Hackney's Inclusive Economy Strategy 2019-2025

October 2019

Cover sheet - plain text version

Contents

Foreword	P2
Executive Summary	P4
Inclusive Economy Strategy	
Context and drivers for change	P7
Strategic Priority 1	P12
Strategic Priority 2	P37
Strategic Priority 3	P49
How we will deliver the commitments this strategy	P67

Foreword

Our borough has seen more rapid social and economic change than almost anywhere else in the UK over the last 15 years. This has brought many new economic opportunities for local people and local residents, but many have told us that they feel not everyone is benefiting equally from these opportunities and they feel excluded from the prosperity that they see around them.

There is a growing recognition. not just in Hackney, but more widely that existing models of economic development which focus solely on economic growth and expect the benefits to trickle down to a wider community have not worked and that this has created economic inequality within communities. How best to respond to this challenge formed a key part of our 2018 Manifesto and given the level of concern expressed by residents about poverty and inequality in and around Hackney, the Council has made a commitment in its 2018-2028 Community Strategy to take action to increase local prosperity.

Evidence shows that in London there are now more people who are in work but living in poverty than a decade ago and with no steady supply of new long term well paid jobs, this pattern looks set to continue, and Hackney is no exception. This trend has led to an unacceptable level of inequality in the borough, creating or sustaining pockets of concentrated disadvantage in our communities.

Equally, businesses in the borough also struggle under the pressure of excessive rent and business rate increases and wider economic forces at play. Some businesses are either forced to relocate or at worse, close down, which then leaves gaps in the local economy. It is clear that now is the time for change and the Council is committed to taking a leading role in bringing about this change. Economic growth left to its own devices clearly does not work for everyone, wastes the potential of our residents and businesses and puts everyone's wellbeing at risk.

We believe that not only should the benefits of growth be accessible and shared more widely across our communities, but that growth itself should be shaped by the ambitions of local communities. The opportunities and prosperity then created can be shared more equitably. This strategy sets out to describe how the Council as an enabler for Hackney's communities can start to bring this profound change about.

Residents consistently champion Hackney's diversity, it is what makes Hackney so special to live, work and do business in. All local residents, businesses, social enterprises and community groups must be able to contribute to, participate in and benefit from the opportunities that Hackney's successful economy brings.

The Council is determined to intervene proactively to build a fairer, greener and more inclusive economy for Hackney. An economy that everyone can feel part of and there to support both local residents and local businesses.

No matter an individual's background or circumstance, the Council will position itself as the enabler that can provide the support and offer the opportunities for individuals and communities to take advantage of the borough's changing economy. It will do this working with key anchor institutions in the public, private and voluntary sectors, maximising the benefits of asset based change and community wealth building principles.

The Council cannot control everything, but it will ensure that local residents have a stake in the growth of their town centres and neighbourhoods, making sure that regeneration works for residents and is based on our collective ambitions and priorities.

The Council will champion the businesses and social enterprises that make up majority of our local economy. Where the economy is not working for local people, the Council will intervene and the responses can and will be varied from providing public services to building local supply chains and markets, developing a closer relationship between business and community. Insisting on fair pay and fair employment practices and creating spatial planning policy that directs an economy to deliver the physical spaces that support and include our communities.

The Council will ensure it uses its assets including Council buildings and those of public sector partners, for productive activities that support this ambitious agenda, promoting equality, inclusivity and redistribution and not just short term financial gain.

Realising this vision will mean the Council and its partners taking bold and sometimes, difficult decisions. It will require all of Hackney's anchor institutions irrespective of sector public, private and not for profit - to collaborate and make a contribution. By bringing everyone together, we can all build a more inclusive economy for our borough.

We welcome the input from across the Council, Cabinet portfolios, Scrutiny and wider stakeholders into this new strategy, it completes a series of new strategies developed since 2018 that seek to respond to our ambitious manifesto and manage and shape change in the borough.

Philip Glanville, Mayor of Hackney Cllr Guy Nicholson, Cabinet Member for Planning, Culture and Inclusive Economy Cllr Carole Williams, Cabinet Member for Employment, Skills and Human Resources

The Strategy in Summary

This Inclusive Economy Strategy takes this commitment forward, setting out the **priorities**, **outcomes**, **objectives and actions** which will be delivered over the next five years.

Our goal is to develop an Inclusive Local Economy		
Strategic priorities		
Priority 1. Support local neighbourhoods and town centres to thrive and to be inclusive and resilient places.	Priority 2. Champion and support local business and social enterprise in Hackney and protect and maximise the delivery of affordable workspace in the borough.	Priority 3. Connect residents to high quality employment support and opportunities to learn new skills, get good quality, well paid work and progress their career throughout their working life.
Outcomes		
A more balanced, sustainable economy with less inequalities between different neighbourhoods. The right urban and community infrastructure that meets local need. A greater connection between the economic opportunities in the borough and our communities.	Promoting and supporting a diverse range of local businesses and enterprises to thrive and choose to remain in Hackney Supporting smaller businesses and their place in Hackney's economy, from start up to scale up. Businesses become rooted in Hackney, investing, prospering and supporting the Council and communities create an inclusive economy.	People are better placed to secure job and business opportunities regardless of their background and they feel more positive about their prospects.
Objectives		
Strategic Priority 1	Strategic Priority 2	Strategic Priority 3

Take an area regeneration approach which creates better places for people, physically, economically, culturally and socially.

Support high streets and town centres to diversify and thrive.

Strengthen partnerships between public services and third sector organisations on the ground to improve reach, engagement, well being and inclusivity.

Promote digital inclusion and improve digital connectivity in town centres and in neighbourhoods around the borough.

Promote environmental sustainability, reducing emissions and improving the quality of life in town centres and neighbourhoods around the borough.

Protect existing affordable workspaces and promote the delivery of a range of new affordable business workspaces.

Make it easy to do business with the Council.

Ensure excellent business support and access to finance is available for local businesses.

Be the champion for local businesses making sure there voice is heard in regional and national debates about business and the economy.

Work with local businesses through the 'toolkit' to work together and create an inclusive economy in Hackney.

Promoting an Inclusive
Leadership culture and
improving workforce diversity
Raise working conditions and
protect workers rights in our
own organisation and in our
own supply chains.

Increase the number and diversify the range of pathways into good quality employment, offering fair pay.

Ensure these pathways are accessible to residents experiencing economic barriers and disadvantages.

Maximise opportunities arising from the devolution of the Adult Skills Budget to London, ensuring that these opportunities are inclusive, meet our skills gaps and the needs of local people.

The Council will **lead by example** and be an active agent for the social and economic change set out in the strategy. It is committed to using its own existing resources and assets to promote a more inclusive economy intervening and shaping an inclusive local economy through the jobs created, through recruitment and the use of property.

Throughout this strategy, the focus is on defining the change and identifying the steps that need to be taken based on evidence.

The Council will take an **area based approach**. This means it will:

- Focus on local neighbourhoods and town centres in the borough that are most in need of intervention and that present the most opportunities to create a more inclusive economy;
- Gather insight and initiate engagement to understand issues and barriers better whilst working with people already on the ground;
- The Council will take a whole systems approach this means taking stock of all the assets, levers, resources and services that can be harnessed or better used in an area to achieve change.

The Council will **collaborate with stakeholders**, including local residents, businesses, community and public service providers and other stakeholders and partners with a stake in a neighbourhood to co-develop, design, trial and deliver this strategy.

The Council will make **good use of a broad range of evidence**, including residents' lived experience and views on their local area, to test, develop and measure the impact of the strategy to promote an inclusive local economy. We will publish data on this.

Many of the challenges in the wider economy are beyond the Council's direct control or authority or are the result of global economics and structural changes in the labour market. But the Council will **campaign and lobby for changes on bigger issues** that it doesn't have the authority or mandate to change.

How the Inclusive Economy strategy was developed

The strategy is evidence based and was developed through a full analysis of data, trends and insights which are set out in the context sections. The Strategic Priorities, Outcomes, Objectives and the Actions which flow from them are the result of dialogue within the Council, with partners, businesses and residents as well as studying third party analysis and research practice into inclusive economies. The draft strategy was also tested and developed further with residents in focus groups and through online consultation.

Taking the Inclusive Economy strategy forward

Once the strategy is formally adopted by the Council an implementation and delivery plan will be formed with partner organisations, institutions and the business community. We will establish measures of success that can monitor how the strategy is making an impact on realising inclusivity. We will also commit to creating a public annual report assessing the progress and performance of the strategy's implementation.

Hackney Inclusive Economy Strategy

Context and drivers for change

The wider policy context

There is 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 that this has allowed inequality to increase.

The national <u>Inclusive Growth Commission</u>, hosted by the Royal Society of Arts found that to improve competitivity and productivity, we need to focus more on investing in people and places and giving them a greater sense of ownership and control, progress social policy and invest in business development, alongside investment in physical infrastructure and take actions to reduce inequality and economic and social deprivation.

The Government's intentions, expressed in the National Industrial Strategy are therefore welcomed. There is a need to address underlying problems with the British economy, including productivity levels and uneven economic development between different parts of the UK, and also the need to prepare for a 'different' economic future, in direct response to the vote to leave the European Union. The responses are good as far as they go - improving prosperity in local communities, upgrading infrastructure, creating good quality jobs where workers earn more, encouraging innovation and creating the right environment to do business. The big challenges are the right ones: artificial intelligence, an ageing society, clean growth and future mobility. However the Strategy could focus much more centrally on reducing poverty and inequality, improving quality of life and mover towards a greener economy as well as considering how the big challenges like automation and artificial intelligence might impact on job insecurity.

All Local Enterprise Partnerships are expected to develop a <u>local Industrial Strategy</u> and to agree this with Government by 2020. The Mayor of London is working with the Local Enterprise Partnership for London (LEAP) and stakeholders to develop a London Industrial Strategy by 2020. The proposed aims are welcomed as these consider how everyone can contribute to and benefit from the city's growth, with a focus on access to high quality learning, good work and fair pay, inclusive innovation and nurturing the conditions for good local growth. This builds on their existing 2017 Economic Development Strategy which sets out a vision for a fairer more inclusive economy that works for everyone. We will work with the GLA, neighbouring boroughs, regional partnerships and partners in Innovation Clusters in and around Hackney's borough boundaries i.e. in Shoreditch and at Here East in Hackney Wick to realise the wider opportunities for local communities here in Hackney that can flow from this.

The local policy context

The Hackney Mayor's priorities for 2018-2022 focus on making Hackney economically and environmentally sustainable with strong, diverse communities; a place where everyone can feel safe in our town centres, local neighbourhoods and when they are at work. Ensuring our local economy is inclusive is central to the Mayor's vision for Hackney and therefore one of the biggest areas of focus for the Council.

The Council's <u>Community Strategy for 2018-2028</u> sets out a shared vision for Hackney over the next decade. While housing affordability remains a top issue, residents from all backgrounds and income groups are concerned about the fact that some sections of the community are excluded from the growing prosperity that we have seen in the borough and are very concerned about poverty and the growing inequality in the borough. Our response was to focus Hackney's Community Strategy on five cross-cutting priorities:

Community Strategy Priorities

- 1. A borough where everyone can enjoy a good quality of life and **the whole** community can benefit from growth
- A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life
- A greener and environmentally sustainable community which is prepared for the future
- 4. An open, cohesive, safer and supportive community
- 5. A borough with healthy, active and independent residents

These five priorities are all factors that help create a more inclusive local economy and there is also a specific commitment to produce a new economic development strategy focused on increasing local prosperity and generating community wealth here in Hackney.

Since we published the Community Strategy, we have gone back out to residents to gauge their views of the borough and have found that these are broadly unchanged from 2015, although satisfaction with the local area has fallen slightly. The vast majority of local people also still believe Hackney is a place where people from different backgrounds get along. Whilst the impact of crime on residents is generally low, its effects are felt strongly by those who are more affected and they are also more likely to feel more dissatisfied with the local area as well as integration and cohesion. More than half of residents are worried about falling victim to violent types of crime including burglary, robbery and knife crime. Opinions on the local economy – such as the availability and suitability of work in Hackney – have improved, as have views on equality

of access to job opportunities. This is a positive shift and shows the impact since 2016 of the work in this area, but we can't afford to be complacent especially in an ever changing economy.

6.1.3 Leading by example

Many of the challenges in the economy are beyond our direct control and are the result of globalisation and structural changes in the labour market. This Strategy we set out how we will use our influence, campaign and lobby to respond to the changing dynamics and opportunities that arise. We are committed to building partnerships with other local public sector bodies locally and regionally to achieve this, as well as working with businesses, developers and landowners that operate across the wider region, but are active in Hackney.

Despite this, the Council has been doing what it can, since 2016, to actively intervene and shape an inclusive local economy, using local assets, levers and partnerships: We are already **investing in local physical, social, community and digital infrastructure** in ways that seek to maximise benefits for local communities, directly and indirectly. For example:

- We will continue to deliver affordable workspace and make use of Council
 owned land and assets to deliver more affordable workspace One of our most
 recent projects Wick Works in Hackney Wick (at the Old Baths and Trowbridge
 Centre) is a great example of how we are using Council properties in innovative
 ways to bring benefits to residents in the surrounding estates and
 neighbourhoods.
- Our new local plan (LP33) will help us to retain vital employment land and floorspace to support a diverse range of businesses, artists, local makers and producers to flourish here. LP33 requires 10% of affordable workspace to be provided in new developments of a certain size at either 60% or 40% below market rate.
- We are investing in sustainable transport and public realm improvements to create healthy and inclusive town centres. We want to encourage local people to work, visit, spend time and invest in the local community in our local centres. In the process we want to encourage physical activity, promote active participation in community life and improve local people's physical health and mental and emotional wellbeing.
- The Council is setting up a <u>municipally-owned energy company</u> to encourage investment in local renewable energy in the borough. We will use 50% of the roof space the Council owns for solar panels to generate renewable energy for residents. We will look at how this can provide a social dividend and create community benefits.

- Through a combination of grants, commissioning and subsidies, we already
 invest around £23m in the Voluntary and Community Sector, supporting a
 wide range of not for profits and social enterprises that we know are good at
 spending money locally, which has a multiplier effect on our local investment.
- Hackney's new <u>Arts and Culture Strategy</u> sets out how we will work with our arts and cultural venues, partners and projects to provide more opportunities for jobs, skills development, and economic opportunities, within industries that can be hard to access for many residents.
- We aim to maximise the amount of new jobs secured through any development in the borough, both during construction and in end uses.
- We will work in partnership to invest in our town centres and the town centre
 facilities important to local residents and businesses. We have secured £770,000
 in funding from the Mayor of London's Good Growth Fund to make
 improvements Ridley Road market so it continues to thrive and plays a key role
 in a thriving Dalston town centre in the future.

Our new **Sustainable Procurement Strategy** strengthens our commitment to deliver major social and environmental benefits within the local community and to working more closely with local and SME suppliers when letting Council contracts. We will use this framework to maximise opportunities for jobs and training for local people and local businesses: to procure green by securing renewable products, tackling poor air quality and reducing carbon emissions from our services; but also to promote fairness for example by promoting Trade Union recognition by our contractors, ensuring front-line staff have a mechanism to have a voice at work and that pay rates within contracts are at least equivalent to London Living Wage.

As one of the largest local employers in our borough, we are promoting a <u>working</u> <u>culture that values and welcomes a diversity of perspectives</u>. We are looking at our recruitment and employment practices to make sure we employ more disabled staff overall and also see staff from black, asian and minority ethnic backgrounds progress into more senior roles. Bringing in a greater diversity of experiences and perspectives will help us better meet the needs of residents, support innovation and improve our services.

Since 2016 **our ambitious Employment and Skills service <u>Hackney Works</u>** has provided personalised employment support to more than 4,500 residents with 2,275 supported into jobs and 1,132 into training. Almost 300 young residents have started careers through the Council's multi-award winning apprenticeship schemes - many in these insourced services such as IT; all are locally recruited and all paid the London Living Wage. We are looking to extend our <u>Hackney Apprenticeship Network</u> and to introduce a kite mark to enable a wider local network of other employers to offer high quality apprenticeships too, using our tried and tested model

The role of local government and other partners in local wealth building

Local authorities have an important role to play in place making and wealth building. In Hackney we have already demonstrated that we are well positioned to translate national economic policies such as the Apprenticeship Levy into positive employment opportunities which benefit local people. However, powers and funding for the welfare system, schools, skills, health, housing and innovation policy is still very centralised. This points to a clear case for devolution of powers and resources from Central Government to city regions and local areas to further progress this work, together with our communities.

We are one of a network of Local Authorities in the UK looking at practical ways we can use the resources and powers we do have to build community wealth. Community Wealth Building is described by UK think tank the Centre for Local Economic Strategies (CLES), as 'a new people-centred approach to local economic development, which redirects wealth back into the local economy, and places control and benefits into the hands of local people¹. CLES have developed five principles which define Community Wealth Building: Plural ownership of the economy, Making financial power work for local places, Fair employment and just labour markets, Progressive procurement of goods and services and Socially productive use of land and property. Local authorities are "anchor institutions" which can play a key role in community wealth building, as employers and holders of land and property, with significant purchasing power and strong ties to a locality.

We have already been leading by example as anchor institutions and testing out practical ways we can using the assets, spending power and influence we do have. We have also invited other anchor institutions rooted in our borough to work with us to shape a more inclusive economy, in collaboration with our residents, working dynamically to reach the outcomes that are needed.

Our goal over the next few years is to harness the efforts of all of those involved in shaping our local economy to help create the right conditions for balanced and equitable economic development. This includes those involved in education and skills, businesses, development, entrepreneurs and social enterprises. It is also essential that we draw on residents' experiences to better understand the aspirations that residents of all ages have for their working lives and their aspirations for the area they live in as well as for town and commercial centres.

¹ https://cles.org.uk/the-community-wealth-building-centre-of-excellence/what-is-community-wealth-building/

Strategic Priority 1: Support local neighbourhoods and town centres to thrive and to be inclusive, resilient places

Context, opportunities and challenges

Hackney is a truly global and diverse borough, renowned for its open, welcoming attitude, which is a legacy of centuries of migration from around the globe. It has long been a place which welcomes progressive thinkers, radicals and social reformers. This open, inclusive community spirit is one of the borough's most valued, enduring assets and it is what makes our local neighbourhoods, town centres and economic centres so vibrant.

Hackney also has a long history of industrialism, innovation and creativity. The new wave of small businesses, makers, technology firms, designers and hospitality industries that have more recently made Hackney their home are drawn in by this and by the diversity of the area. Hackney's unique sense of place is also a product of the opportunities that flow from our position in the heart of London's East End: bordering the City of London in the south, with the canals and River Lea in the East connecting us to London's docklands, Stratford City and the Thames Estuary.

Over the last fifteen years Hackney has experienced enormous changes. Public and community investment in the borough's excellent local schools and public services, its green spaces and its sustainable transport networks have made Hackney an increasingly desirable place to live, work and spend time. Our population has grown by a third since 2001 and changes in the borough have attracted a larger proportion of affluent, highly skilled residents to move here. Hackney has also experienced rapid economic change with a 40 percent growth in local businesses here since 2010; growth has been particularly strong in the highly skilled technical, creative, professional business services. At the same time many local businesses are struggling due to rising rents and increases in business rates. House prices have also more than doubled over the last 10 years, while average incomes here remain relatively low. Business leaders and residents share concerns about how affordable the borough will be for the next generation of residents and workers. Alongside the economic growth the borough has experienced, Hackney is challenged by unacceptable levels of poverty and growing inequalities. Economic development here has not benefited everyone in our community as well as it might or led to a balanced local economy yet.

The night time economy in Hackney has grown over the last 10 years mirroring the overall economic growth in the borough. Shoredtich, Hoxton and Dalston are internationally renowned and established night time economy and destinations with well known venues and the night time offer is growing in Hackney Central and Hackney Wick.

As it has grown it has brought with it the challenges of meeting the needs of residents who live amongst it whilst protecting the positive benefits that they value. There is a need to ensure the night time economy is well managed, balanced, safe, diverse and inclusive (of those who live amongst it, work within it, and seek to enjoy it).

Opportunities and challenges:

Tackling areas of poverty and inequality

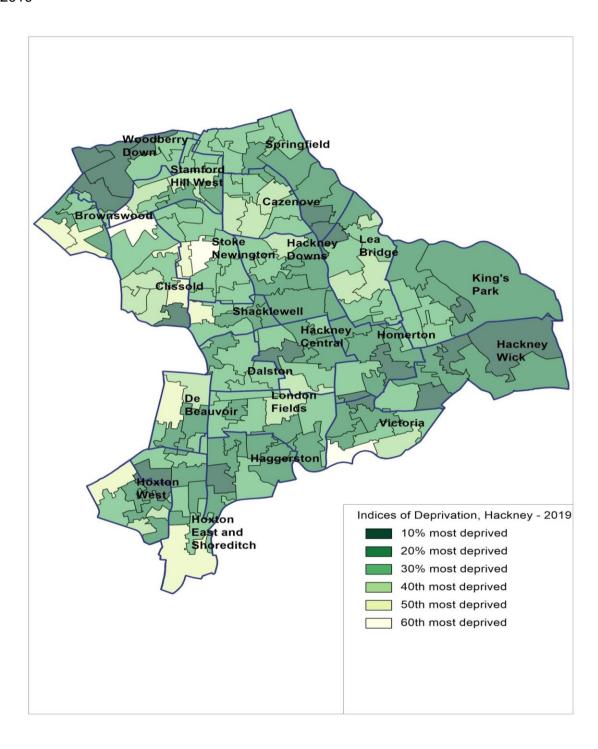
Hackney's economy has grown in recent years, and our employment rate is higher, but poverty levels for the borough remain high and are the third highest in London behind Tower Hamlets and Newham.

Some of our neighbourhoods still experience high levels of social and economic deprivation and rank amongst the most deprived local areas in England including:

- in the south of the Borough, in the northern parts of Hoxton West Ward and Haggerston Ward
- in the northern part of Hoxton East and Shoreditch ward, outside of the commercial/office area
- in the area between Homerton and Victoria Park Wards in the South East of the borough
- in the East of the Borough Hackney Wick Wards
- on the border between Springfield Ward and Leabridge Ward
- the southern parts of Clissold Ward.
- in Manor House around Woodberry Down in the north of the borough

These local areas which rank amongst the most deprived in the country (marked in darker green on the IoD map below), tend to be in places where there is a higher amount of social housing

 \mbox{Map} - Hackney LSOA by overall IoD score by national deprivation decile, IoD 2019, MHCLG 2019^2



² Please note all of Hackney's LSOA are in the first to sixth most deprived decile nationally

The Indices of Deprivation (IoD) 2019 is the most recent version of the government's measure of relative deprivation for local areas. Hackney's average score (based on small area geographies known as Lower Super Output Areas) makes it the 22nd most deprived local authority district in England. In 2010 Hackney was ranked second and in 2015 it was ranked the 11th most deprived local authority in the country by the same measure so Hackney's deprivation levels have reduced relative to other places.

There are 5 summary measures of IoD 2019 at Local Authority level. These show different perspectives of deprivation, including the including the average ranking of LSOAs, the 'extent' of deprivation (i.e. how widespread high levels of deprivation are) and the percentage of 'lower super output areas' (small area geographies) in the top 10% most deprived nationally. Hackney is one of only four London Boroughs, along with Barking and Dagenham, Newham and Haringey that ranks in the top 50 of 317 Local Authority areas in England, for the rank of both its average score and average rank.

There are seven distinct dimensions or 'domains' of deprivation in the IoD 2019; the domains are income deprivation, employment deprivation, health deprivation and disability, education skills and training deprivation, barriers to housing and services, living environment deprivation, and crime. Education is the only domain where Hackney ranks well compared to other parts of the country.

It is important to bear in mind that the Indices of Deprivation measure how Hackney stands in comparison with other areas in England. The IoD 2019 shows that overall Hackney and London are relatively less deprived, compared to other parts of the Country, than was the case in the 2015³.

An improvement in our ranking in this national index does not necessarily mean levels of deprivation are less in Hackney, it could mean deprivation and poverty levels here are the same, but other areas of the country have got worse. We are concerned that Hackney can appear to be relatively better off than it was, while a significant proportion of local people may still be affected by real material poverty and this may be more hidden. We know poverty levels in the borough remain high and are the third highest in London, behind Newham and Tower Hamlets, with around 36 percent of households estimated to be in poverty here, after housing costs are deducted. As we develop a new local poverty reduction strategy for Hackney, we will look at other ways we can better understand and

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³ Indices of Deprivation 2019 Initial Analysis, GLA, September 2019 Link

keep track of how low incomes and a lack of material resources is impacting people in communities and local areas around our borough, to help us better respond to poverty.

Community engagement work carried out over the last five years has found that some residents feel disconnected from the opportunities happening around them and feel that their lives here have not changed. It is clear that this applies to young people from more deprived backgrounds who have not felt that the opportunities arising from local economic growth are for them, or that there is a pathway through for them.

We also therefore need to take a targeted, geographical approach to our work, recognising that not all residents will be reached through borough wide initiatives. This means valuing the power of word of mouth, and working with trusted services and organisations that are on the ground in local areas. We will work more in partnership with to improve our reach and engagement, and ultimately to improve pathways into employment and skills support. We will take the same approach to working in local areas together with the community, as we develop and deliver a Poverty Reduction Strategy for Hackney, in tandem with this Inclusive Economy Strategy.

Hackney's town centres and high streets

Despite the increase in online shopping and the nationwide closures of high profile chain stores, Hackney has a number of town centres which are thriving, and make a positive contribution to the local economy. Town centres and high streets are also an important hub for local civic, cultural and community life. They play an important role in helping to retain local money in the local area, and in turn, support small businesses and provide local jobs and training opportunities.

However, the national retail market is continuing to change rapidly and businesses are also struggling with increases in business rates and rent (this is explored more fully in the next section).

The Council's role in ensuring the future success of high streets is more important than ever. We will encourage and support our town centres to diversify and make the most of their individual features and valued assets to provide a mix of facilities and attractions for their local communities such as workspaces, markets, community and cultural facilities, and leisure and entertainment venues.

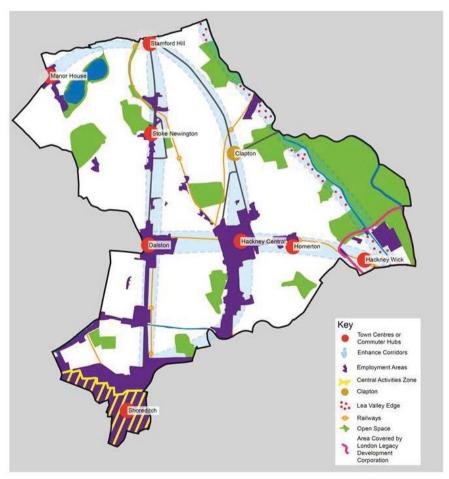
Every town centre is different and requires a specific approach to identify any improvements required. We will work with residents, businesses and stakeholders to develop plans and priorities for different town centres in the borough and we will deliver the priorities for each place using the levers we have available including our

Regeneration service, our role as the Local Planning Authority, our land and assets, our partnerships, and our role as the provider of statutory services.

Securing balanced, sustainable development in future

Councils, via their Local Plans, are required to set out where new housing, commercial space and supporting infrastructure will be accommodated in the future. The Council's new Local Plan LP33 sets out our growth strategy for new development. In the future we expect to see continued development and growth in and around the central activities zone in Shoreditch, in our designated major town centres in Dalston and Hackney Central and along the three growth corridors identified in the new Local Plan (LP33): broadly these are identified as the A10 (Shoreditch, Hoxton, Stoke Newington, Finsbury Park, Woodberry Down), Central Hackney (Dalston, Hackney Central and Homerton) and Upper Lee Valley (Hackney Wick, Clapton and Stamford Hill) these growth corridors are marked in blue in the diagram below.

Hackney's spatial plan for development up to 2033



Map 1: Key Diagram

Over the lifetime of the new Local Plan up to 2033 the Local Plan sets out proposals for around 20,000 new homes, 34,000m2 of new retail and leisure floorspace, and 117,000m2 of new business floorspace in the borough.

We want to see the widest possible range of people here benefit more directly from future growth and development in the borough by harnessing and maximising the wider opportunities that growth can bring such as new jobs, more affordable accessible and inclusive workspace and homes, and improvements to public spaces and public services. The Council is committed to doing everything we can to help support more balanced, sustainable growth and economic development within our borough.

Housing affordability

We are concerned, as are our residents about the lack of genuinely affordable, stable housing in the borough and London's housing crisis and employers here are concerned that this will also limit their ability to recruit. These complex issues are fully addressed in our Housing Strategy 2017-2022.

Maximising the delivery of genuinely affordable homes remains one of the biggest priorities for the Council. Now in its sixth year, the Council's our estate regeneration programme is working across 18 sites and will see nearly 3,000 new homes for social renting, shared ownership and outright sale built on council land - funded by land receipts, rental income, property sales and responsible borrowing. Maximising the delivery of genuinely affordable homes remains one of the biggest priorities for the Council.

Approximately 47% of all new homes delivered in Hackney over the last decade have been on small sites with developments of less than 10 units. These are developments where the Council has been unable to secure the delivery of affordable housing due to existing policy limitations. In order to better meet our housing need, our new Local Plan LP33 will require development on these small sites to contribute towards affordable housing delivery either through on-site provision or off-set monetary contributions which could then fund Council-led projects to deliver genuinely affordable housing.

Our approach is also to ensure that new housing developments and estate redevelopments promote social cohesion in these neighbourhoods. We will look at ways these developments can contribute to mixed, sustainable communities and improve the health and wellbeing of residents. This means making sure residents in these neighbourhoods are served by high quality, inclusive open spaces and sufficient community facilities to meet existing and future needs. We will need to make sure these new spaces are designed and managed in ways that encourages and supports the broadest range of local people to interact and participate in community life.

Community safety

Another key concern for us and our residents is community safety. Residents are worried about recent rises in violent crime and the negative impacts this has on the lives of young people growing up here and on their families. They also concerned about open drug dealing and the impact this has on neighbourhoods and town centres. Hackney will adopt a new Community Safety Plan in 2019 and these concerns will be key priorities in the new plan and partnerships that support it.

We are developing our social work practices to better safeguard children against risks beyond the family, which includes looking at what is going on in neighbourhoods and town centres; this is called Contextual Safeguarding. From their work, we are aware of how regeneration processes and change can impact positively and negatively on this. As part of our wider work to reduce violence against women and girls, we are also looking at developing a Hackney Women's Safety Charter to encourage a wide range of organisations and businesses to get involved in making women and girls safer around our borough.

Environmental sustainability

We recognise there is a Climate Emergency and the Council is committed to doing everything we can to limit global warming to less than 1.5oC, to reducing emissions that contribute to climate change and to the decarbonisation of our economy. We are taking action to decarbonise our own energy supply and we are creating our own publicly-owned renewable energy company, which will provide clean and affordable energy to people in Hackney. LP33 our new local plan will also include policies which require new developments to demonstrate how they meet zero carbon standards, mitigate climate change and how they mitigate the urban heat island effect and flood risks. It also promotes the development of decentralised energy networks to support reductions in energy use and emissions.

We need to develop greater resilience to climate change around the borough and will develop our green infrastructure and promote biodiversity to help address habitat loss. We also need to do more to address resource depletion, to better conserve and reuse resources and to reduce waste. We will take action to encourage a circular economy, where materials are maintained within our economy for as long as possible. We also need to reduce pollution and address the causes of this. Nitrogen Dioxide levels can be high, especially around main roads and we remain concerned about the negative impacts poor air quality has on the health of our residents and others who spend time here, including children who go to local schools located by busy roads in the borough.

We will continue to work with TFL and other boroughs to promote sustainable transport. Although there are falling levels of car ownership in the borough, we need to reduce the through movement of traffic which is of limited local benefit to our community or local

economy. TFL's evidence on the economic benefits of walking and cycling underlines that investment in walking and cycling infrastructure keeps our high streets vibrant and that people who walk or cycle to the local high street spend up to 40% more over a month than people who take a car. Active travel also helps reduce congestion and keeps London's streets moving, it boosts people's productivity at work, reduces sickness absence and it helps employers attract and retain employees⁴.

Promoting active travel will also help unlock employment opportunities for local residents who live in areas that are less well served by public transport networks. Analysis by the GLA shows that local areas in the east and north east of Hackney are not as well connected to employment opportunities than areas in the south and west of the borough and projections for 2031 suggest that even after you take new train routes including crossrail into account, this will still be the case⁵. Reductions in government funding to TFL are likely to continue to impact on local bus services and result in lower levels of service provision.

We will be strengthening our focus on environmental sustainability and continue our work on this with the community and local businesses so that we can tackle these issues together.

Digital connectivity

Digital connectivity is key to a healthy economy. Hackney has experienced a 40 percent increase in business growth since 2010 with particular emphasis in the tech, hospitality and creative sectors. The population has grown by a third since 2001 and Hackney now has the highest proportion of people under 35 of any London Borough who, we know nationally, are increasingly opting for online forms of entertainment and communication. We also need to improve digital inclusion and connectivity in order to support an inclusive economy. In 2015, 7 percent of Hackney's population said they had never accessed the internet, down from 25% in 2011. This rapid improvement is likely to be due to more widespread use of smartphones and tablets amongst the population. According to regional data, older people, specific ethnic groups and residents with no qualifications and trade apprenticeships tend to be less likely to have used the internet. We need to consider these trends in digital use when we design and deliver services for local residents and businesses.

Strategic Priority 1: Outcomes and objectives

⁴ http://content.tfl.gov.uk/walking-cycling-economic-benefits-summary-pack.pdf

⁵ GLA Economic Evidence Base for London 2016, p109-110 https://www.london.gov.uk/sites/default/files/chapter3-economic-evidence-base-2016.pdf

The longer term outcome is to achieve:

 More balanced, sustainable economic development within communities and neighbourhoods across our borough

In the process we will have:

- Supported our town centres to diversify and thrive
- Taken a targeted approach to tackling poverty and reducing inequalities in poorer and more disadvantaged neighbourhoods, improving the way we reach and engage communities

Our key objective will be:

Objective 1: Take an area regeneration approach which seeks to create better places for people, physically, economically, culturally and socially:

This is an overarching objective. Other supporting objectives will be:

Objective 2: Support our high streets and town centres to diversify and thrive

Objective 3: Strengthen partnerships between public services and third sector organisations on the ground to improve reach, engagement, well being and inclusivity

Objective 4: Promote digital inclusion and improve digital connectivity in town centres and in neighbourhoods around our borough

Objective 5: Promote environmental sustainability, reducing emissions and improving the quality of life in town centres and neighbourhoods around the borough

Objective 1: Take an area regeneration approach which seeks to create better places for people, physically, economically, culturally and socially

Area regeneration is the process of creating better places for people; physically, economically, culturally and socially, based on an understanding of the unique characteristics and history of a place, an understanding of what that area needs and on engagement with the community, stakeholders and partners. It is a critical element in the delivery of a local inclusive economy, involving the setting of a clear vision for a place that is based on evidence, consultation and opportunities. Delivering the vision requires the Council to work effectively in partnership both internally and externally with a wide range of stakeholders, including residents, businesses, retailers, community groups, landowners, developers, arts and cultural organisations, and other local and central government bodies.

Hackney area regeneration map to be inserted in designed version.

Specific plans for area regeneration in different places:

Dalston

What we are doing now

We carried out a long period of community engagement (called the Dalston Conversation) with residents, businesses and other stakeholders who told us their priorities for the area include creating a safer area and better public realm and street environment, retaining and enhancing the individuality of the area and the cultural and community offer in Dalston, improve cycling routes and facilities through the area as well as access to green space. Residents wanted to see a reduction in vacant shops and to see the Council to make sure its own properties are not left empty and put to productive use. They wanted town centres like Dalston to be safer places to spend time and to see a reduction in crime and anti-social behaviour there.

Our priorities

Using the feedback from the Dalston Conversation we will prepare a town centre plan for Dalston to increase opportunities for the provision of affordable workspace, ensure cultural, community and creative uses thrive, improve the physical environment in the town centre and the retail offer and experience. As the growth strategy in Hackney's new Local Plan LP33 indicates, Dalston will also see more new homes.

The role of Ridley Road market as the heart of the community and town centre will be enhanced by working with traders to deliver improvements to the market stalls and the street itself with the aim of making it an even more popular destination. These will be funded by a combination of Council funding and the Mayor of London's Good Growth Fund. Improvements to Ridley Road will act as a catalyst for other improvements to streets and spaces in the town centre which will be set out in the town centre plan aimed at making Dalston a more pleasant place to shop, work and spend time in.

Hackney Central

What we are already doing now

The recent improvements to the Narrow Way have made the main shopping area in Hackney Central more attractive with better paving and lighting. The Council recently secured £8.8m of Liveable Neighbourhoods funding from Transport for London to improve the road and junction layouts in the centre at the junctions of Mare Street and Amhurst Road, Graham Road and Morning Lane as well as Pembury Circus as well as deliver improvements to the streets in the town centre. Work is also underway at St John of Hackney Church to transform the church into a circa 2000 capacity music venue which will bring an enhanced cultural offer to the town centre. Our Culture team has also secured funding for a new public art commission to commemorate Windrush and we have been working with the community to develop plans for this in the Town Hall Square.

A masterplan for Hackney Central was adopted by the Council in 2017. New retail and town centre uses have been introduced at Hackney Walk and Bohemia Place; mainly clothes stores on Hackney Walk and a mix of bars along Bohemia Place. In 2017 the Council purchased the Tesco site to deliver a new mixed development in the town centre including a reprovided Tesco store, new retail, workspace and homes. The scheme is currently being designed in advance of a planning application being submitted.

Our priorities

We will take a coordinated area regeneration approach and use the opportunities created by the development of town centre sites such as Tesco and Bohemia Place and work with landowners, businesses and retailers to improve the town centre offer in Hackney Central by encouraging more retail and leisure uses in the town centre and places to eat out as well as more workspace and cultural uses.

We will ensure that the redevelopment of sites in the town centre maximise benefits and opportunities for local people via new jobs, training and the creation of a more attractive and safe town centre with the right mix of shops and facilities.

We will work with Transport for London to improve capacity at Hackney Central station and create a better standard of station fit for a major town centre. The development of key sites such as Tesco and Bohemia Place and the Liveable Neighbourhoods project

will build upon the recent environmental improvements to the Narrow Way to create a more attractive environment for pedestrians and cyclists, improve pedestrian links through the centre and create more attractive spaces at key areas and arrival points into Hackney Central such as the entrance and exit to Hackney Central station, Graham Road and Morning Lane.

We will explore additional opportunities to bring forward the objectives of the Hackney Central masterplan including improving key locations into the centre and public spaces as well as improving the retail offer.

We will work with the Police and other agencies to improve safety and reduce crime and anti-social behaviour in the town centre.

Shoreditch, Hoxton and Haggerston

What we are already doing now

The Council is preparing a new planning document (Area Action Plan) for Shoreditch which will set guidance for new development coming forward in Shoreditch. It will also identify more short and medium term interventions that the Council will prioritise in the area to better connect people living there to benefits that come from development and growth. This could include repairs to residential estates and new housing delivery; it is also likely to include projects to improve connections between places in the area, improvements to public spaces, parks, squares and spaces outside of buildings to make them more accessible for everyone including people living on local residential estates; as well as schemes to improve air quality and to deliver more affordable workspace. We will provide a regeneration delivery plan alongside the next version of the Shoreditch Area Action Plan to set out our regeneration priorities for the area and how we will achieve them.

Given the scale of development underway in the area, particularly in Shoreditch we work closely with developers who are building new offices and workspace to secure new affordable workspace in developments. This is done via the application of relevant policies in the Council's Local Plan as well as securing legal (Section 106) agreements where developers are matched with affordable workspace providers from an approved list of providers that the Council manages.

The affordable workspace providers are selected based on their experience in delivering affordable workspace as well as their wider offer to tenants and the community which could include training opportunities for residents, free meeting room hire and apprenticeships. This is a borough wide approach to securing new affordable workspace

but the opportunities are significant in Shoreditch due to the amount of new commercial buildings being developed such as the Bishopsgate Goodsyard site.

In 2018 we secured £300,000 from private development sites in Shoreditch (via Section 106 agreements) for an Art Fund to deliver new cultural events and art projects in the Shoreditch and Hoxton area. The Shoreditch and Hoxton Art Fund programme will be delivered over the next few years in partnership with local community groups and arts and cultural organisations. We will also prioritise providing local jobs, education and training opportunities via the delivery of the fund.

TfL are making improvements to Old Street roundabout in 2019 to make the roundabout safer for cyclists as well as creating a new entrance to the station on the west side of the roundabout. We are exploring how these works can maximise benefits for residents and businesses in the area as well as act as a catalyst for further improvements to the area and bring additional benefits to Hackney.

We are working to improve air quality in the area via the Zero Emissions Network project which encourages businesses in Shoreditch to reduce energy emissions and improve air quality by choosing lower emission energy and travel options. So far 31 polluting vehicles have been switched to electric ones and 117 private vehicles have been given up for car club memberships. We have now secured £200,000 from central government to expand the network into other areas of the borough.

In Hoxton there are several major new developments underway around Shoreditch Park including the Colville Estate, Britannia Leisure Centre and the redevelopment of the New Era estate by Dolphin which will bring new homes, jobs, brand new facilities for a local secondary school, retail and leisure facilities to the area. We will work with the teams developing these sites and coordinate opportunities to ensure that social and economic benefits are maximised from new developments and they make the best possible contribution possible to Hoxton. In Hoxton West the Council is also currently building new facilities for an existing school on Nile Street, as part of mixed use development there. New Regent's College will move into its new state of the art accommodation later in 2019.

In Haggerston we are working with the preferred bidder for the Haggerston Baths site, Castleforge Partners, to develop alternative plans for the building which will include new business and community uses and we are seeking to maximise the community and social and economic benefits from these proposals.

Our priorities

Given the level of economic growth, new businesses and major employers in Shoreditch and new commercial spaces and sites under development there is a significant opportunity to work more and better on an area basis in partnership with landowners, developers, business and employers in the area to ensure that economic opportunities in Shoreditch and Hoxton benefit as many residents as possible via access to jobs, training and apprenticeships as well as ensuring local businesses can access procurement and supply chain opportunities offered by larger national and multinational firms.

In Hoxton we will work with local residents and businesses to ensure the local centre at Hoxton Street continues to thrive and provides the right shopping facilities for the area. Given the higher levels of inequality experienced in this area we will make sure that the existing and planned developments around Shoreditch Park complement each other and the town centre. We will engage with residents living in the area to better understand their priorities and develop key priorities for the area based on this engagement work.

In Haggerston we will continue to work with the developer of Haggerston Baths to ensure the redevelopment of the site delivers on its planned benefits for local residents, community groups and businesses including new workspace, space for community groups, and new jobs.

Hackney Wick

What we are already doing now: On the edge of the Olympic Park Hackney Wick is undergoing change as more housing is being built replacing some of the traditional warehouses and industrial units which characterise the area. Many of these warehouses and industrial units offer lower cost workspace for creative businesses and we are working to ensure these businesses remain in the area.

The protection of affordable workspace and delivery of new affordable workspace for creative businesses is a key priority in Hackney Wick. The Council has prepared a masterplan for the area around Hackney Wick station in partnership with the London Legacy Development Corporation. The masterplan is a planning framework which will protect existing low cost commercial space by requiring that it is re-provided in any new developments in the masterplan area at a rent of £8 per square foot.

The masterplan also supports the delivery of a new local town centre around Hackney Wick station with new shops and services for the local community and provides design guidance for new developments and their surrounding streets and spaces. We are working with the community and the LLDC to identify improvements required to streets

and spaces in the area in the short term as well as focusing on the design and delivery of the new spaces that the masterplan will create.

We are directly delivering new affordable workspace in the area by using our own assets at the Depot, The Old Baths and the Trowbridge Centre. As part of the Wick Workspace project the Old Baths and the Trowbridge Centre will be let to operators from the Council's approved workspace provider list at £8/sq ft for 7 years to provide affordable space for at risk local artists and businesses from other parts of Hackney Wick. In exchange for low rents, operators have signed up to a set of social value/community benefit requirements as part of their leases including the delivery of jobs, work placements, training opportunities and community events. In addition we will refurbish the disused sports pitch behind the old baths and our Youth Service will expand the offer of sports qualifications for young people. The Depot building will be transformed into a hub for the voluntary and community sector and managed by Core Arts.

Hackney Wick was designated as one of the London's Creative Enterprise Zones in 2018. The purpose of the CEZs are to help creative businesses put down roots and establish themselves in local areas long term, attract new artists and creative businesses to an area, and to provide social and economic opportunities in the creative sector for local residents and the community to participate in.

The Council employs a Developer and Business Engagement Manager with the LLDC and the Borough of Tower Hamlets who works closely with businesses, landowners and developers in Hackney Wick and Fish Island to ensure that businesses are able to stay in the area through any redevelopment by either locating temporarily or finding them alternative space. Existing businesses should also be able to benefit from a more diverse economy in the area in terms of supply chain and opportunities to contract with other local businesses and we help to facilitate this via business engagement and networking.

Existing and planned developments in the area including East Bank in the Olympic Park, and Here East present significant opportunities in the form of new jobs and training for residents and we are working with the LLDC and other partners to secure as many benefits as possible for our communities and areas. For example the Council's Culture Team are looking at how we can develop new opportunities for local schools, colleges and residents to learn about careers in the Arts at the V&A's new collection and research centre at Here East in the Queen Elizabeth Olympic Park through the V&A East project.

Our priorities

We will protect and deliver more affordable workspace in the area via the delivery of the Hackney Wick masterplan as well as using our own land and buildings to create new affordable workspace.

We will deliver the Hackney Wick masterplan in partnership with LLDC and create a new town centre around Hackney Wick station which will provide more local shops and create a better environment and more connected area to walk and cycle around. We will work in partnership to improve streets and spaces and sustainable transport connections across the wider area including to Gascoyne and Herbert Butler estates, Here East and Homerton.

Hackney Wick suffers from poor digital connectivity and it can take some residents and businesses longer than usual to get online. We will work with relevant partners to explore opportunities to deliver improved digital connections in the area.

Stoke Newington

What we are already doing now: Stoke Newington is a successful high street and town centre and the focus will be on ensuring its continued success.

Transport for London in partnership with the Council have recently consulted on plans to improve how the traffic flows in Stoke Newington including the introduction of new bus and cycle lanes in Stoke Newington High Street to improve access to the facilities and services in the town centre.

In 2017 the Council approved a planning brief for the Stoke Newington Town Hall site which identified future use options for the building which is owned by the Council but is not fully occupied. The planning brief identifies future possible uses for the building including cultural uses and workspace. We are working to progress the planning brief and provide new uses in the town hall that will benefit the local community and the borough.

Our priorities

We will ensure the town centre continues to thrive. There are opportunities to improve the area around Stoke Newington station to create a better sense of arrival into the area and to deliver new commercial and community development around the station itself. We will continue to promote step free access at Stoke Newington station.

Stoke Newington Town Hall is not operating to its full capacity or delivering maximum social value for the community so we will develop a long term plan for the site that

ensures this historic much loved building can be maintained now and in the future, retains public access to the building, creates more employment opportunities, and provides even more cultural experiences.

We will continue to work with Transport for London on the proposals to improve the gyratory system and road and streets in the shopping area.

Homerton

Our priorities

We are in the early stages of developing a new planning and regeneration document for Homerton that will set out some of the improvements that could be made in the area around the town centre and the historic buildings. As part of this work we will consider future uses for the former Council owned Homerton library building.

Clapton

Our priorities We are in the early stages of developing a new planning and regeneration document for Clapton that will set out some of the improvements that could be made to create a better environment around Leabridge roundabout which is a gateway into the east of the borough and to Hackney Downs and the Lee Valley Regional Park. The plan will also look at issues and opportunities across the wider area including Kings Park ward where the Council will receive significant investment (£3m+) from Sports England to implement a programme to improve health outcomes for residents in the area. Kings Park also experiences poor public transport accessibility and opportunities to improve this will be considered by our work in this area. We are supporting the transformation of the former toilets on Clapton Common into a new community cafe. The Council is currently building new facilities for an existing local Primary school in Hackney Downs ward close to the Leabridge roundabout. Nightingale Primary School will move to it's new school in the Tiger Way mixed use development later in 2019.

Stamford Hill

Our priorities

We are preparing a planning document for Stamford Hill (an Area Action Plan) that will guide new development in the area in the future and address some of the issues affecting the area such as the need for large family homes and school places. The document will also identify some areas for improvement in the town centre and we will work to deliver these.

Finsbury Park

Our priorities

Part of Blackstock Road is in Hackney but most of Finsbury Park is in either Islington or Haringey. In 2018 Hackney Council along with Haringey and Islington Council's approved plans to set up a tri-borough neighbourhood forum to bring forward a new neighbourhood plan for the Finsbury Park and Stroud Green area; the new neighbourhood plan aims to set a new, more coherent vision for this area. We will continue to work in partnership with the other Councils, local businesses and other partners to make physical and environmental improvements to the area.

Objective 2: Supporting our high streets and town centres to diversify and thrive

As well as the approach to area regeneration and the specific plans for different places set out for objective 1 we are supporting our high streets and town centres across the borough in a number of different ways:

What we are doing now:

- Hackney's new Local Plan LP33 designates town centres and local shopping
 centres in Hackney in line with the policies in the London Plan. It sets out the
 approach to the different town centres and local shopping centres in the borough
 in terms of the location and mix of retail units. LP33 ensures that future changes of
 use in these centres are managed so that the right mix of uses (retail, cafes and
 restaurants, leisure, cultural uses etc) exists in each place and that our town
 centres are accessible by different modes of sustainable transport.
- Hackney's Local Plan LP33 includes a set of borough wide policies to protect and promote street markets, support local independent retailers and businesses by preventing the loss of small shops and championing the provision of new small shops, it supports new evening economy and cultural uses in town centres and it limits the amount of new betting shops, payday loan shops and fast food takeaways in local centres in future.
- We will continue to maintain and invest in public spaces and public amenities in our town centres collaborating with residents and local businesses to make these spaces more inclusive and accessible. For example, walking tours with disabled people in Dalston, Hackney Central and Stamford Hill were conducted with officers from Planning and public realm to ensure their insights could feed into new plans.

- We run business forums across the borough where any businesses in an area is welcome to find out about what's going on in their area.
- We operate successful and growing markets in a number of town centres adding to the offer and economic, community and cultural value of our town centres at Hoxton Street, Ridley Road, Broadway Market, Chatsworth Road and Kingsland High Street.

New approaches:

In addition to the area regeneration approach and the specific plans for different places set out for objective 1 -

- We will work in partnership with retailers and businesses in local shopping centres
 to keep up to date with issues affecting local areas and we will intervene to help
 improve high streets if needed.
- We will ensure that town centres and shopping streets are well served by an appropriate mix of sustainable transport options including walking, cycling and public transport. Town centres that are easy to travel to by walking, cycling and public transport tend to receive more frequent visits by local residents which can improve trade for businesses in town centres.
- To deliver an improved overground station at Hackney Central with increased passenger capacity and improvements to the station building to deal with current overcrowding issues and help to fulfil the potential of Hackney Central major town centre.
- To deliver step free access at Hackney Downs and Stoke Newington stations
- Public transport and stations are often centred around town centres and we will
 use the opportunities that investment in public transport bring to make wider
 improvements to our town centres and local areas. We will continue to work with
 partners and stakeholders to maximise the benefits that investment in the
 transport infrastructure can bring such as new commercial and business
 opportunities, access to jobs and training, and area and public realm
 improvements.
- To support a Crossrail 2 station in Dalston as a significant transport investment into the borough, delivering a step change into the availability and frequency of public transport connections in the borough into central london and beyond.
- We will explore ways to prevent ground floor retail and workspaces remaining empty in town centres, local centres and in new developments.
- We encourage everyone (residents, local businesses and community organisations) to contribute to making areas safer, watching out for more vulnerable people, and reporting any ongoing concerns about risks or about trouble spots. We will encourage broad support for a Hackney Women's Safety Charter.
- We will use the levers available to us to prioritise healthier lifestyles such as healthier eating.

- We will use community insight from community engagement work underway
 including the Young Futures Commission, Older People's Strategy and Hackney
 an Accessible Place for Everyone to look at how high streets and town centres
 can be more welcoming and inclusive to people of all ages and those with mobility
 issues.
- Through the area regeneration programme and the Culture Strategy and Voluntary and Community Sector Strategy we will promote and support a diverse programme of social, community and cultural activity in our local town centres and in local neighbourhood centres which will build on and reinforce the local sense of place and community spirit there. For example we will run a programme in Shoreditch to fund creative and cultural organisations and run a local festival.

Objective 3: Strengthen partnerships between public services and third sector organisations on the ground to improve reach, engagement, well being and inclusivity.

What are we doing now:

- Through our area regeneration programme we will continue to work in partnership in areas in need of improvement to deliver changes that local residents and businesses want to see.
- We are already supporting community development in Woodberry Down and on the Pembury Estate in Hackney Central and invest extensively in youth provision in Council run youth hubs and in commissioning providers.
- The Council's Employment Services Hackney Works has three Opportunity Hubs in Hoxton, Woodberry Down and Homerton. Our hubs are located in areas of high deprivation, but also next to areas of economic growth making them well placed for accessing local opportunities for residents. We are working with community organisations in these places to better connect local residents to local opportunities and are beginning to strengthen these partnerships.
- Some Children's Centres and Young Hackney Hubs already run learning, skills and employment support for parents; local libraries are informal spaces for learning and job search.

New approaches

- We will develop a more consistent approach to local partnerships to improve our reach and engagement into local communities, building on the following initiatives which are already under way:
 - We are setting up a new local place based partnership linked to the Opportunity hub in Hoxton. From April 2019 Hackney Works will start running employment services alongside health and housing services out of a recently refurbished community hall on the Gascoyne Estate. In both cases our focus will be on supporting local residents who are more disadvantaged in the labour market to take up opportunities to improve their skills and secure decent quality work. In future, we will want to take what we learn from these pilots and from partnerships on the Pembury Estate and in Woodberry Down, to develop partnerships around other employment hubs and community halls, where we know there are residents who are more disadvantaged in the labour market.
 - We will also explore how we can link these networks to new models of working at the neighbourhood level around groups of GP practices that is being developed by local Health and Social Care Commissioners local services and the community and voluntary sector as part of City and Hackney's Integrated Commissioning Programme.
 - We will work with Children's Centres, Young Hackney hubs and libraries to strengthen their role and will bring them into wider local partnerships if needed.
 - We will also work with Volunteer Centre Hackney who are developing local projects to grow grassroots self help activity, and have recently been awarded Lottery funding to develop this further.
 - The Council is leasing non-residential units within our own Housing Regeneration Schemes to Voluntary and Community Organisations and Social enterprises. Units will operate as mixed commercial/community spaces that offer additional benefit to local communities and residents of Council housing above and beyond straight-forward commercial operations. We are leasing space for a Community/ Social cafe at Colville Estate in 2019 and a community/commercial centre at Kings Crescent Estate in 2019. We will learn from these projects and use this approach on future Regeneration schemes.
- We will use a broad range of community engagement techniques to give voice and listen to communities that feel more disconnected from local opportunities as our economy changes. We will do this in all our major place-based engagement programmes including in the:
 - Dalston Conversation
 - Hackney Central Conversation (forthcoming)

- Young Futures Commission
- Young Black Men Programme
- Older People's Strategy work (forthcoming)
- King's Park Moving Together (Sport England investment)

Objective 4: Promote digital inclusion and improve digital connectivity in town centres and neighbourhoods around our borough

What we are doing now:

- The Council is already using its own assets including the Hackney Service Centre, our network of local libraries and local community hubs to support residents to improve their digital skills and confidence by providing training and workshops in digital and IT skills.
- We will continue to promote digital inclusion for everyone and target support by working with services and organisations in neighbourhoods and communities where levels of digital exclusion are higher.

New approaches:

- Our Digital Connectivity vision was approved by Cabinet in December 2018. The
 Council will open up access to its own assets, including its buildings, street
 furniture and extensive fibre ducting to improve digital connectivity, where possible
 promoting affordable connectivity and tackling digital exclusion. We will also seek
 to drive improved connectivity through the Local Plan (LP33) by encouraging
 developers to specify high bandwidth connectivity in new schemes.
- Through area regeneration we will identify ways to improve digital connectivity in town centres and in key places in the borough.

Objective 5: Promote environmental sustainability, reducing emissions and improving the quality of life in town centres and neighbourhoods around the borough.

What we are doing now:

 The Council is committed to reducing carbon emissions across our own operations, including from our buildings and our fleet.

- The Council's Local Implementation Plan and Local Plan (LP33) set out the Council's transport priorities for the borough which are to integrate sustainable transport and growth so that new jobs and homes are located together in places highly accessible to public transport with a high quality safe public realm. The overall objective is that people of all ages and backgrounds choose to travel by walking, cycling and using public transport bringing the health benefits of accessibility, physical exercise and clean air.
- We will work with partners to prioritise the delivery of strategic public transport improvements in the borough and coordinate these improvements with wider improvement plans for our town centres and local areas in need of improved sustainable transport connections.
- Via our planning and transport policies we are also encouraging the efficient use of road space by low-emission vehicles to improve air quality, reduce vehicle emissions and ease traffic congestion.
- Via the Zero Emissions Network and the Hackney Business Network we will
 continue to work with local businesses to promote more sustainable transport
 habits and working practices. We will continue to support businesses set up
 workplace travel plans. We can also identify sources of funding and provide
 advice, information and support, tailored to your strategic business needs.
- We have been working on some of our own housing estates to make sure it is easier for cyclists to move around, and to make it easier for residents there to access bike loans and bike lockers. We have focused this work in areas where we know there are lower levels of cycling and more families living on low incomes. We have also worked with the Council's employment support service Hackney Works to help residents develop personalised travel plans to better connect people to employment opportunities and to promote physical activity.

New approaches:

- We recognise there is a Climate Emergency and the Council is committed to reducing emissions that contribute to climate change and to the decarbonisation of our economy. The Council is developing a new environmental sustainability strategy to help us plan how we meet these commitments.
- The Council is taking action to decarbonise its energy supply and will be using 100% renewable energy by 2020.
- We are setting up a municipal energy company to help promote the development
 of local renewable energy networks on land and property we own. In the process
 we will explore options to create opportunities for local people to gain skills and
 work experience in the green economy. This programme will also look at ways we
 could provide low-cost energy to residents in fuel poverty.
- LP33 our new local plan will also include policies which require new developments to demonstrate how they meet zero carbon standards, mitigate climate change

- and how they mitigate the urban heat island effect and flood risks. It also promotes the development of decentralised energy networks to support reductions in energy use and emissions.
- We will consider how we can improve resilience to climate change impacts in local areas around the borough, further develop our green infrastructure and promote biodiversity to help address habitat loss.
- We will explore ways we can further encourage a circular economy, i.e. reduce
 waste and resource depletion and support the conservation and reuse of materials
 in our economy for as long as possible. We will work with smaller local
 businesses and community organisations in our own properties and supply chains
 to support them to take similar steps.
- We will deliver <u>Healthy Streets</u> to help everyone to use cars less and to walk, cycle and use public transport more.
- We are trialling a zero emissions zone in Shoreditch to support local businesses to reduce carbon emissions from delivery vehicles and other commercial and service vehicles. We have secured funding from the GLA's Air Quality Fund to expand this work to other locations in the borough and will trial a new zero emissions neighbourhood.
- We will significantly increase the number of resident vehicle charging points for electric vehicles.

Strategic Priority 2: Champion and support local business and social enterprise in Hackney and protect and maximise the delivery of affordable workspace in the borough

Context, opportunities and challenges

Hackney is well known for its thriving business community and small and independent businesses. There are 14,725 businesses in Hackney (3.3 percent of all businesses across London). In terms of size almost all businesses in Hackney (99.8 percent) employ fewer than 250 staff and 9 out of 10 businesses in Hackney (90.3 percent) are defined as micro-businesses because they employ fewer than ten people.

Shoreditch is known for the tech sector but is also home to larger offices and hotels. This success in attracting and growing new tech businesses has spread across the borough with clusters in Hoxton, Dalston, Hackney Central/Mare Street, Hackney Wick, and Homerton.

Dalston is home to workspace providers and community sector organisations whereas Hackney Central has a cluster of fashion designers and studio spaces with a corridor of tech and creative business further south along Mare Street. Hackney Wick is most well known for its artists, creative and maker economy. In Hackney Wick Here East also provides state of the art tech and creative space for small and medium sized businesses as well as high profile institutions such as BT Sport, Ford, University of the Arts, and Loughborough University and more to follow at East Bank with the V&A Museum, London College of Fashion, the BBC, and Sadlers Wells by 2024.

Since 2010 the number of businesses in the information & communication sector in the borough has almost doubled (up 97 percent) and the professional, scientific & technical sector has seen an increase of 72 percent. Shoreditch and Old Street is the biggest subeconomy in Hackney and is home to 43% of employment in the borough.

This rapid rate of business growth in Hackney (most obvious in Shoreditch) and specifically the growth in certain sectors such as the professional, tech and creative sectors has led to some specific issues in the borough relating to rising commercial rents and affordability issues for existing businesses, perceptions of polarisation between different types of businesses (and between businesses and residents) and the feeling that for some, the economic growth and benefits of new businesses in the borough is not benefitting as many residents and businesses as it should. This is a key issue for the Inclusive Economy Strategy to tackle and is reflected in all of the objectives in this

document. Economic growth and development when directed and delivered in the right way as set out in this strategy will target and secure specific benefits and outputs which will benefit as many residents, communities and businesses as possible.

Rising business rates

We share the concern felt strongly in local businesses, about the Government's decision to raise local business rates and campaign for a reform to business rates. We promote eligible relief to businesses and we will continue to communicate to businesses about business rates and relief available to make it as easy as possible for businesses to apply for and secure relevant relief.

Affordability and suitability of space for businesses

Business rents in Hackney have increased over time which is making it more difficult for the businesses that have defined and shaped Hackney's economy, especially smaller businesses, to afford to stay. The rent levels can also make it difficult for new businesses to start up in Hackney. Local businesses have told us that high rents can also restrict the ability of business owners to invest in their business and to work with us to create employment opportunities including local apprenticeships.

The Council is committed to looking at how we can better use our own resources such as our land and buildings as well as our planning powers and partnerships with landowners and businesses to protect and deliver more affordable workspace. We want to keep Hackney as affordable as possible for the broadest range of local businesses, so that they can continue to invest in local people, our town centres and local areas, and serve the communities in the neighbourhoods they are part of.

In cases where different sized space is needed for existing businesses due to their changing business needs, we work to identify alternative sites to ensure businesses can stay in the borough.

Working in partnership with businesses

We have a lot to offer businesses and will continue to offer support, opportunities, guidance and information via the Hackney Business Network and business facing services. We are also working more closely in partnership with a range of businesses to ensure they deliver more social and economic benefits for our borough and residents. Where the Council is the owner of land and buildings we can have more control on this via land agreements and leases but we are also committed to maximising the delivery of social and economic opportunities by as many businesses in the borough as possible by working differently and innovatively in partnership with businesses and utilising our area regeneration programme, procurement and planning powers, and employment and skills offer.

Making it easier to do business with the Council

The Council has committed to making it easier for small local businesses and traders to do business with the council such as getting permissions or applying for business rate relief. We are committed to making it easier to understand what you have to do to comply with regulations when running a local business.

Local businesses want to see improvements to the Council's online services for businesses and in our marketing to business. They also want to see better opportunities for small local businesses to contract with the Council to provide goods and services. Black Asian and Minority Ethnic (BAME) owned businesses have asked the Council to better understand the perspectives of BAME businesses.

Brexit and international relationships

Hackney is an open, outward looking borough with strong connections around the world. We know that for many small local businesses their future success depends on a global economy, which is why we have worked with them to build international partnerships, and continue to advocate for a Brexit that will work for them, and not just big businesses. Through our business engagement work, local businesses have shared their concerns about the uncertainties Brexit poses for them, including the lack of clarity about future trading arrangements and the loss of access to EU workers in future. Larger businesses based here have also flagged that continuing trade tensions between the US and other countries, particularly China, also pose economic risks to them and to London's economy.⁶

We know construction and hospitality are the two business sectors where Hackney and London are more exposed from a reduction in EU workers and that both provide significant employment in Hackney. However, we recognise that many of our thriving local businesses, in tech, professional services, fashion, and other industries, have been founded or enriched by EU nationals who chose to make their home here in this industrious, creative dynamic part of London.

At this time of great national uncertainty, the Council has made plans to ensure service continuity and to provide reassurance and support for Council employees, residents and local businesses. We have expressed concern about the damaging impact that no deal could have on our local economy and on the prosperity of local businesses and residents. We are also looking at ways our award winning Hackney Works Employment support service can work in closer partnership with local employers and careers, skills and training providers to create good work opportunities for local people to fill these workforce gaps in future.

⁶See the GLA's Economic Outlook https://data.london.gov.uk/dataset/medium-term-economic-forecast

Strategic Priority 2: Outcomes, objectives and priorities

The longer term outcome we want to achieve is:

To create the right conditions for a diverse range of local businesses and enterprises to thrive and remain in Hackney.

In the process we want more of our local small businesses to feel confident about their future here;

We also want the widest range of businesses here to feel invested in the local communities and the neighbourhoods they are a part of and work in partnership with us to deliver social and economic benefits that benefit residents and communities and neighbourhoods.

Our objectives for working with businesses to help achieve this are to:

Objective 1: Protect existing and promote delivery of a range of new affordable business and workspace in the borough

Objective 2: Make it easy to do business with the Council and provide excellent support for local small business and enterprise to thrive here and engage and communicate with the Council

Objective 3: Champion local businesses and make sure they have a voice in wider and national debates and representation in regional economic partnerships

Objective 4: Work with local businesses through the 'toolkit' to work together and create an inclusive economy in Hackney.

Objective 1: We will protect existing and promote delivery of a diverse range of new affordable business and workspace across the borough

What we are doing now:

- The Council's new Local Plan (LP33) protects existing office and industrial land by designating protected areas for office and industrial use so business space in these areas can't be redeveloped for other uses.
- LP33 promotes and encourages the delivery of new workspace in specific locations including town centres and priority office and industrial sites. For developments providing new commercial space the Council also requires at least 10% of this to be affordable space let at prices lower than market rent (60% of market rate across the borough, apart from 40% in Shoreditch due to higher rents in this location).
- We led on the preparation of the Hackney Wick Masterplan with the London Legacy Development Corporation (LLDC) which secures the reprovision of low cost workspace around Hackney Wick station at a rate of £8 per square foot. We will continue to work with the LLDC and other partners and stakeholders to deliver the masterplan and protect and deliver new affordable workspace in the area for creative businesses.
- We manage the Approved Workspace Provider List; a list of experienced workspace providers in the borough selected by the Council on account of the affordability of their space and the wider social and community benefits they offer local. This list is available online to business looking for premises and it is also used as part of planning legal (Section 106) agreements to make sure developers providing new affordable workspace are matched with experienced affordable workspace providers.
- We are part of the East London Fashion District, an initiative led by the London College of Fashion to promote fashion manufacturing, businesses and skills in East London via the delivery of affordable workspace, skills development and funding opportunities.
- The Council has a subsidised lettings policy for voluntary sector organisations and social enterprises who let Council owned buildings. We also offer discretionary business rate relief to VCS and social enterprises.

New approaches:

- We are reviewing our land and property assets to identify opportunities to deliver new affordable workspace on sites and in buildings which are not suitable for housing or other uses.
- We are progressing a project to convert vacant and underused garages on Council housing estates into affordable workspace.

- Hackney Wick has recently been designated as one of the Mayor of London's first Creative Enterprise Zones and will receive funding to deliver affordable workspace in the area.
- Wick Workspaces: In Hackney Wick we are redeveloping Council assets into affordable workspace for local businesses at the Old Baths and the Trowbridge Centre.
- We are leasing non-residential units delivered within our own Estate Regeneration Schemes to Voluntary and Community Organisations and Social enterprises including space for a Community/ Social cafe at Colville Estate in 2019 and a community/commercial centre at Kings Crescent Estate in 2019. (see Objective 1 for more details).
- We are reviewing our approach to property and business rate relief for Voluntary and Community Organisations, including social enterprises to ensure our policies meet the current and urgent challenges around affordability. This review has been signalled through our Voluntary and Community Sector Strategy, adopted in March 2019.

Objective 2: Make it easy to do business with the Council and provide excellent support for local small business and enterprise to thrive here and engage and communicate with the Council

What we are doing now:

- The Council has developed a toolkit in which sets out our offer to the business community, in terms of how we make it easy to do business with the Council. We also suggest a range of ways that we can work in partnership to deliver a truly inclusive economy in Hackney, by offering good quality job opportunities, inclusive employment, procurement and business practices, apprenticeships and placements as well as working more broadly together on a shared business agenda.
- We have been working with a range of small businesses, including Black Asian and Minority Ethnic owned businesses, to better 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. Together we have co-designed changes to our online support for businesses, starting with licensing, business rates and our markets services. We will continue to improve our website offer and service for businesses on our main website and on the Hackney Business Network.
- We have updated our local procurement framework and Hackney's new <u>Sustainable Procurement Strategy</u> strengthens our resolve to procure goods, works and services in ways that also promotes a better society and for fair

delivery. This means that when the Council contracts goods, works and services we will actively look at ways we can encourage investment in our local community and also promote equality and workers rights. The Council will creatively package our contracts in a way that allows smaller Local Businesses and voluntary and community organisations to be able to contract with the Council. We will also encourage large suppliers to sub contract elements to local businesses and the voluntary and community sector.

- The <u>Hackney Business Network</u> was launched in 2018 to improve our communication with businesses in Hackney. Via our website and social media channels businesses have access to a range of information and events to help start up and run a business in Hackney. We also run a number of events for businesses at different locations across the borough on issues such as the London Living Wage, Social Enterprises, and business rates.
- The <u>Hackney Business Forums</u> in Shoreditch, Hackney Wick, Dalston, Hackney Central and Stoke Newington launched in 2018. These local networks provide an opportunity for business to meet in their local area, discuss relevant issues and network with each other and with Council representatives.

New approaches:

- We will continue to work with local businesses to review and improve our online support for businesses increasing the number of key tasks that can be done online. We will review the quality of all our communications with business, across all the Council's services and continue to co-design and test out ways to improve all our interactions with business.
- We will test out new ways to engage with and work together with local small businesses, traders and with Black Asian and Minority Ethnic businesses to improve and develop our business networks and forums. Together we will try out new ways to make these business networks more inclusive for the widest range of local businesses here.
- We will work with local business networks and the local voluntary and community sector to develop and run events and workshops to support smaller local businesses and community organisations to understand and access contracting opportunities with the Council. We will advertise opportunities valued over £25k via our e-tendering system to simplify our procurement process for this group of suppliers.
- We will also try out ways to promote positive opportunities for local businesses to get involved in community life here, including by supporting local schools, colleges and community groups. For example we are testing out ways we can help enable businesses and Community Institutions offer meeting space to community groups that are struggling to pay market rates. We are also looking at ways businesses can work in partnership with local schools and colleges to make sure local people benefit from a broader range of high quality work experience opportunities and

- curriculum and careers advice that better prepares people for the future world of work.
- Via the business forums and our regeneration work in high streets and town centres we will engage with retail businesses on any local issues and put plans in place to improve retail areas where needed.

Objective 3: Champion local businesses and make sure they have a voice in wider and national debates and representation in regional economic partnerships

We will continue to listen to the diverse range of voices in our local business community and to work together on matters of major concern to local small businesses. On matters where the Council has limited powers to take action alone, we will actively campaign and seek to influence London and National Government and other major stakeholders to make the changes needed. We will also champion the businesses that are not for profit or that lock their profit (voluntary and community sector and social enterprises).

What we are doing now:

Business rates and rents

- We will continue to actively promote business rate relief to qualifying local businesses to help them deal with national Government's recent rise in business rates.
- We have called on national Government to set fairer Business Rates for small businesses.
- We will continue to <u>engage with and support</u> local businesses and traders to understand their circumstances and navigate proposed rent rises.
- We will continue to use our influence to encourage other landowners to keep business rents affordable for local small businesses here, as demonstrated by our recent support for the <u>East End Trades Guild</u> and other local small traders to help protect Railway Arches from rent rises.

Brexit

- Leading by example through supporting and signposting our own employees who are EU citizens from other member states to advice on citizenship rights and the application procedures required to remain in the UK post October 2019.
- Signposting local businesses to advice on international trade, employment rights and regulatory requirements post October 2019.
- Preparing for changes in the lead up to and post October 2019 to a range of UK law and regulatory regimes which are currently governed by the EU.
- We recognise the vital contribution that EU citizens working and living here have made to our local economy and will continue to recognise this through our ongoing <u>hackneylovesyou</u> campaign.

 We will continue to lobby for a softer Brexit and to remain in the Single Market and to guard against the damaging impacts that a no deal brexit could have on the prosperity of local residents and businesses.

Wider partnerships and business relationships

- We will continue to champion the interests of our residents and local businesses in our work with other Inner London Boroughs through the <u>Central London Forward</u> <u>Partnership</u> and with the Greater London Authority, the <u>London Economic Action</u> <u>Partnership</u> as it develops a new London Industrial Strategy. We will also collaborate with other sub-regional and regional partnerships around the capital on shared strategic priorities.
- We will continue to work with local businesses to build regional, national and international relationships with partners elsewhere to help support our future success in a global economy.

Objective 4: Work with local businesses through the 'toolkit' to work together and create an inclusive economy in Hackney.

As well as creating a healthy local economy and more active, vibrant town centres and neighbourhoods, local businesses create a wide range of benefits for the communities and areas they are a part of. Local businesses provide local jobs, apprenticeships, training and work experience opportunities for residents. They work with local schools, colleges and community groups and also provide local contracts and supply chain opportunities for other local businesses.

We will continue to seek social value outcomes from businesses based here and other businesses in our supply chains and maximise these benefits as much as possible to deliver positive impacts for people and places so that as many people as possible benefit from growth.

What we are doing now:

We use a variety of methods to work with businesses to secure and maximise the social and economic benefits that businesses bring to our borough and offer our community including:

• Via the planning system we secure legal obligations (known as Section 106 agreements) from developers who are building in Hackney to provide jobs,

- training, work placements and apprenticeships both during the construction of the development and in the final scheme.
- Section 106 agreements can be used to provide a range of different interventions including transport improvements, funding for school places, and provision for arts and culture. By working strategically in regeneration areas and town centres we will maximise the outputs from developers and businesses via Section 106 agreements and to deliver the most benefit for people and places.
- Our <u>Approved Workspace Provider List</u> selects local workspace operators who
 offer more affordable workspace and deliver a number of other social and
 economic benefits including training, events and space for community hire.
- The Hotel Community Fund operates in Shoreditch where, on a voluntary basis, hotel guests pay a contribution towards enhancing employment and skills provision in the borough. We will refresh the Hotel Community Fund to ensure it is in operation in as many hotels as possible in order to bring in more funding for social and economic projects in the area.
- We actively encourage businesses to pay the <u>London Living Wage</u>. We hold an annual London Living Wage celebration to celebrate business who pay the London Living Wage and encourage businesses to sign up. We promote the London Living Wage through the year via our Hackney Business Network engagement and communications work.
- In some Council properties a more affordable rent level has been set in return for the operator delivering social and economic outputs such as the Old Baths and the Trowbridge Centre in Hackney Wick. These organisations contribute directly to the local economy either by attracting visitors or incubating other businesses.
- The Council has continued to invest in a range of local Voluntary and Community Sector Organisations based on a shared understanding of local need. This helps attract external investment, for example in 2016/17, £28m was invested by 31 external funders.

New approaches:

- The Council has developed a toolkit in which sets out our offer to the business community, in terms of how we make it easy to do business with the Council. We also suggest a range of ways that we can work in partnership to deliver a truly inclusive economy in Hackney, by offering good quality job opportunities, inclusive employment, procurement and business practices, apprenticeships and placements as well as working more broadly together on a shared business agenda.
- We will make better use of Council land and buildings to deliver community benefits by ensuring that when selling any sites or letting any Council land or

buildings there is a requirement for the new owner or tenant to deliver jobs and training opportunities and other community benefits.

- The Wick Works project is a good example of how we are making more use of Council buildings to deliver social value outcomes in areas where residents have said they feel more disconnected from the economic changes happening around them. As well as delivering much needed affordable workspace the tenants of these buildings are required to provide local jobs, apprenticeships, training and community events. We have also worked with local community organisations and our own youth services to redesign and support the development of a Multi Use Games Area and a Youth Centre around this new work space.
- We were recently successful in bidding for Hackney Wick to be designated one of the GLAs new <u>Creative Enterprise Zones</u>. A central part of delivery of this new Creative Enterprise Zone will be to better link local residents and community groups in the area up with the creative businesses and institutions in Hackney Wick to create more good quality jobs, apprenticeships, work placements and training opportunities.
- The Council is committed to supporting the development of the diverse range of over 300 social enterprises operating here including community interest companies, cooperatives and not for profits. These range from tiny entrepreneurial luncheon-clubs to national enterprises such as HCT Group, who run bus routes and community transport all around the UK, with a turnover of £62.9 million. We signed up to support the Hackneyissocial manifesto. We will continue to work with this network and to support them to use their entrepreneurial energy and spending power to create a fairer society with less inequality.
- We will explore ways our award winning local Employment Service Hackney
 Works can help local businesses and social enterprises to find the right staff and
 make the most of local talent. For more information see the employment and skills
 section of the strategy.
- We will test out ways we can best support local businesses to get involved in local partnerships and activities to promote good physical, mental and emotional health and wellbeing in the local workforce, for e.g. mental health awareness, smokefree, sugar smart. We will also support local businesses to achieve the London <u>Healthy</u> <u>Workplace Award</u> standards.

Strategic Priority 3:

Connect residents to high quality employment support and opportunities to learn new skills, get good quality well paid work and progress their career throughout their working life

Context, opportunities and challenges

Overview

In recent years London and Hackney's economy has continued to grow. Our borough has seen more new business set up here, higher rates of employment and lower levels of unemployment and economic inactivity. This is despite the financial crash in 2008 and more recently the uncertainties facing the economy as a result of Brexit and continuing trade tensions between the US and other countries. In the UK and London as a whole, unemployment and economic inactivity levels are now at record lows and employment levels at record highs.

However, the UK has also seen low growth in household earnings since the recession, particularly amongst low earners and as a result it has experienced a rise in in-work poverty. In work poverty is now a bigger issue than pensioner poverty or poverty in households where no one works⁷. The UK and London has also seen changes in the nature of employment, with a rise in both part-time employment and in insecure forms of employment including temporary and zero hours contracts. The London labour market is 'hollowing out', with an increasing concentration of highly skilled, well paid jobs and low-paid, low skilled service sector jobs but fewer progression opportunities in between.

A range of factors are changing the nature of skills and work opportunities likely to be needed in future in the UK including technological change and advances in automation and artificial intelligence, climate change, urbanisation, an ageing population, rising inequality and globalisation. We need to find ways to better support local people and our workforce to keep pace with these changes and to learn new skills across their working life. We also need to collaborate with the business community, education providers and local communities to widen participation and open up well paid and good quality job opportunities in newer industries.

7 Institute for Fiscal Studies March 2018 Poverty and low pay in the UK: the state of play and the challenges ahead https://www.ifs.org.uk/publications/11696

Our residents and employment

Hackney has seen considerable changes in the skills and employment profile of local residents over the last decade or so. As our Local Economic Assessment sets out, by 2016 local residents were more likely to have higher qualifications than a decade earlier and less likely to have no qualifications; they were also more likely to be working in highly skilled sectors. Over this time, the employment rate for working age adults has increased from 58 percent in 2006 and is now around 72 percent in 2018, just under the rate for London and the UK. However, these improvements in headline rates may be explained as much by demographic change as by better employment outcomes for long-term residents.

Hackney's unemployment rate is now around 5.6 percent. While this is notably lower than a decade ago and around the same as the rate for London, it is still higher than for the whole country (4.6 percent). Although we have seen reductions in the proportions of local residents receiving out of work benefits over the decade, Hackney still has higher proportions of residents on out of work benefits than London and the UK. Over time Hackney has also seen a substantial reduction in the number of workless households but the proportion of workless households here is still higher than in London and the UK. Changes to national welfare and housing benefits particularly the roll out of Universal Credit in October 2018 and the continued impact of the tightening of the benefit cap, means that locally we need to continue to find ways to support residents to get and sustain decent quality employment, so that they can afford to remain in the borough.

When you look below the headline figures at how different groups of local residents fare in the labour market, we can see that some groups of residents face substantial disadvantages. The employment rate for residents from Black, Asian and Minority Ethnic (BAME) backgrounds is lower than for white residents and black male graduates are nearly twice as likely to be unemployed as their white counterparts⁸. The employment rate for disabled residents is around 40 per cent lower than for non disabled residents, this employment gap for disabled people is wider in Hackney than it is for Inner London and London as a whole⁹. Women between 24 - 49 years old have a lower employment rate and a higher unemployment rate than men. At a London level, we also know that parents with dependent children are also less likely to be in employment than other adults and the parental employment gap is wider in London than for the UK as a whole.

Local residents aged between 50-64 years have a lower employment rate than residents of the same age across London, and they are more likely to be unemployed and to be economically inactive. The employment rate for older residents over 65s is only 5 percent in Hackney compared to 13 percent for London. From focus group discussions

⁸ See the Hackney Equalities Evidence Base for more on employment and inequality published here https://www.hackney.gov.uk/equality-diversity

⁹https://data.london.gov.uk/dataset/employment-rates-by-disability

with residents in their 50s, some local people are struggling to get support to retrain in their existing job or to change careers and find decent, fulfilling work. Some had ended up working on zero hours or temporary contracts and feel that employers were more likely to recruit or train younger workers. The UK workforce as a whole will continue to age and in Hackney, over the coming decade, we expect to see the largest share of population growth to be amongst people of working age(16- 64), especially in the 40-64 age group. The Council has committed to creating more employment opportunities for residents in later life, to support people to age well. This is one of the priorities we want to work on together in the next year as we co-develop a local Older People's Strategy.

Residents views of local opportunities

We know that there are residents who feel disconnected from local opportunities, particularly in disadvantaged areas and among disadvantaged communities. We consider this challenge under Priority 1. However, we were pleased to find that residents are more optimistic about local opportunities in 2018 than they were in 2015. In 2018, 20 percent of residents in our Residents' Survey agreed that there are plenty of opportunities in Hackney for the current population, up from 15% in 2015. Just over a fifth disagreed, down from over two fifths in 2015. A greater proportion of people neither agree or disagree.

There are still some groups who feel more negative about local job opportunities than residents on average do, including Black residents, social renters, residents in Stamford Hill and the North East and residents who have lived in Hackney for more than ten years, but smaller proportions of residents in these groups felt negative about local employment opportunities for the community, than they did three years ago. It is promising that Young people aged 16-24 are far more likely to agree now that there are job opportunities here for the community, 37 percent said this up from 20 percent in 2015.

However less than a third of all residents still tend to agree that access to job opportunities are available to everyone equally in Hackney, 31 percent of residents agreed with this, up from 27 percent in 2015. Some groups were more optimistic about this than residents in general, including residents aged 16- 24 years, Asian residents, Black residents, residents in social housing, residents with children over 18 and residents in Hoxton, London Fields and the South West of the borough. Whereas women, residents aged 35-44 years, 55-64 years and 65 years or older and white residents were all less optimistic about equality of access to jobs.

Low pay and concerns about rising costs of living and poverty levels

Pay in Hackney is slightly lower than in London, both for residents and those travelling to and working full time in the borough. Over the last decade wages here have risen at around the same rate as in London. We know that in London as a whole, jobs in the hospitality sector and in retail and wholesale are more likely to be low paid than jobs in other sectors. More than a hundred local employers are accredited as London Living Wage Employers in the borough. Despite ongoing campaigns here to promote fair pay, 22 percent of jobs in Hackney are still paid below the London Living wage¹¹.

Low pay is a particular issue in London because of the high cost of living here. Costs of living in Hackney, in particular housing costs have gone up at a much higher rate than earnings. House prices in Hackney have been increasing at a faster rate than that of London for the past decade, and private rents in the borough have risen by over 30 percent in the last five years. Just over one in five local residents surveyed by Ipsos MORI in 2016 were concerned about rising housing costs and 18 percent were concerned about the cost of living. In recent years residents have also consistently told the Council that despite the positive growth in the local economy, not everyone feels they are benefiting from the economic changes happening here.

In our 2018 residents survey just over half of all residents say they worry their children will not be able to afford to live in Hackney when they're older. While fewer residents said they are concerned about this than they did three years earlier (56 percent compared to 72 Percent in 2015), the future affordability of the borough is clearly still a concern for many residents. Women, residents aged 45-54 years, residents who have lived here for more than 10 years, people with children, residents in Stamford Hill and North East, white residents, owner occupiers and people who have English as their main language were all more likely to be concerned about this than residents in general.

Poverty levels in the borough remain high and are the third highest in London, behind Newham and Tower Hamlets. Around 36 percent of households are estimated to be in poverty after housing costs are deducted. Although the national Indices of Deprivation ranks Hackney as relatively less deprived than four years ago, some neighbourhoods in the borough remain amongst the most deprived in the country, including in Hoxton and around Kings Park and Homerton in the South of the Borough and Woodberry Down in the North. Our Poverty Reduction Strategy will be developed in tandem with the Inclusive Economy Strategy to ensure that we are creating opportunities whilst also tackling material poverty with urgency and the impacts of living on low incomes.

Concerns about the changing nature of employment, quality of jobs and progression

We have also seen changes in the nature of employment. In Hackney full time employment has fallen from 83 percent in 2006 to around 72 percent in 2016 and part

¹⁰ Hackney Profile 2018 downloadable here

¹¹ https://data.london.gov.uk/dataset/earning-below-llw

time employment has increased from around 17 percent in 2006 to just under 28 percent in 2016. We do not know whether this increase in part time employment is driven by choice or a changing employment offer.

Hackney has tended to have a higher self employment rate than London and Great Britain over this period; the self employment rate has fluctuated with a low of just under 11 percent in 2007 and a high of just under 19 percent in 2015. London has seen a rise in insecure employment over the last decade. Ten percent of everyone in work in the capital in 2017 was either employed in a job with a temporary contract, working through an employment agency or self-employed in occupations considered insecure, compared with around eight per cent in 2006. London and the UK also saw a rise in underemployment during the recession. However, the proportion of part time workers who say they could not find full time work has dropped back since 2013 and is now around 4 percent for London. From research carried out by University College London into prosperity with households in Hackney Wick, we have some, albeit, anecdotal insights. The majority of residents spoken to there who were in self employment or on temporary contracts said they were not doing this out of choice. Their study also found that both levels of disposable income there and people's overall sense of choice and control over their lives were low.

In recent years, the UK and London have also seen a rise in newer employment practices including Zero Hours contracts and employment in the gig economy. While for some, these newer types of employment are positive opportunities to supplement income or to freelance, for others these types of employment lead to greater insecurity. Zero hour contracts may suit some people, but they create greater job insecurity and can make people more exposed to exploitative practices, because it can be easier to let someone go. Jobs that are insecure or poorly paid are rarely good for wellbeing.¹³

We do not have Hackney statistics for zero hour contracts, but nationally the rate is 2.8 percent, and for London the rate is 2.5 percent according to the quarterly Labour Force Survey. Whilst we cannot assume that the national data is applicable locally, we can assume that the increased trend has also been seen in Hackney. In 2007, the percentage on zero hour contracts was 0.6 percent. There is an overrepresentation of 16-24 year olds on zero hour contracts nationally (7.8%) and of over 65s (4%). There are more women on zero hour contracts (3.4%). Young people are also more likely to experience overall job insecurity than older people. Young people early in their careers and Black, Asian and minority ethnic (BAME) workers are much more likely to be in more insecure forms of employment including temporary and zero-hours contracts.

¹²For more on Insecure Employment see the GLAs Economic Fairness data https://data.london.gov.uk/economic-fairness/labour-market/insecure-employment

¹³ https://hackneyjsna.org.uk/articles/society-environment/work-and-worklessness/socenv-work-and-worklessness-health-and-wellbeing-impacts/socenv-health-and-wellbeing-impacts-of-employment/

Wider analysis shows that lower skilled workers are less likely to see pay progression over their working life, than higher educated, higher paid workers are. Research by the Social Mobility Commission¹⁴ found that Britain's low pay culture traps people in poorly paid jobs. Only one in six workers on low pay managed in the last 10 years to push themselves up the pay ladder and stay there, while most remained stuck in a cycle of part-time and insecure jobs. This is leading to what many are now referring to as a two tier workforce.

The Taylor Review of Modern Working Practices¹⁵ carried out by the Royal Society of Arts sets out six high level indicators of quality good quality work, covering Wages; Employment Quality; Education and Training; and Consultative Participation and Collective Representation. The RSA set out principles to help achieve good quality work across the UK, including life long learning, ensuring employers and employees understand their legal rights and responsibilities, greater protection against unfair unemployment practices, good corporate governance and strong employment relations, promoting workplace health, ensuring the minimum wage is paid and working with sectors that pay the lowest wages.

The Joseph Rowntree Foundation has looked at what could be done at a regional or city level to promote progression from low paid jobs. They recommended a sector focused approach, bespoke careers advice for low paid workers, and a specific skills and employment framework focused on progression.

How the economy is changing

Since the 1970s London has seen a steady decline in manufacturing jobs and a rise in jobs in professional services and real estate; these are now the most dominant jobs sectors in the capital. Inner London has seen the strongest growth in jobs from specialisation in business services. The London jobs market is becoming "hollowed out" - jobs are increasingly concentrated in top-end, high-paid sectors, such as professional and financial services, and in those low-paid service sectors that support them such as hospitality and retail. Jobs in these lower paid sectors are more likely to be insecure and pay less than the London Living Wage. There are proportionately fewer mid-level jobs, and this means less scope for in work progression.

¹⁴https://www.theguardian.com/society/2017/oct/19/uks-low-pay-culture-traps-people-in-poorly-paid-jobs-study-finds

¹⁵https://www.thersa.org/globalassets/pdfs/reports/good-work-taylor-review-into-modern-working-practices.pdf

¹⁶ https://www.irf.org.uk/report/improving-progression-low-paid-jobs-city-region-level

¹⁷ https://www.london.gov.uk/business-and-economy-publications/londons-boroughs-borough-sector-jobs-data-and-methodology

Hackney is characterised by public service and knowledge based employment. The occupations that local residents work in matches that of London exactly – just under two thirds of local residents now work in professional and technical occupations and as Managers, Directors and senior officials. The proportion of residents working in these highly skilled sectors has increased since 2016, while at the same time Hackney experienced a decline in lower skilled occupations such as Skilled trade occupations, process, plant and machine operatives and people working in elementary occupations. A substantial proportion of residents (9%) also still work in elementary occupations although this sector is declining; caring, leisure and other service occupations also makes up 9% of all resident occupations in the Borough, though this sector is seeing growth.¹⁸

Looking ahead over the next two decades, strong growth is expected to continue in London jobs. The GLA estimates that employment in London will grow at an annual average rate of 0.78 per cent, equivalent to 49,000 jobs per annum. The projected increase in jobs is expected to be concentrated in six employment sectors: in the professional, real estate, scientific and technical sector, but also in administrative and support services, accommodation and food services, information and communications sectors, education and health sectors. The GLA's employment projections for London by borough also estimate continued strong employment growth in Hackney. Between 2016 and 2026 it is projected that the number of jobs in the borough, (including self employed jobs) will increase from 125,000 to 164,000 jobs, an increase of over 31%. Hackney and other East London boroughs are expected to see amongst the strongest employment growth in London over this period.

Education

Hackney has made good progress on laying the right foundations for our children and young people to make a good start in life. We have made good progress on preparing our under 5s to be ready for school, and on educational attainment in both primary and secondary schools where we are now doing better than average than other parts of the UK. In our schools we are also closing the attainment gap between pupils from low income families (those eligible for Free School Meals) and other students; the gap is now 12% points at GCSE which is less than London (19% points) and England (27% points).²¹ However, we know that overall, girls perform better than boys. We are also

 $^{^{18} \}underline{\text{http://hackney.gov.uk/media/9135/occupations-and-employment/pdf/occupations-and-employment.pdf?m=636416057312070000}$

¹⁹https://www.london.gov.uk/business-and-economy-publications/london-labour-market-projections-2017

²⁰ GLA Employment projections for London by borough 2016 and 2017 https://data.london.gov.uk/dataset/long-term-labour-market-projections

²¹ From Child Poverty and Family Wellbeing Data Update November 2015

concerned about the under-performance of Turkish Kurdish, African, Caribbean groups and looked after children.²²

Hackney has a higher proportion of children and young people who are disabled or who have Special Educational Needs (SEND) than London and England. In recent years there has also been an increase in the number of children and young people with a special education needs statement or an Education, Health and Social Care Plan in the borough and in London and England²³. Educational Attainment in Early Years Foundation Stage, Key Stage 2 and Key Stage 4 is lower in pupils with SEN support and lower still for pupils with a statement of SEN or an Education Health and Social Care (EHC) plan.²⁴ The Council has committed to work with parents of children who have special educational needs and disabilities to co-design services; to look further into equality and access issues in education for disabled people who are 16 +; to Improve transition from children's to adults' services and to improve and co-ordinate the supported employment offer, delivered by the Council and by partners²⁵.

We have continued to find new ways to invest in high quality school facilities for our children and young people, including by delivering state of the art new facilities for existing schools in new mixed use developments at Tiger Way in Hackney Downs and at Nile Street in Hoxton.

Apprenticeships policy and practice

The creation of good quality apprenticeships is a priority for government, the Mayor of London and Hackney Council. The Government is committed to creating three million new apprenticeships by 2020 and created the national Apprenticeship Levy to put more onus on large employers, including the Council, to invest in creating sustainable and progressive employment opportunities. Apprenticeships are also an important aspect in the Mayor of London's draft Skills for Londoners strategy. A recent Parliamentary Education Select Committee Report on apprenticeships found that at a national level even though there are increasing numbers of apprenticeships available, many apprentices are not getting high-quality training or the support they need to secure an apprenticeship. They recommend a range of measures including the introduction of quality kitemarks, clearer progression pathways for apprentices and the raising of wages for apprenticeships. Locally, the Council's Employment Service, Hackney Works runs a multi-award winning Apprenticeships programme which focuses on ensuring the training and support apprentices receive is of a high quality The Council is committed to

²² From Chapter 5 of Hackney's Child Poverty Needs Assessment 2014

²³ Government statistics on <u>statements of sen and ehc plans</u> in England

²⁴ Disabled Children's Needs Assessment for the London Borough of Hackney and the City of London, July 2017

²⁵ Hackney Single Equalities Scheme 2018-2022.

extending and scaling this into a broader local offer for other public services and local businesses through the Hackney Apprenticeship Network.

Workforce diversity and inclusive leadership in our own workforce

The Council is one of the largest employers in the borough and we recognise how important it is that we lead by example and improve the diversity of our own workforce. We have an ageing workforce. In some parts of the Council, particularly in manual and lower graded roles and our workforce as a whole is significantly older on average, than the population it serves. Our workforce broadly reflects the ethnic profile of the borough, but there is a lack of ethnic diversity in more senior roles and we remain concerned about the ethnicity pay-gap. The Council has a good gender balance at the top of the organisation, and has made significant strides in the past two to three years to support and celebrate LGBTQI staff. However, it is clear from staff feedback that disabled staff feel that more could be done to support them and their progress through the organisation. Our 2018 residents survey found that just over a fifth of residents tend to agree that "job opportunities at the Council are not suitable for me". We are committed to lead by example and address these issues in our own organisation. We recognise the value of harnessing talent from across the whole community to help improve our workforce diversity.

We are not just interested in workforce diversity, we are also interested in ensuring that we have an inclusive culture that encourages a diversity of perspectives in our workplace. We believe doing this will help create the innovation and creative thinking that we need in our organisation. As a result we are better able to meet the needs of residents, customers and improve services.

Strategic Priority 3: Outcomes, objectives and priorities

The Council is committed to making sure that all our residents see more benefits from the employment and skills opportunities in and around Hackney. We can't achieve this ambition on our own. We need to work in partnership to help shape the local economy and jobs market so that there are a wide range of good quality job opportunities in and around Hackney.

The longer term outcome we want to achieve is:

To reduce existing disadvantages experienced by local residents in the labour market.

Our goals include:

- For the employment rate for all BAME residents to be the same rate as non BAME residents
- To close the significant gap in employment rates between disabled residents and non-disabled residents.
- To close the gap in employment rates between women and men in the peak of their careers between the ages of 24-49.
- To close the gap in employment rates between residents in their 50s and 60s
- Our Council apprenticeship programme will continue to employ over 100 Hackney residents/school leavers at any given time, and we will continue to run our Hackney 100 paid work experience and pre-employment schemes on a rolling basis.
- Our work experience programmes, pre-employment support programmes, supported internships and apprenticeship network will provide high quality employment support for young people leaving local authority care, young disabled people and young people with Special Educational Needs (SEND) to help them develop and secure meaningful employment opportunities on leaving school.
- Our apprenticeship network will be fully established with the number and quality of apprenticeships offered locally increasing year on year, at all levels, including high level apprenticeships.
- The Council will continue to play a leading role, supporting the establishment of new apprenticeships and work placements with local employers, and facilitating shared apprenticeships across businesses
- The Council will work with education providers and the business community to close the STEM (Science, Technology, Engineering and Mathematics) skills gap

Our objectives for our work with the community, training providers, and a more diverse range of business and employers here are:

- Objective 1: Lead by example in our own workforce: promoting an Inclusive Leadership culture and improving workforce diversity
- Objective 2: Lead by example: raise working conditions and protect workers rights in our own organisation and in our own supply chains
- Objective 3:Increase the number and diversify the range of pathways into good quality employment, offering fair pay

 Objective 4: Maximise opportunities arising from the devolution of the Adult Skills Budget to London, ensuring that these opportunities are inclusive, meet our skills gaps and the needs of local people

Objective 1. Lead by example in our own workforce: promoting an Inclusive Leadership culture and improving workforce diversity

What we are doing now:

- We are continuing to develop the Council's high quality, multi-award winning apprenticeship programme. This was established by the Council's Employment Service Hackney Works to help us recruit young people who live in the borough, or who went to a Hackney school or college or care leavers. There are now more than 100 apprentices at the Council. They work in lots of different areas, including Housing, ICT, Trades, Business Administration, Youth Work, and Finance. Most of our apprenticeships are for young people aged 16-24 and are at Levels 2, 3 and 4, but we have opened up the apprenticeship programme to adults over 25 and one of the strengths of the programme is there is no upper age limit. We have created a number of higher level apprenticeships for residents who already have more experience of work. Our Apprenticeship Scheme has won multiple awards in recent years. Many of the awards drew on direct feedback from our apprentices about their experience on our programme.
- We are in the third year of running a paid, flexible work experience programme.
 called Hackney 100. This offers young people who live or study in Hackney insights
 into careers they may be considering, with placements both at the Council and with
 local employers such as Amazon and local businesses like Diversity Films and
 Harvard Knight.
- Through the Improving Outcomes for Young Black Men Programme, we have a
 much sharper understanding of the ways that young black men are disadvantaged
 and discriminated overtly and covertly and are delivering specific employment
 initiatives, as well as influencing the wider set of actions in this strategy.
- We have an established workplace health offer for our staff including a staff Healthy Champions network, a mental wellbeing campaign and staff led peer support groups. We are using the London <u>Healthy Workplace Award</u>, backed by the Mayor of London, to make our workplace healthier and happier for our staff.

New approaches:

 The Council is adopting a dual approach to tackling workforce diversity, looking at how we can develop a more inclusive culture and tackling key inequalities and gaps in the workforce for disabled staff and the representation of BAME staff at senior levels. We are testing out a range of ways to do this, including by setting up a staff network of Inclusive Leadership Champions to drive internal culture change across the Council. We are also testing out practices such as blind recruitment to help reduce the risk of unconscious bias when shortlisting candidates for council jobs.

- We are reviewing the Council's approach to recruitment and workforce development planning. To help with this we have been running focus groups with residents who are more likely to feel that job opportunities at the Council are not for people like them.
- Hackney Works, our Employment Service, will support Council services to create more work placements for learning disabled residents.
- Through our <u>Public Health and Clinical Commissioning Group Community Grants</u>
 <u>Scheme</u> we are funding organisations to test approaches to improving workforce health.
- Building on our own learning and findings from the community grants activities on workforce health, we will test out ways we can best support local employers to achieve the <u>Healthy Workplace Award</u> standards.
- We are exploring and testing out ways we can promote a more inclusive workplace culture in the affordable workspaces in our own properties. We are collaborating with other workspace providers to do this.
- For example Plexal is an Innovation Centre and tech business accelerator space based at Here East, in a building that was home to the press centre of the London 2012 Olympic Games. Prior to the Games, the Council lobbied for this space to be transformed into a permanent business space offering opportunities for local people and local businesses. Plexal hosts a range of meetups and events to help make their community inclusive. They also run a tech founders network for women plexiglass offering women tech entrepreneurs content, support, mentoring and workspace. This is in recognition that just 9% of startup funding in the UK goes to women CEOs and that just 17% of founders are women.
- Objective 4: Maximise opportunities arising from the devolution of the Adult Skills Budget to London, ensuring that these opportunities are inclusive, meet our skills gaps and the needs of local people

Objective 2. Lead by example: raise working conditions and protect workers rights in our own organisation and in our own supply chains

What we are doing now:

- Everyone working for the Council, regardless of whether they are permanent employees, contractors, temporary staff, part-time or agency staff or apprentices is guaranteed to receive at least the London Living Wage.
- For some time our sustainable procurement policy has required our suppliers and contractors to pay staff the London Living Wage.

New approaches:

• The Council approved a new Sustainable Procurement Strategy in 2018.

Using this new Framework we will make sure that the businesses and service providers in our own supply chains:

- invest in local talent and in training their workforce
- consider Trade Union recognition
- comply with the Modern Slavery Act.

We will actively encourage and support other local partners to promote these social values through their own supply chains, including small local businesses and local community and voluntary organisations.

We will explore ways we can better support independent workers based in Hackney to secure better workers rights and working conditions. We will look at learning about what works from existing initiatives trying to do this in the tech and creative sectors elsewhere, including in neighbouring boroughs.

Objective 3. Increase the number and diversify the range of pathways into good quality employment, offering fair pay

We want local residents to be able to access and take up a broader range of meaningful opportunities to develop the skills and experience they need for work, while being paid a fair wage.

What we are doing now:

- We have set up a Hackney Apprenticeship Network. We are already working with major employers on this agenda, including the Homerton Hospital and Amazon.
 We are engaging with construction employers who can offer industry placements to our trade apprentices and we are also working with local SMEs to create more high quality apprenticeships for local people.
- We launched our Apprenticeship Kitemark during National Apprenticeship week in March 2019. This will accredit employers who meet our quality standards for

- apprenticeships based on wage levels, quality training provision, and pastoral support. We are asking more employers to adopt these quality standards.
- Hackney Works already offers a bespoke, personalised support service for disabled residents including people with autism, learning disabilities, mental health conditions and young people with special educational needs and disabilities (SEND). This is targeted at disabled residents who face more complex barriers in the labour market and who would benefit from bespoke support to help meet the additional needs they have as a result of being disabled. So far we are securing around 40 good employment outcomes a year.
- We trialled supported internships for ten local young people with SEND, at the Homerton Hospital. The first cohort graduated in summer and the second cohort started in autumn 2019.
- We are piloting a pre-employment scheme for a cohort of 10 young residents
 focusing on NEET young people, young people with special education needs and
 young people leaving local authority care. Participants are supported to take up a
 paid work placement and provided with English, Maths and Employability training
 to help them prepare to compete in the labour market for an apprenticeship or job.
- The Council's education and youth services have developed in the Hackney Careers Collaborative in partnership with Hackney schools. To complement the careers offer in local schools, the Council and Hackney Learning Trust commission the Hackney Careers Service delivered by Prospects which offers an out of school drop-in service for young people aged between 13 and 19 (up to 25 years old for people with special educational needs). Careers advisers can provide advice on what to study and careers or training opportunities. Both parents/carers can get careers information and advice at drop-in sessions held at the Council's Youth Hubs and at the Hackney Learning Trust. This service also provides additional support for young people not currently in education, employment or training.
- The Council's Youth Service also hosts annual events <u>Inspiring Young Women</u> and <u>Inspiring Young Men</u>. These sessions bring together local school pupils with successful women and men who live or work here who volunteer their time to help young people to broaden their horizons and consider non-traditional careers.
- Employment support is embedded into Hackney's Troubled Families Programme which started in 2015. This programme works with families which need support to reduce re-offending, improve school attendance and deal with a range of other issues such as debt, health problems, domestic abuse etc and supports them to fulfill their potential. Five employment advisors funded by the Department of Work and Pensions and Hackney Council work across Hackney's Children and Families Service and employment hubs in Hoxton, Hackney Wick and Woodberry Down.

They offer support with CVs, information and advice on employment and opportunities and review of out of work action plans. A total of 380 families have benefitted from support for employment and financial inclusion. This programme is due to end in March 2020.

Hackney's Integrated Gangs Unit offer employment support when people come
out of prison and when resettling people out of the area to start a new life. Staff
from JCP and the St Giles Trust are co-located in this multidisciplinary team to do
this. Support offered includes help with work experience placements, providing
mentoring, providing support with transferring benefits claims to help people while
they secure employment.

Newer approaches:

Creating a wider range of employment opportunities open to anyone of working age

• The Council is required to spend 0.5% of our annual paybill to deliver apprenticeships and to support quality training. Any funding that remains in our National Apprenticeship Service accounts after 24 months will be clawed back by central government. We are exploring whether we can use any underspend to fund apprenticeship training in small local employers, willing to sign up to our quality standards for apprenticeships. This will be part of our Hackney Apprenticeship Network offer open to anyone of working age.

Enterprise support for young people

• We are exploring a range of practical ways we can better help young people develop entrepreneurial skills and consider setting up their own business; this includes through improving access to mentorship, opportunities, workspaces and entrepreneurial skills-building; through working directly with enterprise organisations, such as Capital Enterprise and YSYS to create a pre-accelerator programme; by working directly with existing start-up accelerators and workspaces to assess potential entrepreneurship opportunities for young local Hackney residents; by leveraging existing partnerships and corporate social responsibility agendas; by creating more visible 'Pathways into Tech' working with local secondary and further education institutions to support and engage young people in tech and entrepreneurship.

Targeted support for young disabled people, young people with special educational needs and care leavers

• We are trialing part-time apprenticeships at the Council targeted at single parents, disabled young people and young people with special educational needs.

- We aim to expand our pre-employment support programmes for residents facing particular labour market disadvantage, including young people leaving local authority care, disabled young people and young people with special educational needs. We will also make these programmes an integral part of our local apprenticeship pathway. We will ask employers in our local apprenticeship network to do the same.
- We will offer a newly agreed employment opportunities pathway for young people with SEND. This includes access to a range of supported internships; improved access to apprenticeships; and early exposure to the world of work, linked to an individual's interests and aptitude.
- We will create a new SEND employment champion post to promote employment within special schools and SEND departments in colleges. This new post will coordinate meaningful work experience and job tasters. They will also work closely with colleagues within education settings to upskill them on preparing young people for the world of work, support employers to deliver bespoke employment workshops to these young people and organise SEND careers evenings at schools.
- The Council as an employer has created 8 new supported internships for residents with SEND. We will also encourage other local anchor institutions and high profile employers in the borough to create supported internships, to help extend the types of work on offer.

Support for older workers including those over 50who are more disadvantaged in the labour market

- We will seek to pilot a pre-employment programme for adults over 25 who have been unemployed and are seeking to return to the labour market and/or change careers. This programme will combine paid work placements; accredited training with a focus on functional skills; and employment support.
- We will continue to expand the high quality apprenticeship offer at the Council and across wider public and private sector organisations, as well as supporting organisations to pilot part-time apprenticeships to allow accessibility for residents who may otherwise not be able to work.
- We will encourage collaboration between council services, older people, local community networks and key stakeholders who are working on the development of a new Older People's Strategy to support local people to age well in Hackney.
 One of the big areas of focus will be to look together how we can better prepare for an ageing workforce and at employment opportunities for older people.

Objective 4: Maximise opportunities arising from the devolution of the Adult Skills Budget to London, ensuring that these opportunities are inclusive, meet our skills gaps and the needs of local people

What we are doing:

We are working with neighbouring boroughs through the Central London Forward Partnership and the Greater London Authority to prepare for and make the most of the opportunities as a result of the devolution of the Adults Education Budget from central government to London. We are developing an outcomes framework for Adult Skills with these partners. This recognises the key role adult skills will play in helping us create a more inclusive economy, given the continued growth in high skilled jobs in inner London.

New approaches:

- Within the Council, we will look at how we better integrate our existing Adult
 Learning Service with Hackney Works and our wider Employment & Skills offer.
 We want to offer a pathway of opportunities, starting with unaccredited community
 based learning and then providing residents with a series of opportunities to
 develop the kinds of skills and qualifications needed in an increasingly polarised
 and changing labour market.
- We will convene a local Skills and Employment Board to steer and shape both the Council's and partners' work on this.
- We want to develop broad partnerships to co-create local skills pathways which give residents a fair chance to get into good quality, well paid work; to get on and progress in work; and to continue to develop the kinds of skills local people will need for the future world of work. We will link this to the Objective under Priority 1 to strengthen partnerships between services and organisations on the ground in local areas to improve our reach and engagement into local communities. We will also test out and develop better ways of communicating the Council's skills and employment offer to local residents in and around our opportunity hubs.
- Collaborating with a wider range of partners in the community, including further
 and higher education providers and local employers on this, will help us create a
 shared local vision for adult skills support in Hackney. It will also help us develop
 a collaborative plan in response to the opportunities and issues set out in the
 GLA's Skills for Londoners Strategy, identify potential opportunities to collaborate
 with neighbouring boroughs and other regional partners.
- We will explore options to improve careers advice, employability support and work experience for children in our local schools to better prepare them for the future world of work. We will also explore ways to improve the careers offer for adults with lower level skills, to help them retrain, move sectors or to progress in their current workplace.

 We want to see greater investment in local opportunities for people to improve their prospects and future work opportunities, including for residents with lower level or mid level skills now and for residents living on low or modest incomes. As part of this we will lobby for more government investment in further education and investment in life-long learning support at a local level.

Delivering the Strategy

How we developed the strategy

Hackney's Local Economic Assessment considers evidence on the profile of Hackney's Local Economy including business and enterprise, economic activity, employment and self-employment, employment and occupations, worklessness and benefits and

qualifications. The Strategy is grounded in this analysis of trends and needs, as well as being informed by a review of wider review of approaches to Local Economic Development, including the Royal Society of Arts National commission on Inclusive Growth and the National Industrial Strategy.

To gain a rich picture of community insight, we looked at the findings from a very broad range of engagement activities carried out by the Council as well as the Council's Scrutiny Commissions. This engagement included the insight that had been gained whilst developing the new Community Strategy and Single Equality Scheme as well as local engagement activity and engagement with specific groups through for example work to improve access for disabled people and the Improving Outcomes for Young Black Men Programme. This helped shape a first outline draft a strategy which was tested and developed further with relevant services in the Council. In March 2019, we had the opportunity to hear from a range of stakeholders from the business community and education providers in a workshop hosted by Hackney Council's Skills, Economy and Growth Scrutiny Commission that was held at Here East in Hackney Wick.

In line with Hackney's Consultation Charter, we ran a formal public consultation on the Draft Hackney Inclusive Economy Strategy 2019-2025 between 2nd July 2019 and 19th August 2019 and we presented our draft at the Council's Scrutiny Commission on Skills, Economy and Growth. The aim was to add value and complement engagement which has already taken place. Following consultation, we amended language and style, clarified the role of Hackney Works and included more on implementation.

We are grateful for the input, insights and feedback already shared by residents and stakeholders which has helped shape this Strategy and look forward to a continued collaboration.

How we will measure impact

There is no agreed national framework for measuring Inclusive Economic Growth. The nationally published indices of deprivation provide 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. In recent years, we have worked with the London Prosperity Board, convened by UCL's Institute for Global Prosperity to develop a new Local Prosperity Index. This 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, informed by the Prosperity Index and wider work 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

To do this meaningfully, we need to acknowledge that this is a long term piece of work which will help us understand whether Hackney's economy is becoming more inclusive. However, we will not be able to measure the impact in a meaningful way for a few years.

We will also develop success measures which can be more directly linked to the priorities, outcomes and activities set out in the strategy.

Delivering the commitments in this strategy

This strategy sets out the strategic priorities for the Council and its work to promote inclusive economic development in and around Hackney over the next five years. It also sets out high level principles for how we will collaborate with others on these priorities.

Throughout this document we have signalled newer areas of work planned for the next five years. We have also said we will explore or trial new ways of delivering this work. We have deliberately not set out upfront detail on all the ways we could deliver on these priorities at the beginning of this five year period although we know that it matters to residents that we do this detailed planning. This is because we want to make sure that the detailed planning is done with the stakeholders that are going to work with us to deliver the commitments.

The two tables below summarise the ways we need to work dynamically to draw on all of the assets, levers and influences available to us to support the successful implementation of this Strategy. The vital social infrastructure that residents need, including Children's Centres, Schools, Health and Community Services also underpins the Strategy. The Strategy also needs to connect to existing Strategies.

The Assets, levers and approaches we will use				
Our Assets	Our Levers	Our Influence	Our Social infrastructure	
Land and property - Council sites and buildings as well as leisure centres, libraries etc Spending power	Place leadership and our approach to area regeneration Planning powers	Leadership, Lobbying and campaigning on social justice issues Relationships and	Children and families services including Children's centres and Youth Centres Childcare Employment support	
	Regulatory powers	collaboration with Businesses and	and brokerage	
Public realm, public highways and parks and open spaces	such as permissions for planning, licensing,	enterprises Developers Community Groups	Public Health Social Care	
Digital infrastructure	highway works	Civil society organisations	Community groups	
Our role as a major local employer	Our sustainable procurement framework	Schools Social landlords	Tenant and Residents	
Our networks and partnerships	Council's role as a landlord We are a funder of local grassroots community groups, arts organisations etc The ability to secure external funding for projects and programmes	Relationships and collaboration with other public authorities e.g. Transport for London, Greater London Authority, London Legacy Development Organisation, Other London boroughs, Health organisations, Central Government	Organisations	

Other local strategies and plans which will contribute to this work:				
Hackney Community Strategy				
Hackney Single Equality Scheme				
	Hackney's Local Plan LP33 Area Action Plans and masterplans			
Hackney Housing Strategy				
	Transport Strategy and Local Implementation Plan (LIP)			
		Voluntary and Community Sector Strategy		
		Arts and Culture Strategy		
		Joint Health and Wellbeing Strategy		
		Forthcoming Poverty Strategy		
		Local Skills Plan		

Continuing to draw on insight

In the next few months there is an expectation that the findings from several ongoing engagement programmes will provide valuable learning and insight which we will also need to draw on as we start the next phase of this work. Including:

- early findings due shortly from the Young Futures Commission,
- early findings from the Hackney Central Conversation including workshops planned with local retailers and businesses, and
- any relevant findings from the community engagement and co-production of the Older People's Strategy.

Communicating opportunities

During the engagement and consultation we were asked how we could improve communication of new economic opportunities. We will develop a communications and engagement plan to actively promote opportunities for the local community and other stakeholders.

Being held to account

The Council will report on the progress we make on delivering on these three strategic priorities annually. A steering group of senior Council officers will monitor delivery of the actions that the Council committed to take. The Council will also report annually on progress made to the Hackney Community Strategy Partnership Board, which is our local Strategic Partnership.

We will also look at ways we can proactively share learning about what works and what doesn't work, as we roll out this work in places and amongst networks around the borough.

Once we have developed a new set of Inclusive Economy metrics, we will also publish these. We will use these wider measures of our local economy as a tool to help review progress made towards achieving the vision and priorities in this strategy.