Hackney

London Borough of Hackney
Working in Hackney Scrutiny Commission
Municipal Year 2017/18
Date of Meeting Monday, 5th February, 2018

Minutes of the proceedings of the Working in Hackney Scrutiny Commission held at Hackney Town Hall, Mare Street, London E8 1EA

Chair	**Councillor Anna-Joy Rickard**
Councillors in Attendance	**Cllr Mete Coban (Vice-Chair), Cllr Patrick Moule, Cllr Deniz Oguzkanli, Cllr M Can Ozsen and Cllr Clare Potter**
Apologies:	**Cllr Nick Sharman**
Officers In Attendance	**Paul Horobin (Head of Corporate Programmes), Andrew Munk (Head of Employment and Skills) and Stephen Haynes (Director – Strategy, Policy and Economic Development)**
Other People in Attendance	
Members of the Public	
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Councillor Anna-Joy Rickard in the Chair

1 Apologies for Absence

1.1 Apologies for absence from Cllr Sharman.

1.2 Apologies for lateness from Cllr Moule.

1.3 Apologies for leaving early Cllr Ozsen.

2 Urgent Items / Order of Business

2.1 There were no urgent items and the discussion was as per the agenda.

3 Declarations of Interest

3.1 None.

4 Minutes of Previous Meeting

4.1 Cllr Coban advised his apologies for the last meeting were not recorded. Minutes to be amended for point 1.1 to note Cllr Coban's apologies for absence.

4.2 Minutes of the meeting held on 14th December 2018 were agreed subject to the amendment noted in point 4.1.

RESOLVED	Minutes were approved subject to the amendment in point 4.1.

5 Economic and Community Development Board Update

5.1 At the last Working in Hackney (WiH) Scrutiny Commission meeting the revealed the Economic Community Development Board was still in the development phase for their Economic Development Strategy. In replace of the scheduled update the Commission was given the opportunity to provide critical challenge to the development phase of this strategy.

5.2 The Chair welcomed to the meeting Stephen Haynes, Director, Strategy, Policy & Economic Development, Paul Horobin, Head of Corporate Programmes and Andrew Munk – Head of Employment and Skills from London Borough of Hackney.

5.3 The Chair opened the discussion by explaining the Commission was holding a workshop style session to look at the officer's work on the draft economic strategy in advance of the officers presenting the final draft to the Economic Community Development Board for agreement. The Chair explained the Commission had the opportunity (unusually) to engage at a very early stage in the process. The aim from this discussion was not to co-produce the strategy, because the Commission does not want to compromise its role as a critical friend, but to review the progress made and provide critical challenge to the proposed content.

5.4 In the meeting Members reviewed with officers the draft strategy and split into 2 groups to discuss the following 2 questions:

1. Members were asked to identify any gaps in the Strategy?

2. Members were asked if the strategy content identified with Hackney and addressed the challenges specific to Hackney.

5.5 The Director, Strategy, Policy & Economic Development commenced the session with the following opening comments:

5.5.1 The Council and Mayor of Hackney are committed to an economic development approach that is about ensuring no one gets left behind and that has tackling inequalities at the heart of the strategy.

5.5.2 The Council is focusing on inclusive growth and this is explained in the strategy. The Centre for Local Economic Strategy has commented marrying growth with social inclusion is like 2 sides of the same coin. It's not just about income and developing an area from a purely economic prospective; but also about making sure the community is involved in the process; can benefit from that process and sees where the value lies in taking this approach. The Council is developing its community strategy and makes reference to the themes in this approach.

5.5.3 The officer explained the council is making efforts to communicate vigorously about this inclusive approach to economic development. Highlighting it was the first time the council combined structural change – services shifting their focus – with a strategic approach so they can have the right team, doing the right things, for the right reasons. This is a strong set of drivers and it is being communicated to officers these are top mayoral priorities.

5.6 The Council is holding a number of discussion on:

- In work poverty
- The role of the council and partners to support residents to move and progress in their career
- Skills and the hollowing out of the labour market
- The impact of welfare reform, Universal Credit and employment support.
- The groups facing employment challenges: over 50s, disabled, long term unemployed, young black men and women in certain professions.

5.7 The Economic and Community Development Board was established November 2016. The Board is focusing on the long term vision and has identified 3 thematic areas for the work of the strategy.

- Theme 1 - Helping to create liveable, sustainable and economically resilient places where economic growth and change can benefit everyone.
- Theme 2 - Encouraging and support diverse businesses to thrive across a dynamic borough.
- Theme 3 - Supporting people to live well and develop skills that are fit for the future, allowing them to connect with employment opportunities across London.

5.8 The Board will review the development of the strategic framework and give feedback at their next meeting in March 2018. The comments from the Scrutiny Commission's workshop will feed into the framework being drafted. After the Board has signed-off the strategy it will be made public.

5.9 Members enquired if Brexit was being viewed as an opportunity as well as a challenge?

The Head of Employment and Skills advised it is a key feature of the regional and sub regional work for skills devolution.

The Head of Corporate Programmes pointed out the strategy will have to evolve because economics is changing. Therefore the strategy would not be a static document. The officer highlighted the Council was monitoring the Brexit factors closely. It was noted that a study commissioned by the Mayor of London has anticipated Hackney will lose 2111 jobs.

5.10 Group 1 – comments

I. Members commented the gaps stated are aspirational and do not give the reader any sense of the action to be taken to address the gaps identified.

II. Members queried how councillors would use this strategy when they have a person asking for help with employment.

III. Members highlighted in terms of access to work Hackney has special groups they need to focus on like: care leavers, ex-offenders, long term unemployed and residents with a disability. Members wanted the strategy to give them a better understanding of how the council priorities these groups and the criteria they used.

Officers explained the strategy will not meet the needs of all community groups. The focus is on identifying, using the information available, the groups they will target and to implement specific interventions where there are challenges to address.

IV. Members liked the focus on place and officers explained the focus could be on place, cohort or a mixture of both.

V. Members highlighted the strategy did not give them a sense of where resources would be focused. Members asked of it would be on need or where input could create success; an opportunity for a win.

VI. Without more detailed information about the specific action to be taken, Members expressed difficultly in advising if the Council should spread themselves thinly or focus on particular groups.

VII. Members wanted to see more about partnership working in the strategy because the council does not have unlimited resources. Members highlighted some of the actions will required a more joined up approach between agencies. Members suggested the strategy states which agency will be responsible for what.

VIII. Members referred to areas in their ward that have been regenerated and other areas that have not. The talked about residents continually expressed the feeling of being left behind and pushed out. Long term residents were of the view the new residents coming into the borough were better educated, resourced and have the ability to shape council policies, town centre developments, markets etc. Members suggested the strategy should seek to address how they can get long term residents - those who have lived on council estates for 50 years – involved in shaping their local area.

IX. Members referred to the successful campaigning to reopen the Chatsworth Road market. Members pointed out at the time of campaigning it was not envisaged that this would turn into a food market but would be a mixed market. The officers pointed out Chatsworth Road market was community led.

X. Members acknowledged the limits of the council in being able to shape or influence economic development a particular way. However they asked if there was a role for the council to help shape a space/place so it better meets the needs of the local community. For example Members suggested the Council could state the Market's Traders Association membership should include 3 or 4 members from x communities to help keep the diversity in the space.

XI. Members pointed out they have residents who come to them asking for help to get access to a market stall. Requesting for support with the

charges for a stall and acquiring goods for their business and asking for general business support information. Members asked if the council could make allowances for those individuals with limited resources to access the business opportunities.

XII. Members suggested a way local people can contribute to economic development is through a local plan but for one Ward this process has been stopped and started.

XIII. Members highlighted another challenge with economic development is a space can become an exclusive space when it has shop units. They have noticed it is harder for the Council to shape places like this. They suggest the council thinks about how it can add flexibility to the use of the space for shop units in regeneration areas.

The officers advised the council recognises more could be done. Particularly in relation to how they use their own assets.

XIV. Members referred to the corridors referenced in the strategy and noted it does not include wards like Brownswood to the north of the borough and suggested the strategy could talk more about tri-borough borders and how to address the issues with places like Seven Sisters Road and Blackstock Road. Making reference to how there could be better integration with other boroughs. Officers pointed out these parts of the borough require strong advocacy from local councillors within the local area too.

XV. Members commented the strategy has the ingredients you would expect to find in any strategy, the challenges outlined represent a broad picture it does not currently standout as Hackney specific. Members were of the view the strategy currently highlights actions/challenges that could be applied to neighbouring boroughs. Members advised to answer this question about the strategy being Hackney specific they needed to see the evidence that underpins the strategy. Members thought highlighting challenges or concerns about the gig economy and young black men were Hackney specific challenges.

XVI. Members suggested the Council should be more innovative in relation to its use of Section 106 powers with developers. The Council should encourage developers to not just employ but educate local people too. Presenting a stronger social impact for the local community.

XVII. Members highlighted the perception of the council with small business is that the council is only an enforcer. Members were of the view having the statement ‘working with businesses’ was not specific or did not give an indication of the action to be taken to achieve the board statement. E.g. it could state ‘use the Council’s contact through regulatory services as a building block for further engagement’.

XVIII. Members were of the view the strategy should reflect the impact of housing costs in the borough as this is a unique challenge to Hackney.

The officers explained in the strategy they acknowledge the challenge but do not address it with solutions. The strategy acknowledges that just getting a job does not enable the person to cover their costs because the cost of living in London is high. So the focus is on how they can help people into work but work that pays well.

XIX. In general Members liked the direction of travel for the strategy; but highlighted currently it was aspirational and they wanted to see more

information about what success would look like when the desired outcomes were achieved. Members discussed an example of what a more meaningful statement would say Members' highlighted older workers have experience but have difficulty accessing the job market and young people have a lack of experience and find it difficult to enter the job market. The aspirational action would state "work with young people to provide employment opportunities or work with older people to access the labour market." A practical action would be a statement about implementation of an initiative that brings these 2 groups together.

XX. Members highlighted it is important to acknowledge in the strategy the Council cannot provide all the resources. The Council is well placed to facilitate and the council should focus more on the role of a 'facilitator' and do more in that sphere. The strategy should place emphasis on this role. Using other levers to influence and not just assume the role of a service provider.

5.11 Groups 2– comments

I. Members agreed with the 3 thematic areas identified for the strategy and commented they require separate attention and agreed with splitting the themes.

II. Members referred to the action about involving local residents in visions and plans for local areas. Members suggested this needs to be in a meaningful way so residents can relate to the plans. Members asked officer to describe what this will look like in the strategy.

III. Members advised there are currently gaps in the methods used for consultations with residents and businesses. Members highlighted from their conversations with local businesses in Stoke Newington, who have been there for 40 years, they express the view of having no say and feeling pushed out. Members suggested the Council's current communication channels with local businesses needed to go further than the current methods used.

IV. Members liked the proposal for the introduction of area steering groups. Members were of the view the ECDB or s similar structure needed to expand into the local community bringing in the voice of key stakeholder in the community. Members queried if the area steering group would be officer led. Members were of the view if the area steering groups were set up and included officers it should also have members of the community on it to create a sense of shared ownerships.

V. Members highlighted the council is in a time where it has limited resources and therefore needs to create shared ownership to tackle some of the social challenges they face. This would also help to target the voice of the groups the council was trying to reach. Members pointed out it is not simply about communicating a message.

VI. Members pointed out through their campaign work they noticed a number of BME businesses that were not digital or active on social media. Members pointed out this section of the business community did not seem to be reflected or highlighted in the draft strategy. Members commented the number of businesses that operate like this is unknown and the council needs to remember they represent a percentage of micro businesses in Hackney. Member's instinct is they make up a big group of that segment. Some of the

micro businesses are not digital, speak little English but can have international links and this is not necessarily known by the council. The Council needs to look at this and think about how the strategy can capture these businesses. This group could represent a high percentage of micro businesses not included or thought about. Members suggested there is some kind of check carried out for this group.

The officers explained the council recognises that there are a number of businesses that do not use digital services and they are conscious they capture visible businesses such as retail.

VII. Officers pointed out for the recent business survey the Council used their economic regeneration officers to help access these businesses by going out with the paper survey to fill it in. However this is quite labour intensive and cannot be replicated by the council often. The council is thinking about how they can encourage them to engage and the different ways to do this.

VIII. Offices pointed out 9 out 10 businesses in Shoreditch are micro businesses meaning they employ less than 10 people. The challenge for the council is building a relationship with so many micro businesses.

IX. Members pointed out the challenge for Hackney is how to deliver a more positive message about apprenticeships. Members suggested the Council contributes to the delivery of a more positive message about apprenticeships. Helping to change the narrative and views about the value of apprenticeship. Delivering this message to employers and parents. It was pointed out that currently parents can view the encouragement of apprenticeships to mean the young person is not doing well in school. The Council recognises that parents do not place the same value on technical education like academia.

X. Members pointed out the council is doing work to identify the thriving industries and growing work sectors for the strategy. Members commented this should lead to more emphasis on careers information and should be incorporated into careers advice so young people are being steered into the right careers. Relevant stakeholders should be thinking about the message communicated in career guidance. Member commented it may seem obvious but it is not highlighted in the strategy.

XI. Members pointed out there is no reference to social entrepreneurship and social enterprise. This is important given the social problems in Hackney and limited council resources. Members suggested the strategy looks at how the council can help social enterprises tackle these problems. Members pointed out in relation to business support often social enterprises fall between the gaps. Viewed primary as a provider of resident views and not as an organisation that provides input or solutions for business support. Members suggested the strategy could identify their barriers and consider how they could be support. Members commented maybe social enterprise falls in the shared ownership group.

XII. Members commented Hackney is very diverse and this needs to feature strongly in the strategy.

XIII. Members referred to Stoke Newington Business Associations and pointed out its membership mainly consisted of shop owners on Church Street. Members highlighted the shops on Church Street are very different to the shops on Stoke Newington High Street in terms of the demographic they serve. At the time when the council was engaging with the Stoke Newington Business Associations they thought they were representative of businesses but they

were not. Members wanted to make sure the strategy helps ensure these groups are representative.

XIV. Members referred to Stoke Newington High Street's one way system and described how Church Street is at one end and has developed into a niche space with a specific clientele and the Dalston end of the high street is more active. However the businesses in the middle of the high street are struggling. Members advised the Council's place shaping work needs to incorporate effective change for all. Members talked about this being achieved through things like the local plan which allows residents and businesses to feed in their views about change.

XV. Member commented place shaping is new and not something everyone understands. Officers advised Hackney Council is ahead of the curve when it comes to place shaping to meet local need. Officers explained the aim is for all places to have their own identify and sense of direction that everyone can relate to – residents, businesses, ward councillors etc.

XVI. Members were of the view this is still new thinking - how Hackney does creative space. Officers explained the council is trying to align different services and interests e.g. planning, transport, economic development, employment interests and estate regeneration so it has one coherent prospective in relation to place shaping in the borough.

XVII. Members highlighted in relation to employment the strategy could be more ambitious and forward thinking. The view is the strategy is focused on the current work and has less focus on the future achievements it wants to see too. Members suggested there is a bigger section on the direction of travel.

XVIII. Member referred to Brexit and suggested the council could be communicating this as an opportunity to help with skills development locally and to encourage larger organisation with the resources to support social enterprises with up skilling. For example a social enterprise could be teaching coding to girls and an organisation could provide business support in the form of resources to help them do their work. This in Members opinion would help the skills system in Hackney to be more business led. This needed to be emphasised more in the strategy. Members commented this could help to create a shorter distance between business and skills.

5.12 The Chair thanked officers for their attendance and for supporting their workshop discussion.

Officers agreed to take away the comments from the Commission to feed into the development of the strategy.

6 Future World of Work and Skills - Event Notes

6.1 The notes from the Working in Hackney (WiH) evidence event held on 29th November 2017 were noted on pages 21-46 of the agenda.

6.2 The Chair commenced the discussion with a recapped of the review to date. The Chair highlighted the Commission has heard from Resolution Foundation, Fabian Society, IPPR and Central London Forward about the predications, challenges and future impacts on the future world of work and skills in the next 5-10 years.

6.3 The Commission would be conducting an afternoon of site visits on Monday 19th February 2018 to 2 workspaces in the borough. The visits would be to the Bootstrap in Dalston and The Brew in Shoreditch.

6.4 The Chair explained the aim of the site visits was to get a better understanding of self-employment in Hackney and the changing work environment. Members agreed to send out questions in advance to the businesses being visited.

6.5 In addition to site visits to the Commission would be hosting a focus group discussion with residents on Monday 19th February to talk about employment and obtain their views about the world of work and skills.

6.6 The site visits and focus groups would give the Commission information about local views and experiences and they could compare this to the expert's views they have heard from. Members agreed to send out questions in advance of the focus group so that residents could prepared for the session. The focus groups would be grouped as follows:

- Self employed
- Part time and Full Time employment
- Casual/temporary and zero hours contract.

6.7 The Chair suggested the Commission holds a further evidence session focusing on skills to hear from skills providers. In response to this a Member suggested this may duplicate the work carried out by Community Safety and Social Inclusion Scrutiny Commission (CSSI) in their Apprenticeship Review recently. It was noted this review heard from skills providers. It was suggested this report was reviewed for any significant gaps to follow up on.

6.8 The Chair pointed out the focus on skills was to consider how the Council could maximise employers input into skills.

6.9 The Chair advised the WiH review report would focus on the following areas which they have identified are specific to Hackney, in relation to the future world of work and skills.

- A rise in self-employment.
- Local Employers and their involvement in skills.
- Housing and land values and the impact of Hackney's property prices and land values on local employment.
- Polarisation of jobs between high and low.
- Brexit Impact the anticipate impact on sectors like construction, hospitality and retail.

7 Working in Hackney Scrutiny Commission 2017/18 Work Programme

7.1 The next WiH is scheduled for Wednesday 14th March and the Chair suggested this meeting date was moved to Monday 12th March 2018.

Members present at the meeting agreed to move the meeting date.

ACTION	Members agreed the date change. The WiH meeting would be moved

	to 12th March 2018.

7.2 The Members discussed the work programme and considered the next session scheduled in the work programme. The session scheduled was a discussion on inequalities. The Chair proposed they move the inequalities discussion to the new municipal year and hold a further evidence session for the review on skills.

ACTION	Members agreed.

8 Any Other Business

8.1 None.

Duration of the meeting: 7.00 - 8.45 pm