

Skills, Economy and Growth Scrutiny Commission BAME Business Engagement workshop- 12th July 2018

Council response

The Council welcomes the feedback provided by local BAME businesses at the workshop arranged by the Skills, Economy and Growth Commission on the 12th July 2018. The Council welcomes perspectives on how and what sort of support BAME businesses can access to start up, grow and thrive. This written response to the report provides information on the work currently carried out by the Council and will also inform further discussion on this topic and in developing the offer further.

During a recent borough wide resident engagement programme, 'Hackney a place for everyone', residents felt that it was important that the Council continues to try to promote and support a balance of businesses in the borough. Local people said they value Hackney's existing small businesses, BAME businesses, and social enterprises as they provide a diverse local offer and contribute to Hackney's unique inclusive spirit and its sense of vibrancy. They also shared concerns that some existing businesses were under pressure as a result of rising rents, a lack of affordable workspace, rising business rates, and from wider changes in the local area including population change and the arrival of new businesses.

It is important to stress from the outset that the Council is committed to supporting and building long term relationships with the broadest range of local businesses including BAME businesses, SMEs and Social Enterprises and this commitment is set out in the Council's vision for the borough in the Hackney Community Strategy 2018-28. We want to work together to expand and improve BAME business engagement networks and support in Hackney and continue to look at ways this can be delivered.

This response sets out some of the practical steps the Council is taking to help address some of the specific concerns raised by BAME businesses, including existing ways to engage with the Council and find out about services and support, how the Council's new Local Plan (LP33) is proposing to protect and deliver more affordable workspace, and how the Council can open up local supply chains to SMEs through its Sustainable Procurement Strategy.

Theme 1. Engaging with Hackney Council and improving BAME access to business support and services

Issue: The Commission heard that the workshop attendees experience is that the Council doesn't fully understand their specific needs and isn't engaging as well as it could with BAME businesses in the borough. Other feedback was that we could do more to promote the current advice, support and services in place to all businesses.

Response: The Council will continue to build and develop its business networks and wants to make sure these reach and support the broadest range of Hackney businesses. The Council is open to trying out new ways to improve the reach and the value of these networks.

The current business engagement offer provides a range of opportunities for businesses to engage with the Council, other businesses, and external organisations and stakeholders through a variety of different methods. Current business engagement methods include:

- Social media: Websites: hackney.gov.uk and investinhackney.org and Twitter: @hackneycouncil, @hackneybusiness;
- Hackney Business Network monthly online newsletter;
- Hackney Business Network: Year round programme of events around key business campaigns e.g. London Tech Week, London Living Wage Week, Small Business Saturday, Global Entrepreneurship Week;
- Hackney Business Network: Year round programme of Council run and supported events and conferences offering free business support, training and mentoring often in partnership with business support providers e.g. Get Set For Growth Workshops, Echo++ Accelerator, Entrepreneurship Conference, Social Enterprise Conference, Startup Open House;
- Area based Hackney Business Forums which are managed by the Council and cover: Hackney Central, Dalston, Hackney Wick, Shoreditch, Stoke Newington, Clapton, Stamford Hill. The forums are open to all businesses in Hackney or those looking to establish a business in Hackney;
- Council representation at business stakeholder meetings - e.g. Pubwatch, Federation of Small Businesses (FSB) business breakfasts;
- Partnership working with key business representation groups within the borough including: Federation of Small Businesses, East End Trades Guild, The Social Enterprise Partnership; and
- 121 meetings with businesses involving the Economic Regeneration Team and other officers.

Events are free to attend, open to all to ensure they are accessible, and cover a range of topics in order to address the needs of both startups, new and established businesses. The engagement methods have been developed taking into account the fact that not all businesses want to engage and receive communications in the same way. We have an online offer, daily updates through Twitter, face to face interaction via events and the Hackney business forums, partnerships with business representation groups, and access to Council staff through contacts on the Invest in Hackney website and the business@hackney.gov.uk email address.

While the Council provides an extensive portfolio of business support, it is evident from the workshop feedback that more can be done to raise awareness of the services the Council and other partners offer to the business community.

A project to improve information, advice and guidance for businesses on the Council's website is underway and is part of delivery of the Mayor's manifesto commitment to 'make it easier for everyone to do business in Hackney.' The work to date has included an online business survey and direct engagement with local businesses in a number of trading locations (Hackney Central, Dalston, Stoke Newington, Hackney Wick and, Chatsworth Road). The survey sought to understand businesses' experience of interacting with the Council, what businesses' priorities and problems were, and how the Council might best provide information, advice, and guidance to businesses.

In addition to understanding general perceptions of business-Council interactions, the survey also asked for specific comments on what the Council could do better, and suggestions for services the Council could offer. Over a hundred responses were received and have been used to inform further stages of the project. Areas highlighted by businesses for improvement included:

- better marketing of services to businesses
- broadening the range of services available to businesses
- increasing Hackney Council's procurement opportunities for local businesses
- better online access to services to businesses.

To support the longer term objective of bringing the Council's online business services together in one place, further business engagement supported by digital consultants has been undertaken to better understand how it can improve the information, advice and guidance the Council provides to SMEs about our core services via the Council website. There have been both in depth interviews with a number of businesses and co-design sessions involving businesses and Council staff who are delivering business facing services. Businesses have requested a clear and simple way of understanding what they have to do to access the Council's transactional and regulatory services. The Council has subsequently commissioned a project to ensure the business section of the Council's website is clear, well-structured and easy to navigate. The current project activities are focusing on the Council's licensing, business rates and markets services. BAME businesses have been involved in this work. There will also be further opportunities for businesses to input once the proposed improvements are live on the Council website.

An business communication audit of Council services is planned to address the quality and consistency of interaction of Council departments with businesses. The Council's existing interactions with businesses will be assessed and where necessary changes brought forward to improve and align these with other departments. Referrals to other relevant Council departments will also be promoted to provide a business user with information that they might otherwise be unaware of.

Theme 2. Working with the Council

Issue: Matters raised by the group around accessing business opportunities with Hackney Council are of a similar nature to those that are received from the general business population so are not specific to BAME businesses. These issues centered around the following themes:

- 2.1 Finding business space/ accessing new business premises
- 2.2 Lack of affordability of business premises
- 2.3 Procurement and opportunities to sell goods and services to the Council
- 2.4 Quality of the environment

Response:

2.1 Finding business space/accessing new business premises

Through the Invest in Hackney website support is available to new and existing businesses to find premises in Hackney. The user submits their requirements via an online form which is then shared with Commercial Property, Economic Regeneration and the Business Communications and Engagement Manager. Depending on requirements, suitable properties will be put forward and further support and advice on relocation offered by Council officers.

The Council also promotes its own available commercial premises on the Council website, as well as through the relevant partner commercial property agents.

2.2 Affordable business premises

The Council is committed to increasing the supply of affordable workspace in the borough, and is working on a number of initiatives designed to address this issue. In LP33 the Council has introduced new local plan policies to enhance both the provision and protection of affordable workspace which includes greater protection for existing low cost workspace and the requirement to provide new affordable workspace on relevant developments in designated employment areas, town centres and the Central Activities Zone. In developments where new affordable workspace is provided the space must be let at no more than 40% of market rent in Shoreditch (in the Shoreditch Priority Office Area) and at no more than 60% of market rent in the rest of the borough.

Where new affordable workspace is provided in developments the developers are required to partner with workspace providers on the Council's Approved Workspace Providers List to ensure the space will be made available to a variety of small businesses and that additional community benefits delivered by the workspace provider and their tenants. Business looking for space can also use the providers list which is available at:

<http://www.investinhackney.org/workspace>

The Economic Regeneration team are directly delivering a number of projects aimed at increasing the supply of affordable workspace in the borough by repurposing underused Council assets and buildings. Current projects underway include Wick Works which is the transformation of the Old Baths and the Trowbridge Centre in Hackney Wick into affordable workspace and community uses. The Council will publish a Voluntary and Community Sector (VCS) Strategy in 2019 will consider how the Council can work with the VCS in relation to Council property assets and associated opportunities in order to better support the development of the sector.

2.3. Procurement and selling to the Council

Many businesses who attended the event expressed frustration that the Council did not use their services, that they were unaware of the contracts that were available and that the contracts were too large for them to be able to bid for.

The Council has adopted a Sustainable Procurement Strategy which considers issues such as: reviewing the size of contract opportunities to assess if they can be split into smaller lots to make them more accessible to SMEs, and actively communicating procurement opportunities to local suppliers to improve access to business opportunities.

2.4 Quality of the environment

It was raised by several businesses at the workshop that in some areas of the borough the quality of the environment may result in less people shopping and spending time in the area reducing custom and trade for businesses. It should be noted that this issue was raised more often in relation to town centre locations and may therefore be more applicable to high street and town centre businesses.

Given the nature of town centres as areas of with shops and services, higher footfall and busy stations and public transport links the quality of the environment is often more likely to be an issue compared to quieter residential streets. The Council responds to this via more concentrated street cleansing and enforcement in these areas of the borough. Business are encouraged to report any environmental issues as soon as possible using the Love Clean Hackney app which can be downloaded at:

<http://lovecleanhackney.hackney.gov.uk/reports/home>

As part of the Council's approach to area regeneration more focus will be placed on the issues affecting specific town centres and regeneration plans will be produced to identify some of the key issues in different town centres that need to be addressed via partnership working across Council services and with external stakeholders, including businesses.

The Council is keen to engage everyone in the community to help shape what happens in our major town centres and growth areas and how we best manage activity in these places. The Dalston Conversation encourages local people, local businesses and community organisations to get involved in conversations about the future of the area. You can find out more here: <https://dalstonconversation.commonplace.is>

Theme 3. Business support

Issue: BAME business owners suggested that the Council should provide more support and guidance on setting up, growing and managing a business. It was also suggested the Council should run more business events.

Response: The Council recognises the need to continue to improve awareness of the existing business support offer, and to review the diversity, the reach and the appeal of this programme to all sectors of the local business community. Advice on setting up, growing, and the day to day management of businesses is provided via events, newsletters, and online. Information and is

available both directly from the Council and also from a range of business support organisations in the borough.

The Invest in Hackney website provides comprehensive local business support, advice and guidance including:

- local business news
- sector specific information about Hackney
- property search function
- Approved Workspace Provider list
- Ability to sign up for the Hackney Business Network newsletter
- business advice and funding signposting (including to both external business support providers and Council service areas)
- Council contacts
- link to Hackney Business Network twitter for daily updates.

In addition to this the main Council website (www.hackney.gov.uk/business) includes information on the Council's business facing services and regulatory functions (eg business rates, business related licenses (e.g. alcohol, shop front trading) registering your food business, trading standards, market trading and commercial waste collection/pest control amongst others) as well as some general business support signposting.

The Council is currently reviewing the direct and indirect business support offer to see where we may be able to make improvements. including considering a more joined up online package that covers the different ways the Council can help, such as:

- Assistance with employing staff, finding affordable workspace, accessing small business rates relief, support to maintain a healthy workforce and better awareness of opportunities for local businesses to sell services to the Council and to enhance supply chain and trading opportunities;
- promotion of the newly established business forums and other networking opportunities (including identifying whether there are London wide or national BAME business networks that we could also signpost to);
- signposting to a range of up-to-date support, across key sectors, but also more generic business support of value to a wide range of local businesses.

The Council's Economic Regeneration team provide support, guidance and can signpost to business support information and providers (contact: business@hackney.gov.uk).

As set out in response to theme 1, business support events are run throughout the year as part of an annual programme. Subjects to date have included setting up a business, coaching, finance, contract legalities, selling to the Council, employment and HR, marketing and business growth. All events are free to attend and advertised through the Hackney Business Network newsletter, Invest in Hackney, Twitter, local business representation groups and through event partners.

Appendix 1 details the business related events that have taken place at Hackney House from November 2015 to Dec 2017. Hackney House is a Council run commercial event space used for business engagement events. New events are advertised on our webpages and social media: www.investinhackney.org and Twitter: @hackneybusiness

The Council is open to suggestions about how it can diversify the programming of business support events and will review the current approach to identify ways to improve the accessibility, reach and appeal of these sessions.

Theme 4. Hackney's changing business profile/property prices

Issue: Feedback highlighted a perception that the Council provides more support to new startups or large businesses moving in the borough than to existing businesses. There are also wider concerns that recent business growth is having the effect of pushing property prices up and forcing out small business who have been in the area for a long time.

Response: Through the borough wide community engagement work, and the Community Strategy the Council acknowledges local people's concerns about the growing unaffordability of workspace in the borough. Through this work the Council has recognised the concerns raised by some BAME residents and businesses that they have experienced a sense of being excluded from the recent growth and opportunities that have happened in Hackney. The Council remains committed to helping more local people and businesses benefit from increased local prosperity in the borough and the changing economy whilst working with larger employers and businesses to create more community wealth.

However it must be stressed there are limited powers and resources available to the Council to control rising commercial property prices. The Council can use the local planning system to maximise the delivery of affordable workspace in new developments via the planning process, it has created an Approved Workspace Providers List and it can ensure that the letting of Council owned premises factors in the maximum allocation available of affordable commercial space. The Council is also working on regeneration projects which will turn unused Council buildings into affordable workspace which local businesses will be prioritised for.

The Council aims to maximise the opportunities that larger businesses bring to the borough and engage with these businesses in order to deliver local jobs, apprenticeships, work experience, education and training opportunities and ensure that business growth benefits as many of existing Hackney residents and business as possible.

APPENDIX 1: Business events held at Hackney House between Nov 2015 - Dec 2017

2017:

Quarterly Shoreditch Business Forum (x4)

Regular meeting for all businesses located within Shoreditch that consists of guest presenters, business opportunities, Council updates around Planning, Licensing & Regulatory services. Guest presenters have ranged from Developers building in the area to local charities to app

developers looking to offer targeted customer marketing campaigns. In 2018 all of the business forums have also featured a regular item/update on business rates.

Borough-wide Pubwatch (x2)

Biannual gathering of all the Town Centre Pub watch groups. Pubwatch membership consists of all licensed bars, restaurants and clubs. Topics cover: Local Policing updates, Council updates, Issues affecting licensed premises, Business Rates, business opportunities and guest presenters. Town Centre Pubwatches are managed locally by Licensees with Hackney Council..

London Against Business Rate Hikes – Campaign Event

Hackney Council in partnership with East End Trades Guild are leading a campaign against the unfair business rates hikes in London. An event was held on the campaign. As part of the event business rates surgeries were available with the Council's Business Rates team for individuals to discuss their concerns and seek advice.

Event partners: East End Trades Guild, Federation of Small Businesses, London Borough of Tower Hamlets.

Hackney One Carnival - Conference

The conference was open to Hackney-based organisations, groups and individuals with an interest in getting involved with the Hackney carnival. The event welcomes representatives from local schools, colleges, community groups, organisations working with people of all ages and abilities, arts and cultural organisations and creative industries.

Event partners: Arts Council England, Tropical Isles, Global Carnival Centre.

6 Week Enterprise Course by Urban MBA

The enterprise training program, Urban MBA was designed to reach young adults who are what is described as NEETs (Not in Education, Employment or Training).

Event partners: Urban MBA

Apprenticeship Screening Sessions (throughout the year)

Open sessions for would-be apprentices to learn about working as an apprentice in a local business. Sessions include information on the different roles, career progression and businesses offering apprenticeship opportunities.

Hackney Entrepreneurship Conference 2017

Same format as the 2016 & 2015 conference's and part of Global Entrepreneurship Week.

Event partners: Virgin StartUp, Allia Serious Impact Programme, HCD, NWES.

Business Rates Revaluation Events 2017

Various events to discuss the implications of the 2017 Business Rates revaluation, including joint events with London Borough of Islington. Sessions included both presentations and individual advice

2016:

Quarterly Shoreditch Business Forum (x4)*

Regular meeting for all businesses located within Shoreditch which consists of guest presenters, business opportunities, Council updates around Planning, Licensing & Regulatory services. Guest presenters have ranged from developers building in the area to local charities to app developers offering targeted customer marketing campaigns.

**It should be noted the business forums take place in other areas of the borough and different venues are used for these.*

Borough-wide Pubwatch (x2)

Biannual gathering of all the Town Centre Pub watch groups. Pubwatch membership consists of all licensed bars, restaurants and clubs. Topics cover: Local policing updates, council updates, issues affecting licensed premises, business rates, business opportunities and guest presenters. Town Centre Pubwatches are managed locally by Licensees with Hackney Council.

Mayor of Hackney Business Awards

Award ceremony to announce and celebrate the winners of the 7 Mayor's Business Awards categories. These included: Best Fairtrade Business, Best Creative Business, Best Hackney Entrepreneur, Hackney Business Charter Award for Best Overall Contribution to the Borough, People's Choice Award for Best Place to Eat and Drink, Outstanding Hackney 100 Employee and Best Hackney Business.

Economy of Hours – Social Event

Drinks reception for all existing ECHO members and drop in for those considering joining. ECHO is a skills swap mechanism in Hackney that allows businesses to swap skills and services by paying in ECHO's rather than money which allows small businesses to obtain specialist services that are usually unaffordable. An example would be a solicitor providing an hour of legal advice in return for an Echo which they can use at any other members businesses.

Event partners: ECHO

Tech Nation Best Practice – Promoting Enterprise & Regeneration

Tech City UK and Hackney Council launch of the first publication in the Tech Nation Best Practice series.

Event partners: Tech City

Hackney Entrepreneurship Conference

Same format as the 2016 conference and part of Global Entrepreneurship Week.

Event partners: Albion, Tantrum, The Bias Cut, Pip & Nut, Hackney Cooperative Developments, Enterprise for London, Studio More, Exponential Marketing, The Startup Kitchen, We Mean Business.

Plan Zheroes Launch

Plan Zeroes is a registered charity that is on a mission to save good food from going to waste and getting it to people who need it. To do this they have created an online community which makes it easy for businesses that have surplus food to find charities that need it and vice versa.
Event partners: Hackney Council hosted and advertised the event.

Fashtech Meetup 8: Power of co-creation

An evening of talks, conversations and presentations aimed at fashion, tech and digital creatives, UAL students, graduates and alumni as well as the wider fashion, tech, investor and media industry.

Event partners: Centre for Fashion Enterprise, Digital Anthropology

Shoreditch Area Action Plan Local Plan Consultations (several throughout latter part of year)

Drop in session advertised to local businesses and the community on local plan issues.

2015:

Hackney Business Network Bootcamp

A day of learning and development sessions for Hackney based small businesses covering Finance, Marketing and HR for small businesses.

Event partners: Grow Marketing Consultants, Get Set for Growth, People Skills.

How to become an Entrepreneur - Conference

Three-floors of 'How-to become an entrepreneur' talks, bootcamp workshops and meet and greet sessions to find out how to start or grow your business.

Event partners: Secret Sauce, Let's Be Brief, Digital Business Academy, Pioneering Social Enterprise, Get Set for Growth, NatWest, KPMG, Urban MBA, Jam Sandwich, Discover Young Hackney, Acoustic Sundays, Sound Advice, CDR, SDNA, Dan Beaumont (VooDoo Rays, Rays Bar, Dalston Superstore), Heather Falconer (Spindle Magazine), Roxi Rustem (East Wick Candles), Seetal Solank (Matter),

Hackney Business Network – Make Hackney Sparkle Party

Christmas networking event for Hackney businesses.

Event partners: Hackney Live