



Economic Development, Transport and Climate Emergency Commission

Date of Commission Meeting: 19 January 2022

Community Renewal Fund

Report of the Director of Tourism, Culture and Investment

Useful information

- Ward(s) affected: All
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Suggested content

1. Purpose of report

- 1.1 This report updates on the successful applications to the Community Renewal Fund (CRF). £3m of CRF funding has been secured to deliver five Leicester projects to help build skills, support local businesses and communities and provide employment support.

2. Recommendations

- 2.1 To note the contents and comment on this report.

3. Report

- 3.1 The Community Renewal Fund is a short term, largely revenue programme which is a pre cursor to the UK Shared Prosperity fund (that will ultimately replace EU funding). Leicester was identified as one of the 100 priority areas for the fund and could submit up to £3m worth of applications to government to deliver activities that invest in skills, local business, communities and place, and support people into employment.
- 3.2 Following a call by Leicester City Council, 29 applications were received in response to the opportunity. Of these, 5 projects were shortlisted for inclusion in Leicester's funding proposal, forming a £2.9m package of projects. A combined application with supporting documentation was submitted on the 17th June 2021 to the Department of Levelling Up and Housing Communities (DLUHC) to the value of £2.9m, which was within the £3m limit allowable. Although decisions were initially due to be announced after the end of July 2021, the announcement of the funding was not announced until 5th November 2021. All of the projects have been awarded funding.
- 3.3 It is notable that all of the shortlisted projects involve collaborative working with a series of partner organisations. None are being delivered solely by the lead organisation, so there will be considerable emphasis on joint working and shared responsibility. This is inevitable given the short time each project has to deliver a great deal of activity and creates some challenges regarding accountability and risk.
- 3.4 Details of the successful projects are as follows:

- 3.5 Positive Communities – a voluntary and community sector partnership of 12 local organisations led by the Highfields-based Bangladesh Youth and Cultural Shomiti, working to support people into employment and develop new skills. Has been awarded £584,230.
- 3.6 A community ESOL (English for Speakers of Other Languages) scheme – aimed at improving language skills to help people into employment, led by Leicester-based Twin Employment and Training. Has been awarded £500,000.
- 3.7 The ‘She Inspired Business Playbox’ project – comprising five local voluntary and community sector organisations, which works to support women into employment and business. The project is led by Zinthiya Ganeshpanchan Trust, a local organisation helping women to escape from poverty and abuse, and has been awarded £349,588.
- 3.8 Leicester Accelerator – a partnership of seven business support organisations led by East Midlands Chamber also successfully bid for £1million of CRF funds, to fund a range of support programmes including use of digital technology, mentoring for businesses and grants.
- 3.9 Leicester Textiles Renewal – an integrated support programme delivering garment skills/ training, support for innovation and encouraging best practice within the city’s textiles and garment industry. The bid, led by Leicester City Council, has been awarded £500,000 of CRF funding.
- 3.10 Total funding of £2,933,818 has been awarded to the projects, plus a management fee of £58,676, creating a total programme value of £2,992,494
- 3.11 Overall the projects will deliver the following:
- 378 - People in education/training following support
 - 476 – Individuals gaining a qualification
 - 311 – Individuals engaged in job-searching following support
 - 357 – Individuals engaged in life skills support following interventions
 - 147 - Economically inactive individuals engaging with benefits system following support
 - 127 - People in employment, including self-employment, following support
 - 580 - Jobs Safeguarded
 - 40 -Employment increase in supported businesses
 - 20 - Number of new businesses created as a result of the support
 - 13 – Businesses introducing new products to the firm
 - 41 - Decarbonisation plans developed as a result of support
- 3.12 In Great Britain submissions were received from 110 lead authorities totalling 973 bids. A further 73 bids were submitted from organisations in Northern Ireland, making 1,046 bids in total.

Nation	Eligible Bids Assessed	Bids Selected	Total Value of Bids Selected	% of Overall Funding
England	612	225	£125.76m	62%

Scotland	176	56	£18.32m	9%
Wales	185	165	£46.85m	23%
Northern Ireland	73	31	£12.36m	6%

- 3.13 £220 million of UK Community Renewal Fund has been awarded to 225 projects in England, of which Leicester successfully secured funding for all of the five projects submitted. A summary of funding secured by areas in the East Midlands, for comparison, is as follows.

Area	Number of Projects	CRF Funding Awarded
Derbyshire County Council	2	£1,999,157
Leicester City Council	5	£2,992,464
Lincolnshire County Council	2	£816,998
North East Lincolnshire Council	5	£1,295,406
Nottingham City Council	4	£2,879,496
Nottinghamshire County Council	4	£3,945,720

- 3.14 Whilst the emphasis was on projects from priority areas, non-priority areas were allowed to submit applications. 65% of national CRF funding has been awarded to priority areas and 35% to non-priority areas.

Delivery Risk

- 3.15 The delivery timescale for the CRF funded projects is extremely challenging. Even though funding has just been confirmed in early November 2021, the CRF scheme requires all projects to be fully delivered by end June 2022 - with all monies spent and outputs evidenced and delivered.
- 3.16 There is a risk of grant clawback arising from the non-delivery of funding activity and outputs by each of the projects. A project delivery funding agreement will be in place between the council and each delivery partner to secure the respective rights and obligations of project lead organisations before passing of any funds. It will be up to the lead organisations to put in place appropriate arrangements between the various partners involved in each project.
- 3.17 Project evaluation is a key part of the projects delivery which will be undertaken through the project(s) lifetime. All projects will be required to submit an evaluation report which needs to be completed and form part of the final submission by the Council to the Department for Levelling Up, Housing and Communities (DLUHC).
- 3.18 That final submission is required to trigger the second tranche (37.5%) of funding and so it will be received some time after the programme completes at the end of June 2022. Conversely the first 62.5% tranche will be received by the council shortly after returning the signed formal grant agreement with the first claim. This has been completed and sent at the end of December so it is anticipated that the first payment will be received in January 2022.

5. Financial, legal, and other implications

5.1 Financial implications

As outlined in the report, the funding being received totals £2,992k. Of this, £500k will be used by the Council to finance the Textile Sector Support project, with a further £59k to cover the cost of acting as accountable body for the four other organisations running projects.

Stuart McAvoy – Principal Accountant

5.2 Legal implications

The Authority will need to comply with the obligations in the CRF Funding. Legal advice has been provided in this respect.

The use of the funding and the grant awards of the funding to Recipients will need to reflect the requirements on the Authority (and step-down obligations where appropriate) under the CRF Funding terms. In addition, subsidy control assessment for respective projects has been undertaken, details of which will need to be provided for in the CRF Funding Agreement prior to signing up.

The CRF Funding Agreement explicitly requires a project delivery funding agreement be in place between the Authority and the Recipient(s) in respect of each project to secure the respective rights and obligations of the Recipients before passing of any funds.

Mannah Begum, Principal Solicitor (Commercial, Property & Planning) ext 37 1423

5.3 Climate Change and Carbon Reduction implications

Businesses are responsible for around 34% of Leicester's carbon emissions, not including their share of transport emissions. Following the council's declaration of a Climate Emergency and its goal to achieve carbon neutrality within the city, tackling these emissions is vitally important. As such, opportunities to do so should be sought through government funding schemes. As noted within this report, one of the target outcomes is to support 40 organisations to develop decarbonisation plans, which should deliver a positive impact through enabling a reduction in emissions. Where appropriate, further opportunities to support decarbonisation should also be considered as part of all projects, for example through the training and support offered.

Aidan Davis, Sustainability Officer, Ext 37 2284

5.4 Equalities Implications

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't. In doing so, the council must consider the possible impact on those who are likely to be affected by the recommendation and their protected characteristics.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

If approval is given for the sign-off of the Community Renewal Fund (CRF) agreement supporting 5 projects within the city of Leicester it should lead to positive impacts for people from across a range of protected characteristics. The report does not explore in any detail the protected characteristics of those benefitting from the 5 projects and going forward equality considerations need to be embedded and addressed appropriately and equality monitoring put in place.

Further guidance can be sought from the Corporate Equalities Team.

Sukhi Biring, Equalities Officer, 0116 454 4175

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

Not applicable

6. Background information and other papers:

None

7. Summary of appendices:

None

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a "key decision"?

No

10. If a key decision please explain reason

N/A