# **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:

Monday 19 June 2023

7.00 pm

Council Chamber, Hackney Town Hall, Mare Street, London E8 1EA

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

### Main Link

https://youtube.com/live/MRBWToDfyk0

Back up Link

https://youtube.com/live/wQG2BJjUdjs

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

Ian Williams

**Acting Chief Executive, London Borough of Hackney** 

Contact:

Tracey Anderson

**2** 020 8356 3312

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

Cllr Gilbert Smyth, Cllr Jon Narcross, Cllr Fliss Premru,

Cllr Jessica Webb, Cllr Joe Walker, Cllr Claudia Turbet-Delof and

**Clir Penny Wrout** 

### Agenda

### ALL MEETINGS ARE OPEN TO THE PUBLIC

- 1 Appointment of Chair and Vice-Chair of the Skills, Economy and Growth Scrutiny Commission for the municipal year 2023/24
- 2 Apologies for Absence
- 3 Urgent Items / Order of Business
- 4 Declarations of Interest



- 5 Sustainability and Licensing (19:05 19:50) (Pages 9 24)
  6 Hackney Markets (19:50 20:50) (Pages 25 94)
  7 Minutes of Previous Meeting (20:50 20:55) (Pages 95 124)
  8 Skills, Economy and Growth Scrutiny Commission Work Programme 2023/24 (20:55 21:05)
- 9 Any Other Business

### **Access and Information**

### Public Involvement and Recording

### **Public Attendance at the Town Hall for Meetings**

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 <a href="https://hackney.gov.uk/council-business">https://hackney.gov.uk/council-business</a> or by contacting Governance Services (020 8356 3503)

Following the lifting of all Covid-19 restrictions by the Government and the Council updating its assessment of access to its buildings, the Town Hall is now open to the public and members of the public may attend meetings of the Council.

We recognise, however, that you may find it more convenient to observe the meeting via the live-stream facility, the link for which appears on the agenda front sheet.

We would ask that if you have either tested positive for Covid-19 or have any symptoms that you do not attend the meeting, but rather use the livestream facility. If this applies and you are attending the meeting to ask a question, make a deputation or present a petition then you may contact the Officer named at the beginning of the agenda and they will be able to make arrangements for the Chair of the meeting to ask the question, make the deputation or present the petition on your behalf.

The Council will continue to ensure that access to our meetings is in line with any Covid-19 restrictions that may be in force from time to time and also in line with public health advice. The latest general advice can be found here - <a href="https://hackney.gov.uk/coronavirus-support">https://hackney.gov.uk/coronavirus-support</a>

### 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. 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.

### **Advice to Members on Declaring Interests**

### **Advice to Members on Declaring Interests**

Hackney Council's Code of Conduct applies to all Members of the Council, the Mayor and co-opted Members.

This note is intended to provide general guidance for Members on declaring interests. However, you may need to obtain specific advice on whether you have an interest in a particular matter. If you need advice, you can contact:

- Director of Legal, Democratic and Electoral Services
- the Legal Adviser to the Committee; or
- Governance Services.

If at all possible, you should try to identify any potential interest you may have before the meeting so that you and the person you ask for advice can fully consider all the circumstances before reaching a conclusion on what action you should take.

### You will have a disclosable pecuniary interest in a matter if it:

- i. relates to an interest that you have already registered in Parts A and C of the Register of Pecuniary Interests of you or your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner;
- ii. relates to an interest that should be registered in Parts A and C of the Register of Pecuniary Interests of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner, but you have not yet done so; or
- iii. affects your well-being or financial position or that of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner.

# If you have a disclosable pecuniary interest in an item on the agenda you must:

- i. Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you (subject to the rules regarding sensitive interests).
- ii. You must leave the meeting when the item in which you have an interest is being discussed. You cannot stay in the meeting whilst discussion of the item takes place, and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision.
- iii. If you have, however, obtained dispensation from the Monitoring Officer or Standards Committee you may remain in the meeting and participate in the meeting. If dispensation has been granted it will stipulate the extent of your

involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a pecuniary interest.

# Do you have any other non-pecuniary interest on any matter on the agenda which is being considered at the meeting?

You will have 'other non-pecuniary interest' in a matter if:

- i. It relates to an external body that you have been appointed to as a Member or in another capacity; or
- ii. It relates to an organisation or individual which you have actively engaged in supporting.

# If you have other non-pecuniary interest in an item on the agenda you must:

- i. Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you.
- ii. You may remain in the meeting, participate in any discussion or vote provided that contractual, financial, consent, permission or licence matters are not under consideration relating to the item in which you have an interest.
- iii. If you have an interest in a contractual, financial, consent, permission, or licence matter under consideration, you must leave the meeting unless you have obtained a dispensation from the Monitoring Officer or Standards Committee. You cannot stay in the meeting whilst discussion of the item takes place, and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision. Where members of the public are allowed to make representations, or to give evidence or answer questions about the matter you may, with the permission of the meeting, speak on a matter then leave the meeting. Once you have finished making your representation, you must leave the meeting whilst the matter is being discussed.
- iv. If you have been granted dispensation, in accordance with the Council's dispensation procedure you may remain in the meeting. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a non-pecuniary interest.

#### **Further Information**

Advice can be obtained from Dawn Carter-McDonald, Director of Legal, Democratic and Electoral Services via email <a href="mailto:dawn.carter-mcdonald@hackney.gov.uk">dawn.carter-mcdonald@hackney.gov.uk</a>

### **Getting to the Town Hall**

For a map of how to find the Town Hall, please visit the council's website <a href="http://www.hackney.gov.uk/contact-us.htm">http://www.hackney.gov.uk/contact-us.htm</a> 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') Skills, Economy and Growth Scrutiny Commission







Skills Economy & Growth Scrutiny Commission	Item No
19 <sup>th</sup> June 2023	5
Item 5 – Sustainability and Licensing	3

### **Outline**

Purpose of this item is to explore the levers for sustainability through licensing for local businesses.

### **Background**

The Commission received an update last municipal year but wanted to explore further the potential for the Council to use its licensing powers to prepare and drive behaviour change for local businesses to support the climate action plan objectives and reduce the use of single use plastic.

### Report in the agenda:

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

Sustainability and Licensing

### <u>Invitees from London Borough of Hackney</u>

- Cllr Fajana Thomas Cabinet Member for Community Safety and Regulatory Services
- Rickardo Hyatt Group Director Climate, Homes and Economy
- Gerry McCarthy Head of Community Safety, Enforcement and Business Regulation

### Action

The Commission is asked to note the presentation and ask questions.



# **Sustainability and Licensing**



This is an integrated scheme for licensing premises authorised to sell or supply of alcohol, provide regulated entertainment, or provide late night refreshment.

The Act seeks to promote four "licensing objectives" which are:

- Prevention of crime and disorder
- Public safety

Page

- Prevention of public nuisance
- Protection of children from harm

There are four types of authorisation under the Act

- Premises licences
- Club premises certificates
- Temporary event notices
- Personal licences



Page

For example, section 18 (determination of premises licences), paragraph (6) states:

- (6) For the purposes of this section, "relevant representations" means representations which-
  - (a) are about the likely effect of the grant of the premises licence on the promotion of the licensing objectives,

For example, section 35 (determination of application to vary premises licences), paragraph (5) states:

- (5) In this section "relevant representations" means representations which—
  - (a) are about the likely effect of the grant of the application on the promotion of the licensing objectives, and



# **Licensing Policy**

The Licensing Policy is the document that sets out the principles to be applied when the Council and its partners are considering applications under the Licensing Act 2003

This must be prepared in accordance with guidance published by the Home Office and must seek to promote the four licensing objectives

However, the Policy provides an opportunity to set out Council aspirations



# **Licensing Policy**

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For example, the draft Licensing Policy currently out for consultation makes reference to the Climate Action Plan

The final version of the Policy can include further reference to the Council's ambition to reduce the use of single use plastics



# **Businesses in the borough - Overview**

Total number of businesses in the borough - **24,405** (Statistics taken from the Regeneration team)

Total number of food businesses: **3,852** 

Total number of licensed premises: approximately **1,400 6% of total businesses**.



# Ban on the sale of single use plastics

On 14 January 2023, Rt Hon Therese Coffey announced that a range of single use plastics would be banned from October 2023\*

The ban will include single-use plastic plates, trays, bowls, cutlery, balloon sticks, and certain types of polystyrene cups and food containers. This ban will be introduced from October 2023, allowing businesses time to prepare.

The October 2023 commencement date is to allowing businesses time to prepare.

Aims to build on the success of the carrier bag charge and ban on plastic straws

The Climate Change Act 2008 was amended by the The Single Use Carrier Bags Charges (England) Order 2015 amended so legislators may use a similar route



### Plastic 'Glasses'

### Plastic glasses are widespread in the night time economy for a variety of reasons:

- Safety: they are used in high capacity venues instead of glass, especially large music venues and nightclubs. Some licences will have conditions to this effect. They are also used in outdoor settings to avoid glass use in the public space and reduce the risks associated with crime and disorder. The Police have recommended that bars switch to plastic in many cases. Some researchers estimate up to 80,000 glassings a year in the UK but this includes threats of glassing as well. Hospital episode statistics point to assaults using sharp instrument usually glass causing 5,000 serious, life-changing, injuries each and every year.
- Cost: the cost of living crisis, Brexit and Covid recovery have had significant impact on Hackney businesses. This has put pressure on them to cut costs and plastic glasses are much cheaper than other alternatives.
- A high number of businesses do not recycle plastic glasses as easier and faster to dispose of as regular waste and do not want to take on the additional burden of washing hundreds of reusable glasses at the end of the night. Many reusable-style glasses cannot be washed in commercial grade glass washers and too costly in staff time to wash by hand.



## Using incentives to promote greener practices

- The Late Night levy currently funds the Hackney Nights project, which focuses on safety, guidance and training for nightlife venues.
- The new Hackney Nights venue accreditation was launched post-Covid as part of the wider recovery plan.
- Each premises that gains the accreditation will benefit from a 30% Page 1 reduction on their late night levy fees as well as be promoted via the council's social media channels and publications.
  - Education is the first step towards becoming a greener venue, and there is guidance and information available to our night time economy businesses via the Hackney Nights portal.

hackneynights.co.uk





# HACKNEY NIGHTS ACCREDITATION SCHEME

Encouraging greener practices

# Creating a new standard for our night time spaces in Hackney

Our new **Accreditation Scheme** offers safety training and guidance to licensed venues.

### Accredited venues must:



Be inclusive – hate free venues



Be safe spaces – with robust crime prevention policies



Be involved – play a part in their community



Be sustainable – reduced waste and adopt other sustainable policies



Be respectful of neighbours – manage noise and nuisance



Be healthy – prioritise wellbeing of customers and staff



Be educated – staff regularly trained on the Hackney Nights safety course Venues who adhere to our accreditation scheme are asked to make a pledge to reduce waste and adopt more sustainable policies.

At the current time there is no dedicated resource to following up, doing visits/spot checks and ensuring they stick to the criteria. We simply ask that they pledge to become more sustainable businesses. There are plans to expand this with sustainability colleagues.

### Full sustainability guidance offered to licensees under the accreditation scheme These recommendations is based on the council's climate action plan.

### **Sustainable Food**

- Locally sourced: Similar to drinks, using locally sourced food ingredients can cut down on carbon emissions
- Use organic and ethical traded certified food ingredients
- Plant-based options: Offer vegetarian and vegan options, as plant-based foods generally require less water and produce fewer greenhouse gas emissions than meat. Consider offering half of your menus option as plant based
- Seasonal menu: Design menus around what is in season locally, which not only reduces transportation emissions but also supports local farmers
- Food waste: Implement strategies to reduce food waste, such as carefully managing food inventory, offering different portion sizes, and composting food scraps
- Collaborate with local food banks or shelters to donate any unsold food at the end of the night
- Sustainable seafood: If seafood is offered, ensure it is sourced sustainably Overfishing and destructive fishing practices are major issues in our oceans
- Ethical meat and dairy: If meat and dairy products are offered, opt for suppliers who practise ethical and sustainable farming

### **Sustainable Drinks**

- Local sourcing: Prioritise beverages that are locally produced to reduce carbon emissions from transportation
- Organic options: Offer organic wine, beer, and spirits, which are produced without harmful pesticides and synthetic fertilisers
- Include ethical traded certified beverages in your offerings. This ensures that producers in developing countries get a fair price for their products
- Seasonal cocktails: Use seasonal and locally sourced fruits, herbs, and other ingredients for cocktails to reduce your carbon footprint
- Opt for brewers and wine producers that use water-saving techniques
- Bulk purchasing: Buy in bulk to reduce packaging waste. For instance, use kegs instead of individual bottles for beer.

### **Recycling and Composting**

- Set up recycling bins for glass, plastic, cardboard and paper
- Set up recycling of food waste
- Eliminate single-use items: Avoid single-use plastics like straws or stirrers, instead use reusable options or schemes. Consider providing a deposit token system to encourage returns.
- Use digital receipts: Instead of paper receipts, opt for digital receipts to reduce paper waste
- Conduct regular waste audits to understand what is being thrown away and identify opportunities for recycling or composting
- Train staff on proper recycling and composting practices. This could include education on what can and cannot be recycled or composted
- Use suppliers with refillable supplies such as cleaning products
- Partner with other sustainable organisations to reduce waste via the <u>Circular Matchmaking platform</u>





Skills Economy and Growth Scrutiny Commission	Item No
19 <sup>th</sup> June 2023	6
Item 6 – Hackney Markets	U

### **Outline**

Update on the performance of Hackney's markets pre pandemic, during the pandemic and post pandemic. A discussion to understand the impact of lockdowns, consumers and cashless transactions.

### **Purpose**

The purpose of this item is to understand the work and actions taken by Hackney Council to maintain and sustain the borough's markets during and post pandemic.

### Report in the agenda:

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

Markets, shop fronts and Street Trading Pre/During/Post Covid Performance.

### **Invitees from London Borough of Hackney**

- Cllr Fajana Thomas Cabinet Member for Community Safety and Regulatory Services
- Rickardo Hyatt Group Director Climate, Homes and Economy
- Kevin Keady Head of Parking and Markets

### **Action**

The Commission is asked to note the update and ask questions.



# Scrutiny Commission 2023

Markets, Shop Fronts & Street Trading Pre/During/Post Covid Performance

**Hackney** 

# Who are we

- 51 Officers & Operatives
- 10 Street Markets
- 1 Indoor Market
- №32 Street Trading sites
- 507 Shop Front Trading sites
- Composed of different teams:
  - Markets & Street Trading
  - Indoor Market
  - Shop Fronts
  - Licensing and Development
  - Stall Management



# Markets, Shop Fronts & Street Trading

### **Meet your Colleagues**





# Markets & Street Trading - what we do

- Deliver best in class front line service.
- Administer 1400 Licensed small and micro businesses
- Revenue 2016/17 = -£1.2m to 2022/23 = £1.6m
- Develop Incubation Hubs for start-ups, small and micro business
- Statutory responsibility to assess, grant, vary, issue, revocate and enforce on market and street trading licences
- Business development & support
- Day to day operational management of multi million pound commercial operations
- Low risk, high profit trading opportunities





# **Shop Fronts Trading Service - what we do**

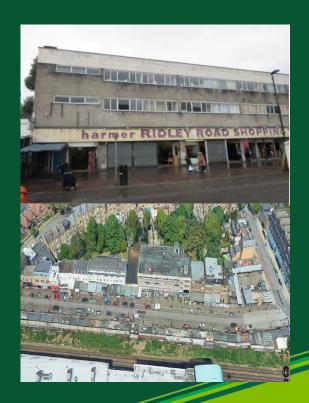
- Administer 343 SF Licences
- 111 Pavement Licences
- Revenue 2017/18 = £70k to 2022/23 = £370k
- Bricks & Mortar business support and expertise
- Statutory responsibility to assess, grant, vary, issue and revocate shop front and pavement licences
- Enforcement of all trading licences
- Day to day operational management of the use of public highways for commercial activities
- Provide low cost, low risk commercial solutions for businesses to develop & grow in Hackney





# Indoor Market Service - what we do

- First of its kind opportunity providing,
   Low cost graduation opportunities from street trading to bricks and mortar fixed unit trading
- Statutory responsibility to assess, grant, vary, issue and revocate market and street trading licences
- Enforcement of all trading licences
- Business development & support
- Day to day operational management of million pound commercial operation
- Low risk, high profit trading opportunities



# Stall Management - what we do

- Set up of all of the boroughs street markets
- Right first time delivery to facilitate effective daily trading
- 1st point of contact with licence holders and public on trading days
- Ongoing stall management & support across trading day
- Dismantling of all of the boroughs street markets





# Licensing & Development - what we do

- Statutory responsibility to assess, grant, vary, issue and revocate market and street trading licences
- Markets Strategy creation & delivery
- Business development & support
- Digital & Physical Promotion And Marketing
- Events Management
- Benchmarking
- Finance & Debt Recovery
- Customer engagement and consultations







# Markets & Street Trading Service

Pre, During & Post Covid Performance

# 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 & utilities	80
Manuacturing	755
Constituction	1,505
Motor trades	140
Wholesale	745
Retail	2,015
Transport & storage	435
Accommodation & food services	1,215

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

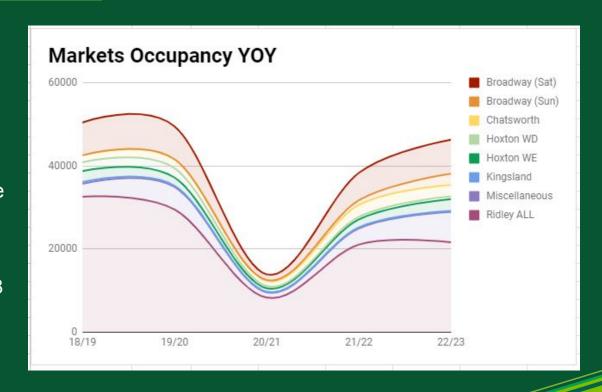
(Source: ONS Inter-Departmental Business Register 2021)



# Occupancy

## Occupancy Performance

- 2017/2018= +3% / +1427 more pitches
- 2018/2019 = +15\% / +6668
- more pitches
- Page 38 2019/2020 = +2% / +931 more pitches
- 2020/2021 = -72% / -35,615 less pitches
- 2021/2022 = +176% / +24,448 more pitches
- 2022/2023 = +21% / +7939 more pitches

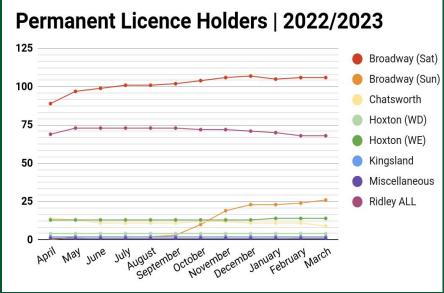


## **Permanent Licence Holders**

Temp 69% / Perm 31%



**Temp 51%/ Perm 49%** 

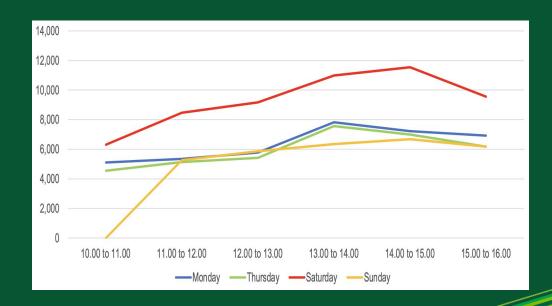


+58% Increase in demand for Permanent Licenses



#### Footfall Data

- Annual footfall of 2.1m Visitors per annum.
- All count points get progressively busier over the course of the morning peaking at lunch times and remaining busy. Band of footfall activity is mostly between 500 and 1,500.
  - Most points peak from 13.00 to 14.00, although the market entrance peaks at 14.00 to 15.00
  - Market entrance footfall is circa two thirds of peak footfall.
  - Weekdays and Sundays are similar in regards footfall levels.
  - Saturday levels are approx. +70 to 90% busier, they are busier across the day.

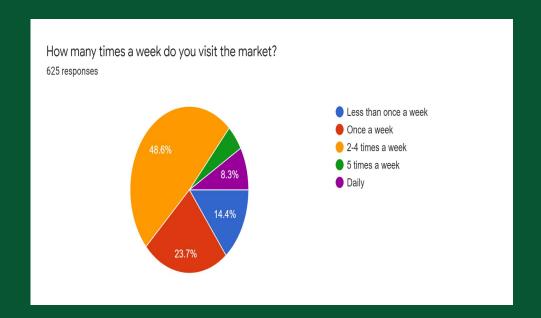


# Footfall - Examples

## **During Covid**

#### **Footfall Data**

- Annual Footfall over 2020/21 was 236,132 per annum
- The Market operated throughout but ina covid secure manner with only ⅓ of the traders trading due to restrictions.
- 48.6% of visitors were shopping
   2-4 times a week over this period.
- 45.3% of visitors spend £10 or more each visit in this period.

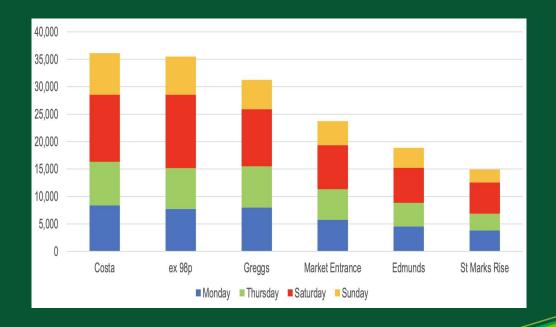


# Footfall - Examples

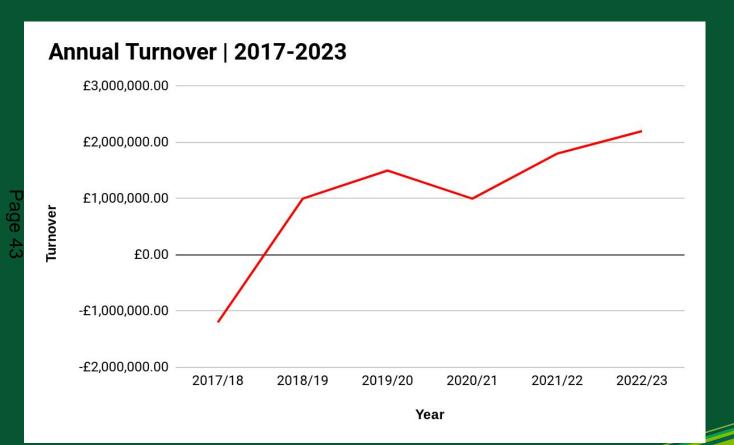
### **Post Covid**

## Occupancy Performance

- Indicative footfall counts and cctv footfall counting indicates annual footfall 2022/23 to be 2.15m visitors.
- That is an increase of 2.31% vs 2019/20 and 810% vs 2020/21
  - Footfall continues to get progressively busier over the course of the morning peaking at lunch times and remaining busy.
  - Friday & Saturday remain peak trading days
  - Market entrance footfall is circa two thirds of peak footfall.
  - Sunday footfall levels are quite consistent from 11 through to 16.00.
  - There is clearly significant footfall available on Kingsland High Road on Sundays.



# **Turnover - whole Service**



## **Local Residents = Local Entrepreneurs**















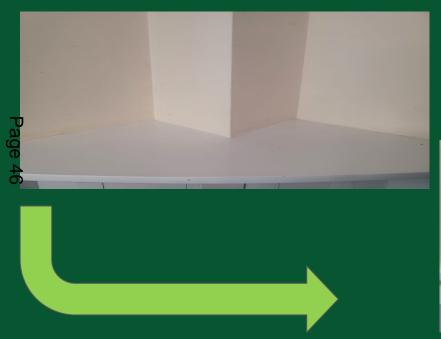


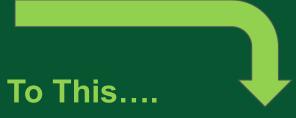
# Markets & Street Trading Service

Rewards & Recognition

# **Leading The Way**

## From This....







# **Leading The Way**

#### **National Awards:**

- 1. NABMA Best Markets Service UK & Ireland (2022)
- 2. NABMA Best Large Outdoor Market Ridley Road (2022)
- 3. NMTF Chairman Shield Award Best Market Management UK (2021)
- 4. NABMA Market Heroes Outstanding Achievement Award (2021)
- 5. NABMA Market Heroes Youth Market Champions (2021)
- 6. NABMA Markets Manager of the Year (2020)
- 7. Market Innovation of the year (2019)

## **Hackney Stars Awards:**

- 8. Best Customer Service (2019/20)
- 9. Manager of the Year (2019/20)
- 10. Team of the Year (2019/20)
- 11. Project of the Year (2020/21)

To add to the above, we also had traders with national awards in 2019 and 2022 for Young Market Trader Awards.





Open Markets -London



Department for Work & Pensions











**LONDON** 

**COUNCILS** 











ACCESSING MONEY AND MARKETS









lxion











City of Westminster

**UNIVERSITY OF LEEDS** 







## Supporting low income families



- 10k Most rose vouchers processed over the covid period of any local authority.
- **First Council** to amend policy, making it mandatory for all Fruit & Veg traders to join the scheme.
- Number one -for the volume of traders accepting the scheme in London.
- Only 6 day a week Market in London that traded throughout the pandemic.
- 5k Highest volume of daily customers accessing any market in London over the pandemic.

"Thank you again for prioritising signing up traders to the Rose Vouchers Project during the last year, which gave families we support so much more choice where they could shop. It's a real achievement that so many new traders have been signed up during such a challenging time. Please pass on our thanks to your team - we're very grateful to all those working on the frontline that have helped support the delivery of the Rose Vouchers Project in Hackney. It is also great to hear the measures you have put in place to support traders wellbeing over the past year.

We look forward to continuing to work with you and the Hackney Markets team over the coming months and years. My colleague Eleanor will also be sharing the news on our website and across our social channels. All the best, Jonathan"

Jonathan Pauling, Chief executive, Alexandra Rose Charity



## Benchmarking

## MAYOR OF LONDON LONDON ASSEMBLY

The Mayor of London appointed a New London Markets Board in September 2022. The group of 19 sector experts, operators, business leaders, and entrepreneurs advise the Mayor on action to support and promote the capital's wholesale, street and covered markets in order to deliver a London markets strategy. Dan O'Sullivan, who acted as a special advisor over the pandemic, was appointed to the Board and has led on two successful Mayor of London Resilience Projects during both the pandemic and post pandemic recovery period.



#### Dan O'Sullivan

Service Area Manager, Hackney Markets, Hackney Council

Dan is a Multi Award Winning, experienced Senior Leader and well respected nationally. He is currently responsible for running Hackney Council's Markets, Shop Fronts & Street Trading Service providing comprehensive support and service to 1200 Markets & Street Trading license holders as well as over 500 bricks-and-mortar businesses across the borough. Under his leadership, the service has developed best practice in the UK in terms of brand management, social media and marketing, alongside business and trader development through their award-winning Trading Places programme.

# Markets & Street Trading Service

Trader & Business Support

## **Development: Social Media**





1,591 52.8 k 2,087
Posts Followers Following

#### Broadway Market, E8

Shopping & retail

London's best collab between shops, market stalls, food & drink in the heart of Hackney

🦙 Saŧ႘ႃၭtreet market | 9-6pm

🔆 Sun food & florist | 9-6pm

















# **Social Media Posts**



**Broadway Market** 



**Chatsworth Road Market** 

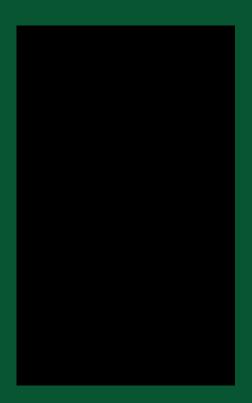


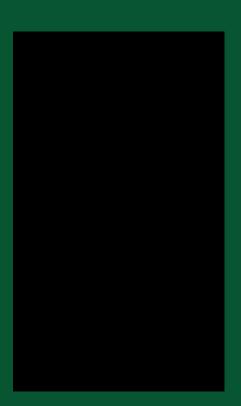
**Ridley Road Market** 



**Hoxton Street Market** 



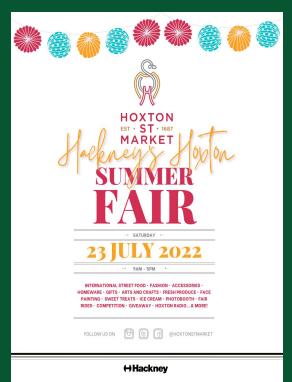






## Events







# **Digital Events**









# **Cultural Awareness**









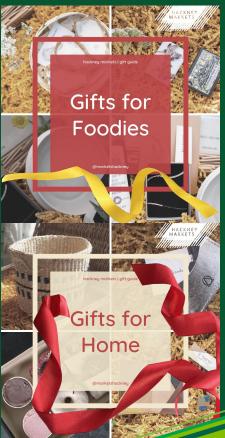


# Hamper - Winners



# Seasonal gift guides





## New Trader Campaigns - Ad Design











Keen baker looking for a place to show off your skills? Become a market trader.



**Hackney** 



# Looking to expand your business further?

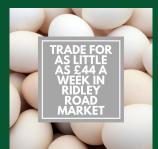
Come and trade in one of Hackney's markets





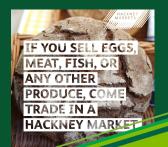


**↔** Hackney



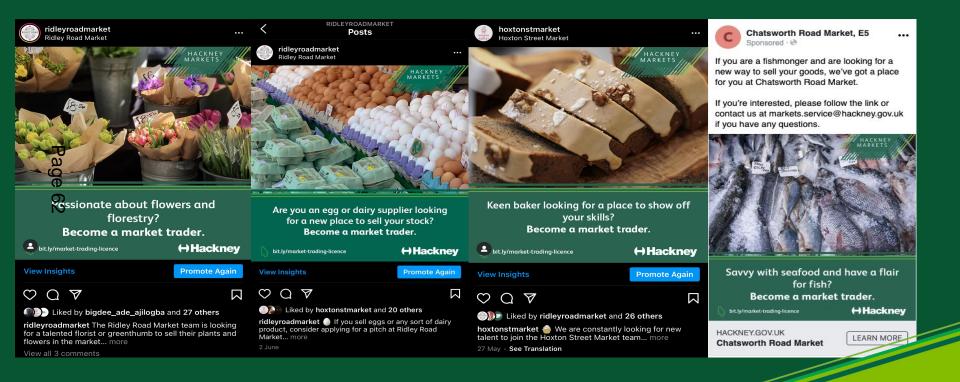






**Hackney** 

# Digital Media





# Newsletter + Hackney Life







Urthly is a company committed to reducing London's carbon footprint by teaching businesses, communities, and councils practical and achievable ways to reduce their emissions. With a focus on Broadway Market, Urthly want to cut waste by half, create a community composting, waste, and refill station. and install a bubble barrier to catch plastic in the canal.

To help reduce the carbon footprint to align with a Carbon Zero 2030 target, Urthly hope to measure each business' footprint to identify the problem greas. Once these have been identified, Urthly will work with these businesses and the

community to help reach their goals. Eventually, a free online platform will be created containing information on how businesses can improve their carbon

A documentary will also be produced alongside the project with the aim of promoting sustainsblitiy and the importance of shopping locally.

transparent with them as they undertake this project. They also ask if traders could help promote the crowdfunding campaign by advertising on social media and sharing with friends, family, and colleagues when it goes live. This funding is vital to ensure that the project ones forward. For more information. please www.urthly.co.uk or follow their instagram: eurthlysourced.



#### **WELCOME MESSAGE**

GREETINGS ONE AND ALL TO THE FIRST 2021 EDITION OF THE HACKNEY MARKETS TRADER NEWSFLASH. MUCH LIKE THE END OF 2020 THIS YEAR HAS STARTED EXTRAORDINARILY DIFFICULT FOR MARKET TRADERS ALL OVER THE COUNTRY, AS THE VACCINE ROLLOUT CONTINUES, WE ANTICIPATE THAT RESTRICTIONS WILL EVENTUALLY EASE AND WE WILL BE ABLE TO DEODEN OUR MARKETS IN FULL. IN THE MEANTIME, WE THANK YOU FOR YOUR PATIENCE AND WISH YOU ALL THE BEST.

#### This month's

- MATT'S UPDATE
- . DENEWALS GIVING BACK
- BROADWAY VIRTUAL MARKET
- AND THE WINNER IS...
- . TRADER & CUST. SAFETY + COMFORT
- TRADING PLACES
- TIPS FOR IMPROVING WELLBEING

#### **Hackney**



Friends of the Earth Hackney & Tower Hamlets and Plastic Free Hackney will be hosting a stall at Ridley Road Market on Saturday February 8th.

Pay them a visit to hear about the moves Hackney Markets are making to reduce single use plastics and sign their petition to get the Phase-Out of Plastic Pollution Bill passed into law (and get a free Hackney Markets tote bag for your trouble). Find out more about what you can do as a stall holder and a consumer to reduce your environmental

Petition: https://bit.ly/2FMwEQW

Plastic Pollution Rill: https://bit.ly/35Ootyn

## **Inspirational traders**

#### Women making their mark in the borough's markets

year's International Women's Day celebrations, which took place on 8 March, the Council has recognises some of the women trading Women make up 33 per

the markets have been

year in order to comply with Covid-19 guidelines As the lockdown eases over the next few months it is more important that

For the latest

information about Hackney's market

MORE INFO



trader, has been a market She says that wanting to

be her own boss was what inspired her to start her own business initially. To this day, it is clear that for market trading. She says women looking to get their says that she loves it more start in business should start than anything, because 'you meet different people and you gain more knowledge perfect because you will learn and experience being in a and improve along the way. multicultural market',

at Broadway Market, but like many traders, has had to learn how to sell on online social media outlets.

Lauren's advice to women ness is: 'Think big, keep the energy going, but remember to

with the lack of natural her range of leather accessories journey for Vicktesha, who

alopecia in 2019. Creating her set small achievable goals, so As with all of the traders who you don't set yourself up to fail. have not been able to trade.

Rome wasn't built in a day, but due to lockdown, she is eager

#### Shop local, support Ridley Road Market

traders have launched a new video to encourage more residents to shop there claiming it's cheaper, more environmentally friendly and safer to do so. Shoppers in the video

supermarket

compared the overall for money than shopping in cost of buying fruit and stores. They also discovered vegetables from Ridley Road a wider range of fruit and Market to buying them from vegetables available. Shopping in Ridley Road They found that shopping avoids much of the plastic in the market is better value wrapping that comes

of the most covid-secure ways for residents to get their supplies. View the video at @ridleyroadmarket on Instagram and @ridleyrd on Twitter

market has a recycling rate o

81.4 per cent on waste.

Browsing in the open

air, with measures still in

also makes the market one

place to limit crowds,



#### RIDLEY Road Market with shopping in the big supermarkets. In fact, the

#### Broadway Market hots up as food traders return A six-week trial every Friday an opportunity to expand

FROM a Indonesian coconut dedicated to hot food sellers. business as well as providing curry to a snuggly wranned Indian kati roll, hot food traders are returning to Broadway Market.

The outdoor street market reopened in August following the initial lockdown but minus ite hot food etalle

CING can usually be found

with a long line of customers eager for a chicken or halloumi

wrap or a box. She was

I know about cooking' Nese

as soon as possible; there is

no need to wait for things to be

Safety measures are now in place and after a re-evaluation over the use of snace the Council has launched an additional market day

with a survey to ask traders, diners and residents to have The new trading day

on feedback

until the end of November

then a six-week trial every

Sunday until the end of the

year, will be rolled out along

The new venture will allow hot food traders to get back to

if and when the Saturday market returns to normal. The launch earlier this month saw 18 traders back at the helm. Howard, from the Jewish Deli, a long-standing

presence in the market said-"We're very pleased to be back at the market after not trading for six months on Saturdays and grateful to

the Council for the efforts in

"We're hopeful that it's going to move forward and people will come out more. It would be nice to try it out over lunchtime but it's just nice to be back at

Rmadway Market The usual Saturday market still remains strong and continues as usual. But for now - to get a serving of



can visit the new food market every Friday. As with all Hackney's markets, the new food market will implement the Council's covid-secure six-point plan.

follow @marketshackney on Instagram, Twitte

**→ Hackney** 

## Service User Newsletter

- Released every month
- Circulated to all traders, Ward Councillors, Stakeholder groups and Hackney Council colleagues
- Includes updates about events, activities and the work of the Markets Service, as well as things to come
- Advise Service Users about upcoming events, features and profiles.
- Monthly editorial about markets, street trading, and issues affecting traders







longies with.

Flastic is harmful to the environment in a veninty of different ways, but portrectulely to a veninty of different ways, but portrectulely to waitlife. Averages in agent was the sea of plantie that they metale for food. The plantic disregate the body's ability to doubte and oursegate. Body's ability to doubte and oursegate. Average and a venint, for the plantic accordance on the plantic such as wholes, turtine, and oursegate, Average such of other lefters, the plantic such as a support of other effects. These one is resolved or of other effects, which call that the plantic such plan

What does all of this most for matter wiseful? It is not red to exceptionly have a responsibility to reduce their plants usage where possible. These one or newton statistic can be resistantly can be resistent at the contract of the contra

For those particularly savvy and interested in reducing their plastic use, looking into the source of your product might be a good

thing to consider. Finding out obout the environmental impact of your supply obtacan help you to undestrated how you business might be affecting the environment. Depending an how must waste a produced in procuring your produand the distance it has to travel, you might consider looking at alternative sources.

Reducing plante is not only beneficial for the envisionent, but it will also impose the reputation of your brand, aspecially to customer that one particularly occasions are also benefit specification or planty or people having specification or planty as that produce zero or retirnal plantic want on demonstrated by the massive sectors of the Zea Visite Chatteria Machai.

Although there is a need for us all to be conscious about our environmental impact we understand that not every business is interestistely in the position to racke radical charge, Issted, we reference and urge you to consider your environmental impact and make changes where possible.



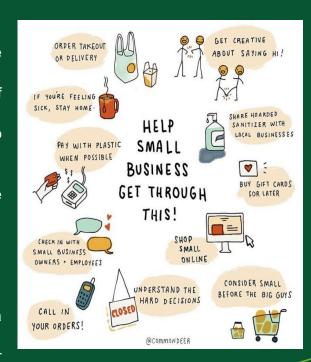






### Specific support for market traders and outdoor dining:

- 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.
- Under 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.
- Service did not charge traders for storage or non trading for the first 9 months of the pandemic.
- Ree reductions were put in place once restrictions were eased for a further 6 months.
- Provided free business development courses during lockdown.
- Support given by the Markets Team to help traders submit business grants applications.
- 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 regarding navigating and understanding Government advice and guidance.





## Support for market traders and outdoor dining:

- 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 seopening 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.





The Council provided economic support to businesses through the pandemic via the distribution of Government Covid-19 business grants. Around £126m of grants were given to local businesses via:

- 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 were paid to businesses who pay business rates and primarily focused on hospitality, leisure, retail and accommodation sectors.

The discretionary grant funds also focused on the same business sectors (but included those businesses in these sectors 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 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.





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

- High 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: A fund to support local businesses and Organisations to shape the Hackney Central plan, while supporting them through the Hackney. The fund was set up to 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 provided 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 provides 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 our capacity as a commercial landlord, the Council supported its commercial tenants via 121 discussions arranging 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 provided advice and support to businesses on the practicalities of trading throughout the pandemic and provided regular updates on Government regulations and the action required by businesses to comply with health and safety measures.
- The Council promoted local businesses and encouraged residents to shop locally and visit Hackney 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 was 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 markets Service created online platforms to run virtual markets for traders unable to trade in person and undertook well being check ins with all licence holders during this period every 8 weeks.
- The Markets service, alongside other Council services, liaised and engaged with businesses directly to offer business support and advice as required.





# Markets, Shop Fronts



& Street Trading Service

The Future

## The Future

## **Business & Data Analysis**

### **BUSINESS PERFORMANCE**

Turnover and business performance has not fully recovered since the pandemic and optimism for the future is suppressed

C Page

28%

Turnover **higher** than before the pandemic



20%

Turnover **about the** same than before the pandemic



39%

Turnover **lower** than before the pandemic

19%

Performance improved over past 12 months

36%

Performance remained stable over past 12 months

39%

Performance decreased over past 12 months

Nationally, 18% said their performance had improved, 50% stayed the same, 20% decreased and 12% not sure (ONS Business Survey, March 2023) 25%

Expect performance to improve in future

38%

Expect performance to remain stable in the future

12%

Expect performance to decrease in future

Nationally, 24% expect their performance to improve, 45% stay the same, 12% decrease and 19% not sure (ONS Business Survey, March 2023)

Throughout February 2023, the Service conducted a representative telephone survey of 1,274 businesses located across different sectors and areas of the borough.

The survey aimed to identify economic issues and opportunities, to support the growth of local businesses and the local economy.

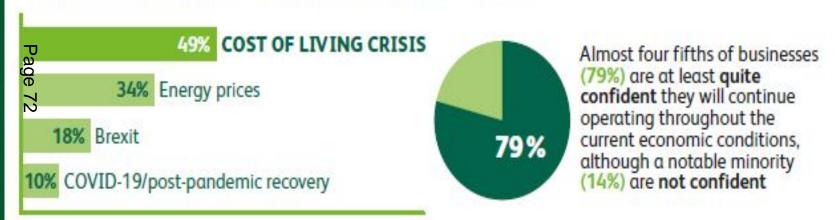
The survey was representative of the size, sector and geography of the over 25,000 businesses in the area.



## The Future

## **ECONOMIC CONDITIONS**

Almost 9-in-10 businesses cited issues affecting their business, mainly the cost of living crisis, energy prices and to a lesser extent the on-going impacts of Brexit



The sectors experiencing the greatest issues are: Accommodation and food services, Transport and Storage and Wholesale (each at 100% experiencing issues), Administrative and support services (96%), Education (96%) and Retail (92%)

### The Future

### RECRUITMENT, SKILLS AND RETENTION

Over a third of businesses had a vacancy in the last 12 months and of these over half experienced recruitment challenges, and there are opportunities to increase the prevalence of training, while skills gaps and staff retention are minority issues

Vacancy in last 12 months



52% Hard to fill vacancies for businesses with vacancies



52% Skills shortages when recruiting for businesses with vacancies



Skills gaps in existing workforce



14% Difficulties retaining staff



40% Provides training to staff (48% Nationally Employer Pulse Survey 2021)



11% **Employs** apprentices

(12% Nationally Employer Pulse Survey 2021)

### The Future

#### **Business Sector & Size**

#### **BUSINESS SUPPORT**

Over half of businesses said that grants would be most beneficial to their business, while businesses with 50+ employees are **less likely** than smaller businesses to request grants and **more likely** to want support around recruitment

#### All businesses



54%

Businesses said that grants would be **most beneficial** to their business

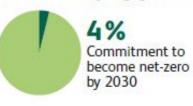
#### Businesses with 50+ employees

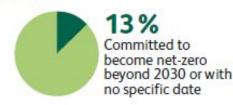


#### WORKING TOWARDS NET-ZERO

There are opportunities to support businesses to better understand and work towards becoming net zero, with only a minority of businesses currently engaged or committed







Throughout this research, there are differences by business size and sector, amongst other variables.

In general, smaller businesses are more likely to experience the impact of the current economic circumstances, suggesting they are less resilient and adaptable. Similarly, certain sectors are struggling more than others and/or are uncertain about the future, with businesses operating in Accommodation and food services, Manufacturing, Construction and Retail sectors standing out most.

This suggests that interventions should be targeted to maximise impact.



HACKNEY MARKETS SERVICE

# Hackney Markets Strategy 2023-28





Page 75

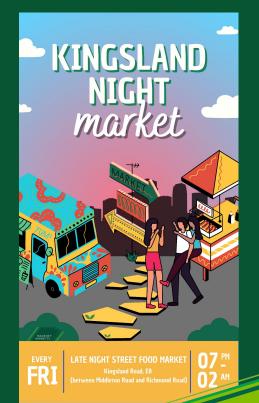


**Hackney** 

### **New Markets**

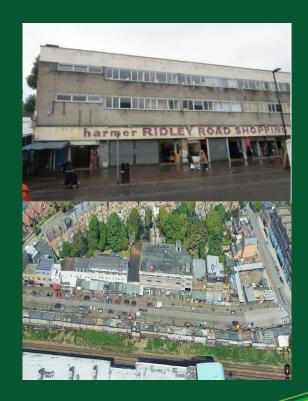




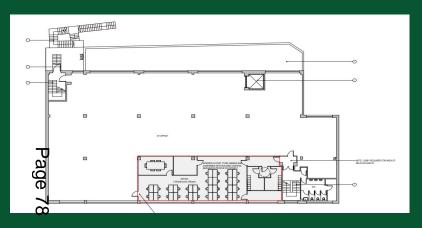


### Ridley Road Indoor Market

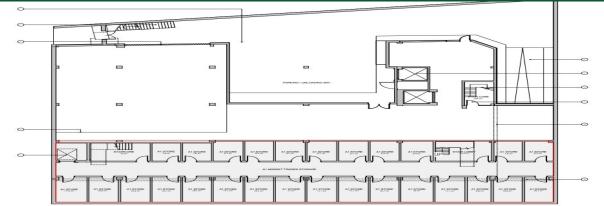
- First of its kind opportunity:
  - 15 year lease
  - 40 new retail/hospitality trading units
  - 23 storage units
  - 4 refrigerated storage units
- Day to day operational management of million pound commercial operation
- Statutory responsibility to assess, grant, vary, issue and revocate market and street trading licences
- Expected income:
  - Commercial £369k
  - Storage £174k
  - £1m turnover by end of year three



# Ridley Road Indoor Market







# Sustainable Packaging & Merchandising



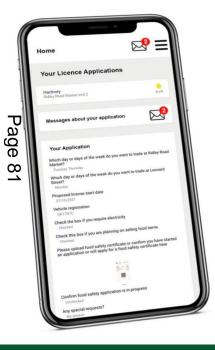
# pen Markets Licensing Application

The Markets, Shop Fronts & Street Trading Team



### Introduction to Open Markets

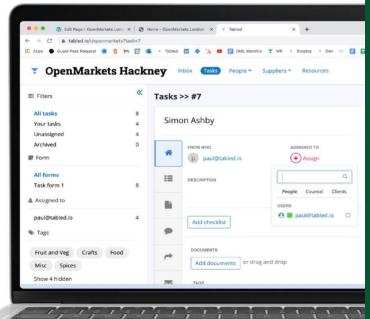
### **Trader Application**



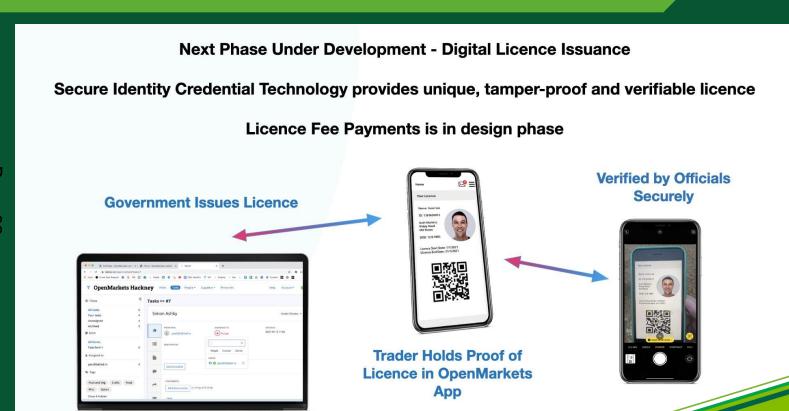


- Securely send ID documents
- Easily take photo of documents with mobile camera
- Simple trader messaging
- · Approval Workflow
- · Database of Traders

# Local Authority Licensing Case Management



### Introduction to Open Markets cont'd



**Hackney** 

### **Applications**

(Between January to March 2023)

No of applications received: 111 in comparison to 78 in 2022 (29% increase)

No of applications interviewed: 52

No. of applications approved: 39 have been licensed to trade with Hackney Markets

No. of licenses on waiting list: 6

No. of licenses rejected: 6

Number of local residents becoming traders: 21

New Night market locations: 2

- Old Street Market Currently have 4 licensed traders to trade and 4 applications under review.
- Kingsland Market Currently have 9 licensed traders and 8 applications under review



### Open markets Vs Current Licensing System

#### **Benefits for the Council**

Time saving when reviewing applications / processing refunds

Messaging system on Open Markets app - Quicker response rate

Ability to advertise missing commodities/ Promote our Markets (more info to follow)

New payment system upcoming so we can process all applications end to end on one system

#### Feedback from traders

'It made the process of applying for a pitch easy. I particularly like the chat option' (Tamaki Takeda)

'A couple of teething problems to start off with but once it was approved everything has been fine. I don't think I would have been able to establish my business without Hackney Council.' (Mariam Ajama)



### ROMAIN JIMENEZ | MISTER DUCK

#### WHAT DO YOU SELL?

Duck confit burgers and chips

#### **HOW LONG HAVE YOU TRADED WITH HACKNEY?**

8 years

# WHY DID YOU WANT TO TRADE IN HACKNEY? BY I like the area. Good footfall. WHAT MARKET/S DO YOU TRADE AT?

Broadway Market

#### THREE REASONS WHY YOU ENJOY TRADING WITH HACKNEY?

- It's trendy
- Good footfall
- Individuality

#### WOULD YOU ENCOURAGE OTHERS TO TRADE IN HACKNEY?

Yes as it's a good business opportunity. Most customers use social media and spread the word of your business. There is also good footfall



### EGIZIA GARGINI | TUSCANY AND TASTE LTD

#### WHAT DO YOU SELL?

Truffles and other delicacies from Tuscany

#### **—HOW LONG HAVE YOU TRADED WITH HACKNEY?**

# © WHAT MARKET/S DO YOU TRADE AT?

Broadway Market

#### WHY DID YOU WANT TO TRADE IN HACKNEY?

Because it is the best spot for our products!

#### THREE REASONS WHY YOU ENJOY TRADING WITH HACKNEY?

- Target
- Residential Area
- People in general are more aware of quality products

#### WOULD YOU ENCOURAGE OTHERS TO TRADE IN HACKNEY?

Yes because it is a great area for promoting quality products and helps companies to grow



### HOWARD LESTER | THE JEWISH DELI

#### WHAT DO YOU SELL?

Salt beef, chicken schnitzel and other Jewish foods

#### **HOW LONG HAVE YOU TRADED WITH HACKNEY?**

19 years

#### WHY DID YOU WANT TO TRADE IN HACKNEY?

This an area rich in Jewish history and is so ethnically diverse it offers an interesting and exciting area to be in and part of WHAT MARKET/S DO YOU TRADE AT?

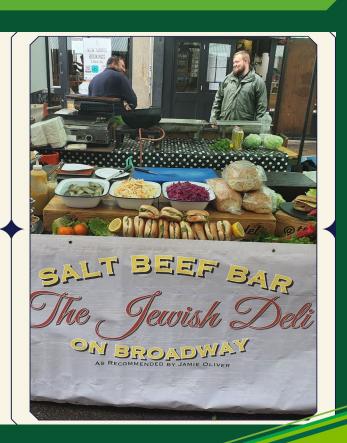
Broadway Market

#### THREE REASONS WHY YOU ENJOY TRADING WITH HACKNEY?

- Great public
- Great traders
- A great atmosphere to work within

#### WOULD YOU ENCOURAGE OTHERS TO TRADE IN HACKNEY?

Absolutely! Hackney markets team are great to work with they are invested in improving and maintaining the markets and standards. It's a fun area to be associated with



### CHRIS WEBBER | DOWNLAND PRODUCE

#### WHAT DO YOU SELL?

Meat

#### **HOW LONG HAVE YOU TRADED WITH HACKNEY?**

### Page WHAT M WHAT MARKET/S DO YOU TRADE AT?

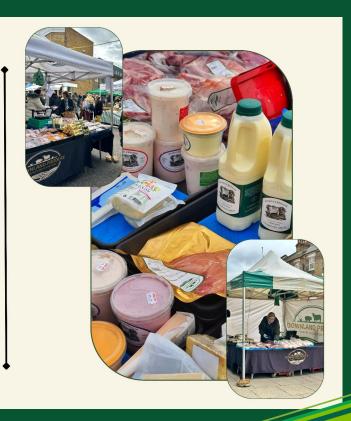
- Broadway Market
- Chatsworth Road Market
- · Ridley Road Market
- Town Hall Market

#### THREE REASONS WHY YOU ENJOY TRADING WITH HACKNEY?

- The quality of other traders
- It's safe
- It's busy

#### WOULD YOU ENCOURAGE OTHERS TO TRADE IN HACKNEY?

Yes

























### Whats Next

### Hackney Markets Service will be:

- Exploring new market locations. 2 night markets will be launched in Ashwin Street (Dalston) and Clifton Street (Shoreditch) as part of our 5 year strategy.
- Looking to develop the Open Markets platform further by working with developer and implementing a payment system and a Trader booking system. This will help the team eliminate the need to take card payments on market days and allow the reconciliation of payments to be a lot simpler.
- Creating digital licenses to remove paper licenses.
- Speaking with other local Councils to encourage them to use the system.



### And that's all from us!

#### **Useful links**

- Good Growth Development of Ridley Road Market
- Scrutiny Panel Report 2022
- Markets, Shop Fronts & Street Trading Rules of Governance
- Al Fresco Dining in Hackney
- Shop Front Trading Handbook
- Markets , Shop Fronts & Street Trading Handbook
- Ridley Road Usage & Attitudes Study
- Markets 4 People handbook
- Ridley Road Best Large Outdoor market Award Winner 2022
- Covid Basket Spend & Footfall Study Ridley Road Market
- Engagement Report & Findings: Broadway Market Trial Engagement & Recommendation Report (July 2021)



# Thank you For listening



Skills Economy and Growth Scrutiny Commission	Item No
19 <sup>th</sup> June 2023	7
Item 7 Minutes of the previous meeting and Matters Arising	

#### **OUTLINE**

Attached are the draft minutes for the meeting on 8<sup>th</sup> March 2023.

#### **ACTION**

The Commission is requested to agree the minutes and note the action updates.





London Borough of Hackney Skills, Economy and Growth Scrutiny Commission Municipal Year 2022/23 Date of Meeting Wednesday 8 March 2023 Minutes of the proceedings of the Skills, Economy and Growth Scrutiny Commission held at Hackney Town Hall, Mare Street, London E8 1EA

Chair Councillor Polly Billington

Councillors in Attendance Cllr Clare Potter (Vice-Chair), Cllr Jon Narcross,

Cllr Jessica Webb, Cllr Joe Walker and

**Cllr Claudia Turbet-Delof** 

Apologies: Cllr Gilbert Smyth and Cllr Fliss Premru

Officers In Attendance Michael Toyer (Economic Development Manager),

Deirdre Worrell (Director of Finance, Housing and Neighbourhoods), Sam Kirk (Head of Sustainability and

**Environment) and Tyler Linton (Acting Head of** 

Streetscene)

Other People in Attendance

**Councillor Mete Coban MBE (Cabinet Member for** 

**Environment and Transport)** 

**Members of the Public** 

Officer Contact: Tracey Anderson

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#### Councillor Polly Billington in the Chair

#### 1 Apologies for Absence

- 1.1 Apologies from Cllr Smyth and Cllr Premru.
- 1.2 Apologies for lateness from Cllr Turbet-Delof and Cllr Walker.
- 1.3 Cllr Anna Lynch was virtually in attendance for this meeting.
- 1.4 The Head of Sustainability & Environment, Sam Kirk and Acting Head of Streetscene Tyler Linton were virtually in attendance for this meeting.

#### 2 Urgent Items / Order of Business

2.1 None and the discussion items is as per the agenda.

#### 3 Declarations of Interest

3.1 None.

#### 4 Economic Development - Update on Metrics (19:05 -19:50)

- 4.1 The Chair welcomed to the meeting the Economic Development Manager, Michael Toyer from London Borough of Hackney.
- 4.2 The Chair introduced the item and outlined that the update on the development of the metrics was linked to the Council's work on economic development.

This item was to ensure the objectives in the Council's Economic Development Plan were being achieved and to review how the Council proposes to measure the impact of the activities undertaken to shape an inclusive economy.

This discussion was to review the Council's work to develop new metrics to measure the impact.

- 4.3 The information presented covered:
  - Introduction to economic development metrics context
  - Council's approach to developing metrics.
  - Examples of key activity streams with example metrics.
- 4.4 The Chair referred to the presentation in the agenda is on pages 9-25.
- 4.5 The Economic Development Manager commenced his presentation and the main points from the presentation are outlined below.
- 4.5.1 The officer reminded the Commission this presentation was about the approach to metrics not the actual measures in place.
- 4.5.2 The officer recapped on the levers available for economic development.
- 4.5.3 The officer highlighted the difference between economic growth and economic development.
- 4.5.4 The Economic Development Manager emphasised the initial approach to developing metrics is to understand what is being measured and clarity on what was being measured.
  - Inputs activity going into this is it financial resource, time or policies developed
  - Process activity tracking if the process is followed to a set period of time, standards etc
  - Outputs results coming out from the process, document, change in circumstance (securing a job) that are countable or tangible.
  - Outcomes aggregation of outputs or change because of all the activity.

- Long term outcomes Currently there is a focus on the sequencing of outcomes e.g. aim to achieve an inclusive economy.
- 4.5.5 From the points above the officer pointed out it would not be beneficial to jump straight to bullet point 5 without going through 1-4 because the other processes and activities would need to be achieved too. This leads to the term intermediary outcomes (short, medium and long term). A build-up of outcomes.
- 4.5.6 The officer highlighted that the outcomes can also be different to what is expected. The outcome could be impacted by policy changes by regional structures for example the GLA.
- 4.5.7 Therefore, it was important to consider this in the different forms of measurements.
- 4.5.8 Pre pandemic there was research by the Institute of Global Prosperity which concluded that we should not rely on traditional economic metrics such as GDP. They are encouraging other elements of prosperity to be considered (illustrated in the themes on slide 5). The officer pointed out these are valid and good but difficult to measure because there is more to consider, review and track.
- 4.5.9 The officer referred to the Theory of Change / Logic Model. The is a different way of thinking that would impact your planning and measurement. This type of approach is commonplace for health providers, health services and charitable foundations they have used this for years. This approach is filtering through other areas of the public sector. Essentially this is about thinking through the sequence of how to get from where you are now to where you want to be. Tracking the changes and journey then measuring the activity. This moves away from having a spreadsheet of activities and setting up a board to monitor. This approach is more nuanced and creates additional risks because it takes more time to achieve.
- 4.5.10 An example by Nestor (community cooking) of theory of change was cited on slide 8. This illustrated the flow and types of activities and builds in assumptions.
- 4.5.11 For Hackney an assumption in the manifesto commitments related to Economic Development was that social businesses and co-operatives all offer good quality work, are strong democratic organisations and use local suppliers. The officer pointed out this is a valid assumption but was an assumption not a fact. The officer explained that assumptions are fine, but it was good to ensure they are visible too.
- 4.5.12 An example of the Logic Model was demonstrated on slide 9 a project to improve the environment and promote walking in deprived neighbourhoods.
- 4.5.13 The officer advised this model was a sequential flow from left to right.
  - Situation/need
  - Resources / inputs
  - Activities
  - Outputs

- Outcomes sequencing of outcomes short term, medium term, and long term.
- 4.5.14 This model also has the assumptions listed.
- 4.5.15 The third example on slide 10 was the demonstration of a template for local economic growth.
- 4.5.16 The example of affordable workspace was used to illustrate an area of local challenge. The officer explained currently affordable workspace leveraged through Section 106 planning system. They count the quantum of affordable workspace. The officer questioned if this was satisfactory taking into consideration the inclusive economy way of thinking. traditionally there has been limited understanding of who the beneficiaries are (who would use the affordable workspace).
- 4.5.17 The officer highlighted that affordable workspace will always be a challenge. Using the planning system, the technical demand is based on floor space for commercial properties. Although it was points out that in London even if they maximised provision, it would still not meet demand. If Hackney increased provision this would increase demand toward Hackney from across London. Therefore, the council should consider how to target their affordable workspace provision. For example, having spaces suitable for craft, tech, industrial scale kitchens (community kitchens) or businesses moving from being home based. The Council will need to make decisions about how this is targeted in the future.
- 4.5.18 The officer pointed out that planning policies can only be reviewed at certain points in the cycle, and this does provide some constraints.
- 4.5.19 Slide 13 illustrated an evaluation using the logic model for affordable workspace (this was carried for the GLA regeneration fund by a consultancy firm CAG). This evaluation was carried out at the end of the process. This demonstrated that when an evaluation is not planned early in the process how it can result in a negative outcome.
- 4.5.20 Slide 14 illustrated a more intentional (for illustrative purposes only) evaluation highlighting context, inputs, activities etc.
- 4.5.21 Slide 15 presented an illustration of the potential areas that could be measured under the logic model.
- 4.5.22 The officer informed the Commission this work is not new and has been happening for several years and will continue to happen.
- 4.5.23 The Economic Development Team is working more closely to with the corporate policy team to link in the other work stream of embedding the strategic plan.
- 4.5.24 The Economic Development Team is also linked into the Council's transformation work to embed a more intentional approach.

- 4.5.25 As this is a new approach, they will be trailing this in the Economy, Regeneration & New Homes division and developing an outcomes framework. A consultant will be supporting this work. The areas being trailed are employment, skills & opportunities and increasing local & social spend.
- 4.5.26 The officer pointed out the focus is usually on procurement, but this approach will involve commissioning services, procurement and the economic development team. Joint working to achieve the long-term goals.
- 4.5.27 In Area Regeneration, they are working on improving their own practice by carrying out summative evaluation an evaluation at the end. This is to develop the measurements as the piece of work or project progresses to acquire a better set of measures. This will enable them to learn as they go with the ability to adapt the program too.
- 4.6 Questions, Answers and Discussion
- (i) Members highlighted 2 points that stood out for them:
  - a) there can be an issue doing the measures after the fact (in the rea view mirror)
  - b) it can take a long time to collate, and outcomes are materialising irrespective of if they are being measuring or not.

Members pointed out that these 2 aspects were interrelate because the Council had already done a lot of work in relation to inclusive growth, economic development, and regeneration to achieve the strategic priorities.

Member were of the view not having an embedded evaluation and metrics did not prohibit post hoc evaluation to understand how things have changed. Members highlighted the Council should review the learning to be able to make better decisions in the future.

(ii) Members asked about the Council's learning from past work to understand and inform the measures for future strategies.

In response the Economic Development Manager from LBH confirmed they can evaluate any programme at the end with a summative evaluation. This is very common, but this has better outcomes when planed in advance and advance planning is best practice.

In relation to conducting the review this will depend on what is being reviewed. For example, if they take into consideration the measures the Institute of Global Prosperity (IGP) has suggested using it can be a challenge to link the regeneration activity to the change.

The Economic Development Manager added the economic realm is different to health services and the health measures are clearer to attribute to an activity.

The officer advocated for measuring and evaluating each individual program. It was important to be clear about the targeted inputs and the results expected, and then to measure them. The officer pointed out that id the data has been collated they can evaluate but due to the cyber-attack access to data can be a

challenge. In essence this can be done but the officer highlighted that consideration should be given to the time and effort allocated versus the value they would glean from the work (the officer was not advocating for it not to be done). The officer advised considering the best use of limited resources. It was pointed out that the economic development team could do a bit of both, but if they did the rear review piece this would stop progress on the forward looking work.

- (iii) Members asked about the theory of change and the assumptions made. Members queried if assumptions had changed (trends shifted) post pandemic to reflect the changing needs within the community. Members asked if there was data to support this or the council was aware of any data?
- (iv) Members referred to the affordable workspace example and asked if the trends had changed since the pandemic? Members had observed more businesses using coffee shops as a place to work. Members asked if this was reflected in the affordable workspace data.

In response the Economic Development Manager from LBH replied in relation to assumptions the two examples in the presentation were currently being progressed. For the area of employment, the officer anticipated some of the assumptions might have changed post pandemic. Explaining there are segments of the workforce that have opted out and were not working anymore. This might change assumption like employment for over 50s. Pointing out historically the council had targeted and had programs for this age group. However, if the council does acquire information that show a different trend to the data (i.e., untested) it would be listed as an assumption.

In response to the question about affordable workspace, the officer informed following engagement with workspace providers the council has noted that they still have waiting lists. Therefore, demand is still present. However increasingly they do see individuals working in cafes. Th driver for this is but could be linked to people working from home and choosing to work in a café for a bit for a break or socialization. It was also noted that some workspace providers have had to slightly amend their offer to be more flexible to maintain demand.

The officer's professional view in relation to affordable workspace was that the council needed to do more work on the typology of spaces i.e., move away from being overly reliant on the office style space. The officer pointed out that this business cohort could pay for their office space. Whereas the community aspect of the inclusive economy was different i.e., community kitchens.

The Council has an asset review coming up which could identify underutilised community buildings on estates. This will present an opportunity to leverage these assets but with the caveat they will need additional resources to refit premises.

The officer pointed out that Planning would still need to leverage offices because in Shoreditch tower blocks will still be build and a percentage would still be required as affordable office workspace.

The officer pointed out that the comment about community kitchens is an assumption because it is untested. There is some data and anecdotal evidence, but it is untested.

- (v) Members referred to the Hackney fashion walk, Olympic Park and other big projects in the past. Members queried if the council had reviewed these projects for learning to ensure other similar projects are better moving forward.
- (vi) Members commented they wanted to understand the benefits of which approach was better the logic or theory of change model. Members noted the logic model allowed for development as the piece of work progressed.
- (vii) Members referred to the template in the presentation and pointed out it did not indicate which model it was based on. However, it appeared to be a mixture of both. Members asked how the Council was developing this approach across the organisation?

In response the Economic Development Manager from LBH replied, he is working in collaboration with the Head of Policy and Strategic Delivery and with consultants. The idea being to provide the top 2<sup>nd</sup> and 3<sup>rd</sup> tiers of management with some orientation sessions on the theory of change approach. The officer could not confirm if there will be Member orientation sessions too.

The officer highlighted the council is exploring moving towards the logic model. This would be a joined-up approach linked to the delivery of the Council's Strategic Plan (that is the service plan on a page, dashboards) with the measures linked back to the theory of change / logic model. They are commencing the journey with the objective of taking everyone with them.

In relation to the Olympic Park, there is a Borough Growth Partnership (the remaining Olympic boroughs and LLDC). This is winding down and the planning powers for development activity will be hand back to boroughs. The Boroughs will start to take the lead more and the Economic Development Manager is part of the Inclusive Economy subgroup. It was pointed out that external consultants have done some work on the metrics and the measures. These measures will be available in the next couple of months. The Inclusive Economy Groups will look at how they will collaborate on the patch around the Olympic Park for inclusive economy outcomes. They have agreed the focus will be on where they can achieve more as four boroughs together versus individual boroughs to avoid duplication. The IGP is a partner in those metrics. There will be some elements about the Olympics.

In relation to the fashion hub the Economic Development Manager was unable to comment because he had no background information about the original intent for this project and it predates the current head of service. The officer was not aware of any planned assessment. However, they have successfully secured a levelling up bid. The plans for the new development at Hackney Central will have measures embedded in it. PRD Consultancy have done the work to support the Hackney Central Plan. The Council has delivery capability

courtesy of the levelling up funding. The next steps will contain a smarter approach.

(viii) Members commented that some of the learning from previous projects indicated growth as the measure of success, but this was distinct from economic development as illustrated in the slides. This may have contributed to the limitation in terms of long-term success across the borough.

In response the Economic Development Manager from LBH replied in his previous role outside of the council there were assumptions about the potential success of the fashion hub.

- (ix) Member raised concern about the Council bringing in consultants to run orientation sessions on the theory of change. Members commented their assumptions would be that junior project programme managers would understand the theory of change and creating logic models. Members expressed concern about staff not having these competencies when the council is embarking on this journey.
- (x) Members referred to the proposed template in the presentation and welcomed the work to get buy in to the logic model. The Member commented that although this might not be common practice within councils it was a pattern of thinking that most organisations use to understand processes and outcomes.

In response the Economic Development Manager from LBH clarified most across the council would know about the theory of change and logic models. However, there can be slightly different interpretations and language used in addition to the weight given to inputs and outputs. Therefore, it was good to do the exercise as a refresher and develop a Hackney common language. The rationale for using external support is related to developing consistency. The officer also pointed out that if the Head of Policy and Strategic Delivery's team focused on this, they would only do this and this would have an impact on the other areas of their responsibility. Deploying consultants brings consistency.

(xi) Members referred to the Institute of Global Prosperity index which was 2018 (predating the pandemic and halfway through Brexit.) and to Hackney Wick being one of their research areas. Members asked about learning from the pilot for Hackney and if there was a changed index to reflect the change in circumstances since 2018.

In response the Economic Development Manager from LBH advised he did not have detailed knowledge of the pilot in Hackney, but he was aware that this information helped to inform the creation of the index. The officer informed this was community researcher based and thus quite resource intensive. The officer explained the insight is quantitative talking about the challenges and issues but not in a qualitative way. The important point is the research was conducted via trusted agents rather than a market research company. However, this type of research could be challenging to replicate.

In terms of what is measured and whether it needs to change. The officer highlighted the insight revealed people put more weight on their own health and

wellbeing than pounds in pockets. The research showed people would trade some economic comforts for health comforts (although subject to the individual). The officer advised the measure is sound, but the baseline might be different for pre and post covid. However, it did show a shift towards health and wellbeing.

(xii) Members queried if the Council is learning from the changing circumstances or is the measure pretty robust i.e. the baseline has changed because people have understood better and defined their health and wellbeing as more important.

In response the Economic Development Manager from LBH confirmed the index is being refined and they will receive an updated index. But the work with the Borough's Growth Partnership on inclusive economy has a set of draft measures that can be used in the East London context.

(xiii) Members referred to how locality specific the Institute of Global Prosperity Index was and queried if it was designed specifically for East London.

In response the Economic Development Manager from LBH confirmed it was based on the experiences of East London, so it was more relevant to East London. Although it had a Hackney pilot (which is pertinent to us) it may not be relevant to every area in Hackney. The officer commented this could be reviewed in depth at another scrutiny commission meeting to explore the East London economic dynamic.

The officer pointed out that the economy in London does not operate on a borough level. It can be either hyper local or based on a few businesses co located for mutual benefit which might have a community aspect. For example, in Shoreditch you have the office towers and the hospitality sector. However, the sub regional corridors interact with different sectors; then you have London followed by global economy.

(xiv) Members referred to the economy working in different ways, different levels and the measurements. Referencing affordable workspace Members asked if the measures would be borough wide or locally specific to the different projects. Therefore, would the measure be about how successful this was in certain spaces or boroughwide.

In response the Economic Development Manager from LBH explained that currently their measurements are collected through the planning system's Section 106 agreements. These are signed per property. When they have developments in other areas, they can look at them as well.

The officer proposed that in the future for the council might choose to measure workspace by the typologies or geography. However, if the council is trying to do something specific for an area that would be more intentional with the measures specific to the locality.

(xv) Members commented to be intentional they would need to have clear assumptions. Members pointed out that now they have an Inclusive Economy Strategy they will need to be sophisticated in the way they develop and support specific types of workspaces. Members asked when

and how this insight will be articulated for the inclusive economy growth plan. Members also asked about the current gaps in the Council's metrics.

In response the Economic Development Manager from LBH explained if they switch from the office style affordable workspace the planning system will not deliver because most of the developments in Shoreditch is office buildings. This type of property would not be suitable for a community kitchen because the community that would use it is not in that locality.

Referring to the planning levers and the council's commercial properties. The officer advised he has been in dialogue with colleagues in property services about the next review cycle. This will be linked to the expiration of leases in 2027. In the interim there are limited to what they can do until 2027. At this point the economic development team and property service will work together.

The officer pointed out this will affect voluntary sector organisations that engage with properties services. The officer also pointed out that they should not forget that Property Services need to generate an income from the council's commercial assets. Being mindful that the VCS are on submarket leases and re likely to be in properties at the cheaper end of the market. Therefore, there is a small proportion in the middle that could be used to subsidized workspace for affordable provision.

The whole mix will need to be considered if they are going to maximise the middle more. The officer advised discussions would start in the 2024/2025 financial year followed by an engagement and consultation process.

In relation to the underutilised community spaces and community halls on estates this is subject to an ongoing reviewed. This review will scope out the need. The officer reiterated that to provide spaces like a community kitchen, would require capital investment to make the changes. Therefore, the council would need to seek out opportunities for capital funding. This work would require 6-12 months to materialise and would be an ongoing process over time.

# (xvi) Members asked about current gaps in the Council's metrics noting the strategy has a lot of ambition, but it was not clear what success would look like?

In response the Economic Development Manager from LBH advised part of the challenge for his team is to define what the economy development plan will deliver to materialise the inclusive economy ambitions. The officer agreed with the sentiment of the Inclusive Economy Strategy but pointed out it had no delivery mechanism, and this needed to be defined. This was likely to have a structure to the Council's Climate Action Plan. Clarifying the challenges and priorities then creating the measures.

The officer explained the economic development plan would have an action (for example to review the property portfolio within a specific timescale). The action in the plan may not deliver an outcome but is an enabling activity for the potential delivery of the outcome in the future.

(xvii) Members asked what role consultations will have in the metrics and if there was a relationship? Members also asked if they would feed into the final metric or plan?

In response the Economic Development Manager from LBH replied this depended on the type of consultation.

The officer pointed out that the council is doing a business survey that has a large-scale random sample. They have received approximately 1200 responses. This survey could reveal some challenges that businesses are referring which could inform the priorities if it is a lever. This would then feed through to a metric. Alternatively, if the question being asked related to the consultation being a metric i.e., having a certain percentage of businesses being satisfied with Hackney Council as a place maker or providing leadership. This is possible too. The officer informed some local authorities have that type of measure and this can take you down the path of increasing the numbers of business engagement events to aimed at businesses feeling comfortable, engaged, and heard.

The challenge back from the officer in relation to using this type of metric is the purpose and intention of the activity. The officer pointed out there needed to be clarity about the intention of the business engagement.

(xviii) Members commented at times business and residents were of the view the consultation questions were skewed towards the desired answer. Members asked how many of the consultation have open questions for free text and qualitative data.

In response the Economic Development Manager from LBH explained he would draw a line between consultation and engagement because he sees them as quite separate and different.

The Chair suggested they obtain written responses to their question on developing an evaluation framework for area regeneration activity and if there is best practice and learning the council can draw on.

- 5 Cabinet Question Time (19:50 21:00)
- 5.1 The Chair outlined a key element of the scrutiny function is to hold the Mayor and Cabinet to account in public for a Cabinet Question Time discussion.
- 5.2 The Chair welcomed to the meeting Councillor Mete Coban, Cabinet Member for Environment and Transport and Deirdre Worrell, Director for Neighbourhoods and Housing Finance from London Borough of Hackney. Also, in attendance for this item Michael Toyer, Economic Development Manager and virtually in attendance Sam Kirk, Head of Sustainability and Environment and Tyler Linton Acting Head of Street Scene LBH.
- 5.3 The purpose of this item is to hold the Executive to account. For this meeting the Cabinet Member for Environment and Transport was asked to provide information to the Scrutiny Commission about the work the Council is doing in relation:

- 1. The Green New Deal
- 2. Understanding the economic impacts of the new green deal
- 3. Carrying out an impact analysis of LTNs on local businesses.
- 5.4 The Chair advised in relation to point 3 this was an addition following the Skills, Economy and Growth Scrutiny Commission (SEG) meeting in February 2023. The Commission was querying if the Council had assessed the impact of LTNs on local businesses. This question was redirected for an update from Cllr Coban.
- 5.5 The Cabinet Member for Environment and Transport from LBH commenced by responding to the questions from the Commission.
- 5.5.1 The Green New Deal is a £50 million investment commitment from the Executive administration to tackling the climate crisis. This interacts with the Climate Action Plan. The purpose of the Climate Action Plan is to provide a strategic framework for the council and set out the Council's ambitions and plan to reach net zero by 2030 for council emissions and 2040 for boroughwide emissions.
- 5.5.2 The New Green Deal and Climate Action Plan are evolving pieces of work and follow a series of engagement and consultation. The public consultation on the draft Climate Action Plan had closed and the decision (to formally agree and adopt the plan) was expected to be taken by Cabinet in May 23.
- 5.5.3 Linked to the climate action plan will be a local implementation plan. This implementation plan will be thematic and set out the actions to be taken to achieve the net zero targets.
- 5.5.4 The Cabinet Member stressed this was not the end of the conversation because it is an evolving piece of work with new technology and research updating. It was important that they continue to monitor the research across all areas of work for economic development and more broadly.
- 5.5.5 Following adoption of the Climate Action Plan the Council wants to establish a net zero partnership. This will bring together businesses, the third sector and the council. The purpose of this partnership will be to help define how they support local businesses and the different sectors to reach net zero.
- 5.5.6 The Cabinet Member pointed out the Council is directly responsible for approximately 5-6% of the emissions in the borough and 23% indirectly. The remaining emissions of just over 70% impacted by the whole community linked to our travel, what we wear, what we eat etc. This was the driver for developing a Hackney Climate Action Plan and not a Hackney Council Climate Action Plan.
- 5.5.7 In relation to the £50 million investment the Cabinet Member informed the Council budget has committed to exceed this and will be investing a total of £61 million over the next 3 years.
- 5.5.8 Most of this capital spend will impact the Council's direct emissions to reach net zero.

- 5.5.9 The impact of this investment for residents will be investment in the electric charging infrastructure and the Community Energy Fund supporting schools with the energy bills they need to pay.
- 5.5.10 In the Climate Action Plan there are aspirations and this talks about being honest with the public about what the council can achieve, the funding and what the funding is allocated to. But if more funding is unlocked, they have the plans to move forward quicker e.g., retrofitting. The Cabinet Member explained the challenges they face with retrofit in London is that the average property will cost approximately £100k to fully retrofit. The bill for London is £112 billion pounds but the current funding available is £2 billion across London. Pointing out this demonstrated the scale of the challenge councils were facing. Allocations for the investment have bene made in the capital programme.
- 5.5.11 In relation to the timeline for the spend and areas of investment. The timeline is 3 years, but delivery could take up to 5 years. The Cabinet Member explained with an example of the LED light refitting. The Cabinet Member the funding was spent but delivery took longer.
- 5.5.12 In response to the question about how much of the £50 million investment will support the local economy and how. The Cabinet Member explained they have their procurement strategy and plan to use their purchasing power and the procurement system to ensure it benefits local residents, creates local jobs, apprenticeships and improving the skills in the borough.
- 5.5.13 Although the aim of the procurement and sustainable strategy is to support local businesses (SMEs) and to create local jobs. The Cabinet Member highlighted that they do not always have the required skills in the borough to deliver on that pledge. Explaining for the green homes programme the council identified that for installations of heating and solar panels they did not have borough-based companies with the skills and capacity to deliver the programme at the scale to reach the net zero target. Therefore, there is more work to be done to develop the capacity within the borough.
- 5.5.14 The Council is looking at how they can support SMEs to secure work through the investment fund. They have the Zero Emission Network (a partnership between Hackney, Tower Hamlets, and Islington). This is supporting local business with the last mile delivery e.g.; it has a cargo bike sharing programme. This is the first in the UK. In addition to utilising the Hackney Business Network.
- 5.5.15 The EV infrastructure will help businesses to green their fleet. The Council will also engage with the national scrappage scheme and make a case for funding from that scheme.
- 5.5.16 The Council is raising awareness of external grants for local business to increase the energy efficiency for their properties. But the Council recognises there is room for improvement in supporting businesses.
- 5.5.17 It was pointed out the sustainability work cuts across different Cabinet Members portfolios and service areas. The aim is for them to all work together through the environment and sustainability award.

- 5.5.18 In relation to the question about the assessment of the impact made to the local economy. The Cabinet Member explained they are in the very early stages of assessment and this needs to be linked to the delivery of projects.
- 5.5.19 The Cabinet Member pointed out they need to get to a place of understanding the assessment and metrics through the delivery of localised schemes and how it links back to the overall strategy.
- 5.5.20 There will be different investments that will have different economic dynamics and the Council is reviewing how this will impact the £50 million investment.
- 5.5.21 The Council is also looking at how they can develop an evidence base of Hackney green businesses. Reviewing the research into businesses in the green economy. The current data indicates that there are less than 500 businesses active in the green economy. Their aim is to verify this to enhance their understanding.
- 5.5.22 There is limited funding and grants for business support. £440k has been allocated over 2 years from the Shared Prosperity Fund (SPF) to help with support.
- 5.5.23 In relation to understanding the economic benefits of this investment on the economy. The Cabinet Member explained they are still in the early stages of development with the Climate Action Plan. There is a lot of national analysis that they are plugged into which will help them to develop this work. The key will be to define the baseline for the measure. Defining a baseline for Hackney will give them the ability to look back after 3 years to see if they have moved forward from just under 500 green businesses to 800 green businesses.
- 5.5.24 Until they establish a baseline for Hackney to give them an indication of what they should be doing. They can look back in 3 years' time to see if they have moved forward from just under 500 green businesses to 800. The baseline will give them something to measure against.
- 5.5.25 In response to the question about how much of the support was being deployed to support local businesses. Currently 24% of the Council's procurement is towards local businesses. It is anticipated that the number of environmental or green businesses is lower but this is still being established.
- 5.5.26 The Cabinet Member stressed that the council wants to deliver the environmental policies through local people and local businesses. The challenge areas are knowledge and delivery.
- 5.5.27 In response to the question about the investment helping to reduce energy bills and carbon emission for local businesses. The Cabinet Member advised there are several pieces of work. One piece of work is the development of a local area energy plan. This engages anchor-based organisations, businesses and residents in its production. The Council wants to develop a program of work to improve community heat networks. This should help to support businesses and to create networks with the potential to assist all household businesses to decarbonize. There is also the reduction of transport emissions.

- 5.6 The Director of Finance for Neighbourhoods and Housing in LBH added that delivery of this agenda is very complex. When considering the commitments made for capital funding the commission should note once the action plan is delivered the enabling activities on the revenue side will materialise. Although there is more work to be done having 24% of the council's procurement spend going into the local area is good.
- 5.6.1 The Director pointed out that capital investment tends to go to larger organisations but when considering the procurement activity, they will need to understand if this is like homecare providers, which is a procurement that tends to go to local businesses.
- 5.6.2 In summary the investment currently is only capital, but there are enabling activities in the Climate Action Plan.
- 5.6.3 The Chair clarified that the discussion would be focused on the investment of £61 million pounds over 3 years and pointed out delivery could take longer. This is very different from a council's enabling powers, levers and revenue spend on things like how people do their jobs, commissioning of services etc.
- 5.7 Questions, Answer and Discussion
- (i) Members recognised there is a national problem in terms of the financial capacity to deliver on green plans. Members referred to the comments about enabling and developing capacity and asked the Cabinet Member to outline (caveat being current limitations permitting) what this could look like for Hackney?
- (ii) In reference to the 500 green businesses Members asked for an example of the businesses that identify as green. Members wanted to know the sector, type of business and services they provide.

In response the Cabinet Member for Environment and Transport from LBH cited as an example the Community Energy Fund. This fund was developed following the Stokey Energy project that delivered energy improvements for Stoke Newington School. It received funding from the GLA. This was a local community energy group that helped to green a school estate. This was the driver for the aspiration to replicate the model and upscale.

The Council offered £300k of grants to do a feasibility study on estates and to deliver the project. The immediate challenge identified was that Stokey Energy was the only active community energy group in the borough. One of the objectives for the community energy fund was to create green local jobs owned by the community and lower energy bills. It was not just about installing solar panels onto the estates. Therefore, if the council wanted to complete the project the sole local business was Stokey Energy, and this would be if they had the capacity to deliver all the projects. Alternatively, the council would need to look at businesses outside of the borough of Hackney.

After noticing this Hackney Light and Power held several workshops to create other community energy groups. The Council has connected with TRAs and other local networks to help establish local community energy groups using the Stokey Energy model. The aim is to create several groups like Stokey Energy across the borough of Hackney.

The challenge for delivery of the Green Homes programme is making sure local businesses can access it. There is a national problem in relation to the lack of talent generally for solar installation and heating. The Council is looking into this and there is work being carried out by London Councils to develop and understanding of how to create a skills course in London. Currently the rhetoric is to create green jobs, but the Cabinet Member pointed out that until green jobs are defined green jobs it will not be real for people of Hackney.

Members commented the capital funding is for the infrastructure this still needed revenue funding to spend on people in order to identify the work required. Members pointed out that the £61 million investment would need some form of revenue to unleash further benefits.

In response the Cabinet Member confirmed that observations were correct.

The Economic Development Manager from LBH added the work to identify businesses is ongoing and they are expecting the report soon. The initial findings revealed a business count of 500. The Oxford Economic (a national research company) has cleansed the data and identified 317 businesses. For example, a company appeared on the database 8 times because it had started and failed on a repeated cycle. In terms of the sectors, they are still reviewing the data.

Following a further assessment, it is anticipated the number may decline further. In Shoreditch there are a lot of HQ registrations. There are several Epower businesses registered in the Shoreditch area. But they may not engage in Hackney activity, therefore would not be applicable to the Council's agenda and investment. However, there is an ESG angle which is another interesting group. Hackney has several climate change consultancies and a health circular economy segment (defined as reduce, reuse, recycle). One surprise to date is that Hackney has very few green finance organisations.

A challenging area is architecture. It is impossible to identify from the data if an architect is following standard practice and government regulations or is an innovator and pioneer going beyond regulatory requirements. The latter would define them as genuinely green. The data is coming through, but it is not a big feature of the Hackney economy.

Linking back to the discussion points about capacity locally. The officer informed the commission they have asked the consultants to identify if there are companies that might engage with the retrofit agenda. The consultants have identified a possible 8 organisations on the list. But this is subject to a full check.

(iii) During this discussion Members queried if the Council had identified any businesses or sole traders in the construction sector who could carry out the green homes works.

In response the Economic Development Manager from LBH informed it was about the supply chain. A large retrofit programme would require a tier one contractor and they operated nationally. These organisations often have their own supply chain in place already. Through the council's procurement rules

they could try to disrupt this, but it can be difficult. The officer pointed out that sole traders they do not think about only Hackney for their business they think about their connections. It is a person-to-person connection. So, they might live in Hackney but also work outside the borough. This will be a very complex landscape to negotiate.

- (iv) Members referred to low traffic neighbourhood schemes (LTNs), local businesses and economic growth. Members highlighted they had observed several empty shops or shops with less stock and less customers. Members acknowledge this could also be attributed to the shifts in consumer consumption (more online purchasing). Members asked if the council was collating data in the impact of LTNs on business growth or how LTNs are supporting local businesses?
- (v) Members also asked LTNs were presenting challenges for economic growth in specific areas due to roads becoming busier with traffic. Members noted that residents have commented that they can no longer do long stay shopping to go to shops like Matalan due to heavier traffic. Members did acknowledge the concept of LTNs was good for the environment, but they gueried if they were supporting businesses.

In response the Cabinet Member for Environment and Transport explained that part of the aspiration for LTN schemes is improving air quality and to protect the lungs of children. It was also about reviving neighbourhoods and creating neighbourhoods that people want to live in and enjoy on their travel home. Good public realm, good local shops and cafes to enjoy.

It was pointed out that it is challenging to attribute the impact of a transport scheme to a direct economic output. Both Streetscene and Area Regeneration service areas have been encouraged to work more closely together. This will enable them to understand the transport interventions and work out the implications.

It was noted that there is ongoing work across London to look at the impact of LTNs on businesses. But it's difficult to quantify impact.

The Cabinet Member cited the example of the Stoke Newington LTN scheme which was aimed at revitalising Church Street. The interventions included widening the pavements, upgrading the crossing and community parklets to enable people to sit outside to enjoy their food and drink.

The Cabinet Members pointed out that Church Street used to be a place to shop and have a nice lunch with your friends. In the last 10-15 years more desirable locations have come to the fore like Shoreditch and Hackney Wick. Since implementation footfall on Church Street has increased by 18%, cycling is up by 36 or 39%. Therefore, as a result they are able to demonstrate that there are more people on foot in Church Street now than previously.

The challenge is there is less than 3% occupancy available in Church Street. This is the lowest it has ever been and is in contrast to the London trend of 16%. This demonstrates the success of the Church Street LTN. However, it is challenging to attribute this directly to the LTN because there is no direct link being the two. Although from observation as a local councillor the impact of

the scheme is has become busier on the weekend. Notwithstanding the challenge remains of how to directly attribute the impact of LTNs on regeneration.

The Cabinet Member pointed out the closer working of Area Regeneration and Streetscene was in acknowledgment of the Commission's voice when they provided that challenge.

The Cabinet Member explained for future schemes like the Chatsworth scheme with a very successful market intervention in place he is asking officers to work together across the interventions. The Cabinet Member was fully aware that from a resident's perspective they do not see the interventions as separate departments. So, whether it is an electric vehicle charging point installation, street trees, retrofit an estate, parking removal or markets. The resident views this as the Council. Therefore, the Cabinet Member is asking officers to ensure they fully co-ordinate before going into a location.

The Acting Head of Streetscene added in relation to data points and LTNs. Following challenge from the Commission last year they have included an economic assessment of the experimental scheme in Stoke Newington.

In relation to an economic appraisal of a transport schemes the fundamental principle is proportionality and there are a few different assessments that can be done for transport schemes. But typically, a scheme of this size would not get a full DFT level economic appraisal that would be done for a scheme like Crossrail 2.

The officer added within the framework of proportionality and working with the Area Regeneration team they obtained access to the GLAs high street data in the form of anonymized Mastercard spend data. They were able to use this as one proxy of information on spend. This is one piece of the puzzle, and they want to be very careful about drawing conclusions from that. However, looking at pre-pandemic levels and post LTNs the Mastercard spend in Church Street increased over 200%. The officer pointed out some of this could be attributed to change in spending from cash to card or from inflation. Notwithstanding it is fair to say alongside other information they have about footfall and anecdotal evidence it does paint to a picture of economic success.

There is also a long and well-established academic history of studies looking at pedestrian spending. From systematic reviews of studies over the years there is a strong body of evidence that shows improvements to high street areas for pedestrians increases spending. The Council has used the Mastercard spend as the main metric to assess the impact of the Stoke Newington LTN. Ultimately this assessment has shown a positive impact on retail.

The Economic Development Manager from LBH added Institute of Global Prosperity (IGP) index is not just about business turnover (although important) but the broader measures of the economy. But the health metrics are important too because when people feel better about themselves that is an economic value too.

The University of Westminster is doing a health focused study on the economy with a controlled area. This is the same area as an LTN (demographically and

geographically) but in a location where an LTN has not been implemented. This is a live study and scheduled to report in a couple of years. The officer was of the view a Hackney specific study was not needed because there are a lot of other London level studies to drawn on.

The officer informed the Commission from his visit to Amazon electric hub he was informed that the implementation of the LTNs was a driver for their shift to using electric bikes for deliveries. After running the metrics, it was a simple economic decision that bikes are quicker than vans. The policy officer in Amazon also informed that FedEx were considering something similar. Highlighting that this policy intervention was driving wider change.

The Cabinet Member for Environment and Transport added despite the positivity the Council was not in the position to claim their LTNs were a success.

The Cabinet Member acknowledge the experiences of business would be different and would depend on the nature of their business. There could be impacts that the Council had not identified. For Stoke Newington the Council is working closely with Stoke Newington Business Association to understand the different impacts on different businesses.

The Cabinet Member pointed out the Council has a duty to make sure they listen, reflect, and make improvements to the scheme to make it the best possible version. Finding the right balance would be key.

(vi) Members followed up on the discussion about the experience of businesses and referred to the cross-borough Zero Emissions Network and asked for more information about the work going forward particularly with Islington, Tower Hamlets neighbouring boroughs. Members acknowledged this would be complex because they all have different priorities and agendas. Therefore, they also need to ensure that businesses boundary roads are heard and engaged with too.

In response the Cabinet Member for Environment and Transport from LBH advised the Council is committed to monitoring air quality data, traffic counts etc. Particularly on the boundary roads.

The data is showing that main road traffic is down by 6% in comparison to pre pandemic. This is positive but they are broad statistics for across the borough. The Council acknowledges there will be impacts that are negative like Northwold Road in Hackney Downs which has had a slight increase in the volume of cars. As a Council it is key for them to understand, reflect and make changes. The Cabinet Member advised the Council had made changes across all their LTNs.

In relation to the Zero Emissions Network partnership, in Islington and Tower Hamlets. The Cabinet Member highlighted that Tower Hamlets had taken a different direction in terms of their healthy streets program. Hackney Council is very committed to the Zero Emissions Network to help and support businesses with the last mile. Hackney has the first cargo bike sharing scheme that went live in London Fields, Stoke Newington and Hoxton / Shoreditch area. They

are now in the process of expanding the Zero Emissions Network in terms of the fleet of cargo bikes in the borough.

The Council is also working with Amazon following their announcement to start trailing delivery by cargo bikes. The links to the partnership working being economic development, area regeneration, street scene and transport to reduce transport emissions. They are facilitating and providing insights about where they can store some of these cargo bikes.

There are more delivery drivers than anticipate and as a council they need to adapt and understand the balance with the spaces created between residential areas and their jobs. The Council has identified a need to create micro mobility hub centres that couriers can use. These will have shelters and good conditions. This is in the very early stages.

(vii) Members asked for clarification that the Council was not using their capital expenditure to do things that Amazon could buy themselves.

In response the Cabinet Member for Environment and Transport confirmed they are not using any of their expenditure. The Cabinet Members clarified they are not giving them land.

The Acting Head of Street Scene added it their own land, the Council supported them with the change of use for their own land.

- (viii) Members referred to the earlier discussion about procurement and the gap in Hackney. Members queried if there are a few businesses that can provide the services the Council is looking for and if with support some of the businesses could move into the green business spacing.
- (ix) Referring to the architect's sector Citing the example earlier of architects. Members asked if with some support and training architects could become green architects could be green architects.
- (x) Members asked about the work to identify the level of skills and services within the borough and the support needed to develop into the green space.

In response the Economic Development Manager from LBH referred to the New Green Deal capital spend and highlighted there is a process that needs to be followed to understand the spending plans, specifications and requirements. Then the teams can collaborate on the local supplier analysis to assess if the suppliers exist or not. Following this they can do an assessment and engagement on whether they're capable of competing. This should be considered as needing a 3–5-year timeline. Alternatively, the council might identify a supplier that could deliver on the quality and scale desired or if with support develop an organisation to a level to be able to scale up and deliver. Although it was pointed out if the Council does identify businesses that could be supported to scale up, we would need to seek additional funding to do it.

Currently we have the existing applications for UK SPF, but this will be considered in the next round of funding. The future plans of Government for the UK SPF are unclear. In 3 years, they could be back to the RDF levels of

funding (eroded by inflation) so they will start to have more money. However, the officer could not confirm the amount, processes and how they will collaborate.

The Climate Action Plan process had created more collaborative working and through implementation the green skills and green economy were underpinning features rather than stand alone.

# (xi) Members asked what the £61 million will be spent on over the next 3 years?

In response the Cabinet Member for Environment and Transport from LBH explained the spend covers several different areas as outlined in the Council's budget. Some of the investment will cover greening the Council's housing estates (£2 million). There is £500k to delivery green in borough schools. There is £9.6 million to replace the Council's fleet with green supply alternatives, the roll out of the EV charging points etc. The Cabinet Member highlighted that a lot of this work is embedded.

The Director of Finance for Neighbourhoods and Housing in LBH added within the £61 million there is a spend of £16.8 million for decarbonisation of eight council buildings. The Council was successful in its bid to the decarbonisation fund with 12.2 million in grants to support the work for the Lido Leisure Centre, primary schools, and the Queensbridge Leisure Centre. For housing there is £28 million worth of investment in the asset management strategy for the housing stock.

The Council has identified (over the next 3 years) the areas where they can be greener e.g., efficient boilers (phasing out but balancing the technology and the energy costs to residents); fleet changes and energy plans to improve community networks. The Director clarified heat networks were not part of the £61 million investment because it is part of the overall regeneration scheme.

- (xii) Members referred to the New Green Deal investment and asked about the multiplier effect of the investment and how it will be a driver to secure more funding / finance for larger packages?
- (xiii) Members also asked about the vision for New Green Deal investment and how it will become a driver for greater investment across the community to secure the achievements.

In response the Cabinet Member for Environment and Transport from LBH agreed this is an area they need to investigate. In discussion they have talked about how to look at energy technology for non-council estates / private stock and to consider different financing models to enable this. E.g., climate bonds (used by Camden and Islington). The council is currently considering 3 different financing models led by Hackney Light and Power. The Council is hoping that by the summer they will be able to have a route map. Using their investment to tap into existing grants and having a more sustainable fundraising strategy, makes viable sense and does not put the Council at risk for the work they are undertaking. This is at the very early stages of investigation.

The Council is hoping that through the New Green Deal and Climate Action Plan that their work on community energy around decarbonisation will start to build the funding areas.

- (xiv) Members were of the view the success of the £61 million investment must be a further £61 million over a time period. Members asked about the target for securing further financing (multiplier affect).
- (xv) Members asked where and how the Council is assessing the money saved?
- (xvi) Member commented that carbon savings should also equal financial savings and the £61 million should be creating energy savings for either the Council or residents. Members were of the view that it was unlikely that the Council would be in the position to find further capital investment funding in three years, taking into consideration the scale of the task and limited funding across London.
- (xvii) Members also asked about the cross-sector collaboration and partnership with different sectors to provide significant funding. Members wanted to know the Council was thinking about this and how to build it into the strategy.

In response the Economic Development Manager from LBH asked for clarification on the definition being used by the Commission in relation to the multiplier effect? Explaining his interpretation is a specific assessment called LM3 which tracks the spend as it goes through a supply chain.

The Chair clarified the definition related to generating more money. Leveraging the grant to open up access to other investments.

The officer clarified that this related to investment match funding and leveraging investment for more spend. The officer pointed out that this type of clarification would be needed before proceeding.

The Director of Finance for Neighbourhoods and Housing in LBH added the funding strategy they are planning to proceed with will be delivered through capital investments and business as usual. For areas that do not have a business case this will be leveraged through private sector investment and their aspirations.

In the current capital investment of £61 million there is a growth spend of £16 million for the decarbonisation fund. The Director pointed out the Council's contribution was £4 million. Highlighting the Council secured £12.2 million grant funding. So, the multiplier for the Council's £4 million is 25% to 75%.

In the programme there are areas of spend that they will be seeking external funding opportunities for. For example, with the Chatsworth pilot for retrofit (estate and street properties) they are seeking funding from 2 other sources.

(xviii) Members asked if the Council was developing a business model that was not reliant on continuous grant funding?

The Director of Finance for Neighbourhoods and Housing in LBH explained for the roll out of EV charging points the Council's investment in the capital plan is £900k and this was cash flow. This funding expenses will return through procurement and the supplier will deliver the roll out over time.

(xix) Members asked how the investment would become an income generator (not just viewed as input and output) to help sustain capital investment for long term valuable. Members wanted to understand the long-term impacts from the New Green Deal investment on the economy. In terms of savings, investment, and income generation.

In response the Cabinet Member for Environment and Transport from LBH informed they would assess each project but acknowledged there was more they could do to outline the overall impact. The Cabinet Member advised they can take that away and explore further.

In relation to the capital investment and savings on carbon emissions the Cabinet Member explained diesel refuge vehicles cost on average £190 - £195k and an EV vehicle costs £450k. In addition, the running cost for an EV is quite expensive but could get cheaper long term. But if a diesel vehicle is retrofitted (making it an EV) this will cost £250 - 300k. The diesel vehicles have a 10year life span and the council uses vegetable oil to reduce consumption by 92%. This is helping to significantly reduce the carbon emissions in comparison to a full diesel vehicle.

However, in 2024 there could be 10 vehicles that need replacing. At this point the Council will need to quantify the savings in terms of carbon emissions, spend and the impact.

The Cabinet Member pointed out to be able to influence large companies and individuals the Council will need to take the New Green Deal, Climate Action Plan, metrics and how they measure to demonstrate the impact of their work. Being able to demonstrate progress against the goals will help to motivate people more. Although this is still an area of work for the Council to improve.

The Head of Environment and Sustainability added there are some metrics, but they are being updated to include the carbon cost of not doing certain activities. The officer confirmed this needs to be reviewed and considered for the Climate Action Plan going forward.

The officer added the following points to the earlier discussion about investments. The officer informed that Hackney Council sits on the advisory board for 3CI, the City's investments. There are 5 programs that are about financing looking at net zero, neighbourhoods etc. Hackney has put in a bid for some funding through the Innovative UK Fast Followers program. There's also the national Net Zero Pipeline Projects and the national Technical Assistance Program. This is looking at creating a development fund that invests in the necessary capacity and skills to bring projects forward for investment. Alongside this are regional investor events. The Group Director of Finance and Corporate Resources from LBH is the project sponsor.

The officer could not clarify how long the advisory board has been up and run but pointed out it is in the initial stages of sign-off for the 5 different projects.

(xx) Members referred to earlier discussion about retrofitting and enabling capacity. Members acknowledged a lot of contractors are based outside of Hackney. Members pointed out Hackney has a large volume of sole traders and asked if the Council had explored supporting them to become cooperatives. Members advised Manchester was doing similar work. Bringing small contractors together in a type of cooperative arrangement to address retrofit. Members asked if as part of the Green New Deal this could be explored for a pilot project.

The Director of Finance for Neighbourhoods and Housing in LBH explained the typography of dwellings in Hackney will be significantly different to a location like Manchester. Retrofitting stand alone homes is lightly easier than a block. Hackney faces challenges in relation to the typography of properties. The enabling capacity will need to be explored further.

With the retrofit investment the question is who gains from the investment. Normally for capital investment the council would see a return but for retrofitting the return will go to the resident. This does present some challenges.

The Economic Development Manager from LBH added on cooperatives they are doing some scoping work. The officer pointed out the Economic Development team cannot carry the whole agenda. They are currently focusing on adult social care to understand the opportunities. They will look at the Manchester example.

The officer advised he is in dialogue with the officer that supported the setup of a retrofit cooperative in Haringey. This is being considered but in the context of the establishing a cooperative work stream. They are also considering other sectors too. The officer suggested a separate discussion on establishing cooperatives.

In response the Cabinet Member for Environment and Transport from LBH added the Council is currently doing a feasibility study on 13 estates in the borough for retrofit. The council needs to be ready so that when they find the financing solutions, they have plans in place ready to move rapidly. They are working on different scenarios. The Cabinet Member also pointed out there are challenges in relation to leaseholders and the costs they will incur. Presenting a very complex picture as outlined in the discussions.

In relation to the capacity to deliver, there is still a lot of work to be done. There are plans for pilots to deliver on scale to the volume needed. This will be the next phase of work.

- (xxi) Members commented the question was related to finding out more about how to support sole traders or small businesses to collaborate in some way.
- (xxii) Members queried if Hackney Light and Power could have some form of sole trader licencing scheme for local businesses where they can sign up to the Hackney Light and Power standard to offer their services to retrofit owner occupiers and the private rented sector. Members suggested this

could be a way of tapping into people who want to do this work. In addition to having a partnership with local FE colleges to start training people up to do retrofit to a Hackney standard.

(xxiii) Members expressed a strong view of municipal high standards. Members acknowledged that this was not straight forward and would require investment. Members pointed out that the council does have a delivery vehicle in Hackney Light and Power. Members considered there might be an appetite among Hackney's small businesses to deliver this. Members acknowledged the importance of big estates but that they might also have a strong appetite among owner occupiers too. Pointing out there might be a demand among sole traders if they have the skills to do it.

In response the Cabinet Member for Environment and Transport from LBH referred to the circular economy and advised the Council is looking into establishing a strategy for the borough and will review the resources to deploy it. The Cabinet Member suggested this could be updated at the Commission's meeting in July 2023.

The Cabinet Member confirmed they were happy to take the suggestions away and explore it.

- (xxiv) Members highlighted that Hackney has reported having more businesses in the circular economy and that they were keen to have an agreed definition.
- (xxv) Members referred to the revenue from the LTN fines and asked how this impacts the budget.

In response the Cabinet Member for Environment and Transport from LBH explained that any income from PCNs, which includes LTNs and school streets goes into a parking account. The income is restricted to spending on transport measures and in some environmental cases. The Council cannot use parking income to be creative or for different area of the council. The revenue has to be reinvested back into roads, resurfacing or making improvements to the transport infrastructure e.g., cycle lanes, pavement slabs etc.

The Cabinet Member pointed out the council cannot depend on the revenue from LTNs. The aim for the future is to see very little income from parking charges due to compliance. The Cabinet Member pointed out the LTN schemes implemented in 2020 had improved compliance and therefore generated lower levels of income.

The Chair thanked all the guests for their contributions.

## 6 Minutes of Previous Meeting (21:00 - 21:05)

6.1 The Chair referred to the draft minutes from December 2022 on pages 29-56 of the main agenda and the draft minutes from February 2023 on pages 7-28 of the supplementary agenda and asked Members to agree the minutes.

Members agreed the minutes.

RESOLVED	The minutes for December 2022 were approved.	
	The minutes for February 2023 were approved.	

6.2 Matters arising updates were noted to be:
Action Updates for SEG Meeting December 2022

Actions on pages 44-47 were covered in the update report circulated to Members of the Commission in December 2022 in response to the questions raised at the SEG meeting on 14<sup>th</sup> December 2022.

The report is in the agenda on pages 55-56.

Action on page 43 - Members asked if the cash spend in Markets was recorded. We had recorded in the minutes that the Economic Development Manager would follow up with the Markets Team about spend data for Markets in the borough.

The Overview and Scrutiny Officer is progressing this action and we will have an update shortly.

- 7 Skills, Economy and Growth Scrutiny Commission Work Programme 2022/23 (21:05 21:15)
- 7.1 The Chair referred to the work programme in the agenda.
- 7.2 The Chair reminded the Commission the final meeting date would be 25<sup>th</sup> April 2023. The discussion items is the Cabinet Question Time (CQT) for Cllr Williams and the discussion topics are:
  - Green Skills
  - Adult Learning A look at the redevelopment and changes to adult learning courses.
- 7.3 The Chair also informed the Commission Cllr Williams has confirmed she has not been involved in the Re-London Report. Therefore, inviting the report authors for this discussion would not be appropriate.
  - The Chair pointed out the report would be useful to help shape the Commission's questioning on the circular economy later.
- 7.4 The Chair asked the Commission Members if they wanted to suggest an additional topic area for discussion.

In response Members made the following suggestions for the additional item for the CQT:

 The work around the support packages to refugees and migrants from Ukraine and what this means for Hackney

Wednesday 8 March 2023

- Employment strategies and partnerships
- Update on apprenticeships
- Looking at how the anti-racist strategy is being driven across the Council and other sectors too.
- 7.5 The Chair asked Members to clarify if the information they wish to cover related to refugees and migrants was about support packages to get back into employment or about the socioeconomic aspect.

In response Members confirmed they wanted information about how the programme supported resettlement and if it ensured they had the necessary skills to get back into employment.

Members wanted to understand how the Council was supporting this cohort of residents to navigate employment, so they are more independent.

In the discussion Members added it would be helpful to understand the barriers too.

- 7.6 The Chair asked Members to submit additional questions to the Overview and Scrutiny Officer.
- 8 Any Other Business
- 8.1 None.

**Duration of the meeting:** 7.00 - 9.30 pm





**Skills Economy & Growth Scrutiny Commission** 

Item No

19<sup>th</sup> June 2023

Item 8 - Skills Economy and Growth Scrutiny Work Programme 2023/24

8

#### **OUTLINE**

# **New Work Programme 2023/24**

The Commission has been asked to consider and make suggestions for the work programme for the new municipal year.

# Reports in the agenda:

- Information about overview and scrutiny and the remit of the Commission.
- The criteria to help guide the Commission's decision making for the topic, review or one-off items selected for discussion in the SEG work programme.

**The Commission is to note** a public consultation for suggestions to the O&S work programs is currently open. A report and the suggestions relevant to SEG will be presented at the next SEG meeting on 19<sup>th</sup> July 2023.

# **Action**

The Commission is asked to agree the discussion and make suggestions for the Skills, Economy and Growth Scrutiny Commission work programme for 2023/24.



# **Overview & Scrutiny**

# Skills, Economy and Growth Scrutiny Commission: Work Plan May 2023 - April 2024

Each agenda will include an updated version of this Scrutiny Commission work programme

Dates	Proposed Item	Directorate and lead officer contact	Description, Comment and Purpose of item
19th June 2023  Papers deadline: Thurs 8th June 2023	Sustainability and Licensing	Climate, Homes and Economy Cllr Fajana- Thomas, Cabinet Member for Community Safety and Regulatory Services Group Director Climate, Homes and Economy, Rickardo Hyatt Head of Community Safety, Enforcement and Business Regulation, Gerry McCarthy	Exploration of the potential for the Council to use licensing to prepare and drive behaviour change for local businesses to support the climate action plan objectives and reduce the use of single use plastic.

Dates	Proposed Item	Directorate and lead officer contact	Description, Comment and Purpose of item
	Hackney Markets	Climate, Homes and Economy Directorate Cllr Fajana-Thomas, Cabinet Member for Community Safety and Regulatory Services Group Director Climate, Homes and Economy, Rickardo Hyatt Head of Parking and Markets, Kevin Keady	Update on the performance of Hackney's markets and the Council work to sustain and maintain the borough's Markets during the pandemic and post pandemic.
19 <sup>th</sup> July 2023  Papers deadline: Fri 7 <sup>th</sup> July 2023	Climate Action Plan - Update on Engagement with Businesses	Climate, Homes and Economy Directorate  Cllr Mete Coban, Cabinet Member	<ol> <li>A look at the Council's engagement and consultation with local businesses.</li> <li>Information about the Council's engagement and consultation with businesses during the climate action plan consultation period.</li> <li>Information about the economic implications of the Climate Action Plan on local businesses and economic growth in Hackney.</li> </ol>

Dates	Proposed Item	Directorate and lead officer contact	Description, Comment and Purpose of item
		for Environment and Transport  Cllr Guy Nicholson Deputy Mayor for Housing Supply, planning, Culture and Inclusive Economy	
	Update on working with the Voluntary Sector in Hackney	Chief Executive's Directorate Cllr Kennedy, Cabinet member for Health, Adult Social Care, Voluntary Sector, and Culture. Sonia Khan Claire Whitney HCVS and other VCS Community	A look at the new ways the Council works with the voluntary sector to build on the learning from the pandemic and how this supports delivery of the Council's Strategic Plan.

Dates	Proposed Item	Directorate and lead officer contact	Description, Comment and Purpose of item
18 <sup>th</sup> October 2023			TBC
Papers deadline: Fri 6 <sup>th</sup> Oct 2023			
20 <sup>th</sup> November 2023	Cabinet Question Time	Cllr Carole Williams	Cabinet Question Time session for the Cabinet member for Employment, Human Resources and Equalities  • TBC
Papers deadline: Wed 8 <sup>th</sup> Nov 2023		Climate, Homes and Economy Stephen Haynes, Strategic Director Inclusive Economy, Corporate Policy & New Homes	
13 <sup>th</sup> December 2023			TBC
Papers deadline: Fri 1 <sup>st</sup> Dec 2023			

Dates	Proposed Item	Directorate and lead officer contact	Description, Comment and Purpose of item
17 <sup>th</sup> January 2024			TBC
Papers deadline: Fri 5 <sup>th</sup> Jan 2024			
21 <sup>st</sup> February 2024			TBC
Papers deadline: Fri 9 <sup>th</sup> Feb 2024			
20 <sup>th</sup> March 2024			TBC
Papers deadline: Fri 8 <sup>th</sup> Mar 2024			

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# SKILLS, ECONOMY AND GROWTH SCRUTINY COMMISSION

#### **LEGISLATION**

Overview and Scrutiny was introduced following <u>Local Government Act</u> 2000. Local authority Overview and Scrutiny has been strengthened over the years through a variety of legislations.

Since the initial Act, establishing overview and scrutiny, in 2000 there has been a number of further Acts, often accompanied by secondary legislation, which have gradually strengthened the powers of scrutiny. Today, the legislative provisions for overview and scrutiny committees for England can be found in the Localism Act 2011, which mostly consolidated previously existing law. As a note the 2011 Act also removed the obligation on councils using the committee system to have an overview and scrutiny committee.

#### **ROLE OF OVERVIEW AND SCRUTINY**

Overview and Scrutiny (O&S) in local authorities is the process for holding the Executive to account, ensuring transparency in decision making and encouraging engagement by residents in the way local services are provided.

Traditionally this focused solely on the operations of the council, either through pre-decision scrutiny (where scrutiny committees review the production of formal plans and strategies etc) or reactive reviews that look at the impact and performance of any existing council service. Increasingly the role of elected Members through Overview and Scrutiny focuses on decisions taken not just by the council but by local partners as well, across the whole range of services in the public, private and voluntary sectors. The Centre for Governance and Scrutiny (CfGS) – the national body for scrutiny - devised the following four principles for Effective Overview and Scrutiny.

- 1. provide constructive "critical friend" challenge;
- 2. amplify the voice and concerns of the public
- 3. be led by independent people who take responsibility for their role
- 4. drive improvement in public services.<sup>1</sup>

The membership of O&S commissions is politically proportionate. Scrutiny is non-adversarial<sup>2</sup> and non-partisan<sup>3</sup>. The role of scrutiny is to be a "Critical friend" challenging decision maker within LBH as well as external agencies.

#### **REMIT**

The Commission scrutinises matters relating to employment and skills (including adult learning), effects of macro-economic change, infrastructure developments for transport, planning and licensing for residents and businesses, large scale schemes and economic regeneration, libraries and voluntary and community sector.

<sup>&</sup>lt;sup>1</sup> https://www.cfgs.org.uk/revisiting-the-four-principles-of-good-scrutiny /

<sup>&</sup>lt;sup>2</sup> Non-adversarial means there is a spirit of co-operation, a passive stance, the parties are willing to reach a mutually satisfying resolution to a problem. There is persuasion rather than coercion.

<sup>&</sup>lt;sup>3</sup> not partisan means not affiliated to, influenced by, or supporting any one political party

Scrutiny Commission Remit / Areas			
High level remit as per constitution Prosperity of the borough and development, in particular economic development, employment a large-scale planning and transport infrastructure schemes.			
Statutory functions	None		

# **Economy and Economic Regeneration**

- Supporting Town Centres
- Supporting Business
- Effects of macro economic development.

# **Regulatory Services**

- Licensing residents and businesses
- Planning businesses
- Markets

**Voluntary Sector** – VCS and Community Sector Partnership

# **Employment and Skills** (including adult learning)

- Adult learning element of Education and Schools
- Employment and training opportunities
- Ways into Work
- Apprenticeships

**Transport** - strategic transport (infrastructure developments for transport)

#### Libraries

# **Cabinet Members SEG holds to account**

- Cllr Williams
- Cllr Nicholson
- Cllr Coban
- Cllr Kennedy
- Cllr Susan Fajana-Thomas

Service performance issues in the above remits

#### STAKEHOLDERS IN THE COUNCIL

The directorates SEG Commission remit covers are:

- Chief Executives Directorate
- Climate, Homes and Economy Directorate
- Finance and Corporate Resources.

# **SCRUTINY REVIEWS**

The Commission usually carries out one major review each year. Once the review report is agreed it is sent to Cabinet for an 'Executive Response' and this goes on the Cabinet Agenda. Some scrutiny reports and their responses are also debated at Full Council.

When reviews are completed, there is a system of recommendation trackers whereby officers are required to come back after 6 -12 months to discuss the progress made and to provide updates on the implementation of the recommendations from the review.

#### SITE VISITS AND OTHER APPROACHES TO EVIDENCE GATHERING

The commission meetings are just one way in which the commission collects evidence for its in-depth reviews. Members also go on site visits and use other formats such as focus groups or observing groups or activity. The latter is more appropriate if Members are speaking to service users on sensitive issues which would be difficult for them to discuss in an open committee. The notes recorded from external site visits are placed in the agendas.

#### CABINET MEMBERS AND CABINET MEMBER QUESTION TIME

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 Cabinet Members are asked to come and answer questions on 3 pre-agreed areas. This is similar to Select Committee operations in the House of Commons, same format. All Cabinet Members and the Mayor must attend at least one of these a year.

The Commission's remit covers the following Cabinet Member's portfolios:

- Cllr Guy Nicholson, Deputy Mayor for Delivery, Inclusive Economy & Regeneration. Councillor Guy Nicholson has lead responsibility for:
  - 2022 to 26 manifesto & council strategic plan delivery
  - capital programme new homes, infrastructure and services delivery
  - o town centre, high street, estates and neighbourhood place making
  - planning service performance, policy, plan making, building control & enforcement
  - inclusive economic development local business, cooperative & social enterprise led community wealth building delivery
  - o regional & international economic partnerships delivery.
- Councillor Carole Williams, Cabinet member for employment, human resource and equalities. Cllr Williams has lead responsibility for:
  - employment strategy and partnerships
  - Hackney works
  - apprenticeships including Hackney apprenticeship network and the apprenticeship levy
  - employment programmes including supported employment, adult trainees and paid work experience
  - o Human resources and organisational development
  - o relationship with the trade unions
  - adult learning and English to speakers of other languages (ESOL) delivering excellence
  - o post 18 skills, including further and higher education
  - o supporting the London living wage
  - equalities and anti-racism
  - refugees and vulnerable migrants
  - windrush

- policy, strategy and devolution
- o fair trade with the climate justice and fair trade champion
- volunteering

# Councillor Chris Kennedy, Cabinet member for Health, Adult Social Care, Voluntary Sector, and Culture. Cllr Kennedy has lead responsibility for:

- health and relationship with the local NHS
- o adult social care
- mental health and wellbeing
- public health
- voluntary and community sector (SEG Commission)
- o arts & culture
- o libraries, museum and archives (SEG Commission)
- food justice
- o communications and consultations
- waterways and boaters
- Armed forces champion

# Councillor Mete Coban, Cabinet Member for Climate Change, Environment and Transport. Cllr Coban has lead responsibility for:

- climate change including responding to the emergency, mitigation, adaptation, and public awareness
- environmental sustainability
- transport (working with Mayor) bus priority, road safety, accessibility, strategic infrastructure and transportation
- liveable neighbourhoods promoting walking and cycling
- clean air and tackling pollution
- o public realm and streetscene
- electric vehicle (EV) infrastructure
- energy community and local generation, efficiency, and procurement
- retrofit council homes programme with cabinet member for housing services and resident participation
- growing the green and circular economy
- waste and recycling
- waste services and waste reduction and prevention
- street and estate cleansing
- o corporate decarbonisation and just transition to net zero
- vehicle and cycle parking.

# Councillor Susan Fajana-Thomas, Cabinet Member for Community Safety and Regulatory Services. Cllr Fajana-Thomas has lead responsibility for:

- strategic relationship with the police inc. accountability and improving trust and confidence
- o crime reduction and antisocial behaviour
- integrated gangs unit
- noise nuisance
- o environmental health and trading standards
- licensing enforcement
- licensing policy (working with chair of licensing)

- night time economy
- markets, shop fronts and street trading
- youth justice
- environmental protection
- o emergency planning and relationship with London fire brigade
- o CCTV and public surveillance
- o domestic violence and abuse
- violence against women and girls
- delivery of Mayor's young futures commission recommendations (with Deputy Mayor and cabinet member for education, young people and children's social care).

#### **WORK OF THE COMMISSION 2022-2023**

#### **DISCUSSION TOPICS**

SEG reviewed the following topic areas during the year:

- Town Centre Regeneration Hackney Central
- A Review of the Adult Learning / Education and Skills Retraining in Hackney
- Changes to Transport for London Bus Network and the London Borough of Hackney
- Understanding the local economy
- Future of Libraries and Hackney's Library Strategy
- Economy Development Plan Update on Metrics.

#### HOLDING TO ACCOUNT

Last year SEG held cabinet question time sessions with 3 Cabinet Members.

For Cllr Nicholson the Deputy Mayor & Cabinet Member for Delivery, Inclusive Economy and Regeneration. This covered:

- Community Wealth Building supporting and embedding co-operative led business models and social enterprise business models
- Green and Circular Economy defining the green economy and circular economy – How businesses are being supported (a look at the Circular economy pilot outcomes) to participate in the green and circular economy
- Support to local businesses (facilitation or signposting) to meet the Council's objectives for these two policy areas.

Cllr Williams the Cabinet member for Employment, Human Resources and Equalities. This covered:

- Employment and Skills for the green and circular economy
- Adult Learning A look at the redevelopment and changes to adult learning courses and support to refugees and migrants entering the UK.

Cllr Coban the Cabinet Member for Environment and Transport. This covered:

- New Green Deal investment of £50 million to help reduce energy bills for residents and tackle toxic air pollution
- The economic impacts of the new green deal
- An update on the impact analysis of LTNs on local businesses.

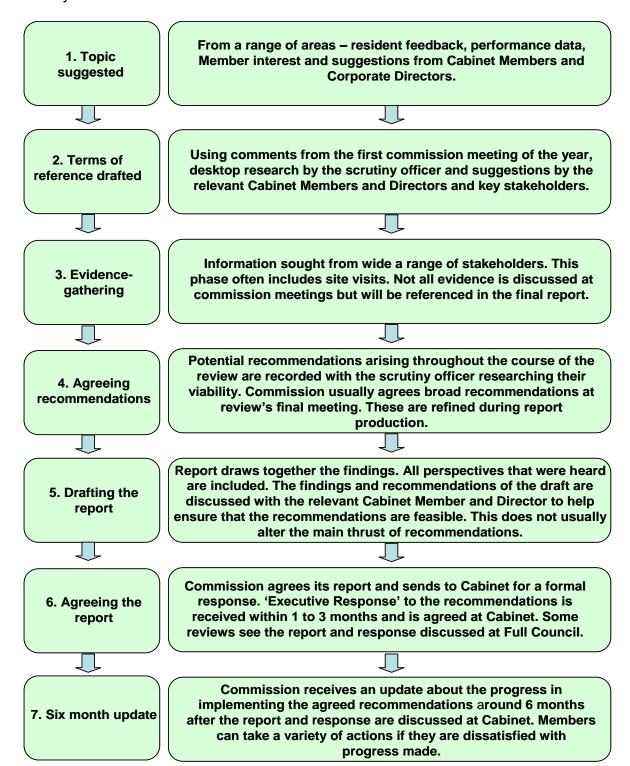
#### OTHER DISCUSSION ITEMS IN 2021/2022

Other discussion topics covered by the commission were:

- Community Involvement in Regeneration How the community is involved and engaged to influence area regeneration. This also covered community engagement with the planning team affects area regeneration, and how the Hackney Wick Development Trust approached community engagement in area regeneration with local residents & businesses.
- Transport for a Cleaner, Greener Hackney As the borough rebuilds and moves toward achieving its net-zero targets. A look at the work by the council in response to the Secretary of State for Transport and the Department for Transport call to local authorities to undertake emergency structural measures to encourage active travel and discourage nonessential motor- vehicle use.
- Decarbonising Hackney's Economy 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.
- Economic Stocktake (incl. Highstreets) 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.
- Voluntary Sector 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.

### LIFECYCLE OF A SCRUTINY REVIEW - A BRIEF GUIDE

The schematic below shows the processes involved in the completion of a typical scrutiny review.





# Criteria to guide decision

Is this a scrutiny priority?

How will scrutiny add value?

Is this a complex or singular issue?

In Depth Review

Can the issue be addressed at one meeting?

What information is needed?

What officer resource is available?

Is this a council priority?

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One off item
-short
report





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