

**Skills, Economy and Growth Scrutiny Commission**

**9th March 2022**

**Economic stocktake & night time economy**

**Information requested by the SEG scrutiny commission:**

1. What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.
2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?
3. What data does the council collate and monitor about the local high streets?
4. What support has been given to businesses in the local high streets and what assessment has been made of the impact of the support given?
5. What analysis has been undertaken of the night-time economy both pre and post pandemic?
6. What data does the council collate and monitor about licensing in relation to the businesses in the night time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses?
7. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night time sector?

# Hackney context: businesses and sectors

Total number of business units: 24,295 [\(Source: ONS Inter-Departmental Business Register 2021\)](#)

**98% of businesses in Hackney are small and micro businesses. 90% are micro:**

Size	Employees	Business count
Micro	0 - 9	21,970
Small	10 - 49	2,005
Medium	50 - 249	285
Large	250+	30

**Number of high street businesses** : Estimated up to 3,000 retail, leisure, and hospitality units in the borough (based on Hackney Council Business Rates records for 2020).

# Hackney context: business numbers and sectors

Sector	Business unit count
Agriculture, forestry & fishing	20
Mining, quarrying & utilities	80
Manufacturing	755
<b>Construction</b>	<b>1,505</b>
Motor trades	140
Wholesale	745
<b>Retail</b>	<b>2,015</b>
Transport & storage	435
<b>Accommodation &amp; food services</b>	<b>1,215</b>

Sector	Business unit count
<b>Information &amp; communication</b>	<b>4,355</b>
Financial & insurance	375
<b>Property</b>	<b>1,570</b>
<b>Professional, scientific &amp; technical</b>	<b>5,875</b>
<b>Business administration &amp; support services</b>	<b>2,275</b>
Education	440
Health	730
<b>Arts, entertainment, recreation &amp; other services</b>	<b>1,755</b>

*(Source: [ONS Inter-Departmental Business Register 2021](#))*

**1. What data does the council collate and monitor about businesses in the economy pre and post pandemic? Please can you provide a list of the data held and how this is used.**

**Regulatory services:**

The Council holds a range of information about local businesses in the course of its regulatory activities. This information is held in accordance with data protection requirements. The below data is used to allow the Council to carry out its regularly functions. This information was available both pre and post pandemic and includes:

- **Business rates records:** name of business rate payer, business premises address, rateable value, business premises description, business type.
- **Alcohol and entertainment licensing:** Business name, address, rateable value, annual fee amount, late night levy amount, licensee, hours of operation, licence conditions, date licence granted.
- **Gambling licensing:** Business name, address, annual fee amount , licensee, type of licence/registration, hours of operation, licence conditions, date licence granted.
- **Massage and special treatment licensing:** Business name, address, fee level, licensee, authorised practitioners, treatments offered, expiry date, hours of operation, licence condition.
- **Animal welfare licensing:** Business name, address, fee level, licensee, authorised activities, max number of animals kept, expiry date, hours of operation, star rating, special conditions.
- **Markets, shop fronts and street trading licences:** Trader name and address, licence and commodity types, employee/assistant information, trading locations and frequency of trading utilised, footfall, basket spend, customer satisfaction & product purchase data sets, shopping patterns and trend data sets, payment data sets.

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**Other business data and economic evidence:**

The Council holds a range of other data on businesses and the local economy which is set out below with some held in accordance with data protection rules (*the below list is not exhaustive*):

- **Covid-19 business grants data (during and post pandemic only):** Name and address of business, size of business (micro, small etc), number of employees, business type (e.g registered company, sole trader, self employed), business sector, business owner, business Standard Industrial Classification (SIC) code, business premises type, business rates status and rateable value, company structure, company number (if applicable).
- **Office for National Statistics:** Government system data on numbers of businesses (enterprises and units), business size (by employees), business type (by Standard Industrial Classification code), business formations and closures, local employment per sector.
- **GLA London Datastore:** A range of information about local economies and high streets, including the night time economy.
- **Business survey data:** The Council conducted three business surveys during the pandemic to ascertain what difficulties businesses were facing at the time and what support was most needed. From these we hold data on business name, address, business type, covid impacts, and the type of support requested by local businesses both during the pandemic and in the future.
- **Hackney Employment Land Study (2017):** Evidence base for the Local Plan which provides an economic evidence base for the borough and guides land use proposals in accordance with the economic evidence base and future economic and land use trends.
- **Various network subscribers:** business name, emails and some further details on businesses with general and particular interests, ie **Hackney Business Network** (4,000), **Hackney Nights Portal** (over 100), **Zero Emissions Network business** (over 700).

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**How the different types of data on businesses are used:**

The different types of data we hold and can access is used in different ways, primarily:

- **Regulatory services data:** long-standing data held. Used to manage fees, inspections, etc as part of service and income functions. Ad hoc deeper analysis can be done but not relied upon as this administrative data has limitations
- **COVID business grant data:** Still being collected in current grant rounds - there are different segments. The nature of the grants, ie self-selecting through application, its wider usefulness for analysis is limited. The current use of this data will be used to assess elements of business adaptation and/or delivery of agreed outputs linked to the grant
- **Government collected and held data:** Considered the most robust and consistent for longer period time-series analysis - but methods of collection and cleansing create a one to two year lag. Generally only available annually (some is quarterly) so cannot show month to month or “real-time” changes. Currently used for understanding wider trends and to inform strategy development
- **Regionally collected and held data:** Predominantly this is the GLA but can also be Central London Forward - this features a mix of government data (aggregated or disaggregated) but also some more recent experimental statistics, such as card payment spend at small area levels. Used to understand wider trends and inform strategy development. The more experimental data is currently being assessed for its usefulness in understanding recent change or trends
- **Secondary data from commissioned research reports:** These are a range of regionally or locally commissioned analytical reports on economic topics such as the impact of COVID that will contain borough level analysis (if commissioned by the GLA or CLF) and local (subject to data availability) if commissioned locally. Used in line with the research specification.
- **Subscription lists:** These are primarily contact details for businesses and sometimes feature additional information. Currently used as contact information for comms and/or engagement activity. Would require data matching for any wider use or analysis.

**2. What support has Hackney Council received from central Government to support local businesses to maintain a stable local economy? In addition, what council specific decisions have been taken in support of local businesses and what measures has the Council taken itself to support the local economy?**

- The Council has provided economic support to businesses through the pandemic via the distribution of Government Covid-19 business grants. As at January 2022, the Council had distributed around £126m of grants to local businesses via the Discretionary Grant fund (£3.4m paid), Retail Hospitality and Leisure Grant (£38m), Small Business Grant (£30m), Local Restrictions Support Grants (£18m), Christmas Support Payment (£163k), Closed Business Lockdown Payment (£10.3m), Restart Grant (£17.5m), and the Additional Restrictions Grant (£8.8m to approximately 2060 business).
- The grants paid to those businesses who pay business rates have primarily focused on businesses in the hospitality, leisure, retail and accommodation sectors. The discretionary grant funds have also focused on the same business sectors (but included those businesses in these sectors who don't pay business rates) as well as businesses which supply the retail, accommodation, hospitality and leisure sectors, market traders, nurseries and childminders. In addition the discretionary grant funds have also considered businesses in any sector provided they could adequately demonstrate that the pandemic had a negative financial impact on their business and they were experiencing financial hardship as a result.
- In late December 2021, the Government announced two new business grants to support businesses most impacted by the rise of the Omicron variant. The Omicron Hospitality and Leisure Grant is a one-off grant for businesses in the hospitality, leisure and accommodation sectors who pay business rates. The Government has also provided a top up to the discretionary Additional Restrictions Grant fund to allow Local Authorities to support other businesses in their area who they consider to be most impacted by the Omicron variant. The two grant funds opened for applications in January 2022 and will be paid by 31st March 2022.

*In addition to the above support, business have also been able to claim other financial support directly from Government including the furlough scheme, business loans, self employment income support scheme, paid staff sick pay, deferred and reduced VAT, and business rates relief. The Covid Additional Relief Fund will also be administered by the Council in 2022/23.*



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

- Hello Again Hackney: Cultural Venues Fund: A fund aimed at supporting arts and cultural venues in their reopening by providing funding for businesses to offer discounted tickets and other offers to encourage audiences back to cultural venues.
- High Streets and Town Centres Fund: A fund to support high street and town centre businesses to deliver projects and initiatives to make Hackney's high streets and town centres more attractive, accessible and inclusive, increase resident and business engagement, and drive spending and footfall in local independent businesses.
- Hackney Central Impact and Ideas Fund: This fund will support local businesses and organisations to shape the Hackney Central plan, while supporting them through the pandemic. The fund will enable businesses to invest in their future success and increase their economic and environmental resilience, as well as improving and supporting Hackney Central town centre.
- Adapt your Business Programme: The programme will provide grant funding to businesses to deliver projects to make adaptations to manage through the pandemic as well as improve their environmental performance. The programme will also provide 1-2-1 support and advice for local businesses from business advisors.
- Allia business support: Funding available for Hackney businesses to access Allia's business support programmes aimed at supporting small businesses to grow and helping ventures to create greater social and environmental innovation.

In addition to the above the Council has also established a grants programme relating to the Hackney Wick And Fish Island Creative Enterprise Zone:

<https://news.hackney.gov.uk/funding-for-creative-businesses-in-hackney-wick/>

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- In its capacity as a commercial landlord, the Council has supported its commercial tenants via one to one discussions with tenants and the arrangement of rent deferrals, reductions, and in some cases, writing off rent payments, in cases of financial hardship as a result of the pandemic.
- Throughout the pandemic the Council has provided advice and support to businesses on the practicalities of trading throughout the pandemic and provided regular updates on Government regulations and the required health and safety, and operational requirements, for businesses. This has been done via information on the Council's website, the Hackney Business network, the Council's corporate social media channels, visiting businesses in person (when permitted), providing leaflets and posters for businesses and hosting virtual business forums, including with colleagues from public health, environmental health and other relevant services.
- The Council has promoted local businesses and encouraged residents to shop locally and visit Hackney venues and businesses via the Love Hackney, Shop Local campaign (ongoing), the summer 2021 Hello Again Hackney campaign and other local and national shop local campaigns such as via the East End Trades Guild map and Small Business Saturday. In addition a pilot area town centre promotional campaign has been developed in Stoke Newington, See You in Stokeney. The Council signed up to [My Virtual Neighbourhood](#) allowing local businesses to register on this at no cost to them.
- The Hackney Business Network continues to provide support to around 4500 businesses via regular newsletters, social media updates, signposting to business support, advice and funding opportunities, and virtual business forums.
- The Area Regeneration service, and other Council services, continue to liaise and engage with businesses directly as required, and in the course of service delivery, offer business support and advice as required.

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- At the onset of the pandemic, the Licensing Service assisted licensees of businesses that had to close under Coronavirus regulations by delaying the requirement for Late Night Levy and annual fee payments. During this time, the Service worked with the GLA and London Councils to try and find possible solutions in order to provide an exemption on fees for those businesses which were most affected. However, the Home Office did not amend legislation in respect of the requirement to pay fees. With no action by the Home Office, licence holders remained legally obliged to make Late Night Levy and annual fee payments as required under legislation, we have now resumed collections. It should be noted that annual fees and the Late Night Levy, as statutory charges, are set based on the non-domestic rateable value and are perhaps some of the lowest overheads a business may face. The Council has no responsibility for setting the amounts. The annual fees range from £70 to £450, whilst the Levy ranges from £299 to £1,493.
- In light of this and to further support businesses, the Licensing Service, through the LNL Manager, decided to trigger the provision that exists within the legislation to provide a reduction for premises which adhere to a best practice scheme. The Hackney Nights accreditation scheme was set up and this was supported by the Licensing Committee and approved by Full Council in October 2021. Licensees who receive the Hackney Nights accreditation will receive a 30% reduction on the annual Late Night Levy.
- The Hackney Nights portal enabled the Service to share information, host online advice sessions throughout the pandemic and provide direct guidance around Covid-19 when regulations were changed. Environmental Health (EH) teamed up with Public Health and delivered monthly advice sessions for licensees to help them navigate the ever-changing requirements of the pandemic. EH officers have also attended local pubwatch meetings to answer questions from businesses directly.

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Support for market traders and outdoor dining:

- Outdoor dining provisions: The main support mechanism introduced through the Business & Planning Act 2020 saw the creation of Pavement Licences in London, which was a duplication of an existing process under different legislation, with a reduced fee of £100 and an expedited application process of 10 working days.
- Under the same act, Government also relaxed planning rules to allow Councils to implement additional markets and events without the need for consent or consultation. Some of this was a duplication of existing legislation that permitted us to do so already.
- The Council has supported our licenced traders and businesses by;
  - Did not charge traders for storage or non trading for the first 9 months of the pandemic.
  - Fee reductions in place once restrictions were eased for a further 6 months.
  - Provided free business development courses during lockdown.
  - Application form support for applying for business grants
  - Wellbeing and food poverty support and signposting, including a trader check in process
  - Created virtual online markets through [my virtual neighbourhood](#) and other social media platforms.
  - Worked with local organisations to create click and collect hubs and delivery services for traders and licenced businesses.
  - Regular Online Briefings with Traders and Businesses regarding navigating and understanding Government advice and guidance.

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Support for market traders and outdoor dining:

- Creation of a simple covid risk assessment interview and 6 point plan document for all returning licence holders and businesses to ensure they were operating in a covid secure manner and were set up to navigate the restrictions during the pandemic.
- Engaged on and created a service specific roadmap for a phased reopening to ensure each site across the borough was set up to succeed and maximise opportunities for a positive economic recovery.
- Other tools were also created to support businesses such as an AI Fresco dining support pack for businesses and updated licence holder handbooks for both Markets and Street Trading and Shop Front and Pavement Licence Trading.

**3. What data does the council collate and monitor about the local high streets? In addition to the data sources listed in response to question 1, the Council also holds the following information on high streets:**

- **GLA High Streets Data Service:** The Council is a partner of the GLA High Streets Data Service. This provides access to the following information on the boroughs town centres and high streets: footfall data, high street spend and number of transactions (using Mastercard data), TfL station passenger counts (*coming soon*).
- **GLA Night Time Observatory:** This provides a range of data sets on the night time economy in London including number of employees and workplaces in the night time economy sector, floorspace of night time economy establishments by town centre, pub closures and reason for closures, trip and travel data etc.
- **GLA Town Centre Health Checks (2017):** Amount of town centre floorspace of different types, vacancy rates, commercial rent levels.

**Hackney Town Centre and Retail Study (2017):** Diversity of uses, vacancy rates, customers' views and behaviour, commercial rents, pedestrian flows, accessibility, perception of safety and occurrence of crime, town centre environmental quality

- **London wide, Hackney-wide and area based information and evidence to support planning and regeneration strategies:** Resident and business engagement regarding high streets and town centres, vacancy rates, land ownership, commercial rent levels, economic outlook projections.
- **Street Markets- Localised Footfall & Basket Spend Studies:** Localised analytics on footfall, transportation use to access area and expenditure information such as monetary use and payment options used.
- **Street Markets- Customer experience surveys:** Understanding of shopping trends and behaviours, commodity mix vs supply and demand and views on the success or failure of covid safe measures implemented.

**4. What support has been given to businesses in the local high streets and what assessment has been made of the impact of the support given?** *The response to Question 2 provides this information but, to summarise again, the following support has been provided:*

- Government Covid-19 emergency business grants to retail, hospitality and leisure sector businesses (and others)
- Business rates relief for small businesses and retail, hospitality and leisure businesses
- Hello Again Hackney: Cultural Venues Fund: A fund aimed at supporting arts and cultural venues in their reopening by providing funding for businesses to offer discounted tickets and other offers to encourage audiences back to cultural venues.
- High Streets and Town Centres Fund: A fund to support high street and town centre businesses to deliver projects and initiatives to make Hackney's high streets and town centres more attractive, accessible and inclusive, increase resident and business engagement, and drive spending and footfall in local independent businesses.
- Hackney Central Impact and Ideas Fund: This fund will support local businesses and organisations to shape the Hackney Central plan, while supporting them through the pandemic. The fund will enable businesses to invest in their future success and increase their economic and environmental resilience, as well as improving and supporting Hackney Central town centre.
- Love Hackney, Shop Local Campaign
- Support to Hackney commercial tenants as required

*The business surveys conducted through the pandemic identified financial support with paying rent and bills as being the key business priority and this has been the focus during the pandemic.*

## 5. What analysis has been undertaken of the night-time economy both pre and post pandemic?

- The Licensing Service is in the very early stages of the project to review and update the Council's Statement of Licensing Policy. This will include a revised Cumulative Impact Assessment which will be informed by a study of the NTE and its impacts. The revised Policy will be published in 2023.



## 6. What data does the council collate and monitor about licensing in relation to the businesses in the night time economy in the borough? In addition, how is this data used to understand the sector and support the stability and growth of local businesses?

- The Licensing Service has a requirement under the Licensing Act 2003 to maintain a public register of licences issued. The number of licences, in particular premises licences, has grown consistently over the years since the inception of the Act in 2005.
- Data held by the Licensing Service shows that there were 1149 premises licences in effect at the end of March 2020, slightly down from 1165 the previous year. However, due to interruptions in annual fee/late night levy collections and the Cyberattack, it has not been possible to provide an accurate number of licence at the end of March 2021. The Licensing Service expects to be able to report this figure again from March 2022 onwards.
- Following the onset of the pandemic, the level of applications received (new licences, variations of existing licences, minor variations and reviews) initially remained consistent with yearly averages. However, in May and June, the level of applications increased, driven primarily by operators seeking to authorise “off-sales” of alcohol. The introduction of temporary off-sales provisions contained within the Business and Planning Act 2020 in July meant that operators had an automatic entitlement for off-sales in the vast majority of cases.
- 2021 saw business activity continue at a relatively high pace, with a total of 234 applications. This is approximately 10% above the 3 year average pre-pandemic and well above the 160 and 183 applications received in 2019 and 2021 respectively. Information such as the numbers of licences and applications received during recent years will now feed into an evidence base used to support the review of the Statement of Licensing Policy. The Council is required to publish a new Statement in 2023.
- TENs can be seen as a barometer of activity as the number of these received generally reflects the level of activity and participation in the NTE. Following the onset of the pandemic, the number of TENs received saw the biggest fall of all activity types administered by the Licensing Service. The chart below highlights the impact of the requirements for businesses to close during the lockdown periods throughout 2020 followed by a gradual increase in activity during 2021.

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- An area of growth seen during the pandemic has been the number of rapid grocery delivery services. These app-enabled services promise to deliver groceries to customers, typically in under 30 minutes from ordering. The sites tend to operate from light industrial units up to 24 hours per day, however some sites have been set up in vacant retail units along shopping parades.
- There were no businesses of this type in Hackney at the end of 2020. However, by the end of 2021 there were 9 of these delivery services operating, with a further two that had been granted then surrendered in the same year.
- Licensing will closely monitor any further growth in this sector. However, with isolation rules ending, the sector becoming increasingly competitive, it will be interesting to see how many are still operating in the next 2 to 3 years. Also the squeeze on household incomes could affect these businesses given that they will charge a premium for the delivery.

## 7. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night time sector?

- The Hackney Nights initiative aims to promote safety in the NTE and is managed by the Late Night Levy Manager. By combining public awareness campaigns with venue training, best practice guidance and our new accreditation scheme, it aims to connect licensed premises and improve communication and deliver a cohesive safety strategy to Hackney's residents, workers and visitors, all under the Hackney Nights banner.
- The pandemic has caused a challenging environment for operators with consumer behaviours changing because of the pandemic and financial difficulty with reduced trading. There was also a shortage of hospitality workers following Brexit and the pandemic and brought about an influx of inexperienced hospitality staff at the re-opening of the economy who were new to the industry.
- The creation and aim of the Hackney Nights accreditation scheme was, not only to give back to the venues monetarily after such a period of financial uncertainty, but also, to stimulate and bolster safety within night time spaces. All venues in the borough had been given access to good practice advice as well as free training for their staff in preparation for the re-opening of the night time economy.
- The Service had already developed an online portal just prior to the pandemic which aided throughout work from home regulations, with the distribution of crucial information as it was not possible to deliver in person at the premises. The portal enabled the Service to share information, host online advice sessions throughout the pandemic and provide direct guidance around Covid-19 when regulations were changed. Environmental Health (EH) teamed up with Public Health and delivered monthly advice sessions for licensees to help them navigate the ever-changing requirements of the pandemic. EH officers have also attended local pubwatch meetings to answer questions from businesses directly.
- With the online portal in place, it has become the best platform to deliver the Hackney Nights scheme and allow any processes to be done simply and easily for Hackney's licensees.

## 7. How does the work of the Business Regulatory Service feed into achieving the Council inclusive economy objectives and support local economic growth and stability in the night time sector?

The service will ask licensed premises to commit to a series of essential and additional themes and benchmarks in order to gain the Hackney Nights accreditation. The consultation process during summer 2021 also provided venues with an opportunity to feed into the scheme and propose further ideas or themes. After the consultation ended, the criteria was finalised, spanning across many different strands of work.:

- **Community:** Venues would be encouraged to play a more active role in their local communities by participating in local community meetings and employing local staff and apprentices. They would also be expected to promote inclusivity and accessibility in night time spaces with special training offered for free to door staff and managers.
- **Education and training:** Venues would be expected to participate in all training programs offered by Hackney Nights via the portal. Training will cover subjects like safety, vulnerability, safeguarding, alcohol sales and responsibilities, counter terrorism, substance misuse, hate crime and VAWG. These themes would be expected to expand over time.
- **Crime prevention:** Venues would be required to implement and enforce internal policies in regards to safety, including preventing nuisance, drug use, and theft.
- **Health and wellbeing:** Staff should have access to resources that enable them to refer vulnerable individuals and also promote healthy working environments. They would also be required to offer healthy alternatives at the venue including low/no alcohol beverages and healthy menu options that cater to all diets.
- **Sustainability:** Accredited premises would need to ensure that they commit to greener practises and take steps to actively reduce their environmental impact.