup which raised over \$200k and patented one of the first asymmetrical drones.

Cyril has since built blackible.com, a Yelp for Black business, with a childhood friend from Ghana, and most recently founded Zoi.ai, a telehealth startup.

Cyril grew up in Accra, Ghana. He migrated to the UK when he was 11 and went to a comprehensive school in Lambeth.



Karl Lokko, Chairman, Black Seed | Co-founder, DBK studios

A former gang leader turned activist, campaigner and entrepreneur, Karl has spent the past decade of his life advocating for a fairer and more inclusive business ecosystem.

Karl saw his first shooting at the age of 12. He grew up on a gang-ridden estate and went on to be shot at, stabbed, cut in the face and witness to his close friends' murders. After the intervention of a Church-run anti-youth violence project, Karl was able to denounce his gang involvement and turn his life around.

Now a successful campaigner, Karl offers consultancy and advisory to high profile individuals and decision makers, such as Prince Harry and Sam Branson. His philanthropic efforts have helped raise millions for charities in the UK.

He is the Co-founder of DBK studios, which creates film and television content led by Black producers. A gifted orator and poet, Karl is regularly invited to speak at corporate, public and charity events including TEDx Talks.

Black Seed's operating partner: Founders Factory

Founders Factory is Black Seed's operating partner:

- Providing a large part of the operating talent (growth marketers, talent, product, design, engineering, data science etc.) for the programme.
- Guiding Black Seed in building and executing on its strategy and expansion plans.
- Providing access to a senior team of entrepreneurs and 100 tech operators, as well as our own, bespoke team.
- Providing access to one of the most powerful networks in technology (via Founders Forum).



Set up by veteran entrepreneurs Brent Hoberman and Henry Lane Fox, FF has built **45** companies from scratch in 5 years & invested in a further **150** companies

We are raising a £10 million equity round - a large part of this will go towards our first seed programme, which will provide...

Seed funding

aimed exclusively at Black founders over three years.

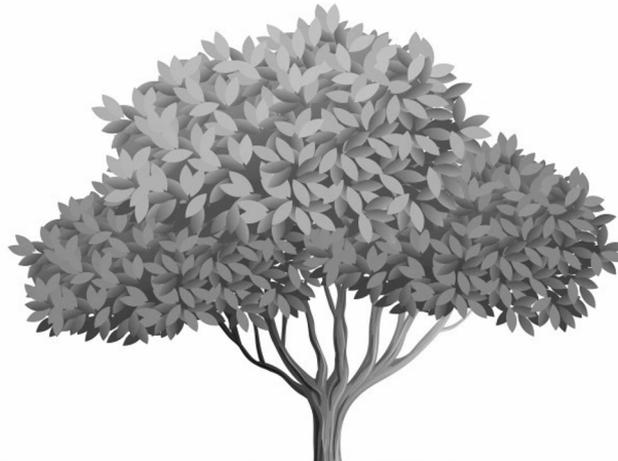
30 tech or tech-enabled startups

led by Black entrepreneurs.

Black Seed will take a **10% equity stake** in each business.

Invest £175k and six month **fully bespoke operating programme.**

We believe that funding, in addition to the fully bespoke operating programme and Black Seed's events and other activities, will provide the catalyst the ecosystem is looking for.

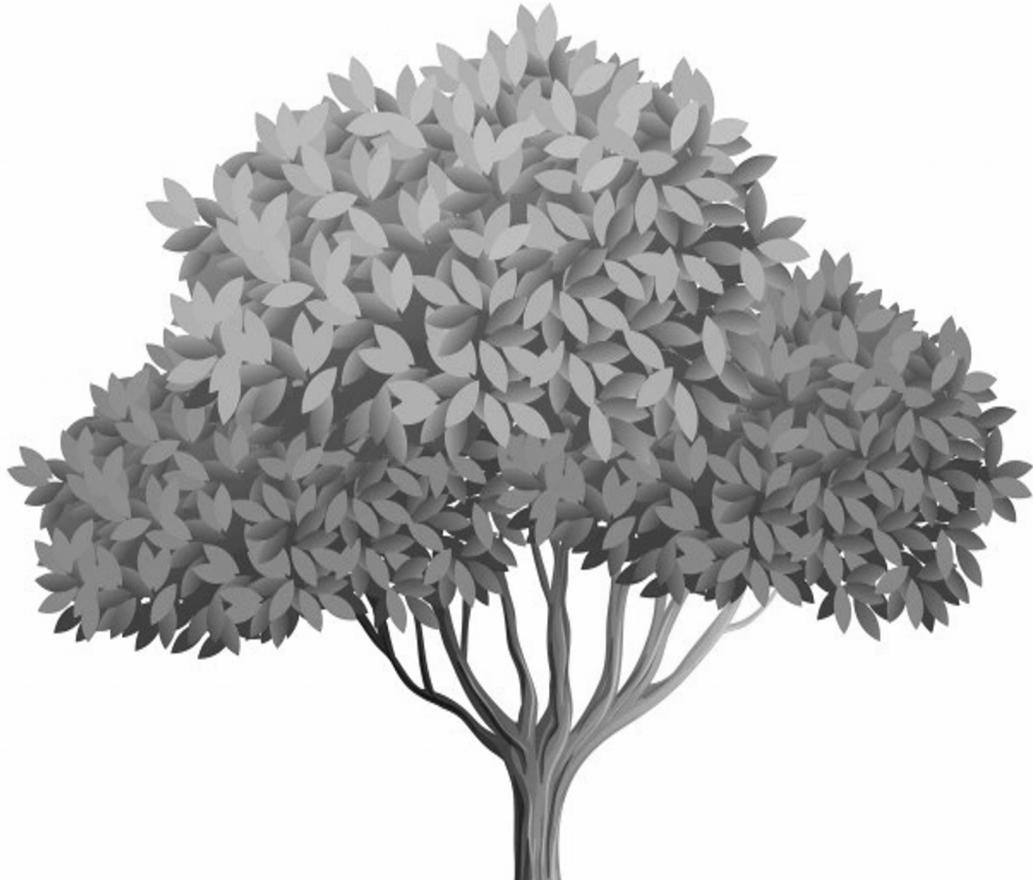


Part of the capital will go into expansion activities as Black Seed will look to build its activities beyond our first product.

But we aren't stopping there.

Part of the capital will go into expansion activities as Black Seed will look to build its activities beyond our first product.

We aim to build seed programmes, venture studios, events & successor funds around the world.



How we are expanding our own pipeline pre-seed

Community Building

Our space in Brixton will be a space to connect Black founders and the hub of activity.

Office Hours: with seasoned VCs.

Tech events: with the likes of **DeepMind & Google** already lined up.

Fireside chats: with successful founders to inspire the next generation.

The Lion's Den

Inspired by the **Startup Weekend model**, we will run a programme to educate & inspire potential black founders with a business idea.

At the end of the weekend, we will host a competition to enable entrepreneurs to pitch for £10k pre seed funding.

Scout Programme

We want to hire **10 scouts** who can help us find potential entrepreneurs within local communities and universities. Scouts will be incentivised financially to help us identify the best companies (£5k for any company they refer that we invest in).

Our first corporate sponsors



Google

From seed to IPO: Setting up Black-led businesses for long-term success

6-months seed programme

Monthly functional sprints.

Monthly programme management meetings.

Operational support in: tech and data science, product and UX/UI design, growth, brand, PR & comms, talent, strategic development and venture.

Mentorship & community

Mentorship and support from Black Seed co-founders as well as our wider network of Black entrepreneurs.

Access to our corporate partners.

Follow on funding

We will be a bridge to future investors. Founders will benefit from our investor network which includes some of the most successful early-stage investors in Europe.

Seed programme investment criteria

We don't trade diversity bias for excellence.

- Self identify as a black founder or director on management team
- Clear vision, product market fit in a large and growing market
- Tech and tech-enabled businesses
- Consumer, enterprise and deep tech
- Operate in new markets with a model that can scale rapidly
- Strong gross margins and capital efficient business models

Steering committee



Saul Klein
Co-Founder, LocalGlobe



Stormzy
Artist



Yvonne Bajela,
Impact X



Andy Ayim, Angel
Investing School



D-J Collins, Co-Founder,
Milltown Partners



Sarah Hunter, Creator
of Google Campus



Tom Adeyoola, Co-
Founder, Extend
Ventures



David Hickson, Chief
Strategic Development
Officer, Founders
Factory



Catherine Rimmer,
Chief of Staff to Tony
Blair, CEO, Tony Blair
Institute



Jason Stockwood, Serial
tech entrepreneur and
investor

black seed

Contact details:

hello@blackseed.ventures

www.blackseed.ventures

Brixton Village

Coldharbour Ln, London SW9 8PS, UK

© 2021. All rights reserved.

‘We want Brixton to be the black Silicon Valley’

Black Seed, founded by two London-based entrepreneurs, is aiming to bring capital and community to black-owned businesses

Daniel Thomas SEPTEMBER 2 2021

As a teenage gang leader in south London, Karl Lokko was shot at, stabbed, and saw friends murdered. For those living on estates like the one where he grew up, he says, it feels that “the game is rigged if you look or sound like us, or have parents whose names are a bit more . . . tropical”.

Now a venture capital investor in his thirties, the same lack of opportunity and structural racism keeps many in the black community from joining him in the tech industry: “As a black founder, you’re more likely to get skin cancer than funding,” Lokko says.

Lokko and his partner, Cyril Lutterodt, want to help black-led start-ups access funding, through the creation of Europe’s first venture fund group that is “led by black founders for black founders”.

[Black Seed](#) is hoping to be the bridge between the tech industry and the UK’s black community and help tackle the systemic funding problem. The team is raising £10m to take stakes in promising black-led start-ups. It has already attracted early backing from investors such as Saul Klein and property chief [Ric Lewis](#). [Brent Hoberman’s Founders Factory](#) has signed up as an operating partner.

“We want Brixton to be the next black Silicon Valley,” says Lutterodt. “Black Seed is a community. We want to find the next Steve Jobs. The next black Jeff Bezos, the next black Bill Gates, the next black Larry Page. Black rebel ideas.”

The team wants to build a portfolio of seed funding in up to 30 black-led start-ups across Europe within three years. Portfolio companies will be offered office space in Brixton, where the team can offer additional support and access to other investors.



Panelists (left to right) Gina Nipah, Andy Davis and Tendai Moyo at an event for Black entrepreneurs in Brixton © Charlie Bibby/FT

For its investors, Black Seed promises to provide access to start-ups in an underserved market that otherwise would be missed by the ranks of Mayfair-based venture capital funds.

“We are able to access market opportunities that those that aren’t from our background can’t,” says Lokko. “Those gatekeepers have a particular lens [which means that] they’re missing everyone.”

A report by [Extend Ventures](#), a not-for-profit organisation that helps black and minority ethnic entrepreneurs, says that UK founding teams from ethnic minorities received just 1.7 per cent of capital invested at all stages between 2009 and 2019. This fell to about 0.24 per cent for black founders.

More than three quarters of funds go to white founding teams. British Business Bank data shows that just [62 of the 1,190 start-ups](#) that used the government’s Future Fund loan scheme, the UK’s Covid-19 business support programme, had solely ethnic minority senior management.

The idea for Black Seed came when Lokko was introduced to Lutterodt, another black British entrepreneur. He had returned from the US, where he had studied at the University of Texas with a scholarship before dropping out to found a robotics start-up. He wanted to raise money for a new UK start-up, but had struggled to find backing, despite taking part in 10 accelerator programmes and pitching to more than 100 VCs.

Lutterodt asked Lokko to use his network to help — by then, Lokko was working as an adviser to a range of businesses and organisations, from a Big Four consulting firm to Prince Harry. Through working with these businesses — and seeing what happens “behind the curtain”, as Lokko calls it — the pair realised they could work together to try to remove the hurdles that often face black entrepreneurs.

According to research by the BBB and [Oliver Wyman](#), after starting a business, black business owners make on average about 30 per cent less than white owners. The BBB concluded that there was not a level playing field in entrepreneurship, whether for opportunities or outcomes. The outcomes are even worse for female black entrepreneurs.

The BBB said that “access to finance, deprivation, education, and under-representation in senior workforce positions partially explain these disparities. However, systemic disadvantage also appears to play a role.”

Lutterodt and Lokko often hear there is a “pipeline problem” — too few black people seeking to create new businesses — but they say this is a myth. “We are trying to break down systemic barriers that people face when raising capital,” said Lutterodt.

The pair are keen to stress that Black Seed is an opportunity for investors. Lokko says the team of four want to tap into very entrepreneurial communities that simply lack access to funds — and make money for their own investors in doing so. “We want to pick the winners,” says Lutterodt.



Black Seed is running monthly community events bringing together investors and founders to find the best start-ups © Charlie Bibby/FT

“Under-represented just means underestimated,” adds Lokko.

Black Seed is running monthly community events bringing together investors and founders to find the best start-ups. The most recent attracted Andy Davis, co-founder of 10x10, a pre-seed fund for black founders; Tendai Moyo, founder of black haircare brand [Ruka Hair](#); Kiemu Salmon, founder of [Beautonomy](#); Rahmon Agbaje, an entrepreneur; and Krept, also an entrepreneur and musician.

Lutterodt compares these events and having people out in the community to the work done by football teams for talented black players. “We put scouts out there to find the best talent,” he said, adding that in future there would also be *Dragons’ Den*-style pitch sessions.

The fund’s investment criteria mean founders need to self identify as a black person, with a focus on tech and tech-enabled businesses.

New FT Live event



FT’s Future of Work event series is back this October. Join Facebook, LinkedIn, AstraZeneca, Nasa, and more as they explore key themes such as omnichannel workplaces, the impact of AI on jobs, privacy and security issues in distributed workforces. [To book tickets, visit here](#)

Lutterodt points to emerging sectors such as those specifically targeting black consumers, as well as creative industries and tech start-ups using social media platforms such as TikTok.

The group is in talks to back a well known rap artist planning to launch a childcare brand, a female-led UberEats for African Caribbean foods, an AI-powered family planning app and a female-led fintech making payment hardware.

David Hickson, Founders Factory chief strategic development officer, says: “Our mid-term ambition is to help [Black Seed] build venture studios and seed programmes around the world to help support black entrepreneurs and to help catalyse black entrepreneurship.”

Lokko admits that Black Seed will not easily solve the issues facing black founders. The team is looking for backers, he says, “that are resilient, have tenacity and also see the long-term view because it’s going to take some time”.

