

Leicester
City Council

WARDS AFFECTED: City Wide – but focussed on NRF priority wards : Beaumont Leys, Mowmacre, Belgrave, New Parks, Charnwood, North Braunstone, Coleman, Saffron, Eyres Monsell, Spinney Hill, Latimer, West Humberstone, Wycliffe. (old wards)

CABINET

15th March 2004

NEIGHBOURHOOD RENEWAL FUND PROGRAMME PROPOSALS 2004/06

Report of the Corporate Director of Regeneration & Culture

1 Purpose of Report

- 1.1 This report informs Cabinet of the proposals for forming an NRF programme that were agreed by the Leicester Partnership at its meeting on March 1st, 2004. This programme would cover the period April 1st 2004 to March 31st 2006.

2 Summary

- 2.1 Over the last several months, the Leicester Partnership and the Collaborative Groups established by it, have been developing the detail of the NRF programme it is proposing for 2004/06.
- 2.2 Whilst the whole programme has not yet been agreed, those projects proposed for implementation on April 1st account for almost 80% of Leicester's total allocation. It is the City Council that is responsible for the application of NRF funding, but Government conditions state that any programme must be agreed with the local accredited strategic partnership, which in the City's case is the Leicester Partnership

3 Recommendations

1. It is recommended that the Cabinet examine the proposals agreed by the Leicester Partnership in terms of those projects approved for implementation and decide whether the programme as a whole and its individual components are supported.
2. That the Cabinet endorse those proposals originating from the City Council that are recommended for start.
3. That the Cabinet endorse those City Council bids which were referred to the Partnership and will be re-assessed.
4. That Cabinet consider the Partnership proposals for dealing with the balance of NRF funding remaining and delegate to the Corporate Director for Regeneration and Culture (in consultation with the Cabinet Link), authority to approve any Partnership proposals for the remainder of the funding.

4 Financial & Legal Implications

4.1 Financial Implications

4.1.1 The Neighbourhood Renewal Fund was introduced by the Government in 2001. Leicester is one of 88 authority areas across England receiving NRF. Leicester has been allocated £16.8 million for 2004/05 and 2005/06, split equally between the two years.

4.1.2 Whilst the City Council receives the funding, Government rules state that any activity supported by NRF needs to be agreed with the local strategic partnership (Leicester Partnership).

4.1.3 A number of the proposals within the programme put forward for approval by the Leicester Partnership will undertake work that will be managed and delivered by the City Council. Together these amount to £6,017,754, which is just over 45% of the total put forward for approval.

4.1.4 The Partnership is proposing £13,273,907 worth of projects for implementation. Therefore a total of £3,526,093 remains uncommitted subject to re-assessment of referred projects and consideration of reserve projects as described in the main report.

4.2 Legal Implications

4.2.1 The Council has to meet the conditions of grant, laid out each year in a special report to Parliament in order to access this fund. This has included accreditation of the local strategic partnership (achieved) and submission of a satisfactory annual 'Statement of Use' to the National Neighbourhood Renewal Unit (achieved in the last three financial years). The grant conditions for 2004/05 have not yet been received, but are not expected to vary materially from the 2003/04 conditions.

5 Report Author

Paul Graham

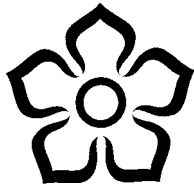
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DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet)



for listing.

Leicester
City Council

WARDS AFFECTED: City-wide, but focussed on NRF target wards – see cover report

CABINET

March 15th 2004

Neighbourhood Renewal Fund Programme Proposals 2004/06

Report of the Corporate Director, Regeneration and Renewal

SUPPORTING INFORMATION

1.1 For the financial years 2004/06, Leicester was allocated a total of £16.8 million (£8.4 million in each year). Whilst this funding is allocated to the City Council, Government guidance states that the detail of how it is applied must be agreed with the local strategic partnership (Leicester Partnership).

1.2 In terms of the purpose of NRF funding, the Government states that the primary purpose is to narrow the deprivation gap between the deprived target wards and the rest of the City and country. In setting this aim, the Government issued a range of targets covering various deprivation issues, including :-

- educational attainment
- life expectancy
- teenage pregnancy
- social housing condition
- employment levels
- economic performance
- domestic burglary levels
- vehicle crime levels
- air pollution levels
- domestic re-cycling levels

The Government expect the bulk of NRF funding to be focused on improving the position of these targets and targets relating to local PSA targets, although accept, that it is legitimate to apply some NRF funding to more locally derived targets such as those from the Community Plan.

The thinking behind the NRF regime is that it enables work to be undertaken that can develop, try & test new and improved methods and types of service delivery, which can then be mainstreamed by appropriate organizations to make more effective use of mainstream funding applied each year in the City.

1.3 In July, 2003, the Leicester Partnership invited proposals from organizations across the City with a deadline for submission of August 21st. Proposers were given a set of criteria against which proposals should be formed, including the

targets relating to the regime. The Partnership received around 240 proposals for a total value of about £50 million. All proposals were then scored against a range of issues set by the Partnership and which related to the guidance that had been sent to proposers. Key amongst these scoring criteria were :-

- impact on NRF and LPSA targets
- area(s) in which the proposal would work within
- forward strategy, post – NRF (mainstreaming)
- impact on improved service delivery

Impact on more local targets was also assessed, but was given a lesser weighting in line with Government views on the purpose of NRF.

All projects were then ranked by the score achieved and split into 3 sections :-

- the projects falling within the NRF funding total allocated to the City (priority 1)
- projects falling within double the allocation (priority 2)
- all other projects

1.4 Each project was then allocated to one of 4 collaborative groups, which it was felt its proposed activity best fitted for consideration. The 4 Collaborative Groups were :-

- Learning and Skills
- Children & Young People
- Crime & Disorder
- Social Cohesion & Sustainable Communities

Each Collaborative Group included people from a range of agencies and organisations dealing with the key issues relating to NRF. This was done in order to ensure that joined up thinking took place in forming the final programme.

Collaborative Groups were allocated £3.84 million each within which to develop a programme of activity which would contribute towards achieving the strategic objectives set by the Group and agreed by the Partnership. They were asked to form the bulk of their programmes using proposals drawn from the priority 1 list, fill in any gaps using priority 2 proposals and use priority 3 proposals if any gaps remained after that.

1.5 Each Collaborative Group submitted its proposed programme to the Partnership (plus prioritized reserve projects) at the end of January 2004. However, the Social Cohesion & Sustainable Communities Collaborative Group decided to further split its allocation between the various issue areas it covered (environment, housing, employment, equality & diversity, culture and health). Each issue area was allocated £627,000 and agreed its own preferred proposals which were amalgamated to form the whole Collaborative Group programme.

A total of 47 projects were submitted by the 4 Collaborative Groups and these were formally assessed in terms of fitness for purpose by panels established for the purpose during February. Each panel was chaired by an officer from the Regeneration Team at the City Council and also had a representative from Government Office and the community/voluntary sector.

The majority of projects were submitted to the Partnership by the assessment panels, with a recommendation for approval with appropriate conditions attached where necessary. However, 11 of the assessments were referred to the Partnership for a

decision as the panels felt that the proposals had one or more problem areas against a number of key criteria set by the Partnership e.g. little if any forward strategy beyond March 2006, lack of impact on major targets, fundamental change from the original proposal scored by the Partnership. The majority of these projects have been referred back to the proposing organisations for further work prior to being re-assessed by panel. (see appendix for details)

1.6 All proposals were considered by the full Leicester Partnership at its meeting on March 1st 2004 and the decisions arising from that meeting relating to the proposals is attached to this report as appendix 1. – projects that are proposed and would be managed by the City Council are highlighted in bold.

FINANCIAL, LEGAL AND OTHER IMPLICATIONS

1 Financial Implications

1.1 This report identifies expenditure met from the Neighbourhood Renewal Fund grant. Project spend and overall progress is monitored on a quarterly basis by the Regeneration Team, which then generates reports for consideration by the Leicester Partnership to enable it to assess progress and deal with poor performance issues. Internally, the FMIS system is used to track project spend. GOEM now expect quarterly reports on spend progress and the National Neighbourhood Renewal Unit require an annual ‘Statement of Use’ which describes the application of funding over a whole year period and its impact on targets and deprivation levels.

1.2 The Council’s budget was based on obtaining support from the Leicester Partnership for NRF funding of certain projects. Whilst this process has not yet been finalised, failure to achieve support for specific projects (amounting to £1.5 million by Social Care & Health and £0.8 million by Education in 2004/05) would require those departments to consider how to achieve the desired outcomes by alternative means. Some of these projects have been approved by the Partnership, some referred for further work and some are included on the reserve list. One project (in respect of Learning Disabilities, for £0.2 million in 2004/05) has been rejected by the Partnership.

1.3 The Council’s budget plans are predicated on the basis that there will be no NRF funding in 2006/07 and thereafter.

2 Legal Implications

2.1 All projects which commence activity are required to sign an agreement accepting the conditions applying to their particular project over its life. These conditions will have been approved by the Leicester Partnership This incorporates contracting, recruitment, health & safety, equal opportunity, employment and human rights legislation.

3 Other Implications

3.1

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	Yes	NRF funding is targeted at improving quality of life and opportunities for disadvantaged people in deprived areas
Policy	Yes	NRF is one of the key elements in helping deliver the City’s Neighbourhood Renewal Strategy

Sustainable and Environmental	Yes	The NRF funding regime acts as a catalyst for improvements in mainstream service delivery on a sustainable basis. The Environment Theme Partnership has developed and implemented a range of environmental projects
Crime and Disorder	Yes	The Crime & Disorder Collaborative Group has developed a range of NRF projects which will impact on crime & disorder issues in the City
Human Rights Act	Yes	Various elements of the NRF programme are aimed at addressing human rights issues, in particular those concerning refugees and asylum seekers
Elderly/People on Low Income	Yes	The NRF programme is targeted at the 13 most deprived wards in the City. Deprived wards often contain proportionally more elderly people and are characterised by low average levels of household income

3.2 Risk Assessment Matrix

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
1 Government withdraws funding due to poor performance	L	H	NRF programme has a well established track record of delivery. In addition, the Leicester Partnership has established mechanisms for monitoring and dealing with poor performance within the overall programme.
2 Projects supported expect City Council funding post NRF	L	M	The panel assessment process looked closely at the issue of forward strategies and post – NRF mainstreaming. Projects recommended for start needed to have clearly demonstrated an adequate forward strategy, which included demonstrating commitment from future mainstreaming partners where this formed part of the forward strategy.
3 Projects and the programme do not spend sufficient to fall within the Government's maximum yearly	L	L	The programme spend has fallen well within the carry forward allowances of Government for the last three years. The Partnership will develop an underspend strategy early in the new financial year, which

carry forward allowance, with subsequent loss of funding to the City			can be implemented, should monitoring indicate this is necessary at any point during the 2004/05 period
4 Project and programme do not achieve the Governments set objectives for the NRF regime	L	M	Performance management is an integral part of the Leicester Partnerships NRF strategy.. All approved projects had to demonstrate impact on key targets.

L - Low
M - Medium
H - High

L - Low
M - Medium
H - High

4 Background Papers – Local Government Act 1972

Background papers are held in the City Councils Regeneration Team and the Office of the Leicester Partnership Development Manager

- (1) Local Strategic Partnerships – Government Guidance (2001)
- (2) Notes of the NRF sub-group – (2001 & 2002)
- (3) Lessons Learned from first year – (Leicester City Council 2001)
- (4) Report to Cabinet (Jan 2002)
- (5) Report to the Leicester Partnership (Dec 2001)
- (6) Government Conditions of Grant (March 2002)
- (7) Report to Housing Scrutiny (May 2002)
- (8) Report to Housing Scrutiny (Feb 2003)
- (9) Government Special Grant Report 111 (May 2003)
- 1.0 Report to FREOPPS March 11th, 2004

5 Consultations

Consultee

Mark Noble – Chief Financial Officer
Peter Nichols – Head of Legal services

Date Consulted

3rd March 2004
3rd March 2004