Overview & Scrutiny

Skills, Economy and Growth Scrutiny Commission

All Members of the Skills, Economy and Growth Scrutiny Commission are requested to attend the meeting of the Commission to be held as follows:

Wednesday 9 March 2022

7.00 pm

Room 102, Hackney Town Hall, Mare Street, London E8 1EA

The press and public are welcome to join this meeting remotely via this link:

https://youtu.be/ 0sBvn k3ag

If you wish to attend please give notice and note the guidance below.

Mark Carroll

Chief Executive, London Borough of Hackney

Contact:

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Members: Cllr Polly Billington (Chair), Cllr Clare Potter (Vice-Chair),

Cllr Richard Lufkin, Cllr Sam Pallis, Cllr Steve Race, Cllr Gilbert Smyth,

Cllr Nick Sharman, Cllr Patrick Spence and Cllr Vincent Stops

Agenda

ALL MEETINGS ARE OPEN TO THE PUBLIC

- 1 Apologies for Absence
- 2 Urgent Items / Order of Business
- 3 Declarations of Interest

4 Voluntary Sector (Pages 5 - 20)

5 Economic Stock take and the Night Time Economy (Pages 21 - 58)

6 Skills, Economy and Growth Scrutiny Commission (Pages 59 - 66)

2021/22 Work Programme

7 Minutes of Previous Meeting (Pages 67 - 68)



8 Any Other Business

To access the meeting please click on the link https://youtu.be/_0sBvn_k3ag

If the top link fails please click on this link https://youtu.be/RpRSFc790xE

Access and Information

Getting to the Town Hall

For a map of how to find the Town Hall, please visit the council's website http://www.hackney.gov.uk/contact-us.htm or contact the Overview and Scrutiny Officer using the details provided on the front cover of this agenda.

Accessibility

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall.

Induction loop facilities are available in the Assembly Halls and the Council Chamber. Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

Further Information about the Commission

If you would like any more information about the Scrutiny Commission, including the membership details, meeting dates and previous reviews, please visit the website or use this QR Code (accessible via phone or tablet 'app')





Public Involvement and Recording

Scrutiny meetings are held in public, rather than being public meetings. This means that whilst residents and press are welcome to attend, they can only ask questions at the discretion of the Chair. For further information relating to public access to information, please see Part 4 of the council's constitution, available at http://www.hackney.gov.uk/l-gm-constitution.htm or by contacting Governance Services (020 8356 3503)

Rights of Press and Public to Report on Meetings

Where a meeting of the Council and its committees are open to the public, the press and public are welcome to report on meetings of the Council and its committees, through any audio, visual or written methods and may use digital and social media providing they do not disturb the conduct of the meeting and providing that the person reporting or providing the commentary is present at the meeting.

Those wishing to film, photograph or audio record a meeting are asked to notify the Council's Monitoring Officer by noon on the day of the meeting, if possible, or any time prior to the start of the meeting or notify the Chair at the start of the meeting.

The Monitoring Officer, or the Chair of the meeting, may designate a set area from which all recording must take place at a meeting.

The Council will endeavour to provide reasonable space and seating to view, hear and record the meeting. If those intending to record a meeting require any other reasonable facilities, notice should be given to the Monitoring Officer in advance of the meeting and will only be provided if practicable to do so.

The Chair shall have discretion to regulate the behaviour of all those present recording a meeting in the interests of the efficient conduct of the meeting. Anyone acting in a disruptive manner may be required by the Chair to cease recording or may be excluded from the meeting. Disruptive behaviour may include: moving from any designated recording area; causing excessive noise; intrusive lighting; interrupting the meeting; or filming members of the public who have asked not to be filmed.

All those visually recording a meeting are requested to only focus on recording councillors, officers and the public who are directly involved in the conduct of the meeting. The Chair of the meeting will ask any members of the public present if they have objections to being visually recorded. Those visually recording a meeting are asked to respect the wishes of those who do not wish to be filmed or photographed. Failure by someone recording a meeting to respect the wishes of those who do not wish to be filmed and photographed may result in the Chair instructing them to cease recording or in their exclusion from the meeting.

If a meeting passes a motion to exclude the press and public then in order to consider confidential or exempt information, all recording must cease and all recording equipment must be removed from the meeting room. The press and public are not permitted to use any means which might enable them to see or hear the proceedings whilst they are excluded from a meeting and confidential or exempt information is under consideration.

Providing oral commentary during a meeting is not permitted.

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Skills Economy and Growth Scrutiny Commission	Item No
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Item 4 - Voluntary Sector	4

Outline

The voluntary sector was a key partner to help support the provisions to residents during the pandemic. The item is to review how COVID has impacted the voluntary sector, how this has affected the sector's ability to meet the needs of the borough, the effects on demand in the sector and the future of volunteering work.

For this session the scrutiny commission has asked for Hackney borough's umbrella organisation to talk about the sector; the boroughs lead volunteering service to talk about volunteering in the borough and a mutual aid group to talk about their experiences through covid. From establishing a new community organisation during the pandemic to what the future looks like for them.

Report in the agenda:

To support this discussion the following presentation was provided for background information.

The impact of Covid19 on VCS

Guests in Attendance Woodberry Aid

Euphemia Chukwu

Volunteering Centre Hackney

Lauren Tobias, VCH

HCVS

Tony Wong, HCVS

London Borough of Hackney

Sonia Khan, Head of Policy and Strategic Delivery

Action

The commission is asked to note the presentations and ask questions.





Introduction

- The Council's perspective Sonia Khan, Head of Policy and Strategic Delivery
- Impact of Covid19 on Hackney's VCS -
- Page 8

- HCVS
- Woodberry Aid
- Volunteer Centre Hackney



Hackney Council

- The VCS was critical to the emergency response during the pandemic and through close collaboration and partnership working provided both insight and reassurance to the Council on the needs of vulnerable residents and how theft were being met
- Through initiatives such as the London Community Response Fund,
 philanthropic funders and some LAs including Hackney Council collaborated to ensure that funding was prioritising the emergency response
 - This enabled those organisations (many small grassroots) working with the most vulnerable to respond to the needs of residents and keep them safe
 - Philanthropic funders were not collaborating with VCS in the same way and therefore have not necessarily understood that we are still in crisis in terms of poverty, inequality and complex needs and this is no longer prioritised



Impact of COVID-19 on the VCS March 2022

Our vision is of

Our mission is to

A FAIRER HACKNEY

TACKLE INEQUALITY AND DRIVE SOCIAL CHANGE



How has COVID impacted the voluntary sector?

- Increased demand for services from service users with more complex needs
- A need to diversify its service offer to meet emerging needs, beyond core service offer
- Improved relationships between other VCS and statutory partners
- A need to remodel service delivery to deliver using a hybrid approach
- Allowed the sector to be more visible, with the reach and expertise more fully understood, particularly in reaching residents furthest away from mainstream services
- Financial position: 21% improved, 24% deteriorated, and 55% unchanged; concerns however remain for future financial sustainability with lack of funding still #1 concern



How has COVID affected the sector's ability to meet the needs of the borough?

- Improved partnership working, with wider recognition of the value of the VCS
- Issues which were previously hidden became visible during the peak of the pandemic; emergency funding permitted the VCS to mobilise and respond
- Increased demand however has provided additional challenges for the VCS to meet the needs of service users.



What does demand in these services looks like?

 Widening of health inequalities is driving demand for services, including around advice, and services supporting with poverty (food/fuel)

Page

- Marked increase in service users in need of MH support; lack of appropriate services to signpost/refer onto, limiting their ability to meet demand, and manage capacity
- Increased demand, with more complex cases, and lack of referral partners is contributing to a fatigued workforce.



What does the landscape of the VCS like in the future?

- There are opportunities for the VCS to be play a significant role in supporting the recovery/build back better agenda; however fair and equitable resources are required
 - Whilst we haven't experienced a mass loss of VCS orgs, many have come very close to closure, and their future remains uncertain. We need to commitment to invest in the sector, to ensure the borough continues to be served by a vibrant and effective VCS which support a thriving community

View from Woodberry Aid Mutual Aid Group

Euphemia Chukwu

Hackney Council - responding to the challenges

- We are aware of the <u>challenges</u> facing our residents and that the situation is more difficult than it was pre-pandemic
- We are working with other funders to share our understanding of these and that we are still facing a crisis of poverty and inequalities
- The collaboration and partnership working developed through the pandemic changed our relationships with the VCS, an aspiration that had been identified in the VCS Strategy 2019-22
- We have introduced a <u>new funding stream</u> within the Council's grant programme that aims to enable and facilitate the embedding and give the sector the capacity and flexibility to respond to the challenges facing residents
- We are working to continue to <u>embed this approach</u> across the Council with a particular focus on our frontline services



Hackney Council - responding to the challenges

Community partnerships priorities in Council:

Embedded into priorities for volunteering, voluntary sector partnership working and grant making

Enable community partnership network to continue in the form and at the pace needed by the sector (also included in poverty reduction framework)

Preparedness for future emergencies:

Approach can be utilised to mobilise support and respond to refugee crisis and to design wave 4 response - further work to do turn into a guide within emergency responses

Wider prevention and early intervention:

Taken forward through poverty reduction framework



Poverty Reduction Framework

1. Prevention, early years and early help

Aim: to focus on prevention, early years and early help for all ages, as a key way to improve life chances and tackle poverty.

2, Tackling low wages and cost of living

Amm: to take actions to address low wages and the cost of living, as key drivers of poverty in Landon.

3. Responding to the material needs of poverty

Aim: to better meet people's immediate material needs and offer more preventative help.

4. Prioritising poverty reduction across the system

Aim: to ensure poverty reduction is a priority across the system

5. Ways of working

Aim: to help people on low incomes address all the issues which matter, not just the presenting issue.



Ways of working

Crosscutting corporate priorities

- Outward facing and collaborative, looking across the whole system to find the right sustainable solutions and on integration- rather than starting from a service, individual or institutional perspective
- Use our role as anchor organisations for community benefit (with procurement, assets and employment opportunities for local people)
- Deliver inclusive co-designed public services and enabling shared learning across the system to accelerate this work

Training, support, peer support

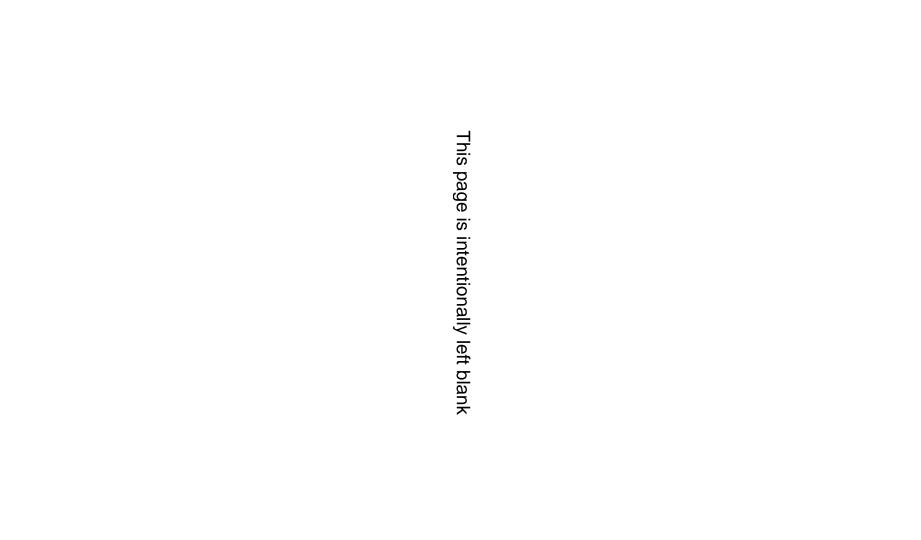
A recognition that we need to work more relationally, whether at a community or individual level, seeing the way things are through the lived experience of communities and individuals rather than services, plans and numbers

Inclusive leadership and diversity

- Continue on our important journey to being an open, inclusive and culturally humble organisation that proactively tackles racism
- Reflecting the diversity and lived experience of residents in Hackney

Leadership

Flex and adapt as the situation evolves and build in preparedness for similar future events, working with complexity and uncertainty



↔ Hackney

Skills Economy and Growth Scrutiny Commission

Item No

09 March 2022

5

Item 5 – Economic Stock take and the Night Time Economy

Outline

The Covid-19 pandemic has had an unprecedented impact on the UK and local economy. As a result, this has impacted the local economy in many ways and many businesses / sectors have struggled following lockdown restrictions (shutting down many businesses) and the constraints on population mobility. The economic impact has been severe. Although some local businesses may have thrived, broadly speaking many sectors (like the night-time economy and hospitality sector) have seen huge losses in their income that have threatened their survival.

Hackney borough was home to a thriving night-time economy, tech businesses and a large volume of micro businesses. It is acknowledged that the Council has always pushed to support the development of local high streets and campaigned for shopping local. At this juncture in the pandemic the SEG scrutiny commission wants to understand what has happened to the local economy during the pandemic. The Commission is keen to identify if the council's decisions and government measures have helped to keep the local economy stable and establish what businesses have managed to remain steady and survive.

Presentations to cover

- 1. What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.
- 2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?
- 3. What data does the council collate and monitor about the local high streets?
- 4. What support has been given to businesses in the local high streets and what assessment has been made of the impact of the support given?
- 5. What analysis has been undertaken of the night-time economy both pre and post pandemic?
- 6. What data does the council collate and monitor about licensing in relation to the businesses in the night time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses?
- 7. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy ob eative 24nd support local economic growth and stability in the night time sector?

Report in the agenda:

To support this discussion the following presentations and papers are included for background information.

- Economic stock take & night time economy
- Business Regulation response to the pandemic
- Markets, shop fronts & street trading economic recovery

Guests in Attendance

London Borough of Hackney

- Aled Richards, Strategic Director of Sustainability & Public Realm
- Stephen Haynes, Strategic Director Inclusive Economy, Corporate policy &New Homes
- Cllr Guy Nicholson Deputy Mayor for Housing Supply, planning, Culture and Inclusive Economy
- Suzanne Johnson, Head of Area Regeneration
- Michael Toyer, Economic Development Manager

Action

The commission is asked to note the presentations and ask questions.

Skills, Economy and Growth Scrutiny Commission
9th March 2022

Economic stocktake & night time economy



<u>Information requested by the SEG scrutiny commission:</u>

- 1. What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.
- 2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?

What data does the council collate and monitor about the local high streets?

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- 6. What data does the council collate and monitor about licensing in relation to the businesses in the night time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses?
- 7. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night time sector?



Hackney context: businesses and sectors

Total number of business units: 24,295 (Source: ONS Inter-Departmental Business Register 2021)
98% of businesses in Hackney are small and micro businesses. 90% are micro:

Size	Employees	Business count
Micro	0 - 9	21,970
Small	10 - 49	2,005
Medium	50 - 249	285
Large	250+	30

<u>Number of high street businesses</u>: Estimated up to 3,000 retail, leisure, and hospitality units in the borough (based on Hackney Council Business Rates records for 2020).



Hackney context: business numbers and sectors

Sector	Business unit count
Agriculture, forestry & fishing	20
Mining quarrying & utiles	80
Manufacturing	755
Construction	1,505
Motor trades	140
Wholesale	745
Retail	2,015
Transport &	435
storage	

Contor	Duningas unit
Sector	Business unit count
Information & communication	4,355
Financial & insurance	375
Property	1,570
Professional, scientific & technical	5,875
Business administration & support services	2,275
Education	440
Health	730
Arts, entertainment, recreation & other services	1,755

(Source: ONS Inter-Departmental Business Register 2021)



1. What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.

Regulatory services:

The Council holds a range of information about local businesses in the course of its regulatory activities. This information is held in accordance with data protection requirements. The below data is used to allow the Council to carry out its regularly functions. This information was available both pre and post pandemic and includes:

- Business rates records: name of business rate payer, business premises address, rateable value, business premises description, business type.
- Alcohol and entertainment licensing: Business name, address, rateable value, annual fee amount, late night levy amount, licensee, mours of operation, license conditions, date license granted.
- Gambling licensing: Business name, address, annual fee amount, licensee, type of licence/registration, hours of operation, licence conditions, date licence granted.
- Massage and special treatment licensing: Business name, address, fee level, licensee, authorised practitioners, treatments offered, expiry date, hours of operation, licensee condition.
- Animal welfare licensing: Business name, address, fee level, licensee, authorised activities, max number of animals kept, expiry
 date, hours of operation, star rating, special conditions.
- Markets, shop fronts and street trading licences: Trader name and address, licence and commodity
 types, employee/assistant information,trading locations and frequency of trading utilised, footfall,
 basket spend, customer satisfaction & product purchase data sets, shopping patterns and
 trend data sets, payment data sets.



1. What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.

Other business data and economic evidence:

The Council holds a range of other data on businesses and the local economy which is set out below with some held in accordance with data protection rules (the below list is not exhaustive):

- Covid-19 business grants data (during and post pandemic only): Name and address of business, size of business (micro, small etc), number of employees, business type (e.g registered company, sole trader, self employed), business sector, business owner, business Standard Industrial Classification (SIC) code, business premises type, business rates status and rateable value, company structure, company number (if applicable).
- Office for National Statistics: Government system data on numbers of businesses (enterprises and units), business size (by Employees), business type (by Standard Industrial Classification code), business formations and closures, local employment per sector.
- **LA London Datastore**: A range of information about local economies and high streets, including the night time economy.
- Business survey data: The Council conducted three business surveys during the pandemic to ascertain what difficulties
 businesses were facing at the time and what support was most needed. From these we hold data on business name, address, business
 type, covid impacts, and the type of support requested by local businesses both during the pandemic and in the future.
- Hackney Employment Land Study (2017): Evidence base for the Local Plan which provides an economic evidence base for the borough and guides land use proposals in accordance with the economic evidence base and future economic and land use trends.
- Various network subscribers: business name, emails and some further details on businesses with general and particular interests, ie Hackney Business Network (4,000), Hackney Nights Portal (over 100), Zero Emissions Network business (over 700).



1. What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.

How the different types of data on businesses are used:

The different types of data we hold and can access is used in different ways, primarily:

- **Regulatory services data:** long-standing data held. Used to manage fees, inspections, etc as part of service and income functions. Ad hoc deeper analysis can done but not relied upon as this administrative data has limitations
- **COVID business grant data:** Still being collected in current grant rounds there are different segments. The nature of the grants, ie self-selecting through application, its wider usefulness for analysis is limited. The current use of this data will be used to assess elements of business adaptation and/or delivery of agreed outputs linked to the grant
- Government collected and held data: Considered the most robust and consistent for longer period time-series analysis but methods of collection and cleansing create a one to two year lag. Generally only available annually (some is quarterly) so cannot show month to month or "real-time" changes. Currently used for understanding wider trends and to inform strategy development
- Regionally collected and held data: Predominantly this is the GLA but can also be Central London Forward this features a mix of Government data (aggregated or disaggregated) but also some more recent experimental statistics, such as card payment spend at small area levels. Used to understand wider trends and inform strategy development. The more experimental data is currently being assessed for its usefulness in understanding recent change or trends
- Secondary data from commissioned research reports: These are a range of regionally or locally commissioned analytical reports on economic topics such as the impact of COVID that will contain borough level analysis (if commissioned by the GLA or CLF) and local (subject to data availability) if commissioned locally. Used in line with the research specification.
- Subscription lists: These are primarily contact details for businesses and Sometimes feature additional information. Current used as contact information for comms and/or engagement activity. Would require data matching for any wider use or analysis.



- 2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?
 - The Council has provided economic support to businesses through the pandemic via the distribution of Government Covid-19 business grants. As at January 2022, the Council had distributed around £126m of grants to local businesses via the Discretionary Grant fund (£3.4m paid), Retail Hospitality and Leisure Grant (£38m), Small Business Grant (£30m), Local Restrictions Support Grants (£18m), Christmas Support Payment (£163k), Closed Business Lockdown Payment (£10.3m), Restart Grant (£17.5m), and the Additional Restrictions Grant (£8.8m to approximately 2060 business).
- The grants paid to those businesses who pay business rates have primarily focused on businesses in the hospitality, leisure, retail and accommodation sectors. The discretionary grant funds have also focused on the same business sectors (but included those businesses in these ectors who don't pay business rates) as well as businesses which supply the retail, accommodation, hospitality and leisure sectors, market traders, nurseries and childminders. In addition the discretionary grant funds have also considered businesses in any sector provided they could adequately demonstrate that the pandemic had a negative financial impact on their business and they were experiencing financial hardship as a result.
- In late December 2021, the Government announced two new business grants to support businesses most impacted by the rise of the Omicron variant. The Omicron Hospitality and Leisure Grant is a one-off grant for businesses in the hospitality, leisure and accommodation sectors who pay business rates. The Government has also provided a top up to the discretionary Additional Restrictions Grant fund to allow Local Authorities to support other businesses in their area who they consider to be most impacted by the Omicron variant. The two grant funds opened for applications in January 2022 and will be paid by 31st March 2022.

In addition to the above support, business have also been able to claim other financial support directly from Government including the furlough scheme, business loans, self employment income support scheme, paid staff sick pay, deferred and reduced VAT, and business rates relief. The Covid Additional Relief Fund will also be administered by the Council in 2022/23.



2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?

The Council has used its discretion to allocate funding from the Government Covid-19 Additional Restrictions Grant (ARG) to provide longer term support to local micro and small businesses by establishing 5 x business support programmes:

- Hello Again Hackney: Cultural Venues Fund: A fund aimed at supporting arts and cultural venues in their reopening by providing funding for businesses to offer discounted tickets and other offers to encourage audiences back to cultural venues.
- <u>High Streets and Town Centres Fund</u>: A fund to support high street and town centre businesses to deliver projects and initiatives to make Hackney's high streets and town centres more attractive, accessible and inclusive, increase resident and business engagement, and drive spending and <u>fo</u>otfall in local independent businesses.
- Glackney Central Impact and Ideas Fund: This fund will support local businesses and organisations to shape the Hackney Central plan, while supporting them through the pandemic. The fund will enable businesses to invest in their future success and increase their economic and environmental resilience, as well as improving and supporting Hackney Central town centre.
- Adapt your Business Programme: The programme will provide grant funding to businesses to deliver projects to make adaptations to manage through the pandemic as well as improve their environmental performance. The programme will also provide 1-2-1 support and advice for local businesses from business advisors.
- Allia business support: Funding available for Hackney businesses to access Allia's business support programmes aimed at supporting small businesses to grow and helping ventures to create greater social and environmental innovation.

In addition to the above the Council has also established a grants programme relating to the Hackney Wick And Fish Island Creative Enterprise Zone:

https://news.hackney.gov.uk/funding-for-creative-businesses-in-hackney-wick/



- 2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?
 - In its capacity as a commercial landlord, the Council has supported its commercial tenants via one to one discussions with tenants and the arrangement of rent deferrals, reductions, and in some cases, writing off rent payments, in cases of financial hardship as a result of the pandemic.
 - Throughout the pandemic the Council has provided advice and support to businesses on the practicalities of trading throughout the pandemic and provided regular updates on Government regulations and the required health and safety, and operational requirements, for businesses. This has been done via information on the Council's website, the Hackney Business network, the Council's corporate cocial media channels, visiting businesses in person (when permitted), providing leaflets and posters for businesses and hosting virtual business forums, including with colleagues from public health, environmental health and other relevant services.
- The Council has promoted local businesses and encouraged residents to shop locally and visit Hackney venues and businesses via the Love Hackney, Shop Local campaign (ongoing), the summer 2021 Hello Again Hackney campaign and other local and national shop local campaigns such as via the East End Trades Guild map and Small Business Saturday. In addition a pilot area town centre promotional campaign has been developed in Stoke Newington, See You in Stokey. The Council signed up to My Virtual Neighbourhood allowing local businesses to register on this at no cost to them.
- The Hackney Business Network continues to provide support to around 4500 businesses via regular newsletters, social media updates, signposting to business support, advice and funding opportunities, and virtual business forums.
- The Area Regeneration service, and other Council services, continue to liaise and engage with businesses directly as required, and in the course of service delivery, offer business support and advice as required.



- 2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?
 - At the onset of the pandemic, the Licensing Service assisted licensees of businesses that had to close under Coronavirus regulations by delaying the requirement for Late Night Levy and annual fee payments. During this time, the Service worked with the GLA and London Councils to try and find possible solutions in order to provide an exemption on fees for those businesses which were most affected. However, the Home Office did not amend legislation in respect of the requirement to pay fees. With no action by the Home Office, licence holders remained legally obliged to make Late Night Levy and annual fee payments as required under legislation, we have now resumed collections. It should be noted that annual fees and the Late Night Levy, as statutory charges, are set based on the non-domestic rateable value and are perhaps some of the lowest overheads a business may face. The Council has no responsibility for setting the amounts. The annual fees range from £70 to £450, whilst the Levy ranges from £299 to £1,493.
 - In light of this and to further support businesses, the Licensing Service, through the LNL Manager, decided to trigger the provision that exists within the legislation to provide a reduction for premises which adhere to a best practice scheme. The Hackney Nights accreditation scheme was set up and this was supported by the Licensing Committee and approved by Full Council in October 2021. Licensees who receive the Hackney Nights accreditation will receive a 30% reduction on the annual Late Night Levy.
 - The Hackney Nights portal enabled the Service to share information, host online advice sessions throughout the pandemic and provide direct guidance around Covid-19 when regulations were changed. Environmental Health (EH) teamed up with Public Health and delivered monthly advice sessions for licensees to help them navigate the ever-changing requirements of the pandemic. EH officers have also attended local pubwatch meetings to answer questions from businesses directly.



2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?

Support for market traders and outdoor dining:

- Outdoor dining provisions: The main support mechanism introduced through the Business & Planning Act 2020 saw the creation of Pavement Licences in London, which was a duplication of an existing process under different legislation, with a reduced fee of £100 and an expedited application process of 10 working days.
- Tunder the same act, Government also relaxed planning rules to allow Councils to implement additional markets and events without the need for consent or consultation. Some of this was a duplication of existing legislation that permitted us to do so already.
- ω • The Council has supported our licenced traders and businesses by;
- Did not charge traders for storage or non trading for the first 9 months of the pandemic.
- Fee reductions in place once restrictions were eased for a further 6 months.
- Provided free business development courses during lockdown.
- Application form support for applying for business grants
- Wellbeing and food poverty support and signposting, including a trader check in process
- Created virtual online markets through <u>my virtual neighbourhood</u> and other social media platforms.
- Worked with local organisations to create click and collect hubs and delivery services for traders and licenced businesses.
- Regular Online Briefings with Traders and Businesses and understanding Government advice and guidance.

2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?

Support for market traders and outdoor dining:

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- Creation of a simple covid risk assessment interview and 6 point plan document for all returning licence holders and businesses to ensure they were operating in a covid secure manner and were set up to navigate the restrictions during the pandemic.
- Engaged on and created a service specific roadmap for a phased reopening to ensure each site across the borough was set up to succeed and maximise opportunities for a positive economic recovery.
- Other tools were also created to support businesses such as an Al Fresco dining support pack for businesses and updated licence holder handbooks for both Markets and Street Trading and Shop Front and Pavement Licence Trading.

- 3. What data does the council collate and monitor about the local high streets? In addition to the data sources listed in response to question 1, the Council also holds the following information on high streets:
- GLA High Streets Data Service: The Council is a partner of the GLA High Streets Data Service. This provides access to the following information on the boroughs town centres and high streets: footfall data, high street spend and number of transactions (using Mastercard data), TfL station passenger counts (coming soon).
- GLA Night Time Observatory: This provides a range of data sets on the night time economy in London including number of employees and workplaces in the night time economy sector, floorspace of night time economy establishments by town centre, pub closures and reason for closures, trip and travel data etc.
- CLA Town Centre Health Checks (2017): Amount of town centre floorspace of different types, vacancy rates, commercial rent levels.
 - Hackney Town Centre and Retail Study (2017): Diversity of uses, vacancy rates, customers' views and behaviour, commercial rents, pedestrian flows, accessibility, perception of safety and occurrence of crime, town centre environmental quality
- London wide, Hackney-wide and area based information and evidence to support planning and regeneration strategies: Resident and business engagement regarding high streets and town centres, vacancy rates, land ownership, commercial rent levels, economic outlook projections.
- Street Markets- Localised Footfall & Basket Spend Studies: Localised analytics on footfall, transportation use to access area and expenditure information such as monetary use and payment options used.
- Street Markets-Customer experience surveys: Understanding of shopping trends and behaviours. commodity and demand mix VS supply and views the success on or failure of covid safe measures implemented.

- 4. What support has been given to businesses in the local high streets and what assessment has been made of the impact of the support given? The response to Question 2 provides this information but, to summarise again, the following support has
 been
 provided:
- Government Covid-19 emergency business grants to retail, hospitality and leisure sector businesses (and others)
- Business rates relief for small businesses and retail, hospitality and leisure businesses
- Hello Again Hackney: Cultural Venues Fund: A fund aimed at supporting arts and cultural venues in their reopening by providing funding for businesses to offer discounted tickets and other offers to encourage audiences back to cultural venues.
- Tigh Streets and Town Centres Fund: A fund to support high street and town centre businesses to deliver projects and initiatives to make Hackney's high streets and town centres more attractive, accessible and inclusive, increase resident and business engagement, and drive spending and footfall in local independent businesses.
- Hackney Central Impact and Ideas Fund: This fund will support local businesses and organisations to shape the Hackney Central
 plan, while supporting them through the pandemic. The fund will enable businesses to invest in their future success and increase their
 economic and environmental resilience, as well as improving and supporting Hackney Central town centre.
- Love Hackney, Shop Local Campaign
- Support to Hackney commercial tenants as required

The identified financial business surveys conducted through the pandemic support with paying rent and bills being the key business priority as and this has been the focus during the pandemic.

• The Licensing Service is in the very early stages of the project to review and update the Council's Statement of Licensing Policy. This will include a revised Cumulative Impact Assessment which will be informed by a study of the NTE and its impacts. The revised Policy will be published in 2023.

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6. What data does the council collate and monitor about licensing in relation to the businesses in the night time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses?

- The Licensing Service has a requirement under the Licensing Act 2003 to maintain a public register of licences issued. The number of licences, in particular premises licences, has grown consistently over the years since the inception of the Act in 2005.
- Data held by the Licensing Service shows that there were 1149 premises licences in effect at the end of March 2020, slightly down from 1165 the previous year. However, due to interruptions in annual fee/late night levy collections and the Cyberattack, it has not been possible to provide an accurate number of licence at the end of March 2021. The Licensing Service expects to be able to report this figure again from March 2022 onwards.
- Following the onset of the pandemic, the level of applications received (new licences, variations of existing licences, minor variations and reviews) initially remained consistent with yearly averages. However, in May and June, the level of applications increased, driven primarily by operators seeking to authorise "off-sales" of alcohol. The introduction of temporary off-sales provisions contained within the Business and Planning Act 2020 in July meant that operators had an automatic entitlement for off-sales in the vast majority of coases.
- 2021 saw business activity continue at a relatively high pace, with a total of 234 applications. This is approximately 10% above the 3 year average pre-pandemic and well above the 160 and 183 applications received in 2019 and 2021 respectively. Information such as the numbers of licences and applications received during recent years will now feed into an evidence base used to support the review of the Statement of Licensing Policy. The Council is required to publish a new Statement in 2023.
- TENs can be seen as a barometer of activity as the number of these received generally reflects the level of activity and participation in the NTE. Following the onset of the pandemic, the number of TENs received saw the biggest fall of all activity types administered by the Licensing Service.

 The chart below highlights the impact of the requirements for businesses to close during the lockdown periods throughout 2020 followed by a gradual increase in activity during 2021.



6. What data does the council collate and monitor about licensing in relation to the businesses in the night time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses?

- An area of growth seen during the pandemic has been the number of rapid grocery delivery services. These app-enabled services
 promise to deliver groceries to customers, typically in under 30 minutes from ordering. The sites tend to operate from light industrial
 units up to 24 hours per day, however some sites have been set up in vacant retail units along shopping parades.
- Where were no businesses of this type in Hackney at the end of 2020. However, by the end of 2021 there were 9 of these delivery receives operating, with a further two that had been granted then surrendered in the same year.
- Licensing will closely monitor any further growth in this sector. However, with isolation rules ending, the sector becoming increasingly
 competitive, it will be interesting to see how many are still operating in the next 2 to 3 years. Also the squeeze on household incomes
 could affect these businesses given that they will charge a premium for the delivery.

7. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night time sector?

- The Hackney Nights initiative aims to promote safety in the NTE and is managed by the Late Night Levy Manager. By combining public awareness campaigns with venue training, best practice guidance and our new accreditation scheme, it aims to connect licensed premises and improve communication and deliver a cohesive safety strategy to Hackney's residents, workers and visitors, all under the Hackney Nights banner.
- The pandemic has caused a challenging environment for operators with consumer behaviours changing because of the pandemic and financial difficulty with reduced trading. There was also a shortage of hospitality workers following Brexit and the pandemic and brought about an influx of inexperienced hospitality staff at the re-opening of the economy who were new to the industry.
- The creation and aim of the Hackney Nights accreditation scheme was, not only to give back to the venues monetarily after such a deriod of financial uncertainty, but also, to stimulate and bolster safety within night time spaces. All venues in the borough had been deriven access to good practice advice as well as free training for their staff in preparation for the re-opening of the night time economy.
- The Service had already developed an online portal just prior to the pandemic which aided throughout work from home regulations, with the distribution of crucial information as it was not possible to deliver in person at the premises. The portal enabled the Service to share information, host online advice sessions throughout the pandemic and provide direct guidance around Covid-19 when regulations were changed. Environmental Health (EH) teamed up with Public Health and delivered monthly advice sessions for licensees to help them navigate the ever-changing requirements of the pandemic. EH officers have also attended local pubwatch meetings to answer questions from businesses directly.
- With the online portal in place, it has become the best platform to deliver the Hackney Nights scheme and allow any processes to be done simply and easily for Hackney's licensees.



7. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night time sector?

The service will ask licensed premises to commit to a series of essential and additional themes and benchmarks in order to gain the Hackney Nights accreditation. The consultation process during summer 2021 also provided venues with an opportunity to feed into the scheme and propose further ideas or themes. After the consultation ended, the criteria was finalised, spanning across many different strands of work.:

- **Community:** Venues would be encouraged to play a more active role in their local communities by participating in local community meetings and employing local staff and apprentices. They would also be expected to promote inclusivity and accessibility in night time spaces with special training offered for free to door staff and managers.
- Education and training: Venues would be expected to participate in all training programs offered by Hackney Nights via the portal. ∀raining will cover subjects like safety, vulnerability, safeguarding, alcohol sales and responsibilities, counter terrorism, substance misuse, hate crime and VAWG. These themes would be expected to expand over time.
- Crime prevention: Venues would be required to implement and enforce internal policies in regards to safety, including preventing nuisance, drug use, and theft.
- Health and wellbeing: Staff should have access to resources that enable them to refer vulnerable individuals and also promote healthy working environments. They would also be required to offer healthy alternatives at the venue including low/no alcohol beverages and healthy menu options that cater to all diets.
- **Sustainability:** Accredited premises would need to ensure that they commit to greener practises and take steps to actively reduce their environmental impact.

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Business Regulation response to the Pandemic

The regulatory services of environmental health, trading standards and environmental protection were ideally placed to respond to the Pandemic. These services are well versed and practised when undertaking investigations and some such as the environmental health team are designated the task of infectious diseases control (infection prevention control) as part of the teams remit. All officers undertake specific training as part of their environmental health qualification. The service has in place standard operating procedures and connections with external agencies, testing laboratories and the Regulators.

Covid Response Team (CRT)

In order to provide a structured, strategic and deliverable option the Covid Response Team was formed very early into pandemic. The team was put together by the Business Regulation Manager and led by the Environmental Health Team Leader, to form a multidisciplinary team consisting of three Environmental Health Officers, one Trading Standards Officer, one Environmental Protection Officer and one Senior Enforcement Officer.

The team quickly established themselves and continue to be a vital and integral part of the Councils overall covid response. They proved particularly adept and skillful in not only reading the quantum of ever changing legislation but also ensuring that the most relevant requirements to the local environment in Hackney were quickly prioritised and implemented.

The table below shows the activity of the team since its formal ignoration in July 2020 through to the January 2022 the team has undertaken:

Service Requests	Visits	Warning Letters	HS IPN	CPN	FPN	ME/CC/M O	CIRN / CIN	TOTAL
348	3123	275	23	51	10	51	6	3907

Highlights

- Taken part in several focussed action days with other partners (particularly the Police, Public Health and Enforcement).
- Worked jointly with the Cllr Kennedy and the UHOC Rabinette
- The Trading Standards visited businesses and markets to follow up on complaints of price gouging (inflating the cost of goods due to the increase in demand)
- The Environmental Protection team continued to operate business as usual and also stepped up to advise construction sites on the easing of noisy work hours introduced by the Government.

The team actively contributes and feeds in to many Covid related forums such as the incident management team, daily huddles & advice sessions, covid workplace working groups, businesses forums, the City & Hackney Covid-19 Operational group, the local Pub Watches and Community forums to name a few They have also forged strong and effective

partnerships with departments such as the Public Health Team, Communications and the Police.

The CRT has also undergone additional training to provide practical technical support and advice. In short this group had demonstrated a 'can and will do' attitude putting the needs of businesses and residents first and bringing a measured, considered and clear direction on tackling the Pandemic, the work of which will continue for many more months to come. The team remains funded to provide a covid response through to September 2022 with a scaled down response of 1.0 FTE reflective of the change in the Government's approach to dealing with Covid-19

Environmental Health Service

The Environmental Health Officers, throughout the lockdown periods, proactively provided advice and guidance to those businesses which wished to trade or were trading legitimately in compliance with the Covid legislation by either adapting their premises or practises, especially those which were providing meals to vulnerable residents on a charitable basis. During the pandemic some 647 new food business registration applications were received from July 2020 to April 2021.

Further re-opening advice was provided to those catering premises which had been forced to close and were affected by the ingress of rodents etc, needed to carry out Covid related risk assessment and its implementation. The businesses which were desperate to have an improved food hygiene ratings, for the purposes of trading through online platforms, were inspected remotely by video calls and by examining the food safety management records electronically.

The team also followed the Food Standards Agency's (FSA) instructions to cease proactive physical inspections of food business during the pandemic. Since the reopening of businesses (July 2021) the team has implemented the FSA recovery plan, which recognised that many local authority resources were diverted to public health functions due to the pandemic and as such the service was unable to carry out the full inspection programme.

The FSA has issued updated guidance in response to the pandemic which all local authorities must have regard to. The Recovery Plan, implemented on the 1st July 2021 to 2023/24, provides a framework for re-starting a delivery system inline with the Food Law Code of Practice.

Trading Standards Service

• Problem of service continuity

Several staff were sheltering which left only a skeleton team with two officers assigned to ensure businesses were observing lockdown restrictions.

Price Increases

With the onset of the Covid-19 pandemic and the threat of lockdown, panic buying of some items related to health and hygiene was witnessed. With these essential items disappearing fast from the supply chain, it was seen by some as an easy way to increase profits.

This activity of putting up prices to the disadvantage of consumers is known as Price Gouging and it is where prices are increased dramatically for essential everyday items. An example would be a pack of toilet rolls costing £1.50 suddenly increasing to £10.00.

This was not only happening on the online marketplace, where it is still to a certain degree, but also in small local independent shops who are at the heart of some communities, and at this time sought to take advantage of their customers.

Trading Standards locally and nationally became very aware of these issues and the current legislation was looked at for a way to tackle these businesses. The only legislation that truly covered these matters was the Competition Act which is enforced by the Competition and Markets Authority(CMA).

Trading Standards have been collating the information regarding these complaints from across Hackney, writing to advise the businesses on the issues and ensuring that the CMA database has been updated with businesses who are unfairly treating our residents.

The CMA has also written to all the businesses including online traders seeking an explanation for their actions, and it is being considered whether further legislation is required to allow Trading Standards to tackle these traders at a local level.

• Creation of the Covid Response Team

In response to the demands placed on Hackney Council in terms of Covid 19 and Health and Safety requirements the Environmental Health Team formed a Covid Response Team. Trading Standards has one officer seconded to this team for the duration of the crisis.

• Radio programme aimed at vulnerable elderly residents

During the coronavirus (COVID-19) outbreak, the Service recognised that keeping businesses afloat was a major concern. However it also led to a large number of scams. Trading Standards teamed up with the Strategy, Policy and Economic Development team to discuss the new 'Ageing Well Strategy' on Hackney Community Radio.

The discussion focused on safeguarding, safety, and security focusing on covid-19 scams, with reference to phishing emails that are targeting older people, asking them to complete a fake vaccine booking form requesting bank details. Listeners were also informed of the most popular covid-19 scams.

Cyber attack

This attack affected many critical systems including the Civica database which stores details of complaints and visits. As such it has made analysis of quantitative data stored on these systems challenging. In addition, it has affected the ability to answer Mayoral and other enquiries. To conclude the service are unable to calculate or provide annual performance data due to Cyber Attack and no access to the Civica App database

Inspections

The team continued to operate very much 'business as usual' and completed:-

Category A – High risk inspections = 149

Category B1 – Upper Medium inspections = 190
Category B2 – Low Medium inspections = 267
Total visits carried out 606

Environmental Protection Service

The Environmental Protection Service experienced a significant reduction in the number of service requests due to the lockdown as most non-essential premises were required to close. As a knock on effect, both Licensing Applications and Temporary Event Notices were also reduced to very low levels as they required non-essential premises to be operating and also due to government mandated restrictions on social gathering.

The number of Planning Applications were reduced but maintained a steady number each month. Section 61 Applications were reduced significantly as non-essential work were temporarily put on hold due to limited work force and lockdown restrictions. Nonetheless, service requests for construction sites continued as normal due to a higher number of the public being at home during permitted construction work hours. Construction work was also supported by the government as essential work and to this end increased the hours permitted for construction work per day from 6pm to 9pm so that staff on site can be spread across the day and also cover covid related absences.

Due to the overall reduction in the number of service requests received by the service, it was therefore agreed that 3 Senior Environmental Protection Officers were to be temporarily seconded to the Food Safety Team and the newly developed Covid Response Team during this period.

In October 2020, the cyber attack on the Council crippled the service as all previous complaints and premises history was lost severely affecting all ongoing investigations. Consultation Applications (Planning, Licensing, Section 61 & TEN's) were also affected as officers were unable to search and interrogate premises or complaints history to support their consultation comments.

During this period enforcement action was limited due to the strict requirement of witnessing a breach of notice under the enforcing legislation. Therefore, instigating legal enforcement action was not possible as visiting residential properties were prohibited under covid restrictions. As a result, the service used the powers available under the enforcing legislation and served notice from witnessing nuisance externally and then instigating informal discussions with the offending premises. Unfortunately, as witnessing a breach of the notice was not possible, officers were only able to address complaints informally and therefore required to spend an inordinate amount of time investigating complaints compared to pre-covid periods.

However, after the relaxation of Covid Restrictions in July 2021, service requests resumed back to levels received by the service comparable to pre-covid periods. The service is now operating at levels experienced pre-pandemic and the number of service request and consultation applications are continuing to increase. The team will also be back to full strength by the start of April 2022.

1. <u>Markets, Shop Fronts & Street Trading Economic Recovery</u>

- 1.1. The Council's much-loved street markets have remained a cornerstone of Hackney's communities for generations. They are part of Hackney's identity and along with providing a vast and diverse array of goods and produce, gives Hackney's residents and visitors valued interaction and engagement with each other alongside a unique shopping experience.
- 1.2. The Markets, Shop Fronts and Street Trading Service operate 6 Street Markets and 32 Satellite Street Trading Sites across the borough which provide a platform for approximately 650 small businesses to operate from and also provides Shop Front and Pavement licences to support approximately 447 bricks and mortar premises with low cost trading options to extend their enterprises onto the public highway.
- 1.3. Each year the Council's Markets Service provides approximately 25,000 pitches on-street to facilitate the wide array of the brough's diverse traders and their commodities and serves over 6 million visitors across the portfolio.
- 1.4. The negative impacts of the pandemic and the ongoing restrictions were severe and resulted in a loss of 237 out of 845 businesses and traders from the portfolio and borough between April 2020 and March 2021. However with a number of mitigations and a robust business recovery plan and roadmap, we have supported the existing businesses successfully navigate the height of the pandemic and the start of the economic recovery phase. We have been using other tools at our disposal, to support residents bring their business ideas to life and begin trading their enterprises or new start ups within the borough and have seen 194 new businesses begin right here in Hackney, between March 2021 to March 2022. A copy of the Roadmap can be accessed here.
- 1.5. At this juncture in the pandemic the SEG scrutiny commission would like to understand what has happened to the local economy within the remit of the Markets, Shop Fronts and Street Trading Service during the pandemic. The Commission is keen to identify if the council's decisions and government measures have helped to keep the local economy stable and establish what businesses have managed to remain steady and survive. The following information requests by the commission have been answered below;
 - What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.
- 2.1. The service holds the following data sets both pre and post pandemic;
 - Licence and commodity types
 - Employee/Assistant information
 - Trading locations and frequency of trading utilised
 - Footfall data sets
 - Basket Spend
 - Customer satisfaction & Product purchase data sets
 - Shopping patterns and trend data sets
 - Payment data sets

- 2.2. We do not collate or request sales or detailed transactional data from the licence holders or small businesses we licence for commercial activities across the borough. This data is retained only by the individual business operator.
- 2.3. Footfall and basket spend data sets are recorded and analysed to build an understanding of the key trading times and locations in any given area. This information is usually cross referenced and presented with other data sets such as customer satisfaction or purchase information to build a picture of the customer profiles and trends.
- 2.4. These data sets are then shared with the local businesses and traders to support them in making more informed business decisions to improve their range, conversion of footfall and deployment of staff to maximise any possible income yield and improve the overall level of service provided which in turn generates repeat custom and growing the local and inclusive economies.
- 2.5. The data captured in trading locations and commodity types tend to be data sets that again are analysed together to understand what commodity and service provisions are being offered in any given location. This in turn then builds a picture of volumes of differing or similar retail and hospitality based propositions within a town centre or high street. This information is then used to ensure when attracting or targeting new business or traders we can focus on missing commodity mixes or service offerings and ensure we manage any oversaturation levels to improve the overall attractiveness and appeal to local demographics, which in turn stimulates footfall and opportunities for conversion into transactional spend and income generation.
- 2.6. Payment type and basket spend data sets support the council and local businesses in identifying cash vs cashless volumes, average spend, frequency of spend and overall average transactional spend per shop. This assists in identifying the disposable income yields per area, identifying spend trends and commodities and services which are currently in demand to ensure both the council and businesses can adapt and ensure the commodities and services available, meet this demand and support businesses new and existing in building customer bases and commodity mixes that meet the communities needs in any given location.
- 2.7. We regularly review these types of data sets and present them back in various different formats. A copy of a footfall and usage study can be viewed here and a copy of a basket spend study during the pandemic can be viewed <a href=here.
 - 3. What support has Hackney Council received from the central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?
- 3.1. We take a commercial approach to operating the service and it is this that has seen an end to yearly deficits as large as £1.2m. Both pre and post pandemic we will maintain extremely competitive fees this in itself is a key reason why traders choose Hackney Markets Service to do business it is self-defeating for us to increase fees that become

- unaffordable for traders as this would lead to a decline in our markets, any future increases will continue be firmly based on benchmarking of relative fees across London.
- 3.2. Our strategy over the last 5 years had been a combination of cost reduction (the Stalls in-sourcing the most recent example) and income growth, by driving pitch occupancy at established markets such as Ridley Rd, and the expansion of Chatsworth Road Sunday Market; as well as new trading opportunities such as Sunday trading at Broadway and working with Parks & Leisure to place street food in and around the borough's parks this coming year. Proposals to increase fees are naturally unpopular regardless of how much, however without retaining the ability to do this and being upfront about it runs the risk of the Service failing to meet its budget expectations and the deficit being picked up from the general fund for what is essentially a commercial operation that should be self-funding.
- 3.3. The service has accrued deficits for the first time in 5 years due to the pandemic and this primarily is a direct result of the lack of Government financial support for this industry, the Government rates reliefs and grants afforded to private operators and licensed traders and businesses did not extend to local authority operated markets, shop fronts and asteroid trading services resulting in all 33 London boroughs markets services accruing a financial deficit. In the case of Hackney Council we accrued approximately £1.2m across 2020/21 and 2021/22.
- 3.4. The legislation the service operated under is the London Local Authorities Act 1990 and contained within the Act is a clear directive that any deficit incurred must be passed onto the service users to be recovered. The service however has been able to access funding pots to pay for many of the temporary measures during the periods of mass restrictions imposed by the Government and innovate ways to finance the deficit without increasing fees. To this end, to support businesses we have not increased fees in either 2020/21 or 2021/22 and we will not be increasing fees in the 2022/23 financial year.
- 3.5. To date the current deficit for 2021/22 stands at £80k and the service is confident this will be eradicated and the service will return to breakeven by the end of this financial year, being the only local authority markets service to do so and being one of the only services to also not pass on the deficit to its service users in light of the economic challenges and pressures we are facing.
- 3.6. As council we have supported our licenced traders and businesses by;
 - Not charging for storage for the first 9 months of the pandemic.
 - Did not charge fees for trading or traders that did not or could not trade for the first 9 months of the pandemic.
 - Fee reductions in place once restrictions were eased for 6 months.
 - Free business development courses during lockdown.
 - Grant application support
 - Wellbeing and food poverty support and signposting
 - Introduced a trader check in process
 - Social media creations on operational support

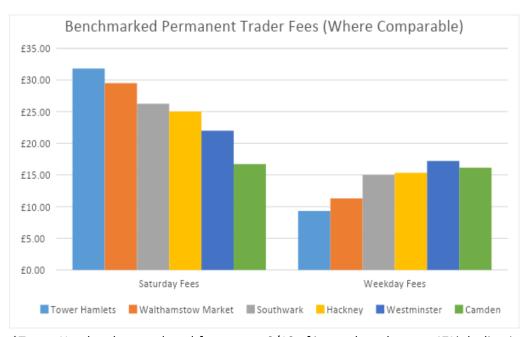
- Created virtual online markets for the traders to participate in and continue to sell goods and services during lockdowns where they were unable to trade physically through my virtual neighbourhood and other social media platforms.
- Worked with local organisations to create click and collect hubs and delivery services for traders and licenced businesses to access and use to continue trading and upscale operation to navigate the pandemic related issues and restrictions.
- Provided advice and guidance to pubs/restaurants on the new takeaway rules.
- Educated businesses regarding changes to Government advice and guidance at regular intervals or when major changes were made such as introduction of pavement licences or changes to planning laws on new permitted development rights for temporary structures, market stalls and fairs.
- A simple covid risk assessment interview and <u>6 point plan</u> document for all returning licence holders and businesses to ensure they were operating in a covid secure manner and were set up to navigate the restrictions during the pandemic.
- Engaged on and created a service specific <u>roadmap</u> for a phased reopening to ensure each site across the borough was set up to succeed and maximise opportunities for a positive economic recovery.
- Other tools were also created to support businesses such as an <u>Al Fresco dining</u> support pack for businesses and updated licence holder handbooks for both <u>Markets and Street Trading</u> and <u>Shop Front and Pavement Licence Trading</u>.
- 3.7. The Council also provided economic support to businesses through the pandemic via the distribution of business grants
 - 4. What data does the council collate and monitor about the local high streets?
- 4.1. The data collated and used to monitor the local high streets and locations in which we operate are the same as in section 2.1
- 4.2. One additional data set we collate and review is the overall income generation for the Council across each site. The financial analysis of this is showing some very positive indicators of a successful economic recovery thus far.
- 4.3. Whilst it is widely accepted that the Covid 19 Pandemic has significantly impacted both Financial years 2020/21 and 2021/22. During these periods Ridley Road Market was the only 6 day a week operational street market that traded throughout providing much needed goods and services to the boroughs low income families and most vulnerable residents. This highlights a level of resilience and ability to continue to generate income making opportunities even in the most challenging of environments.
- 4.4. The below graph highlights the breakdown of income across both financial year periods.



- 4.5. The graph also highlights the progressive increases in income generation and pitch fees collected as restrictions eased and the service was able to respond quickly in ramping up the volume of traders and commodities permitted post-lockdown. Year to date (to period 9 inclusive) 2021/22 the Service has achieved £398,203 income from Ridley Rd market vs £140,811 for the whole of financial year 2020/21. This provides an increase of £257,392 compared to the previous year. With the final quarter of 2021/22 remaining, the Service predicts a final full year income figure of circa £500k.
- 4.6. As an example from the analysis of data held and how we apply this in our day to day delivery. This data set clearly provides further assurances that Ridley Rd market is one of the boroughs largest retail and hospitality hubs, and continues to represent a compelling proposition for small businesses and traders looking to start or grow their businesses, but also demonstrates the sustainable nature of this revenue to the Council.
- 4.7. The only other data set that is relevant to this review would be the types of benchmarking data that is collated and used for analysis and statistical purposes when reviewing potential policy or financial changes to the the service, which will have a direct impact on the local or inclusive economy such as fees and charges.
- 4.8. The service annually reviews its fees and charges schedule and benchmarks what we offer vs the rest of London to ensure that these continue to offer sustainable income generation opportunities for both the Council and the business that operate within the borough, whilst balancing these with ensuring we continue to remain both competitive and an attractive for new and existing businesses to grow and generate an income which in turn positively stimulates our local and inclusive economies, whilst also generating increased local employment opportunities.
- 4.9. The benchmarking graphs below highlight that Hackney council remains highly competitive by comparison to similar London council markets offering pitches from as little as £8 a day. Included in these fees are all of the additional services traders benefit from such as Trading Places training and development courses, provision of stall hire/set up

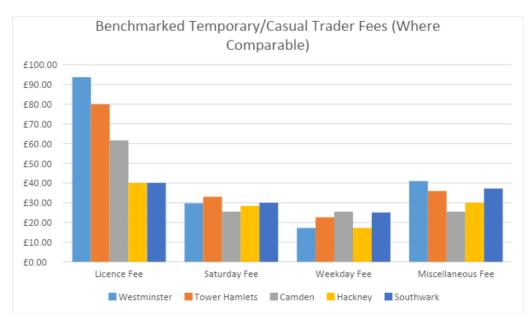
and take down, events and social media marketing for all sites within the portfolio. This is above and beyond the council's statutory licence issuing duties and what other local authorities provide for the same or similar fees. This continues to make Hackney an attractive borough for new startups and existing traders to expand their enterprises.

4.10.



^{*}Tower Hamlets have reduced fees across 9/10 of its markets due to a 47% decline in occupancy over the last 24 months.

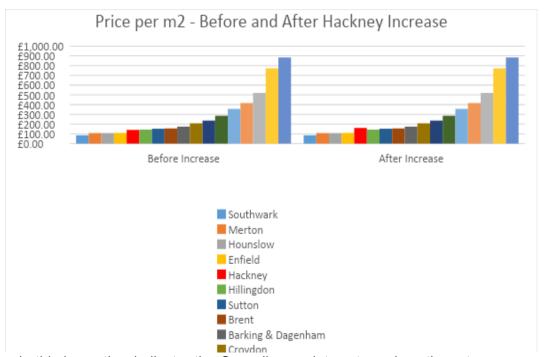
4.11.



^{*}All fees are based on the available data. Some of the fees listed above are averages where fees vary (depending on location, etc.).

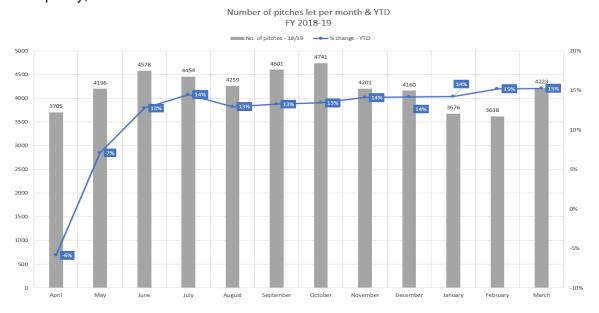
- 4.12. A live example of this benchmarking being put into practice, is the daily cost of a stall in Ridley Road, which starts at £8 per day, being amongst the lowest in London. The location and footfall offers businesses and traders a compelling opportunity to generate income. The footfall will only increase with the redevelopment of the street and indoor market currently underway, and the plan for the Market Services to operate the market in full on Sundays in addition to the Monday to Saturday current proposition later this year, this further indicates a thriving local and inclusive economy.
- 4.13. When benchmarking our m² Fees 7 Charges for Shop Front and Pavement Licences which provide tables and chairs for hospitality and night time economy based businesses, the graph below highlights both before and after the pandemic, we still offer a low cost way of expanding businesses and sit within one of the cheapest places in London to shop-front trade.

4.14.



- 4.15. Again this is another indicator the Council uses data sets such as these to ensure we are in a position to offer competitive and attractive rates to both support existing businesses and attract new businesses to the borough in order to continue the economic growth and development we are already seeing post pandemic.
 - 5. What support has been given to businesses in the local high streets and what assessment has been made of the impact of the support given?
- 5.1. Section 3 provides a number of detailed answers that highlight the support mechanisms offered to businesses within our services remit.
- 5.2. In regards to the assessment of the impact and support given, we review a number of metrics such as:
 - Overall Occupancy Data vs 2019/20,
 - Volume of Licence applications and renewals

- Financial out turn performance
- Basket spend and footfall comparisons pre and post pandemic
- Volume of empty units and/or pitches
- 5.3. In respect of overall occupancy of paid for trading pitches or locations within the borough, the service has sold approximately 25,989 pitches year to date, which is flat vs the same metric in 2018/19 financial year. This is a fantastic result as that same year saw the service deliver +15% growth on the previous year and is a major indicator of a very strong economic recovery for our licensed traders.
- 5.4. The graph below highlights the 2019 performance that 2021 has mirrored in regards to occupancy;



- 5.5. The volume of Licence applications and renewals is also a key indicator of whether or not the economic mitigations put in place are working or have had a positive impact. As stated in 1.4, at the start of this financial year we had lost 237 licensed businesses from our portfolio of 845 due to the pandemic. As of the end of January 2022 we currently have 1097 licensed traders and businesses within the portfolio. This is an increase of 252 or +30%.
- 5.6. A key driver of this increase has been the various business development and support programmes the service offers to all of its licence holders for free. We were able to use our Trading Places programme to support unemployed residents who had lost their jobs during the pandemic or had used the pandemic to start their own businesses and gave them a platform to do this in the borough in one of our sites. To date 194 new licence holders are existing residents who now run their own businesses or enterprise within the borough in which they reside.
- 5.7. This demand for trading locations and pitches has been in response to demand from residents and visitors for a more varied offering and the desire to shop experience led retail. The post pandemic recovery also provided the Council an opportunity to review all of our existing commercial operations and how we can best support businesses, This

- 5.8. The study also corrected a long standing misconception that the core customer base are young hipsters and whilst there is some truth in this, it's not the full picture, as a large proportion of customers are in older age groups, aspirational and with more disposable income (as well as tourists) than those that use Ridley Rd for example. Whereas Ridley Rd is a true community market and its continued success is built on affordable produce/commodities and the diverse and unique range of world goods that are not supplied by supermarkets.
- 5.9. This has led to a permanent additional trading day being approved in September 2021 which is currently at full occupancy with 20 street food businesses and 10 floristry businesses and in January 2022 has just been approved to double the capacity for both commodities, due to the successful impact of the local and inclusive economy and employment within the area.
- 5.10. Other support mechanisms have seen the insourcing of the stall management function of the service which sets up and dismantles the boroughs street markets every week, which has historically always been outsourced to contractors, but is now in the process of being insourced, saving the council £351k over the next five years and creating 28 local employment opportunities for residents to apply and play an important part in the delivery of these much needed community assets.
- 5.11. The council have also stepped in and negotiated lease agreements to take over the management of and save the indoor market building in Ridley road and protect a number of small businesses, artists and makers from closure and being displaced from their community and customer bases. Whilst also providing additional affordable storage units, toilet facilities and safeguarding the future of the service by consolidating all of the service teams into one location inside the indoor market building. A copy of the briefing note can be accessed here.
- 5.12. The Service has also won some national awards for the support it has given to other local authorities across the pandemic and post pandemic recovery period and the way in which it has supported its businesses and traders. The Service was asked to present a snapshot of the recovery at one of the national conferences in late 2021 and a copy of the presentation can be assessed <a href="https://example.com/here/beauto-state
 - 6. What analysis has been undertaken of the night-time economy both pre and post pandemic?
 - 6.1. The Markets & Street Trading services do not currently issue nighttime licences or operate night markets but this is something that is explored in the next markets strategy 2022-2027.

- 6.2. The Shop Fronts licences for tables and Chairs and the Pavement Licence for the use of street furniture are in high demand. Both offer the option of using street furniture on the public highway, adjacent to or in front of business premises' and we have seen particularly over the summer months an upsurge in applications for these style licences.
- 6.3. Given the Government's drive on Al Fresco dining over the pandemic and specifically across the summer of 2021, this does skew the datas somewhat to make a fair comparable to 2019 and if these are a lever in driving positive economic recovery for the night time economy. What can be proven through various studies such as the latest government consumer trends and habits study or an independent study into how these types of businesses have survived the pandemic, is that the longer people dwell in a specific retail or hospitality function, their net basket spend increases, so this does support the use of more of these types of licences but the most accurate comparable will be to review summer 2021 with summer 2022 to fully understand the impact post pandemic.
 - 7. What data does the council collate and monitor about licensing in relation to the businesses in the night time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses?

7.1. N/A

8. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night time sector?

8.1. N/A

9. Conclusion

- 9.1. The information and results highlighted through analysis of the various data sets we hold and collate on the businesses that are licensed and use our services indicate a positive economic recovery and performance over the last 12 months.
- 9.2. The data also clearly indicates that the substantive measures implemented at significant cost to the service over the pandemic to ensure our licensed businesses and traders successfully navigated the pandemic and poist pandemic recovery period. Despite the ever challenging financial climate we currently find ourselves operate within. The actions of the Council have provided a strong platform and springboard for our local economy to capitalise on the returning footfall and visitor numbers and maximise on the many commercial opportunities we are currently presented with and we now find ourselves in a secure and enviable position comparatively to other services in neighbouring boroughs across London.

- 9.3. Whilst we do not hold sales figures for each of the 1097 licensed businesses, the increase in overall licensed operators when analysed with the volume of paid for pitches and use of public highway flat vs 2019 which was a double digit growth performance provides the service and borough with a very robust and positive recovery outlook.
- 9.4. The service is currently receiving approx 15 applications a week from prospective new traders, pop ups and start ups to use Hackney as the place, in which to operate their businesses from. This is the clearest indicator yet, that the economic recovery and volume of business support measures implemented by the Council are deemed a very attractive and lucrative proposition for businesses owners and operators.
- 9.5. The vast majority of our existing businesses have successfully navigated the pandemic and we have supported in excess of 50 of these expanding their enterprises across the borough which has seen them increase their turnover, generate more sales and create more local employment opportunities.
- 9.6. In closing, whilst every Council would have liked to have been able to do more to support the businesses and local.inclusive economy within Hackney, The decisions and mitigations made have been evidenced based and informed, often delivered at pace, utilising the expertise of officers.
- 9.7. The use of data from the many data sets we analyse has been key to ensuring we get decisions right first time, place customers at the heart of what we do and protect the most vulnerable within our communities. It has also played an integral role in ensuring all of our businesses receive best in class documentation and business support to meet these challenges head on, and in turn they can then make their own informed, evidenced based choices on what is best for their business over this period. Whilst we currently have a small deficit, we are confident the financial year 2022/23, will see the service be the first to generate a surplus in the account by the end of the financial year which will be the main indicator of whether or not all of the activity and measures put into practice over the last 24 months have been effective or not.



↔ Hackney

Skills Economy & Growth Scrutiny Commission

Item No

09 March 2022

Item 6 - Skills Economy & Growth Work Programme 2021/22

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OUTLINE

Attached is the work programme for the Skills Economy & Growth commission for 2021-22. Please note that this is a working document and regularly updated.

ACTION

The commission members are asked for any comments, amendments or suggestions for the work programme.



	Skills Economy and Growth SC - Rolling Work Programme for 2021-22					
Date of Meeting	Item	Contributor Job Title	Contributor Name			
21st June 2021	Introduction to Hackney Council's Economic, Skills and Regeneration Work	London Borough of Hackney 1. Stephen Haynes, Strategic Director Inclusive Economy, Corporate policy &New Homes 2. Suzanne Johnson, Head of Area Regeneration 3. Andrew Munk, Head of Employment, Skills & Adult Learning, London Borough of Hackney				
18th July 2021	Cancelled	Cancelled	Cancelled			
18th October 2021 Community Involvement in Planning & Area Regeneration		London Borough of Hackney 1. Suzanne Johnson, Head of Area Regeneration, London Borough of Hackney 2. Natalie Broughton, Head of Planning, London Borough of Hackney 3. Katie Glasgow, Deputy Manager, Planning & Regulatory Services, London Borough of Hackney Hackney Wick Development Trust 4. Alex Russell, Executive, Hackney Wick Development Trust				

Skills Economy and Growth SC - Rolling Work Programme for 2021-22					
Date of Meeting	Item	Contributor Job Title	Contributor Name		
22nd November 2021	Skills Enquiry	London Borough of Hackney 1. Andrew Munk, Head of Employment, Skills & Adult Learning 2. Simone van Elk, Strategic Delivery Manager, New City College 3. Alison Arnaud, Hackney and Tower Hamlets Colleges, New City College Group Department for Work and Pensions 4. Steve Hanshaw, Senior Partnership Manager, Department for Work and Pensions			
15th December 2021	Transport for a Cleaner Greener Hackney	London Borough of Hackney 1. Andy Cunningham, Head of Streetscene, London Borough of Hackney 2. Aled Richards, Strategic Director of Sustainability & Public Realm, 3. Cllr Mete Coban, Cabinet Member for Energy, Waste, Transport & Public Realm, London Borough of Hackney 4. Tyler Linton, Sustainable Transport and Engagement Manager, Streetscene, London Borough of Hackney			

	Skills Economy and Growth SC - Rolling Work Programme for 2021-22					
Date of Meeting	Item	Contributor Job Title	Contributor Name			
24th January 2022	Cabinet Question Time Outline In the municipal year, the Commission holds question time sessions with the Cabinet and Senior Officers to ask questions about performance and decision- making within the Council related to their portfolio areas. The questions submitted in advance covered: Investment in Hackney's future from large local businesses and associated opportunity creation for residents. Affordable commercial rents and the impact of Brexit & coronavirus. Rejuvenation of the night-time economy. The Commission to hold a Q&A session with Cllrs Nicholson & Williams about the services and decisions within their portfolios.	Cllr Guy Nicholson, Deputy Mayor; Cabinet Member for Housing Supply, Planning, Culture, and Inclusive Economy, London Borough of Hackney				
22nd February 2022	Decarbonising Hackney's Economy - Supporting SME's to Decarbonise This item is to review how the council can help support local SMEs to decarbonise their business model and operations. To help them align with the council's aims and ambitions to achieve net zero carbon by 2040. All guests have been asked to cover the following in their presentations: How much do small businesses understand what is required to shift to net zero?	GLA 1. Philip Graham, Executive Director Good Growth 2. Pete Daw, Head of Climate Change London Borough of Hackney 1. Suzanne Johnson, Head of Area Regeneration 2. Jasmine Ceccarelli Drewry, Regeneration Officer				

	Skills Economy and Growth SC - Rolling Wor	k Programme for 2021-22		
Date of Meeting	Item	Contributor Job Title	Contributor Name	
	 What is within their control? What do they need support with? How much of a challenge is it for small businesses to shift to net zero? What work has been done to assess the challenges facing them? What research has been done on how small businesses approach this challenge? What role do they think local authorities need to play to support SMEs to shift to practices, business models and procurement that are aligned to net Zero? Who else holds responsibility to support this shift - the government? trade bodies? support networks? What form should that support take? What support is being provided to small businesses? By whom? in what form? 			
9th March 2022	Economic Stocktake This item is to review the Council's work to support the development of the local high streets and at this juncture in the pandemic understand what has happened to the local economy since the pandemic. The Commission is keen to identify if the council's decisions and measures put in place have helped to keep the local economy remain stable. In addition to identify which businesses /sector has survived.	 Aled Richards, S Stephen Haynes Economy, Corpo Cllr Guy Nichols 	orough of Hackney Strategic Director of Sustainability & Public Realm s, Strategic Director Inclusive brate policy &New Homes on Deputy Mayor for Housing s, Culture and Inclusive Economy	

Skills Economy and Growth SC - Rolling Work Programme for 2021-22				
Date of Meeting	Item	Contributor Job Title	Contributor Name	
In	 What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used. What support has Hackney Council received from Central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy? What data does the council collate and monitor about the local high streets? What support has been given to businesses in the local high streets and what assessment has been made of the impact of the support we have given? What analysis has been undertaken of the night-time economy both pre and post pandemic? What data does the council collate and monitor about licensing in relation to the businesses in the night-time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses? How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night-time sector? 			

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Skills Economy and Growth SC - Rolling Work Programme for 2021-22					
Date of Meeting Item		Contributor Job Title	Contributor Name		
	Voluntary Sector	London Borough of Hackney			
	The item is to review how COVID has impacted the voluntary sector, how it's affected the sector's ability to meet the needs of the borough, what demand in these services looks like, and the future of volunteering work.	HCVS Volunteering Centre Hackney Woodberry Aid			

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Skills Economy & Growth Scrutiny Commission

Item No

09 March 2022

Item 7 - Minutes & Matters Arising

7

OUTLINE

The draft minutes of the 22nd February 2022 will be provided at the next meeting.

ACTION

Members are asked to agree the minutes and note the matters arising.

