

## **Inclusive Economy Strategy - Cover note**

### **1. Introduction**

Over the last few months, the Council has developed an Inclusive Economy Strategy. This will be shared as a public document for consultation from late June through to August. A final draft will then be produced which will incorporate consultation findings. We will also incorporate any findings from the Commission's Inclusive Growth Review that might be available by this point. The aim is to then take this to Cabinet for approval in September.

### **2. Overview of Strategy**

The Strategy sets out a vision, followed by illustrations of how the Council leads by example to use its resources and levers to promote a more inclusive economy, for example through its own employment programmes and procurement strategy.

The Strategy also sets out the parameters and limitations around what change the Council alone can effect, identifying the multiple ways that we need to work with partners to shape the economy.

There is an explanation as to why this Strategy is needed, and the way we are responding to a growing recognition, nationally and globally that existing models of economic development which focus solely on economic growth and expect the benefits to trickle down to the wider community have not worked and have allowed inequality to increase. The Strategy also sets out how this flows from the work done to develop the Community Strategy and identifies the key strategies and plans which support the work.

The Strategy presents three intersecting priorities in three separate sections. Each section provides contextual analysis, a summary of what we are already doing to support priorities and our future plans. The priorities are:

1. Support local neighbourhoods and town centres to thrive and to be inclusive, resilient places
2. Champion local business and social enterprise in Hackney and protect and maximise the delivery of affordable workspace in the borough
3. Connect residents to high quality support and opportunities to learn new skills, get good quality work and to make progress in work over their career

### **3. Development of Strategy**

The Strategy has been developed through:

- A synthesis of the evidence around economy and employment and of existing business and resident insight;

- Extensive engagement with different departments in the Council to reflect their current work, and identify opportunities for stretch;
- Participating in two stakeholder workshops arranged by the Skills, Economy and Growth Scrutiny Commission as part of their Inclusive Growth Review

#### **4. Challenge and feedback so far**

In exploring what we can do to shape an inclusive economy, we are aware of some key challenges, and have reflected these in the strategy.

- Housing costs here are very high and in work poverty is a growing concern as wages, particularly for low earners have failed to keep pace with costs of living.
- London's economy is hollowing out, there are fewer mid level jobs today and there has been a rise in more insecure forms of employment.
- Local Businesses are concerned about recent rises in local business rates, the increasing unaffordability of workspace in our borough and the challenges of trading on the high street.
- Poverty and inequality is still too high in and some local neighbourhoods remain amongst the most deprived in the country.

The fact that we have these challenges, in a borough that has experienced economic growth and seen reductions in unemployment demonstrates that traditional models of economic development do not improve prosperity for everyone. But it also sharply sets out the scale of the challenge for us and partners, in shaping an economy that is inclusive of all communities, including those who are furthest from the labour market and those who face key inequalities or disadvantages (including people with special educational needs or looked after children)

#### **5. Development of new metrics**

There is no agreed national framework for measuring Inclusive Economic Growth. At a local level, we will co-develop a set of measures that help us understand the wider range of factors and dynamics in an inclusive economy. This will also help us better evaluate the impact we are having through our own work and if we are taking the right actions, moving us beyond a narrower set of traditional measures. The nationally published indices of deprivation provide us with a set of multi-dimensional measures and a picture of deprivation in Hackney, relative to other places in England. However it does not give us the nuanced picture that we would need to understand if we are making the impact needed.

We have already begun to look at better ways of measuring changes in our local economy, working with colleagues at University College London's Institute of Global Prosperity and others on their London Prosperity Board. UCL have developed a new [Local Prosperity Index](#) which aims to give a more rounded picture of a local economy that goes beyond measuring numbers of jobs, business growth and GDP. We will

develop a set of measures that reflect the multi-dimensional nature of an inclusive economy which could include:

- Quality of life, resilient neighbourhoods, community belonging and inclusion and voice and influence
- Housing security and affordability
- Health and wellbeing
- Jobs and income, Economic productivity, Thriving local businesses and social enterprises
- Education and skills
- Environmental and physical infrastructure improvements

## **6. Consultation and engagement objectives**

There has been considerable engagement around similar issues in recent years, through Hackney a Place for Everyone, the Single Equality Scheme and through engagement in local areas, such as the Council led Dalston Conversation and the community led Hackney Wick Through Young Eyes, as well as engagement with specific communities (e.g. young black men, vulnerable migrants). We have also participated in the engaged undertaken through the Commission's Inclusive Growth Review. We have reflected this rich insight and data in the consultation draft of the Strategy.

We now want to add value and complement engagement which has already taken place. Our objectives are therefore to:

- a. Test the way we have framed or described our approach and the language we have used
- b. Explore whether people feel that the future commitments we highlight will provide the "stretch" required to help achieve an Inclusive Economy in Hackney
- c. Ensure that more disenfranchised voices among residents and businesses are heard and inform the strategy
- d. Secure commitment to shared objectives and delivery from partners and stakeholders including businesses
- e. Start conversations about how we measure the impact of the work planned using new metrics.

### **Methods:**

1. Online survey - consultation
2. Citizen's panel focus groups
3. Sharing with businesses
4. Sharing with stakeholders
5. Listening to voices that tend to be marginalised in conversations about place and planning - by tapping into wider engagement events planned e.g. to develop the Poverty Reduction Strategy, the Older People's Strategy, Young Futures