
**London Borough of Hackney
Skills, Economy and Growth Scrutiny Commission
Municipal Year 2022/23
Date of Meeting Wednesday 8 March 2023**

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

Chair	Councillor Polly Billington
Councillors in Attendance	Cllr Clare Potter (Vice-Chair), Cllr Jon Narcross, Cllr Jessica Webb, Cllr Joe Walker and Cllr Claudia Turbet-Delof
Apologies:	Cllr Gilbert Smyth and Cllr Fliss Premru
Officers In Attendance	Michael Toyer (Economic Development Manager), Deirdre Worrell (Director of Finance, Housing and Neighbourhoods), Sam Kirk (Head of Sustainability and Environment) and Tyler Linton (Acting Head of Streetscene)
Other People in Attendance	Councillor Mete Coban MBE (Cabinet Member for Environment and Transport)
Members of the Public	
Officer Contact:	Tracey Anderson ☎ 020 8356 3312 ✉ tracey.anderson@hackney.gov.uk

Councillor Polly Billington in the Chair

1 Apologies for Absence

- 1.1 Apologies from Cllr Smyth and Cllr Premru.
- 1.2 Apologies for lateness from Cllr Turbet-Delof and Cllr Walker.
- 1.3 Cllr Anna Lynch was virtually in attendance for this meeting.
- 1.4 The Head of Sustainability & Environment, Sam Kirk and Acting Head of Streetscene Tyler Linton were virtually in attendance for this meeting.

2 Urgent Items / Order of Business

- 2.1 None and the discussion items is as per the agenda.

3 Declarations of Interest

3.1 None.

4 Economic Development - Update on Metrics (19:05 -19:50)

4.1 The Chair welcomed to the meeting the Economic Development Manager, Michael Toyer from London Borough of Hackney.

4.2 The Chair introduced the item and outlined that the update on the development of the metrics was linked to the Council's work on economic development.

This item was to ensure the objectives in the Council's Economic Development Plan were being achieved and to review how the Council proposes to measure the impact of the activities undertaken to shape an inclusive economy.

This discussion was to review the Council's work to develop new metrics to measure the impact.

4.3 The information presented covered:

- Introduction to economic development metrics context
- Council's approach to developing metrics.
- Examples of key activity streams with example metrics.

4.4 The Chair referred to the presentation in the agenda is on pages 9-25.

4.5 The Economic Development Manager commenced his presentation and the main points from the presentation are outlined below.

4.5.1 The officer reminded the Commission this presentation was about the approach to metrics not the actual measures in place.

4.5.2 The officer recapped on the levers available for economic development.

4.5.3 The officer highlighted the difference between economic growth and economic development.

4.5.4 The Economic Development Manager emphasised the initial approach to developing metrics is to understand what is being measured and clarity on what was being measured.

- Inputs – activity going into this is it financial resource, time or policies developed
- Process – activity tracking if the process is followed to a set period of time, standards etc
- Outputs – results coming out from the process, document, change in circumstance (securing a job) that are countable or tangible.
- Outcomes – aggregation of outputs or change because of all the activity.

- Long term outcomes - Currently there is a focus on the sequencing of outcomes e.g. aim to achieve an inclusive economy.
- 4.5.5 From the points above the officer pointed out it would not be beneficial to jump straight to bullet point 5 without going through 1-4 because the other processes and activities would need to be achieved too. This leads to the term intermediary outcomes (short, medium and long term). A build-up of outcomes.
- 4.5.6 The officer highlighted that the outcomes can also be different to what is expected. The outcome could be impacted by policy changes by regional structures for example the GLA.
- 4.5.7 Therefore, it was important to consider this in the different forms of measurements.
- 4.5.8 Pre pandemic there was research by the Institute of Global Prosperity which concluded that we should not rely on traditional economic metrics such as GDP. They are encouraging other elements of prosperity to be considered (illustrated in the themes on slide 5). The officer pointed out these are valid and good but difficult to measure because there is more to consider, review and track.
- 4.5.9 The officer referred to the Theory of Change / Logic Model. This is a different way of thinking that would impact your planning and measurement. This type of approach is commonplace for health providers, health services and charitable foundations - they have used this for years. This approach is filtering through other areas of the public sector. Essentially this is about thinking through the sequence of how to get from where you are now to where you want to be. Tracking the changes and journey then measuring the activity. This moves away from having a spreadsheet of activities and setting up a board to monitor. This approach is more nuanced and creates additional risks because it takes more time to achieve.
- 4.5.10 An example by Nestor (community cooking) of theory of change was cited on slide 8. This illustrated the flow and types of activities and builds in assumptions.
- 4.5.11 For Hackney an assumption in the manifesto commitments related to Economic Development was that social businesses and co-operatives all offer good quality work, are strong democratic organisations and use local suppliers. The officer pointed out this is a valid assumption but was an assumption not a fact. The officer explained that assumptions are fine, but it was good to ensure they are visible too.
- 4.5.12 An example of the Logic Model was demonstrated on slide 9 a project to improve the environment and promote walking in deprived neighbourhoods.
- 4.5.13 The officer advised this model was a sequential flow from left to right.
- Situation/need
 - Resources / inputs
 - Activities
 - Outputs

- Outcomes – sequencing of outcomes short term, medium term, and long term.

- 4.5.14 This model also has the assumptions listed.
- 4.5.15 The third example on slide 10 was the demonstration of a template for local economic growth.
- 4.5.16 The example of affordable workspace was used to illustrate an area of local challenge. The officer explained currently affordable workspace leveraged through Section 106 planning system. They count the quantum of affordable workspace. The officer questioned if this was satisfactory taking into consideration the inclusive economy way of thinking. traditionally there has been limited understanding of who the beneficiaries are (who would use the affordable workspace).
- 4.5.17 The officer highlighted that affordable workspace will always be a challenge. Using the planning system, the technical demand is based on floor space for commercial properties. Although it was points out that in London even if they maximised provision, it would still not meet demand. If Hackney increased provision this would increase demand toward Hackney from across London. Therefore, the council should consider how to target their affordable workspace provision. For example, having spaces suitable for craft, tech, industrial scale kitchens (community kitchens) or businesses moving from being home based. The Council will need to make decisions about how this is targeted in the future.
- 4.5.18 The officer pointed out that planning policies can only be reviewed at certain points in the cycle, and this does provide some constraints.
- 4.5.19 Slide 13 illustrated an evaluation using the logic model for affordable workspace (this was carried for the GLA regeneration fund by a consultancy firm CAG). This evaluation was carried out at the end of the process. This demonstrated that when an evaluation is not planned early in the process how it can result in a negative outcome.
- 4.5.20 Slide 14 illustrated a more intentional (for illustrative purposes only) evaluation highlighting context, inputs, activities etc.
- 4.5.21 Slide 15 presented an illustration of the potential areas that could be measured under the logic model.
- 4.5.22 The officer informed the Commission this work is not new and has been happening for several years and will continue to happen.
- 4.5.23 The Economic Development Team is working more closely to with the corporate policy team to link in the other work stream of embedding the strategic plan.
- 4.5.24 The Economic Development Team is also linked into the Council's transformation work to embed a more intentional approach.

- 4.5.25 As this is a new approach, they will be trailing this in the Economy, Regeneration & New Homes division and developing an outcomes framework. A consultant will be supporting this work. The areas being trailed are employment, skills & opportunities and increasing local & social spend.
- 4.5.26 The officer pointed out the focus is usually on procurement, but this approach will involve commissioning services, procurement and the economic development team. Joint working to achieve the long-term goals.
- 4.5.27 In Area Regeneration, they are working on improving their own practice by carrying out summative evaluation – an evaluation at the end. This is to develop the measurements as the piece of work or project progresses to acquire a better set of measures. This will enable them to learn as they go with the ability to adapt the program too.

4.6 Questions, Answers and Discussion

- (i) **Members highlighted 2 points that stood out for them:**
- a) there can be an issue doing the measures after the fact (in the rear view mirror)**
 - b) it can take a long time to collate, and outcomes are materialising irrespective of if they are being measuring or not.**

Members pointed out that these 2 aspects were interrelate because the Council had already done a lot of work in relation to inclusive growth, economic development, and regeneration to achieve the strategic priorities.

Member were of the view not having an embedded evaluation and metrics did not prohibit post hoc evaluation to understand how things have changed. Members highlighted the Council should review the learning to be able to make better decisions in the future.

- (ii) **Members asked about the Council's learning from past work to understand and inform the measures for future strategies.**

In response the Economic Development Manager from LBH confirmed they can evaluate any programme at the end with a summative evaluation. This is very common, but this has better outcomes when planned in advance and advance planning is best practice.

In relation to conducting the review this will depend on what is being reviewed. For example, if they take into consideration the measures the Institute of Global Prosperity (IGP) has suggested using it can be a challenge to link the regeneration activity to the change.

The Economic Development Manager added the economic realm is different to health services and the health measures are clearer to attribute to an activity.

The officer advocated for measuring and evaluating each individual program. It was important to be clear about the targeted inputs and the results expected, and then to measure them. The officer pointed out that if the data has been collated they can evaluate but due to the cyber-attack access to data can be a

challenge. In essence this can be done but the officer highlighted that consideration should be given to the time and effort allocated versus the value they would glean from the work (the officer was not advocating for it not to be done). The officer advised considering the best use of limited resources. It was pointed out that the economic development team could do a bit of both, but if they did the rear review piece this would stop progress on the forward looking work.

- (iii) Members asked about the theory of change and the assumptions made. Members queried if assumptions had changed (trends shifted) post pandemic to reflect the changing needs within the community. Members asked if there was data to support this or the council was aware of any data?**

- (iv) Members referred to the affordable workspace example and asked if the trends had changed since the pandemic? Members had observed more businesses using coffee shops as a place to work. Members asked if this was reflected in the affordable workspace data.**

In response the Economic Development Manager from LBH replied in relation to assumptions the two examples in the presentation were currently being progressed. For the area of employment, the officer anticipated some of the assumptions might have changed post pandemic. Explaining there are segments of the workforce that have opted out and were not working anymore. This might change assumption like employment for over 50s. Pointing out historically the council had targeted and had programs for this age group. However, if the council does acquire information that show a different trend to the data (i.e., untested) it would be listed as an assumption.

In response to the question about affordable workspace, the officer informed following engagement with workspace providers the council has noted that they still have waiting lists. Therefore, demand is still present. However increasingly they do see individuals working in cafes. The driver for this is but could be linked to people working from home and choosing to work in a café for a bit for a break or socialization. It was also noted that some workspace providers have had to slightly amend their offer to be more flexible to maintain demand.

The officer's professional view in relation to affordable workspace was that the council needed to do more work on the typology of spaces i.e., move away from being overly reliant on the office style space. The officer pointed out that this business cohort could pay for their office space. Whereas the community aspect of the inclusive economy was different i.e., community kitchens.

The Council has an asset review coming up which could identify underutilised community buildings on estates. This will present an opportunity to leverage these assets but with the caveat they will need additional resources to refit premises.

The officer pointed out that Planning would still need to leverage offices because in Shoreditch tower blocks will still be build and a percentage would still be required as affordable office workspace.

The officer pointed out that the comment about community kitchens is an assumption because it is untested. There is some data and anecdotal evidence, but it is untested.

- (v) Members referred to the Hackney fashion walk, Olympic Park and other big projects in the past. Members queried if the council had reviewed these projects for learning to ensure other similar projects are better moving forward.**
- (vi) Members commented they wanted to understand the benefits of which approach was better the logic or theory of change model. Members noted the logic model allowed for development as the piece of work progressed.**
- (vii) Members referred to the template in the presentation and pointed out it did not indicate which model it was based on. However, it appeared to be a mixture of both. Members asked how the Council was developing this approach across the organisation?**

In response the Economic Development Manager from LBH replied, he is working in collaboration with the Head of Policy and Strategic Delivery and with consultants. The idea being to provide the top 2nd and 3rd tiers of management with some orientation sessions on the theory of change approach. The officer could not confirm if there will be Member orientation sessions too.

The officer highlighted the council is exploring moving towards the logic model. This would be a joined-up approach linked to the delivery of the Council's Strategic Plan (that is the service plan on a page, dashboards) with the measures linked back to the theory of change / logic model. They are commencing the journey with the objective of taking everyone with them.

In relation to the Olympic Park, there is a Borough Growth Partnership (the remaining Olympic boroughs and LLDC). This is winding down and the planning powers for development activity will be hand back to boroughs. The Boroughs will start to take the lead more and the Economic Development Manager is part of the Inclusive Economy subgroup. It was pointed out that external consultants have done some work on the metrics and the measures. These measures will be available in the next couple of months. The Inclusive Economy Groups will look at how they will collaborate on the patch around the Olympic Park for inclusive economy outcomes. They have agreed the focus will be on where they can achieve more as four boroughs together versus individual boroughs to avoid duplication. The IGP is a partner in those metrics. There will be some elements about the Olympics.

In relation to the fashion hub the Economic Development Manager was unable to comment because he had no background information about the original intent for this project and it predates the current head of service. The officer was not aware of any planned assessment. However, they have successfully secured a levelling up bid. The plans for the new development at Hackney Central will have measures embedded in it. PRD Consultancy have done the work to support the Hackney Central Plan. The Council has delivery capability

courtesy of the levelling up funding. The next steps will contain a smarter approach.

- (viii) **Members commented that some of the learning from previous projects indicated growth as the measure of success, but this was distinct from economic development as illustrated in the slides. This may have contributed to the limitation in terms of long-term success across the borough.**

In response the Economic Development Manager from LBH replied in his previous role outside of the council there were assumptions about the potential success of the fashion hub.

- (ix) **Member raised concern about the Council bringing in consultants to run orientation sessions on the theory of change. Members commented their assumptions would be that junior project programme managers would understand the theory of change and creating logic models. Members expressed concern about staff not having these competencies when the council is embarking on this journey.**

- (x) **Members referred to the proposed template in the presentation and welcomed the work to get buy in to the logic model. The Member commented that although this might not be common practice within councils it was a pattern of thinking that most organisations use to understand processes and outcomes.**

In response the Economic Development Manager from LBH clarified most across the council would know about the theory of change and logic models. However, there can be slightly different interpretations and language used in addition to the weight given to inputs and outputs. Therefore, it was good to do the exercise as a refresher and develop a Hackney common language. The rationale for using external support is related to developing consistency. The officer also pointed out that if the Head of Policy and Strategic Delivery's team focused on this, they would only do this and this would have an impact on the other areas of their responsibility. Deploying consultants brings consistency.

- (xi) **Members referred to the Institute of Global Prosperity index which was 2018 (predating the pandemic and halfway through Brexit.) and to Hackney Wick being one of their research areas. Members asked about learning from the pilot for Hackney and if there was a changed index to reflect the change in circumstances since 2018.**

In response the Economic Development Manager from LBH advised he did not have detailed knowledge of the pilot in Hackney, but he was aware that this information helped to inform the creation of the index. The officer informed this was community researcher based and thus quite resource intensive. The officer explained the insight is quantitative talking about the challenges and issues but not in a qualitative way. The important point is the research was conducted via trusted agents rather than a market research company. However, this type of research could be challenging to replicate.

In terms of what is measured and whether it needs to change. The officer highlighted the insight revealed people put more weight on their own health and

Wednesday 8 March 2023

wellbeing than pounds in pockets. The research showed people would trade some economic comforts for health comforts (although subject to the individual). The officer advised the measure is sound, but the baseline might be different for pre and post covid. However, it did show a shift towards health and wellbeing.

- (xii) Members queried if the Council is learning from the changing circumstances or is the measure pretty robust i.e. the baseline has changed because people have understood better and defined their health and wellbeing as more important.**

In response the Economic Development Manager from LBH confirmed the index is being refined and they will receive an updated index. But the work with the Borough's Growth Partnership on inclusive economy has a set of draft measures that can be used in the East London context.

- (xiii) Members referred to how locality specific the Institute of Global Prosperity Index was and queried if it was designed specifically for East London.**

In response the Economic Development Manager from LBH confirmed it was based on the experiences of East London, so it was more relevant to East London. Although it had a Hackney pilot (which is pertinent to us) it may not be relevant to every area in Hackney. The officer commented this could be reviewed in depth at another scrutiny commission meeting to explore the East London economic dynamic.

The officer pointed out that the economy in London does not operate on a borough level. It can be either hyper local or based on a few businesses co located for mutual benefit which might have a community aspect. For example, in Shoreditch you have the office towers and the hospitality sector. However, the sub regional corridors interact with different sectors; then you have London followed by global economy.

- (xiv) Members referred to the economy working in different ways, different levels and the measurements. Referencing affordable workspace Members asked if the measures would be borough wide or locally specific to the different projects. Therefore, would the measure be about how successful this was in certain spaces or boroughwide.**

In response the Economic Development Manager from LBH explained that currently their measurements are collected through the planning system's Section 106 agreements. These are signed per property. When they have developments in other areas, they can look at them as well.

The officer proposed that in the future for the council might choose to measure workspace by the typologies or geography. However, if the council is trying to do something specific for an area that would be more intentional with the measures specific to the locality.

- (xv) Members commented to be intentional they would need to have clear assumptions. Members pointed out that now they have an Inclusive Economy Strategy they will need to be sophisticated in the way they develop and support specific types of workspaces. Members asked when**

Wednesday 8 March 2023

and how this insight will be articulated for the inclusive economy growth plan. Members also asked about the current gaps in the Council's metrics.

In response the Economic Development Manager from LBH explained if they switch from the office style affordable workspace the planning system will not deliver because most of the developments in Shoreditch is office buildings. This type of property would not be suitable for a community kitchen because the community that would use it is not in that locality.

Referring to the planning levers and the council's commercial properties. The officer advised he has been in dialogue with colleagues in property services about the next review cycle. This will be linked to the expiration of leases in 2027. In the interim there are limited to what they can do until 2027. At this point the economic development team and property service will work together.

The officer pointed out this will affect voluntary sector organisations that engage with properties services. The officer also pointed out that they should not forget that Property Services need to generate an income from the council's commercial assets. Being mindful that the VCS are on submarket leases and are likely to be in properties at the cheaper end of the market. Therefore, there is a small proportion in the middle that could be used to subsidized workspace for affordable provision.

The whole mix will need to be considered if they are going to maximise the middle more. The officer advised discussions would start in the 2024/2025 financial year followed by an engagement and consultation process.

In relation to the underutilised community spaces and community halls on estates this is subject to an ongoing reviewed. This review will scope out the need. The officer reiterated that to provide spaces like a community kitchen, would require capital investment to make the changes. Therefore, the council would need to seek out opportunities for capital funding. This work would require 6-12 months to materialise and would be an ongoing process over time.

(xvi) Members asked about current gaps in the Council's metrics noting the strategy has a lot of ambition, but it was not clear what success would look like?

In response the Economic Development Manager from LBH advised part of the challenge for his team is to define what the economy development plan will deliver to materialise the inclusive economy ambitions. The officer agreed with the sentiment of the Inclusive Economy Strategy but pointed out it had no delivery mechanism, and this needed to be defined. This was likely to have a structure to the Council's Climate Action Plan. Clarifying the challenges and priorities then creating the measures.

The officer explained the economic development plan would have an action (for example to review the property portfolio within a specific timescale). The action in the plan may not deliver an outcome but is an enabling activity for the potential delivery of the outcome in the future.

- (xvii) Members asked what role consultations will have in the metrics and if there was a relationship? Members also asked if they would feed into the final metric or plan?**

In response the Economic Development Manager from LBH replied this depended on the type of consultation.

The officer pointed out that the council is doing a business survey that has a large-scale random sample. They have received approximately 1200 responses. This survey could reveal some challenges that businesses are referring which could inform the priorities if it is a lever. This would then feed through to a metric. Alternatively, if the question being asked related to the consultation being a metric i.e., having a certain percentage of businesses being satisfied with Hackney Council as a place maker or providing leadership. This is possible too. The officer informed some local authorities have that type of measure and this can take you down the path of increasing the numbers of business engagement events to aimed at businesses feeling comfortable, engaged, and heard.

The challenge back from the officer in relation to using this type of metric is the purpose and intention of the activity. The officer pointed out there needed to be clarity about the intention of the business engagement.

- (xviii) Members commented at times business and residents were of the view the consultation questions were skewed towards the desired answer. Members asked how many of the consultation have open questions for free text and qualitative data.**

In response the Economic Development Manager from LBH explained he would draw a line between consultation and engagement because he sees them as quite separate and different.

The Chair suggested they obtain written responses to their question on developing an evaluation framework for area regeneration activity and if there is best practice and learning the council can draw on.

5 Cabinet Question Time (19:50 - 21:00)

- 5.1 The Chair outlined a key element of the scrutiny function is to hold the Mayor and Cabinet to account in public for a Cabinet Question Time discussion.
- 5.2 The Chair welcomed to the meeting Councillor Mete Coban, Cabinet Member for Environment and Transport and Deirdre Worrell, Director for Neighbourhoods and Housing Finance from London Borough of Hackney. Also, in attendance for this item Michael Toyer, Economic Development Manager and virtually in attendance Sam Kirk, Head of Sustainability and Environment and Tyler Linton Acting Head of Street Scene LBH.
- 5.3 The purpose of this item is to hold the Executive to account. For this meeting the Cabinet Member for Environment and Transport was asked to provide information to the Scrutiny Commission about the work the Council is doing in relation:

1. The Green New Deal
 2. Understanding the economic impacts of the new green deal
 3. Carrying out an impact analysis of LTNs on local businesses.
- 5.4 The Chair advised in relation to point 3 this was an addition following the Skills, Economy and Growth Scrutiny Commission (SEG) meeting in February 2023. The Commission was querying if the Council had assessed the impact of LTNs on local businesses. This question was redirected for an update from Cllr Coban.
- 5.5 The Cabinet Member for Environment and Transport from LBH commenced by responding to the questions from the Commission.
- 5.5.1 The Green New Deal is a £50 million investment commitment from the Executive administration to tackling the climate crisis. This interacts with the Climate Action Plan. The purpose of the Climate Action Plan is to provide a strategic framework for the council and set out the Council's ambitions and plan to reach net zero by 2030 for council emissions and 2040 for boroughwide emissions.
- 5.5.2 The New Green Deal and Climate Action Plan are evolving pieces of work and follow a series of engagement and consultation. The public consultation on the draft Climate Action Plan had closed and the decision (to formally agree and adopt the plan) was expected to be taken by Cabinet in May 23.
- 5.5.3 Linked to the climate action plan will be a local implementation plan. This implementation plan will be thematic and set out the actions to be taken to achieve the net zero targets.
- 5.5.4 The Cabinet Member stressed this was not the end of the conversation because it is an evolving piece of work with new technology and research updating. It was important that they continue to monitor the research across all areas of work for economic development and more broadly.
- 5.5.5 Following adoption of the Climate Action Plan the Council wants to establish a net zero partnership. This will bring together businesses, the third sector and the council. The purpose of this partnership will be to help define how they support local businesses and the different sectors to reach net zero.
- 5.5.6 The Cabinet Member pointed out the Council is directly responsible for approximately 5-6% of the emissions in the borough and 23% indirectly. The remaining emissions of just over 70% impacted by the whole community linked to our travel, what we wear, what we eat etc. This was the driver for developing a Hackney Climate Action Plan and not a Hackney Council Climate Action Plan.
- 5.5.7 In relation to the £50 million investment the Cabinet Member informed the Council budget has committed to exceed this and will be investing a total of £61 million over the next 3 years.
- 5.5.8 Most of this capital spend will impact the Council's direct emissions to reach net zero.

- 5.5.9 The impact of this investment for residents will be investment in the electric charging infrastructure and the Community Energy Fund supporting schools with the energy bills they need to pay.
- 5.5.10 In the Climate Action Plan there are aspirations and this talks about being honest with the public about what the council can achieve, the funding and what the funding is allocated to. But if more funding is unlocked, they have the plans to move forward quicker e.g., retrofitting. The Cabinet Member explained the challenges they face with retrofit in London is that the average property will cost approximately £100k to fully retrofit. The bill for London is £112 billion pounds but the current funding available is £2 billion across London. Pointing out this demonstrated the scale of the challenge councils were facing. Allocations for the investment have been made in the capital programme.
- 5.5.11 In relation to the timeline for the spend and areas of investment. The timeline is 3 years, but delivery could take up to 5 years. The Cabinet Member explained with an example of the LED light refitting. The Cabinet Member the funding was spent but delivery took longer.
- 5.5.12 In response to the question about how much of the £50 million investment will support the local economy and how. The Cabinet Member explained they have their procurement strategy and plan to use their purchasing power and the procurement system to ensure it benefits local residents, creates local jobs, apprenticeships and improving the skills in the borough.
- 5.5.13 Although the aim of the procurement and sustainable strategy is to support local businesses (SMEs) and to create local jobs. The Cabinet Member highlighted that they do not always have the required skills in the borough to deliver on that pledge. Explaining for the green homes programme the council identified that for installations of heating and solar panels they did not have borough-based companies with the skills and capacity to deliver the programme at the scale to reach the net zero target. Therefore, there is more work to be done to develop the capacity within the borough.
- 5.5.14 The Council is looking at how they can support SMEs to secure work through the investment fund. They have the Zero Emission Network (a partnership between Hackney, Tower Hamlets, and Islington). This is supporting local business with the last mile delivery e.g.; it has a cargo bike sharing programme. This is the first in the UK. In addition to utilising the Hackney Business Network.
- 5.5.15 The EV infrastructure will help businesses to green their fleet. The Council will also engage with the national scrappage scheme and make a case for funding from that scheme.
- 5.5.16 The Council is raising awareness of external grants for local business to increase the energy efficiency for their properties. But the Council recognises there is room for improvement in supporting businesses.
- 5.5.17 It was pointed out the sustainability work cuts across different Cabinet Members portfolios and service areas. The aim is for them to all work together through the environment and sustainability award.

Wednesday 8 March 2023

- 5.5.18 In relation to the question about the assessment of the impact made to the local economy. The Cabinet Member explained they are in the very early stages of assessment and this needs to be linked to the delivery of projects.
- 5.5.19 The Cabinet Member pointed out they need to get to a place of understanding the assessment and metrics through the delivery of localised schemes and how it links back to the overall strategy.
- 5.5.20 There will be different investments that will have different economic dynamics and the Council is reviewing how this will impact the £50 million investment.
- 5.5.21 The Council is also looking at how they can develop an evidence base of Hackney green businesses. Reviewing the research into businesses in the green economy. The current data indicates that there are less than 500 businesses active in the green economy. Their aim is to verify this to enhance their understanding.
- 5.5.22 There is limited funding and grants for business support. £440k has been allocated over 2 years from the Shared Prosperity Fund (SPF) to help with support.
- 5.5.23 In relation to understanding the economic benefits of this investment on the economy. The Cabinet Member explained they are still in the early stages of development with the Climate Action Plan. There is a lot of national analysis that they are plugged into which will help them to develop this work. The key will be to define the baseline for the measure. Defining a baseline for Hackney will give them the ability to look back after 3 years to see if they have moved forward from just under 500 green businesses to 800 green businesses.
- 5.5.24 Until they establish a baseline for Hackney to give them an indication of what they should be doing. They can look back in 3 years' time to see if they have moved forward from just under 500 green businesses to 800. The baseline will give them something to measure against.
- 5.5.25 In response to the question about how much of the support was being deployed to support local businesses. Currently 24% of the Council's procurement is towards local businesses. It is anticipated that the number of environmental or green businesses is lower but this is still being established.
- 5.5.26 The Cabinet Member stressed that the council wants to deliver the environmental policies through local people and local businesses. The challenge areas are knowledge and delivery.
- 5.5.27 In response to the question about the investment helping to reduce energy bills and carbon emission for local businesses. The Cabinet Member advised there are several pieces of work. One piece of work is the development of a local area energy plan. This engages anchor-based organisations, businesses and residents in its production. The Council wants to develop a program of work to improve community heat networks. This should help to support businesses and to create networks with the potential to assist all household businesses to decarbonize. There is also the reduction of transport emissions.

- 5.6 The Director of Finance for Neighbourhoods and Housing in LBH added that delivery of this agenda is very complex. When considering the commitments made for capital funding the commission should note once the action plan is delivered the enabling activities on the revenue side will materialise. Although there is more work to be done having 24% of the council's procurement spend going into the local area is good.
- 5.6.1 The Director pointed out that capital investment tends to go to larger organisations but when considering the procurement activity, they will need to understand if this is like homecare providers, which is a procurement that tends to go to local businesses.
- 5.6.2 In summary the investment currently is only capital, but there are enabling activities in the Climate Action Plan.
- 5.6.3 The Chair clarified that the discussion would be focused on the investment of £61 million pounds over 3 years and pointed out delivery could take longer. This is very different from a council's enabling powers, levers and revenue spend on things like how people do their jobs, commissioning of services etc.
- 5.7 **Questions, Answer and Discussion**
- (i) **Members recognised there is a national problem in terms of the financial capacity to deliver on green plans. Members referred to the comments about enabling and developing capacity and asked the Cabinet Member to outline (caveat being current limitations permitting) what this could look like for Hackney?**
- (ii) **In reference to the 500 green businesses Members asked for an example of the businesses that identify as green. Members wanted to know the sector, type of business and services they provide.**

In response the Cabinet Member for Environment and Transport from LBH cited as an example the Community Energy Fund. This fund was developed following the Stokey Energy project that delivered energy improvements for Stoke Newington School. It received funding from the GLA. This was a local community energy group that helped to green a school estate. This was the driver for the aspiration to replicate the model and upscale.

The Council offered £300k of grants to do a feasibility study on estates and to deliver the project. The immediate challenge identified was that Stokey Energy was the only active community energy group in the borough. One of the objectives for the community energy fund was to create green local jobs owned by the community and lower energy bills. It was not just about installing solar panels onto the estates. Therefore, if the council wanted to complete the project the sole local business was Stokey Energy, and this would be if they had the capacity to deliver all the projects. Alternatively, the council would need to look at businesses outside of the borough of Hackney.

After noticing this Hackney Light and Power held several workshops to create other community energy groups. The Council has connected with TRAs and other local networks to help establish local community energy groups using the Stokey Energy model. The aim is to create several groups like Stokey Energy across the borough of Hackney.

The challenge for delivery of the Green Homes programme is making sure local businesses can access it. There is a national problem in relation to the lack of talent generally for solar installation and heating. The Council is looking into this and there is work being carried out by London Councils to develop and understanding of how to create a skills course in London. Currently the rhetoric is to create green jobs, but the Cabinet Member pointed out that until green jobs are defined green jobs it will not be real for people of Hackney.

Members commented the capital funding is for the infrastructure this still needed revenue funding to spend on people in order to identify the work required. Members pointed out that the £61 million investment would need some form of revenue to unleash further benefits.

In response the Cabinet Member confirmed that observations were correct.

The Economic Development Manager from LBH added the work to identify businesses is ongoing and they are expecting the report soon. The initial findings revealed a business count of 500. The Oxford Economic (a national research company) has cleansed the data and identified 317 businesses. For example, a company appeared on the database 8 times because it had started and failed on a repeated cycle. In terms of the sectors, they are still reviewing the data.

Following a further assessment, it is anticipated the number may decline further. In Shoreditch there are a lot of HQ registrations. There are several Epower businesses registered in the Shoreditch area. But they may not engage in Hackney activity, therefore would not be applicable to the Council's agenda and investment. However, there is an ESG angle which is another interesting group. Hackney has several climate change consultancies and a health circular economy segment (defined as reduce, reuse, recycle). One surprise to date is that Hackney has very few green finance organisations.

A challenging area is architecture. It is impossible to identify from the data if an architect is following standard practice and government regulations or is an innovator and pioneer going beyond regulatory requirements. The latter would define them as genuinely green. The data is coming through, but it is not a big feature of the Hackney economy.

Linking back to the discussion points about capacity locally. The officer informed the commission they have asked the consultants to identify if there are companies that might engage with the retrofit agenda. The consultants have identified a possible 8 organisations on the list. But this is subject to a full check.

- (iii) **During this discussion Members queried if the Council had identified any businesses or sole traders in the construction sector who could carry out the green homes works.**

In response the Economic Development Manager from LBH informed it was about the supply chain. A large retrofit programme would require a tier one contractor and they operated nationally. These organisations often have their own supply chain in place already. Through the council's procurement rules

Wednesday 8 March 2023

they could try to disrupt this, but it can be difficult. The officer pointed out that sole traders they do not think about only Hackney for their business they think about their connections. It is a person-to-person connection. So, they might live in Hackney but also work outside the borough. This will be a very complex landscape to negotiate.

- (iv) **Members referred to low traffic neighbourhood schemes (LTNs), local businesses and economic growth. Members highlighted they had observed several empty shops or shops with less stock and less customers. Members acknowledge this could also be attributed to the shifts in consumer consumption (more online purchasing). Members asked if the council was collating data in the impact of LTNs on business growth or how LTNs are supporting local businesses?**
- (v) **Members also asked LTNs were presenting challenges for economic growth in specific areas due to roads becoming busier with traffic. Members noted that residents have commented that they can no longer do long stay shopping to go to shops like Matalan due to heavier traffic. Members did acknowledge the concept of LTNs was good for the environment, but they queried if they were supporting businesses.**

In response the Cabinet Member for Environment and Transport explained that part of the aspiration for LTN schemes is improving air quality and to protect the lungs of children. It was also about reviving neighbourhoods and creating neighbourhoods that people want to live in and enjoy on their travel home. Good public realm, good local shops and cafes to enjoy.

It was pointed out that it is challenging to attribute the impact of a transport scheme to a direct economic output. Both Streetscene and Area Regeneration service areas have been encouraged to work more closely together. This will enable them to understand the transport interventions and work out the implications.

It was noted that there is ongoing work across London to look at the impact of LTNs on businesses. But it's difficult to quantify impact.

The Cabinet Member cited the example of the Stoke Newington LTN scheme which was aimed at revitalising Church Street. The interventions included widening the pavements, upgrading the crossing and community parklets to enable people to sit outside to enjoy their food and drink.

The Cabinet Members pointed out that Church Street used to be a place to shop and have a nice lunch with your friends. In the last 10-15 years more desirable locations have come to the fore like Shoreditch and Hackney Wick. Since implementation footfall on Church Street has increased by 18%, cycling is up by 36 or 39%. Therefore, as a result they are able to demonstrate that there are more people on foot in Church Street now than previously.

The challenge is there is less than 3% occupancy available in Church Street. This is the lowest it has ever been and is in contrast to the London trend of 16%. This demonstrates the success of the Church Street LTN. However, it is challenging to attribute this directly to the LTN because there is no direct link being the two. Although from observation as a local councillor the impact of

Wednesday 8 March 2023

the scheme is has become busier on the weekend. Notwithstanding the challenge remains of how to directly attribute the impact of LTNs on regeneration.

The Cabinet Member pointed out the closer working of Area Regeneration and Streetscene was in acknowledgment of the Commission's voice when they provided that challenge.

The Cabinet Member explained for future schemes like the Chatsworth scheme with a very successful market intervention in place he is asking officers to work together across the interventions. The Cabinet Member was fully aware that from a resident's perspective they do not see the interventions as separate departments. So, whether it is an electric vehicle charging point installation, street trees, retrofit an estate, parking removal or markets. The resident views this as the Council. Therefore, the Cabinet Member is asking officers to ensure they fully co-ordinate before going into a location.

The Acting Head of Streetscene added in relation to data points and LTNs. Following challenge from the Commission last year they have included an economic assessment of the experimental scheme in Stoke Newington.

In relation to an economic appraisal of a transport schemes the fundamental principle is proportionality and there are a few different assessments that can be done for transport schemes. But typically, a scheme of this size would not get a full DFT level economic appraisal that would be done for a scheme like Crossrail 2.

The officer added within the framework of proportionality and working with the Area Regeneration team they obtained access to the GLAs high street data in the form of anonymized Mastercard spend data. They were able to use this as one proxy of information on spend. This is one piece of the puzzle, and they want to be very careful about drawing conclusions from that. However, looking at pre-pandemic levels and post LTNs the Mastercard spend in Church Street increased over 200%. The officer pointed out some of this could be attributed to change in spending from cash to card or from inflation. Notwithstanding it is fair to say alongside other information they have about footfall and anecdotal evidence it does paint to a picture of economic success.

There is also a long and well-established academic history of studies looking at pedestrian spending. From systematic reviews of studies over the years there is a strong body of evidence that shows improvements to high street areas for pedestrians increases spending. The Council has used the Mastercard spend as the main metric to assess the impact of the Stoke Newington LTN. Ultimately this assessment has shown a positive impact on retail.

The Economic Development Manager from LBH added Institute of Global Prosperity (IGP) index is not just about business turnover (although important) but the broader measures of the economy. But the health metrics are important too because when people feel better about themselves that is an economic value too.

The University of Westminster is doing a health focused study on the economy with a controlled area. This is the same area as an LTN (demographically and

geographically) but in a location where an LTN has not been implemented. This is a live study and scheduled to report in a couple of years. The officer was of the view a Hackney specific study was not needed because there are a lot of other London level studies to draw on.

The officer informed the Commission from his visit to Amazon electric hub he was informed that the implementation of the LTNs was a driver for their shift to using electric bikes for deliveries. After running the metrics, it was a simple economic decision that bikes are quicker than vans. The policy officer in Amazon also informed that FedEx were considering something similar. Highlighting that this policy intervention was driving wider change.

The Cabinet Member for Environment and Transport added despite the positivity the Council was not in the position to claim their LTNs were a success.

The Cabinet Member acknowledge the experiences of business would be different and would depend on the nature of their business. There could be impacts that the Council had not identified. For Stoke Newington the Council is working closely with Stoke Newington Business Association to understand the different impacts on different businesses.

The Cabinet Member pointed out the Council has a duty to make sure they listen, reflect, and make improvements to the scheme to make it the best possible version. Finding the right balance would be key.

- (vi) **Members followed up on the discussion about the experience of businesses and referred to the cross-borough Zero Emissions Network and asked for more information about the work going forward particularly with Islington, Tower Hamlets neighbouring boroughs. Members acknowledged this would be complex because they all have different priorities and agendas. Therefore, they also need to ensure that businesses boundary roads are heard and engaged with too.**

In response the Cabinet Member for Environment and Transport from LBH advised the Council is committed to monitoring air quality data, traffic counts etc. Particularly on the boundary roads.

The data is showing that main road traffic is down by 6% in comparison to pre pandemic. This is positive but they are broad statistics for across the borough. The Council acknowledges there will be impacts that are negative like Northwold Road in Hackney Downs which has had a slight increase in the volume of cars. As a Council it is key for them to understand, reflect and make changes. The Cabinet Member advised the Council had made changes across all their LTNs.

In relation to the Zero Emissions Network partnership, in Islington and Tower Hamlets. The Cabinet Member highlighted that Tower Hamlets had taken a different direction in terms of their healthy streets program. Hackney Council is very committed to the Zero Emissions Network to help and support businesses with the last mile. Hackney has the first cargo bike sharing scheme that went live in London Fields, Stoke Newington and Hoxton / Shoreditch area. They

are now in the process of expanding the Zero Emissions Network in terms of the fleet of cargo bikes in the borough.

The Council is also working with Amazon following their announcement to start trailing delivery by cargo bikes. The links to the partnership working being economic development, area regeneration, street scene and transport to reduce transport emissions. They are facilitating and providing insights about where they can store some of these cargo bikes.

There are more delivery drivers than anticipate and as a council they need to adapt and understand the balance with the spaces created between residential areas and their jobs. The Council has identified a need to create micro mobility hub centres that couriers can use. These will have shelters and good conditions. This is in the very early stages.

- (vii) Members asked for clarification that the Council was not using their capital expenditure to do things that Amazon could buy themselves.**

In response the Cabinet Member for Environment and Transport confirmed they are not using any of their expenditure. The Cabinet Members clarified they are not giving them land.

The Acting Head of Street Scene added it their own land, the Council supported them with the change of use for their own land.

- (viii) Members referred to the earlier discussion about procurement and the gap in Hackney. Members queried if there are a few businesses that can provide the services the Council is looking for and if with support some of the businesses could move into the green business spacing.**

- (ix) Referring to the architect's sector Citing the example earlier of architects. Members asked if with some support and training architects could become green architects could be green architects.**

- (x) Members asked about the work to identify the level of skills and services within the borough and the support needed to develop into the green space.**

In response the Economic Development Manager from LBH referred to the New Green Deal capital spend and highlighted there is a process that needs to be followed to understand the spending plans, specifications and requirements. Then the teams can collaborate on the local supplier analysis to assess if the suppliers exist or not. Following this they can do an assessment and engagement on whether they're capable of competing. This should be considered as needing a 3–5-year timeline. Alternatively, the council might identify a supplier that could deliver on the quality and scale desired or if with support develop an organisation to a level to be able to scale up and deliver. Although it was pointed out if the Council does identify businesses that could be supported to scale up, we would need to seek additional funding to do it.

Currently we have the existing applications for UK SPF, but this will be considered in the next round of funding. The future plans of Government for the UK SPF are unclear. In 3 years, they could be back to the RDF levels of

funding (eroded by inflation) so they will start to have more money. However, the officer could not confirm the amount, processes and how they will collaborate.

The Climate Action Plan process had created more collaborative working and through implementation the green skills and green economy were underpinning features rather than stand alone.

(xi) Members asked what the £61 million will be spent on over the next 3 years?

In response the Cabinet Member for Environment and Transport from LBH explained the spend covers several different areas as outlined in the Council's budget. Some of the investment will cover greening the Council's housing estates (£2 million). There is £500k to delivery green in borough schools. There is £9.6 million to replace the Council's fleet with green supply alternatives, the roll out of the EV charging points etc. The Cabinet Member highlighted that a lot of this work is embedded.

The Director of Finance for Neighbourhoods and Housing in LBH added within the £61 million there is a spend of £16.8 million for decarbonisation of eight council buildings. The Council was successful in its bid to the decarbonisation fund with 12.2 million in grants to support the work for the Lido Leisure Centre, primary schools, and the Queensbridge Leisure Centre. For housing there is £28 million worth of investment in the asset management strategy for the housing stock.

The Council has identified (over the next 3 years) the areas where they can be greener e.g., efficient boilers (phasing out but balancing the technology and the energy costs to residents); fleet changes and energy plans to improve community networks. The Director clarified heat networks were not part of the £61 million investment because it is part of the overall regeneration scheme.

(xii) Members referred to the New Green Deal investment and asked about the multiplier effect of the investment and how it will be a driver to secure more funding / finance for larger packages?

(xiii) Members also asked about the vision for New Green Deal investment and how it will become a driver for greater investment across the community to secure the achievements.

In response the Cabinet Member for Environment and Transport from LBH agreed this is an area they need to investigate. In discussion they have talked about how to look at energy technology for non-council estates / private stock and to consider different financing models to enable this. E.g., climate bonds (used by Camden and Islington). The council is currently considering 3 different financing models led by Hackney Light and Power. The Council is hoping that by the summer they will be able to have a route map. Using their investment to tap into existing grants and having a more sustainable fund-raising strategy, makes viable sense and does not put the Council at risk for the work they are undertaking. This is at the very early stages of investigation.

Wednesday 8 March 2023

The Council is hoping that through the New Green Deal and Climate Action Plan that their work on community energy around decarbonisation will start to build the funding areas.

- (xiv) Members were of the view the success of the £61 million investment must be a further £61 million over a time period. Members asked about the target for securing further financing (multiplier affect).**
- (xv) Members asked where and how the Council is assessing the money saved?**
- (xvi) Member commented that carbon savings should also equal financial savings and the £61 million should be creating energy savings for either the Council or residents. Members were of the view that it was unlikely that the Council would be in the position to find further capital investment funding in three years, taking into consideration the scale of the task and limited funding across London.**
- (xvii) Members also asked about the cross-sector collaboration and partnership with different sectors to provide significant funding. Members wanted to know the Council was thinking about this and how to build it into the strategy.**

In response the Economic Development Manager from LBH asked for clarification on the definition being used by the Commission in relation to the multiplier effect? Explaining his interpretation is a specific assessment called LM3 which tracks the spend as it goes through a supply chain.

The Chair clarified the definition related to generating more money. Leveraging the grant to open up access to other investments.

The officer clarified that this related to investment match funding and leveraging investment for more spend. The officer pointed out that this type of clarification would be needed before proceeding.

The Director of Finance for Neighbourhoods and Housing in LBH added the funding strategy they are planning to proceed with will be delivered through capital investments and business as usual. For areas that do not have a business case this will be leveraged through private sector investment and their aspirations.

In the current capital investment of £61 million there is a growth spend of £16 million for the decarbonisation fund. The Director pointed out the Council's contribution was £4 million. Highlighting the Council secured £12.2 million grant funding. So, the multiplier for the Council's £4 million is 25% to 75%.

In the programme there are areas of spend that they will be seeking external funding opportunities for. For example, with the Chatsworth pilot for retrofit (estate and street properties) they are seeking funding from 2 other sources.

- (xviii) Members asked if the Council was developing a business model that was not reliant on continuous grant funding?**

Wednesday 8 March 2023

The Director of Finance for Neighbourhoods and Housing in LBH explained for the roll out of EV charging points the Council's investment in the capital plan is £900k and this was cash flow. This funding expenses will return through procurement and the supplier will deliver the roll out over time.

- (xix) **Members asked how the investment would become an income generator (not just viewed as input and output) to help sustain capital investment for long term valuable. Members wanted to understand the long-term impacts from the New Green Deal investment on the economy. In terms of savings, investment, and income generation.**

In response the Cabinet Member for Environment and Transport from LBH informed they would assess each project but acknowledged there was more they could do to outline the overall impact. The Cabinet Member advised they can take that away and explore further.

In relation to the capital investment and savings on carbon emissions the Cabinet Member explained diesel refuge vehicles cost on average £190 - £195k and an EV vehicle costs £450k. In addition, the running cost for an EV is quite expensive but could get cheaper long term. But if a diesel vehicle is retrofitted (making it an EV) this will cost £250 – 300k. The diesel vehicles have a 10year life span and the council uses vegetable oil to reduce consumption by 92%. This is helping to significantly reduce the carbon emissions in comparison to a full diesel vehicle.

However, in 2024 there could be 10 vehicles that need replacing. At this point the Council will need to quantify the savings in terms of carbon emissions, spend and the impact.

The Cabinet Member pointed out to be able to influence large companies and individuals the Council will need to take the New Green Deal, Climate Action Plan, metrics and how they measure to demonstrate the impact of their work. Being able to demonstrate progress against the goals will help to motivate people more. Although this is still an area of work for the Council to improve.

The Head of Environment and Sustainability added there are some metrics, but they are being updated to include the carbon cost of not doing certain activities. The officer confirmed this needs to be reviewed and considered for the Climate Action Plan going forward.

The officer added the following points to the earlier discussion about investments. The officer informed that Hackney Council sits on the advisory board for 3CI, the City's investments. There are 5 programs that are about financing looking at net zero, neighbourhoods etc. Hackney has put in a bid for some funding through the Innovative UK Fast Followers program. There's also the national Net Zero Pipeline Projects and the national Technical Assistance Program. This is looking at creating a development fund that invests in the necessary capacity and skills to bring projects forward for investment. Alongside this are regional investor events. The Group Director of Finance and Corporate Resources from LBH is the project sponsor.

The officer could not clarify how long the advisory board has been up and run but pointed out it is in the initial stages of sign-off for the 5 different projects.

- (xx) Members referred to earlier discussion about retrofitting and enabling capacity. Members acknowledged a lot of contractors are based outside of Hackney. Members pointed out Hackney has a large volume of sole traders and asked if the Council had explored supporting them to become cooperatives. Members advised Manchester was doing similar work. Bringing small contractors together in a type of cooperative arrangement to address retrofit. Members asked if as part of the Green New Deal this could be explored for a pilot project.**

The Director of Finance for Neighbourhoods and Housing in LBH explained the typography of dwellings in Hackney will be significantly different to a location like Manchester. Retrofitting stand alone homes is slightly easier than a block. Hackney faces challenges in relation to the typography of properties. The enabling capacity will need to be explored further.

With the retrofit investment the question is who gains from the investment. Normally for capital investment the council would see a return but for retrofitting the return will go to the resident. This does present some challenges.

The Economic Development Manager from LBH added on cooperatives they are doing some scoping work. The officer pointed out the Economic Development team cannot carry the whole agenda. They are currently focusing on adult social care to understand the opportunities. They will look at the Manchester example.

The officer advised he is in dialogue with the officer that supported the setup of a retrofit cooperative in Haringey. This is being considered but in the context of the establishing a cooperative work stream. They are also considering other sectors too. The officer suggested a separate discussion on establishing co-operatives.

In response the Cabinet Member for Environment and Transport from LBH added the Council is currently doing a feasibility study on 13 estates in the borough for retrofit. The council needs to be ready so that when they find the financing solutions, they have plans in place ready to move rapidly. They are working on different scenarios. The Cabinet Member also pointed out there are challenges in relation to leaseholders and the costs they will incur. Presenting a very complex picture as outlined in the discussions.

In relation to the capacity to deliver, there is still a lot of work to be done. There are plans for pilots to deliver on scale to the volume needed. This will be the next phase of work.

- (xxi) Members commented the question was related to finding out more about how to support sole traders or small businesses to collaborate in some way.**
- (xxii) Members queried if Hackney Light and Power could have some form of sole trader licencing scheme for local businesses where they can sign up to the Hackney Light and Power standard to offer their services to retrofit owner occupiers and the private rented sector. Members suggested this**

could be a way of tapping into people who want to do this work. In addition to having a partnership with local FE colleges to start training people up to do retrofit to a Hackney standard.

- (xxiii) **Members expressed a strong view of municipal high standards. Members acknowledged that this was not straight forward and would require investment. Members pointed out that the council does have a delivery vehicle in Hackney Light and Power. Members considered there might be an appetite among Hackney's small businesses to deliver this. Members acknowledged the importance of big estates but that they might also have a strong appetite among owner occupiers too. Pointing out there might be a demand among sole traders if they have the skills to do it.**

In response the Cabinet Member for Environment and Transport from LBH referred to the circular economy and advised the Council is looking into establishing a strategy for the borough and will review the resources to deploy it. The Cabinet Member suggested this could be updated at the Commission's meeting in July 2023.

The Cabinet Member confirmed they were happy to take the suggestions away and explore it.

- (xxiv) **Members highlighted that Hackney has reported having more businesses in the circular economy and that they were keen to have an agreed definition.**
- (xxv) **Members referred to the revenue from the LTN fines and asked how this impacts the budget.**

In response the Cabinet Member for Environment and Transport from LBH explained that any income from PCNs, which includes LTNs and school streets goes into a parking account. The income is restricted to spending on transport measures and in some environmental cases. The Council cannot use parking income to be creative or for different area of the council. The revenue has to be reinvested back into roads, resurfacing or making improvements to the transport infrastructure e.g., cycle lanes, pavement slabs etc.

The Cabinet Member pointed out the council cannot depend on the revenue from LTNs. The aim for the future is to see very little income from parking charges due to compliance. The Cabinet Member pointed out the LTN schemes implemented in 2020 had improved compliance and therefore generated lower levels of income.

The Chair thanked all the guests for their contributions.

6 Minutes of Previous Meeting (21:00 - 21:05)

- 6.1 The Chair referred to the draft minutes from December 2022 on pages 29-56 of the main agenda and the draft minutes from February 2023 on pages 7-28 of the supplementary agenda and asked Members to agree the minutes.

Members agreed the minutes.

RESOLVED	The minutes for December 2022 were approved. The minutes for February 2023 were approved.
-----------------	--

6.2 Matters arising updates were noted to be:
Action Updates for SEG Meeting December 2022

Actions on pages 44-47 were covered in the update report circulated to Members of the Commission in December 2022 in response to the questions raised at the SEG meeting on 14th December 2022.

The report is in the agenda on pages 55-56.

Action on page 43 - Members asked if the cash spend in Markets was recorded. We had recorded in the minutes that the Economic Development Manager would follow up with the Markets Team about spend data for Markets in the borough.

The Overview and Scrutiny Officer is progressing this action and we will have an update shortly.

7 Skills, Economy and Growth Scrutiny Commission Work Programme 2022/23 (21:05 - 21:15)

7.1 The Chair referred to the work programme in the agenda.

7.2 The Chair reminded the Commission the final meeting date would be 25th April 2023. The discussion items is the Cabinet Question Time (CQT) for Cllr Williams and the discussion topics are:

- Green Skills
- Adult Learning - A look at the redevelopment and changes to adult learning courses.

7.3 The Chair also informed the Commission Cllr Williams has confirmed she has not been involved in the Re-London Report. Therefore, inviting the report authors for this discussion would not be appropriate.

The Chair pointed out the report would be useful to help shape the Commission's questioning on the circular economy later.

7.4 The Chair asked the Commission Members if they wanted to suggest an additional topic area for discussion.

In response Members made the following suggestions for the additional item for the CQT:

- The work around the support packages to refugees and migrants from Ukraine and what this means for Hackney

- Employment strategies and partnerships
- Update on apprenticeships
- Looking at how the anti-racist strategy is being driven across the Council and other sectors too.

7.5 The Chair asked Members to clarify if the information they wish to cover related to refugees and migrants was about support packages to get back into employment or about the socioeconomic aspect.

In response Members confirmed they wanted information about how the programme supported resettlement and if it ensured they had the necessary skills to get back into employment.

Members wanted to understand how the Council was supporting this cohort of residents to navigate employment, so they are more independent.

In the discussion Members added it would be helpful to understand the barriers too.

7.6 The Chair asked Members to submit additional questions to the Overview and Scrutiny Officer.

8 Any Other Business

8.1 None.

Duration of the meeting: 7.00 - 9.30 pm