

---

**London Borough of Hackney  
Skills, Economy and Growth Scrutiny Commission  
Municipal Year 2020/21  
Date of Meeting Monday, 8th June, 2020**

Minutes of the proceedings of  
the Skills, Economy and  
Growth Scrutiny Commission  
held at Hackney Town Hall,  
Mare Street, London E8 1EA

---

<b>Chair</b>	<b>Councillor Mete Coban MBE</b>
<b>Councillors in Attendance</b>	<b>Cllr Polly Billington (Vice-Chair), Cllr Richard Lufkin, Cllr Sam Pallis, Cllr Steve Race and Cllr Gilbert Smyth</b>
<b>Apologies:</b>	
<b>Officers In Attendance</b>	<b>Sonia Khan (Head of Policy and Strategic Delivery) and Simone Van-Elk (Strategic Delivery Manager)</b>
<b>Other People in Attendance</b>	<b>Councillor Guy Nicholson (Cabinet Member for Planning, Business and Investment) Daniel Maher (Managing Director, Boulevard Events), Andrew Roughan (Managing Director, Plexal), Dominic Goudie (Head of International Trade, Food &amp; Drink Federation), Ed Sheridan (Local Democracy Reporter, Hackney Citizen), Jo Hemmant (Executive Director, Hackney Empire), Shekeila Scarlett (Co-Chair, Hackney Young Futures Commission), Jermain Jackman (Co-Chair, Hackney Young Futures Commission), Melanie Rochford (Business &amp; Development Director, Hackney Foodbank)</b>
<b>Members of the Public</b>	<b>Herdeep Kaur, Hannah Abban</b>
<b>Officer Contact:</b>	<b>Timothy Upton</b> ☎ 020 8356 1872 ✉ <a href="mailto:timothy.upton@hackney.gov.uk">timothy.upton@hackney.gov.uk</a>

---

### **Councillor Mete Coban MBE in the Chair**

#### **1 Apologies for Absence**

No apologies for absence given.

#### **2 Urgent Items / Order of Business**

2.1 No urgent items announced.

#### **3 Declarations of Interest**

3.1 Cllr Coban advised that he runs a charity (MyLifeMySay) that is based out of Plexal, the business of invited speaker Andrew Roughan.

#### **4 Draft Report - Making the Local Economy Work for Hackney**

4.1 The report was included for reference only and was not a discussion point.

#### **5 Impact of COVID-19 on Local Business**

5.1 Andrew Roughan introduced himself as the managing director of Plexal and has been with HereEast since 2011 when the company took over the area that used by the broadcast and media team during the Olympic games. HereEast is hosts a collection of Universities, and large & small businesses.

5.2 Andrew Roughan advised that they have moved to predominantly remote working. 1,700 students are using the service with none of those being on site now. There is a major concern from universities restarting the academic year after the summer both in terms of the validation of the receipt of student fees from international students, and the ability of domestic students to return.

5.3 Andrew Roughan advised that most of the large businesses have dispersed to remote working. Andrew gave the example of B.T. Sports who have been forced to focus on creating content unrelated to live sport and thus utilising fewer employees. He also gave the example of Ford & Ladbrokes Coral, both of which have been materially affected by COVID-19 in a way that has reduced the number of staff working on site through furloughing.

5.4 Andrew advised that in recent consultation with these businesses, it was confirmed that it was unlikely to see a major return to site at HereEast until September, and many of those business approaching autumn with caution with many considering restructures.

5.5 Andrew moved on to speak about Plexal which is more a reflection of small business in Hackney. Plexal is home to 123 businesses with varying numbers of employees from just one to larger groups of teams from larger businesses. Andrew explained Plexal principally does three things: House and accommodate those businesses, have an event program which is relevant to those businesses, and they run a consulting team that focuses on government initiatives, technology, and change.

5.6 Andrew advised that in terms of business, Plexal has lost approximately 20% of their customers either through companies going through administration or terminating their contracts with Plexal because of being more prudent with their discretionary spending.

5.7 Plexal has deferred costs of about 60% of it's customers, and their events business is effectively paused with Andrew expecting that to be the case for the next 9 months. There is a risk that during that time, corporates will have lost confidence in mass events and Plexal is aware this aspect of the business may not return fully for a substantial period.

**Monday, 8th June, 2020**

- 5.8 On the consulting side, Plexal has a contract with DCMS which is linked to national and cyber security. Plexal is awaiting the next steps from the government to see how that aspect of the business will be affected.
- 5.9 Andrew advised that Plexal are long-term stakeholders in the Legacy Program, and they have shareholder confidence despite some of the financial setbacks that COVID has presented.
- 5.10 Andrew wanted to raise three things to the commission to move forward with:
- i. The discretionary grant fund is providing welcome relief to many businesses, however many businesses are not eligible to apply due to their property costs being under 30% of their turnover, which excludes many of the businesses utilising co-working spaces like Plexal. Andrew pointed out that he has raised this w/ the Group Director of Finance and Corporate Resources at Hackney
  - ii. The biggest challenge over the last 8 years for Plexal was convincing people to come to site using public transport links. If public transport continues to be utilised less due to COVID-19, this could prove terminal for Plexal unless an alternative solution is made viable. Andrew advised they are working with the LRDC who will have sent a communication to Hackney regarding working on the recently announced e-scooter scheme. Between Newham and Hackney councils, Plexal would like to agree a routing for people to get to HereEast.
  - iii. Plexal is also conscious that retail businesses, the leisure & hospitality offerings specifically, may need increased flexibility on licensing regulations; In particular, extensions of their ability to operate outside. Andrew hopes that the licencing committees can assist with the large number of requests that must be coming in regarding this.
- 5.11 Andrew advised that the loss for Plexal's revue due to the pandemic is likely to be £2m. Andrew advised that there are still long-term plans for the business to operate during the next decade and as such will be available to do businesses with smaller businesses.
- 5.12 Daniel Maher introduced himself as the managing director of Boulevard Events. They are an event caterer based in Hackney Wick. It is a 2<sup>nd</sup> generation family-run business that has operated for 30 years. Their business is predominantly comprised of non-concession events such as weddings, awards dinners, and conferences.
- 5.13 The company began to see events cancelled during the first week of March. Their events typically range from 100-200 people, but some can be up to 2,000, but since lockdown the number of events has dropped to zero. 100% of their usual turnover disappeared.
- 5.14 The business has started a local meal-delivery service to recoup some turnover and have achieved around 5% of their usual income. This amount however does not cover the wages of the non-furloughed staff that they have, essentially meaning that Boulevard Events is operating at a loss, however the benefit of staying engaged with the community is key for them.
- 5.15 Daniel advised that the great challenge is that their business tends to be cash-based, usually taking large cash deposits for events up to 50% of the overall charge for the event. The company does not have confidence in using any of

**Monday, 8th June, 2020**

- that money to operate at the moment due to the threat of people cancelling their events rather than postponing them, and there is no coverage from the company's insurance to cover losses of deposits.
- 5.16 A more significant challenge still is that when lockdown measures are eased, and people can make use of hospitality businesses more and more, that the benefits won't filter down into the events business for months. The company has massive clients with them such as Google, Facebook and other tech companies, that have said that they won't be looking to hold events until May or June 2021, which is a considerable period of time for the business to have to survive under current conditions.
  - 5.17 The company has been able to access some support measures. 13 of their 15 staff are currently furloughed, however, none of the hospitality grants & rate relief packages that were announced are available to Boulevard Events due to certain criteria that they do not meet, particularly how their business premises is rated; their building isn't open to the public, and so essentially the event spaces the company works in will receive the grants, but Boulevard Events will not.
  - 5.18 The company was expecting relief in terms of grants but has benefited from a rent-free period as a sub-tenant of Hackney Council of 3-months. The hope is that these measures may be able to be extended.
  - 5.19 The next step for the company is consider the use of loans, however, being in a precarious position in terms of revenue, this represents a substantial risk.
  - 5.20 Jo Hemmant introduced herself as Executive Director of Hackney Empire, and extended that the Hackney Empire does feel very supported by the Culture Team & Cllr Nicholson who have proved to be allies during this difficult period for theatre, particularly in becoming an official friend of Hackney Empire and tweeting that fact has made a positive impact on their Friends membership scheme.
  - 5.21 Jo advised that Hackney Empire closed on March 16<sup>th</sup>, and while they do receive funding from the Arts Council, that only accounts for around 12% of turnover leaving an 88% gap to fill. With no present ability to sell tickets or hire out the space, this is proving difficult.
  - 5.22 It was pointed out that due to nature of the space, operating under social distancing would be a substantial challenge to make viable.
  - 5.23 Jo and the Artistic Director took over the business in 2018, and with assistance from Cllr Nicholson & the Culture team, the business was stabilised and was on the verge of opening the new financial year in the healthiest position that the Empire has been in for a long time.
  - 5.24 The business is currently focusing on its work with young people, which is now online, and so the business is maintaining its contribution to creative futures and creative learning.
  - 5.25 Jo advised that the café attached to the Empire is closed, and so the public face of the business is gone now apart from the online engagement.
  - 5.26 Jo highlighted that serious support could be lent around licencing. The company pays 2 licences, one for the theatre itself, and another for the café, as

**Monday, 8th June, 2020**

- well as outdoor furniture licences. Jo suggested that any sort of holiday from the cost of these would be welcomed.
- 5.27 Jo advised that every avenue of assistance currently made available has been utilised in terms of furloughing, and in the efforts to stabilise the business, everything that can be cut has been cut already.
- 5.28 It was expressed that everything is being done to ensure the survival of the iconic building, and to ensure the protection of jobs for residents.
- 5.29 The chair at this point expressed that the Commission would do everything it can to aid the survival of the Empire.
- 5.30 Dominic Goudie was introduced as the Head of International Trade for the Food and Drink Federation.
- 5.31 Dominic advised that they are a trade body representing manufacturers of food and drink. They are the largest such entity in the UK, but there are approximately another 150 similar organisations.
- 5.32 The Trade and Drink Federation works in close partnership and works collaboratively with many of the smaller organisations, and it has put together a group that meets twice a week in response to COVID-19; that group represents 70-80% of all the businesses in the UK's largest manufacturing sector. They also work with the hospitality industry as a key partner and customer.
- 5.33 The work they have done is focused on two areas. Firstly, despite being one of two industries alongside the pharmaceutical sector that has kept operating during COVID-19, the workers themselves are deeply concerned over safety and there are considerable efforts being made around making sure those workers are safe at work.
- 5.34 The long-term challenge is in reopening the hospitality industry, which is critical to what the FDF do. Whereas some of the companies under their umbrella are doing quite well in terms of orders and increased sales in supermarkets, their margins overall have taken a hit due to the low margins available in that aspect of their business. The whole food and drink supply chain is dependent on the hospitality industry reopening successfully.
- 5.35 In order to ensure the hospitality industry reopens, Dominic highlighted several actions. He advised that most insurers of the represented businesses have failed or refused to honour claims against these losses. This has affected huge high street chains, and the government has only recently stepped in to introduce measures to assist, and there is more to do. Dominic highlighted that the FDF is there to assist in whatever way it can to struggling hospitality and food supply businesses and help them understand what support is available to them.
- 5.36 Dominic advised the talks around Brexit have reopened and will have an effect. It's been made clear that the negotiation period will not be extended due to COVID-19, and delivering everything the government has said it would in the quoted timescales looks to be difficult to achieve for people in the world of Trade.
- 5.37 Dominic highlighted the practicalities of the Brexit difficulties. 40% of the food eaten in this country is imported, and for them to reach consumers they need to

**Monday, 8th June, 2020**

pass customs & boarder processes, and presently no one knows that these barriers will look like post-Brexit. Many of the altered processes will take months or years to prepare for but could potentially be implemented in January 2021. It is difficult for businesses which are struggling to survive during COVID-19 to also implement the changes in the new year.

- 5.38 Cllr Coban thanked Dominic for the good work of the FDF and moved to the question section of this item.
- 5.39 Cllr Pallis offered sympathies to the speakers for the difficulties presented by COVID and offered a question to Jo Hemmant of Hackney Empire about theatres and the culture sector. Referencing an article from stage director, producer and screenwriter, Sam Mendes in the Times about how the Government could support theatres moving forward, he asked what the Empire's thoughts are on that, and whether the funding provided by the Arts council is the source of finance for their work with young people.
- 5.40 In response, Jo advised the funding from the arts council is unrestricted in terms of its use, so it can be used toward running costs of the organisation, but it's the total investment in the business that is around 12%, not just the Arts Council funding, and so it includes money from LBH for the Service Level Agreement to do work with young people. Jo also advised that the Empire supports 4,000 young people a year by providing free services to them, and they are currently communicating with the bodies who have provided them with grants to seek permission to use the grants for general usage as long as it doesn't contravene the basic principles of what the funding was for.
- Jo also commented she'd seen the Sam Mendes article and the Empire is a member of the UK Theatres Body, and there is a cultural renewal taskforce set up to look at investment for the future. Empire is quite different from a lot of those Theatres as they typically receive 70-80% funding from the Arts Council as opposed to the Empire's 12%. Jo also commented that with the exception of the pantomime, that no work can be created from scratch under present conditions. Jo spoke in support of the model put forward by Sam Mendes, but clarified that the model doesn't specifically help the Empire because they're not yet at the stage where they can make an entire production without co-producing it with someone else.
- 5.41 Cllr Pallis asked whether there are models that exist that could be a viable alternative.
- 5.42 Jo Hemmant advised they're speaking with other organisations such as the Roundhouse to continue conversation about alternative ways of making it through COVID-19 and are hoping to nurture larger community representation and dialogue. There is also existing pressure for the government to increase the tax relief fund for theatres.
- 5.43 Cllr Coban commented that he doesn't believe the furlough scheme will be extended beyond October.
- 5.44 Cllr Race asked the speakers about the balance between businesses needing increased national funding in order to survive and the work required around loosening national regulations; he gave the example of restaurants having licencing restrictions eased to serve food outside over summer. He surmised

that he wanted to know more about the interplay between the need for further funding and the need for easing of restrictions.

- 5.45 Cllr Lufkin asked a question of Andrew Rouhan of Plexal as to what the most likely method of transportation for their staff to get to site, and, in reference to the idea of electric scooters whether a hire scheme could be implemented.
- 5.46 Cllr Billington asked what kind of support any of the businesses have received at present to enable them to transform their business model. Cllr Billington also commented that this situation may go on for a substantial period.
- 5.47 Cllr Smyth posed questions to Plexal and Hackney Empire about how diversification of their model could be changed in line with some of the present growth-sectors (healthcare, social work, nursing, teaching, warehouses), and whether they could utilise these industries to resolve some of their issues. Cllr Smyth used the example of a football club that allowed children to come in and use the stadium to socially distance while they learn, and whether the Empire could repurpose its space thusly.
- 5.48 Andrew from Plexal answered the question regarding transport commenting that there are several options presently available: walking, car, bus. He commented that if they could commandeer a socially distanced bus route for their exclusive use, they could transport 100 people an hour to site. With 4,500 people on the HereEast campus as a maximum capacity, that doesn't represent a viable solution.

Those who are close can walk and should continue to do so.

Andrew commented that the multi-story carpark adjacent to HereEast can be utilised, that extensive store bike storage and showers is available. 600 bikes can be safely stored.

On the e-scooter question, Department of transport says it must be operated as a hire scheme and that must be generated by the local authority rather than HereEast, hence the suggestion for collaboration between Hackney and Newham. He commented that's its regulated, requiring a driver's licence and insurance to use.

- 5.49 Jo responded to the question around further help suggesting that shared resources would be beneficial such as Legionnaires disease tests of the water when the water is turned back on in the premises. Jo also commented that alternative business models are being explored consistently and they are exploring using the space for conferencing/ university usage, but the issue exists that such events need to be staffed, and the inherent finance has to be there.

Jo commented repairs work is underway during this downtime, but shared resources and leeway around licence payments would be helpful.

- 5.50 Daniel Maher from Boulevard Events responded to the same question around additional help commenting about effective COVID testing being made available to allow larger events to take place and minimise the risk of spreading the virus at large, catered events. He also commented that the furlough scheme has been beneficial but expressed concern that when they do have to contribute more to wage support that it won't be sustainable. He also said that

- more flexible hours for staff would be useful. Daniel expressed that financial support is remains the most pressing issue.
- 5.51 Cllr Coban welcomed Cllr Nicholson to speak on the challenges of the invited business and what kind of position the economy is now in. He also highlighted that Cllr Williams is in attendance.
- 5.52 Cllr Nicholson began with a summary of council efforts so far. £100m has been distributed into the local economy by the council, the money being distributed to large numbers of businesses in the form of grants and rate reliefs. 350 commercial tenants have been included in phase 1 of the rent deferral program. They are not obliged to pay Q1 rent and there are ongoing conversations about Q2 payments to be deferred or even written off.
- 5.53 In response to Andrew Roughan's comments on discretionary business rates grants scheme, Cllr Nicholson advised that central government have given LBH £3.4m to allocate under this initiative. The estimate is that that there are 7,000 businesses entitled to make an application, and the reality that is that if they all applied and were successful in that application, each business would receive approximately £485.00, obviously not sufficient to alleviate liquidity or solvency issues.
- 5.54 Cllr Nicholson agrees that the economy needs to be open but acknowledges central government hasn't necessarily been clear about the relationship between the necessity to reopen and the necessity for social distancing.
- 5.55 The need for close collaboration between public and private, and business and council was highlighted by Cllr Nicholson. He commented that the number of businesses in the Hackney Business network have increased since lockdown and increase of 5,500. It is important to recognise this relationship and conduit of communication.
- 5.56 Cllr Nicholson said he would speak to the Director of Finance about the issue of many businesses being ineligible for grants.
- 5.57 Cllr Nicholson expressed the need for confidence for customers and consumers to re-enter premises and stimulate the economy. The necessity for effective communication to ensure the success of this was highlighted.
- 5.58 Cllr Nicholson went on to say that the success of the emerging Inclusive Economy is reliant on the economy thriving, and those ambitions may be in jeopardy if the council fails to appropriately invest in the businesses in the community.
- 5.59 Cllr Nicholson acknowledged that there are more questions than answers as we move into Q2, but that serves to emphasise further the need for increased collaboration and communication.
- 5.60 Cllr Coban thanked Cllr Nicholson for his comments and observations, echoing the Cllr's statements around the inclusive economy being in jeopardy due to this situation.
- 5.61 Cllr Coban introduces Shekeila and Jermain from the Young Futures Commission as the first speakers on item 6.

## **6 Impact of COVID-19 on Local Residents**



- 6.1 Jermain & Shekeila are co-chairs from the Young Futures Commission.
- 6.2 Jermain advised that they have a report that includes a theme on Inclusive Futures that encapsulates the economy, business, community, and how young people can benefit from economic growth.
- 6.3 Jermain highlighted that many young people are worried about the impact of COVID-19 on employment and opportunities for training schemes and apprenticeships.
- 6.4 Jermain introduced the term 'Better Normal' stating that the previous normal was not as inclusive as it needed to be and didn't serve everyone in the community equally.
- 6.5 Shekeila stated that they have started having conversation with young people under the title of 'Hackney Covid Conversations' centred around discovering what issues they're facing. Areas of concern so far have included mental health issues, the wellbeing of their families, children feeling fearful and not having the appropriate support networks to help signpost the future, and in so doing make them feel secure. There are also fears around exam results, access to resources such as Wi-Fi, and access to jobs.
- 6.6 Shekeila acknowledged that neither they nor anyone else currently has all the answers to what the 'new normal' will look like post-COVID, but that it should be kept in mind when designing policy around rebuilding, particularly to ensure young people are included in the considerations.
- 6.7 Shekeila conveyed that businesses and adults have in some cases received more support than many young people in the borough and this needs to be actively combatted.
- 6.8 Jermain spoke about the night-time economy, and expressed the Young Future's recommendation to the Commission is that it support young people and the night-time economy simultaneously by ensuring inclusive and fair access to the night-time economy, the example method was given of developing local inclusion pilots to increase the visibility and participation of young people to access the night-time economy.
- 6.9 Jermain expounded on the Young Futures Commission's request for better access to the night-time economy by saying that many young people from Hackney say they do not patronise the night-time economy of Shoreditch or Dalston, citing a need for greater diversity in terms of what is on offer as the cause.
- 6.10 Jermaine expressed the need for young people to reap the benefits of opportunities post-Covid, giving the example of young people taking over shopfront's of temporarily closed businesses as a premises for entrepreneurship.
- 6.11 Cllr Coban thanked Jermaine and Shekeila for their comments and their work with engaging young people and echoed the need for the inclusive economy to

**Monday, 8th June, 2020**

- work for young people. Cllr Coban introduced Melanie Rochford, the Business & Development Director from the Hackney Food Bank as the next speaker.
- 6.12 Melanie opened with thanks to Hackney Council for supporting the foodbank, particularly the Chief Executive Directorate's Head of Policy, Cllr Williams and Cllr Billington who were all involved to drive support for the foodbank in the face of ballooning need for its services.
  - 6.13 Melanie advised that there are 5 centres across the borough, and they have all experienced at least double the number of users since COVID, with the busiest experiencing triple the amount; the busiest centre is experiencing a 2-and-a-half-hour slot to get through 120 people each with a voucher, a number which doesn't consider their family members at home relying on the food.
  - 6.14 Melanie advised many Hackney residents are working freelance for the foodbank, some while on furlough, and including young people filling the roles of regular, older volunteers who had to take shielding measures.
  - 6.15 Melanie advised in April the bank fed over 1,000 people, and of those, 349 were children. The numbers are still increasing, so there is no plateau yet. They are bracing themselves for this to be a long-term issue, and if that's the case, the bank will need a lot more support to meet the demand. They are collaborating with businesses for financial support and donation, volunteer support, and with other charity organisations to provide a wider umbrella of support like debt advice, fuel poverty advice, and MIND-supplied assistance around entitlement to support. Melanie highlighted the need for further efforts to cope with demand.
  - 6.16 Melanie advised the volumes of food being handed out are starting to exceed the premises storage spaces available, highlighting the risk of food items freezing as we approach the winter months.
  - 6.17 Melanie also expressed that a business parking permit would be required because they're raising money for a new van in order to deal with the huge quantities for food, and because as of October they must have a cleaner vehicle or face a daily £100.00 charge.
  - 6.18 Referencing Shekeila and Jermaine's observations around recently temporarily closed business premises, whether those spaces could be available for food storage for free.
  - 6.19 Cllr Coban thanked Melanie and introduced residents Hannah Abban and Hardeep Kaur to speak on their experience.
  - 6.20 Hardeep had microphone issues and so could not speak.
  - 6.21 Hannah advised that her job opportunities have been reduced because of COVID-19.
  - 6.22 Hannah also expressed that being confined to the home for job searches can be detrimental to mental health, and expressed the need for local libraries to open, questioning when that will happen.

**Monday, 8th June, 2020**

- 6.23 Cllr Coban asked further about Hannah's job search, asking how COVID has impacted the ability to look for work.
- 6.24 Hannah responded she's hoping to work in the communications/ PR field but expressed that most such companies have paused their hiring. The jobs are still viewable online but are 'phantom posts' as they are not actually available, thus wasting her time to search for work.
- 6.25 Hannah expressed that many companies are so unsure of the future that they cannot even indicate when to try again for a role with them.
- 6.26 Cllr Coban thanked Hannah for her comments and invited Herdeep to ask questions via the comments should they wish to. Cllr Coban introduced the Head of Policy and the Strategic Delivery Manager responsible for the Inclusive Economy report to speak on the journey toward inclusive economy.
- 6.27 The Head of Policy took the floor and said an inclusive economy strategy has been adopted late last year, and the work to deliver that was taking place as COVID become an issue.
- 6.28 The Head of Policy expressed that they have been moved by the experiences of the invited speakers and recognised that the views around inclusive economy work haven't been shared externally yet.
- 6.29 The Head of Policy advised that the council's role when horizon-scanning is to be mindful that it has a role in place-shaping, thinking about how to build back better, and how to harness some of the opportunities and navigate the threats presented by COVID-19.
- 6.30 The Head of Policy expressed that larger business has benefited from the situation like supermarkets and delivery firms, and the focus on national strategies may have diverted business away from smaller local firms, and that it has created a need to invest in local business in an increased way going forward.
- 6.31 The Head of Policy highlighted the need to think about our role as employers to the local community, and the role of public sector organisation as anchor institutions in the long term, and the need to maximise the opportunities for residents.
- 6.32 There is a need to understand the risk and growth in the economy and identify what needs to be done about existing businesses taking advantages, repurposing, and the creative ways to do that.
- 6.33 The Head of Policy highlighted the need to understand how, if people are working from home in an increased, long-term capacity, how those people can be supported and nurtured against this changing work landscape
- 6.34 The Head of Policy paid testament to the local business engaging in the effort to survive these times and ensure the minimize the risks to the inclusive economy strategy.

**Monday, 8th June, 2020**

- 6.35 The Head of Policy highlighted the need to focus on skill development, retraining residents for new opportunities in the short and long-term.
- 6.36 Cllr Coban invited the Strategic Delivery Manager to comment as the lead officer on the report, but they declined to add further comment.
- 6.37 Cllr Coban opened the session to questions.
- 6.38 Cllr Pallis aimed a question to The Head of Policy about the risk of moving forward with zero-hours contracts in the effort for business to have increased flexibility, and how council procurement may have a role in encouraging business to reduce their use of zero-hours during the transition out of lockdown.
- 6.39 The Head of Policy answered that along with the inclusive economy strategy, a toolkit for business was developed. It hasn't been utilised due to the situation but continuing to encourage business to take on those principles will be necessary when building back. The need to continue conversations with businesses about what's possible in these areas, and how to do that in a sustainable way; specifically, the need to encourage business to offer permanent contracts rather than temporary hours needs to be done sensitively. The Head of Policy highlighted that the same sensitivity must apply when encouraging businesses to be greener.
- 6.40 Cllr Smyth commented green deal, and the constraints the council is facing with funding and cutbacks, restriction in the capacity of devolved government to vary taxation rates, limited borrowing powers for local authorities. Cllr Smyth asked if the local authority could lobby for increased borrowing and asked how the council's reserves are looking in contrast to funding needs.
- 6.41 Cllr Race has questions for Cllr Nicholson who had left the call at this point but asked what the greatest risk to Hackney's economy is due to COVID.
- 6.42 The Head of Policy advised that Cllr Smyth & Pallis's questions should be answered by the Director of Finance and the Mayor due to the public affairs implications.
- 6.43 In respect of Cllr Race's question regarding the biggest risk to the economy The Head of Policy commented that Hackney is reliant on the hospitality industry for jobs but also local vibrancy. This reliance extends to London as a whole and should be considered a major risk when opening the economy after lockdown and businesses ability to catch up following the shortfall. The uncertainty represents significant risk, and The Head of Policy also commented that there are inherent opportunities linked for entrepreneurial young people.
- 6.44 Cllr Coban invited Cllr Williams to comment on the questions.
- 6.45 Cllr Williams commented that in terms of finance there are a lot of discussions happening and cabinet members continue to discuss the funding gap following COVID-19. The Cllr commented that the asks to central government are substantial

**Monday, 8th June, 2020**

- 6.46 Cllr Williams advised Hackney has a good reputation for looking after its financial resources, but that the reserves cannot entirely cover the gaps caused by COVID-19 without additional avenues of support.
- 6.47 Cllr Williams advised that Group Director of Finance and Corporate Resources and Cllr Rennison will be happy to comment further as the situation progresses.
- 6.48 Cllr Coban expressed that it would be useful to pose some of the questions to Cllr Nicholson outside of the meeting, and extended thanks to all of the speakers, and signposted a wider review of COVID-19's impact on the economy Cllr Coban also advised a letter would be written to cabinet and senior officers around picking up on some of the suggestions from the meeting.

## **7 Minutes of Previous Meeting and Matters Arising**

- 7.1 The Minutes were agreed. Please note that this item was dealt w/ at the start of the meeting following item 2 (Urgent Items/ Order of Businesses)

<b>RESOLVED:</b>	<b>That the minutes of the meeting held on 25<sup>th</sup> February 2020 were agreed as a correct record.</b>
------------------	---

## **8 Any Other Business**

- 8.1 There was no other business.

**Duration of the meeting: 7.00 - 9.00 pm**