



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

12th July 2004

NEIGHBOURHOOD RENEWAL FUND PROGRAMME - Infrastructure & Capacity Programme 2004/06

Report of the Service Director - Regeneration

1 Purpose of Report

- 1.1 This report informs Cabinet of the views of the FREOPS Committee, following its consideration of the Leicester Partnership's Capacity & Infrastructure Programme, which is funded through the Neighbourhood Renewal Fund. This report discusses the issues raised by the FREOPS
- 1.2 FREOPS asked that Cabinet be informed that it is the view of the Committee that the amount of money being spent on administration of the Neighbourhood Renewal Fund is disproportionate and that Cabinet be asked to look at ways of rebalancing the expenditure between activities and administration.

2. Summary

- 2.1 When the Government launched the Neighbourhood Renewal process and its associated funding stream, it was a requirement that all 88 local authority areas in receipt of Neighbourhood Renewal Funding needed to establish a Local Strategic Partnership (LSP) and go through a formal review process to be accredited by the Government as fit for purpose. In common with all other LSP's in England, the accreditation process involved the development and agreement of a formal action plan to tackle weaknesses found by the accreditation process. In addition, all LSP's were tasked with developing a formal 'Performance Management Plan', to ensure that they had the capability and capacity to develop a strategic approach to delivering the Government's renewal agenda in a local context.
- 2.2 The Partnership 'Infrastructure & Capacity Programme' is the Partnership's response to Government requirements and its own recognition of the need to build the capacity of what is still a relatively new structure. The programme was initially developed by a group composed of members of the Leicester Partnership and Chaired by an officer from GOEM. They developed the programme on the basis of a range of priorities approved by the Leicester Partnership (which are described in detail in the main body of this report).
- 2.3 The programme developed was then submitted to GOEM, which undertook an assessment of each element to establish that it was relevant, fitted with

Government guidelines, tackled the issues raised in the Accreditation Action Plan, fulfilled the need for a Performance Management System and represented value for money. **The Infrastructure & Capacity element is 6.8% of the total NRF programme for 2004/06.**

- 2.4 Following GOEM's approval, the Infrastructure and Capacity Programme and its various elements was approved by the Leicester Partnership at its meeting on March 1st, 2004.

3 Recommendations

Cabinet is asked to:

Endorse the support for the Leicester Partnership's Infrastructure & Capacity Programme that it gave when it considered it in detail on March 15th of this year as part of the Leicester Partnership's proposed overall programme for 2004/06.

4 Financial & Legal Implications

4.1 Financial Implications

- 4.1.1 The NRF programme is a nationwide programme allocated by government to 88 qualifying local authority areas classed as deprived, according to the Index of Multiple Deprivation. The amount allocated is based on the numbers of residents living in those wards falling within the top 10% most deprived wards in the country. In Leicester's case, the allocation amounted to £16,753,940 in 2004/06. Government guidance states that programmes funded through NRF must be agreed between the recipient authority and its local strategic partnership (Leicester Partnership). It is a government requirement that regular (quarterly) progress reports are provided to both central & regional government offices.

4.2 Legal Implications

- 4.2.1 The use to which NRF funding may be applied is defined in a government document "Neighbourhood Renewal Fund – Grant Determination" issued each year by the ODPM. All projects supported through NRF are subject to an agreement that highlights roles, purpose and responsibilities.

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**NRF Programme 2004/06
Leicester Partnership Infrastructure & Capacity Programme**

Report of the Service Director - Regeneration

Report

1. Background

- 1.1 The Neighbourhood Renewal Fund was launched by the Government in 2001. It was originally a three-year programme but was extended by a further two years to March 2006. Leicester was allocated a total of £35.7 million for the 5-year period of which £16.75 million was for the 2004/06 programme.
- 1.2 When the Government launched the Neighbourhood Renewal process and its associated funding stream, it was a requirement that all 88 local authority areas in receipt of Neighbourhood Renewal Funding needed to establish a Local Strategic Partnership (LSP) and go through a formal review process to be accredited by the Government as fit for purpose. In common with all other LSP's in England, the accreditation process involved the development and agreement of a formal action plan to tackle weaknesses found by the accreditation process. In addition, all LSP's were tasked with developing a formal 'Performance Management Plan', to ensure that they had the capability and capacity to develop a strategic approach to delivering the Government's renewal agenda in a local context. Individual LSP's are assessed in detail each year by government to ensure that agreed improvements have been implemented and they are fit to be re-accredited.
- 1.3 The Partnership 'Infrastructure & Capacity Programme' is the Partnership's response to Government requirements and its own recognition of the need to build the capacity of what is still a relatively new structure. The programme was initially developed by a group composed of members of the Leicester Partnership and Chaired by an officer from GOEM. They developed the programme on the basis of a range of priorities approved by the Leicester Partnership, (which are described in detail in the main body of this report). The programme developed was then submitted to GOEM, which undertook an assessment of each element to establish that it was relevant, fitted with Government guidelines, tackled the issues raised in the Accreditation Action Plan, fulfilled the need for a Performance Management System and represented value for money.

1.4 Following GOEM's approval, the Infrastructure and Capacity Programme and its various elements was approved by the Leicester Partnership at its meeting on March 1st, 2004. The various elements within the programme are described below in more detail, with the rationale underpinning them. Also highlighted are the priorities agreed by the Leicester Partnership that under-pinned development of the Infrastructure & Capacity Programme

2. Agreed Priorities for the Leicester Partnership Infrastructure & Capacity Programme

2.1 The Leicester Partnership agreed that the following were priorities for support under the 2004/06 NRF programme:

- i. Supporting the development of the Partnership in terms of its leadership role, and its culture of performance and improvement and make relationships matter and work.
- ii. Encouraging partner organisations to align their mainstream activities with Partnership priorities.
- iii. Securing better strategic co-ordination of initiatives relevant to N.R. across the city.
- iv. Adopting the LSP Performance Management Framework across the Partnership and its sub-structure.
- v. Ensuring that the Partnership achieves a positive impact on socially disadvantaged groups and individuals.
- vi. Facilitating Business and Community engagement with the Partnership including BME groups.
- vii. Implementing the Partnership Local Action on Learning Plan to develop the skills and knowledge of the Partnership members.
- viii. Promoting equalities and community cohesion with commitment to regeneration.
- ix. Developing the Partnership's evidence base, and plugging gaps information.
- x. Developing a more action focused replacement Community Plan that includes the Local Neighbourhood Renewal Strategy
- xi. Developing and delivering a Partnership Communications Action Plan
- xii. Identify external additional funding sources to support the delivery of the Leicester Partnership agenda.

3.0 Individual Elements involved

3.1 Leicester Partnership Development Team (£336,000)

The Leicester Partnership Development Team is the '**delivery driver**' for the Leicester Partnership. The LSP Delivery Toolkit (NRU December 2003) identifies the appointment of a 'delivery driver' as an essential action for successful delivery of renewal. The Leicester Partnership Development Team's role and responsibilities during 2004-06 will include the following:

- i. Leading the review and delivery of a revised Community Plan and Neighbourhood Renewal Strategy (and ensuring that community cohesion and liveability principles inform the new Strategy);
- ii. Maintaining pressure for service improvements, overcoming barriers and problems, and securing the commitment of local agencies and communities to the Partnership Strategy;
- iii. Agreeing priority neighbourhoods and local neighbourhood renewal objectives and targets;
- iv. Bringing together resources and support for effective community involvement and engagement;
- v. Communicating and performance managing the work of the Partnership;
- vi. Helping service providers deliver their targets through improved joint working.

The Leicester Partnership Development Team will co-ordinate, support and encourage local service providers to meet local and national neighbourhood renewal commitments. The Development Team will create the conditions that will allow others to deliver.

In summary, the Development Team's work programme will enable the Leicester Partnership to agree a deliverable Community Plan and Neighbourhood Renewal Strategy, ensure local agencies adopt agreed priorities and targets, and co-ordinate, drive and manage its implementation so a real impact is made.

3.2 Local Action on Learning Plan Delivery Project (£142,000)

The Local Action on Learning Plan Delivery Project will develop effective neighbourhood renewal in Leicester through the improvement of the knowledge, skills and capacity of those individuals and organisations involved in the delivery of neighbourhood renewal activities.

The Project will establish a framework that will enable the development of local skills and knowledge for effective neighbourhood renewal, and which will further promote community cohesion in Leicester.

The Project will provide the Leicester Partnership with a Learning and Development Co-ordinator and an operational budget to ensure the achievement of:

- i. Improved local skills in neighbourhood renewal, regeneration, partnership working, delivering successful local actions
- ii. Wider and deeper knowledge and understanding of best practice for diminishing local effects of social exclusion

- iii. Positive, shared values and attitudes which are acquired from successful partnership working

The beneficiaries of the Project will be:

- i. Members of the Leicester Partnership and its sub-groups
- ii. Residents/Community Groups/Voluntary Groups
- iii. Frontline Staff/Managers/Senior Managers in the Public Services
- iv. Private Sector Managers (partners in capital projects, providers of professional services)

3.3 NRF Performance Management (£499,784)

The NRF funding regime for Leicester is worth £36.7 million between April 2000 and March 2006.

Its primary purpose is to enable partners within Leicester to develop, try and test new and improved methods of service delivery in order to make more effective use of the £billion + of mainstream funding applied across the City each year. The second and complimentary aim is to reduce levels of deprivation in those wards in the City falling within the 10% most deprived wards in the UK. and reduce the deprivation gap between these areas and the rest of the City/UK.

The funding regime overall is managed and strategically driven by the Leicester Partnership in collaboration with the City Council. In order to enable the main goals of NRF to be achieved and to allow the partners to apply funding strategically, the following critical success factors need to be in place and delivered: -

- An extensive and contemporary database as a basis for timely performance management
- Guidance about key indicators around deprivation to establish problem issues to aid the development of sustainable solutions
- An expert and pragmatic platform for assessing the value and viability of programme ideas
- A robust and independent mechanism for monitoring programme progress, protecting public funding, resolving delivery problems and reporting progress regularly to relevant bodies, including Central Government, Regional Government, Leicester Partnership and the City Council
- A well resourced evaluation function in order to prove what works and disseminate good practice to aid future mainstreaming.
- A targeted communication strategy to ensure that partners understand the implications of NRF activity and value the good practice proven.
- Development and provision of good practice case studies for central government for national dissemination

This proposal will provide a significant part of the resources required by the City Council Regeneration Team to deliver these roles on behalf of the Leicester Partnership and its partners within the City. Without these functions there is a clear danger that adequate strategic planning will not be enabled, lessons will not be learned and good practice will not be used to improve mainstream service delivery.

3.4 Better Information For Better Outcomes (£78,000)

Through these proposals, the Leicester Partnership Information Group (LPIG) will be able to ensure for Leicester Partnership a comprehensive & contemporary evidence base on which to:

- Plan services (including the development of the City's Community Strategy);
- Justify bids for external funding sources;
- Attract substantial additional funding for improvements across the city ;
- Improve collaboration between key service providers;
- Provide transparency about strategic decisions and impact on the quality of life of local people;
- Report greater equity in the way public services are tailored to local needs i.e. through effective mainstreaming of Neighbourhood Renewal Funds;
- Promote real involvement of local people in defining the quality of life indicators, which matter to them;
- Meet commitments within the Accreditation Action Plan (January 2003) in particular in reference to the sections on Mainstreaming, Accountabilities and the Evidence Based Action Plans.

The key elements of the overall LPIG proposal are:

- Developing the Leicestershire Community and Economic Information portal website as an information portal to inform service planning in the city.
- Identify gaps in baseline data and developing baseline indicators for neighbourhood areas to enable the negotiation of neighbourhood plans for local people.
- Support to the development of a valid and 'owned' set of quality of life indicators through engagement with local people in developing the Community Strategy. This will also involve developing and maintaining datasets in relation to the quality of life indicators.
- Development of accessible performance management information through the provision and extension of the city's Atlas of Social Deprivation, which will provide a means of evaluating Leicester Partnership's work. Development of this key performance information on the web portal will promote openness and transparency.

3.5 Leicester Partnership Bending Mainstream Project (£85,000)

The Neighbourhood Renewal Unit's (NRU) **definition** of 'mainstreaming' is: *"influencing mainstream services to make them work better in deprived neighbourhoods, by shaping and resourcing them for the task, and making them focus explicitly on the places and people most in need of their support."* For effective mainstreaming to benefit neighbourhood renewal there needs to be some:

- **Bending** (re-allocating) of mainstream resources – changing spending patterns to target the most deprived areas;

- **Focussing** policy on deprived areas, for example through legislative change or challenging floor targets;
- **Reshaping** services to reflect local needs, e.g. by removing any organisational designs which prevent deprived areas receiving an increased level of support, or through more effective targeting of services; or improving access;
- **Joining-up** of services, programmes and targets, for example, through inter-departmental action and multi-agency delivery;
- **Learning** good practice including from pilot or pathfinder projects, including making stronger links between ABIs and main programmes.

This Mainstreaming Project will ensure that the systems, procedures *and flexibilities* required for mainstreaming are in place across the service delivery partners to ensure that mainstreaming takes place in Leicester.

The Mainstreaming Project will have two phases:

Phase One (during 2004/05) will include an audit of the Leicester Partnership service providers systems and procedures to ensure that they support the ability of each service provider to respond explicitly to mainstreaming requirements. The audit will identify all of the constraints and inflexibilities that prevent the service provider from responding adequately to the mainstreaming agenda. The audit will also ascribe responsibility for removing the constraints, or for creating the flexibilities required to the relevant authority. These constraints and inflexibilities may be caused by central or regional government direction, regulation or advice, government agency policies and procedures, or local practices.

The outcome of Phase One will be a Leicester Partnership Mainstreaming Action Plan.

Phase Two (during 2005/06) will include an assessment of the progress made in implementing the Leicester Partnership Mainstreaming Action Plan with reference to the provisions of the revised Community Strategy/Neighbourhood Renewal Strategy, which will be launched by March 2005.

The Mainstreaming Project will relate to the current Audit Commission *Mainstreaming Neighbourhood Renewal* Study, which focuses on:

- the 'mainstreaming' of neighbourhood renewal in the delivery of public services; and
- the improvement of mainstream services to those living in deprived areas.

4. Summary

The NRF Infrastructure & Capacity Programme is not simply 'administration costs'. It is a considered and appropriate response to satisfy national and regional government requirements for accredited local strategic partnerships. The primary purpose of the programme is to ensure that the Leicester Partnership has the capacity, knowledge, ownership and information required to discharge its key strategic role effectively in the future. Too often in the past, partnerships have been established in the City that have been poorly resourced, with unclear roles and responsibilities. This has often led to dysfunctional partnerships, where partners vote with their feet and ultimately the partnerships achieve little. It seems

increasingly likely that the role and influence of the Leicester Partnership will expand significantly beyond the life of the existing NRF programme. It could well be the main body for dealing with major future programmes of government regeneration & renewal funding that are allocated to the City. To deliver that role it needs to satisfy government requirements in terms of being 'fit for purpose'. The programme described in this report will ensure that the Partnership satisfies these government requirements and that the City's ability to maximise the amount of funding allocated to the City assured.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

Financial Implications

- 5.1 The NRF funding stream is provided by central government to 88 local authority areas across England that are judged to be suffering high levels of social deprivation. For the 2004/06 financial period, Leicester will receive £16.75 million. The funding is paid to the local authority, but government guidance notes (Grant Determination Document) sets out the way in which this funding should be applied. Essentially, the guidance states that programmes of NRF funded activity have to be agreed between the local authority and a local strategic partnership accredited by the government (Leicester Partnership). All the elements detailed under Section 3 amount to £1,149,784, which is 6.8% of the NRF programme total for 2004/06.

Legal Implications

- 5.2 Use of NRF funding is subject to a range of terms & conditions within the Grant Determination Document issued by the ODPM each year. Under this document, the City Council and Partnership have to provide regular progress reports (quarterly) to the Government Office for the East Midlands and the National Neighbourhood Renewal Unit and an annual Statement of Use. In addition, the Council and Partnership are required to assist both the above bodies develop and disseminate case studies of good practice

6. Other Implications

OTHER IMPLICATIONS	YES/NO	PARAGRAPH REFERENCES WITHIN SUPPORTING PAPERS
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 delivering the City's Neighbourhood Renewal Strategy
Sustainable and Environmental	yes	NRF acts as a catalyst for improvements in mainstream service delivery by partners across the City on a sustainable basis. The Environment theme partnership has developed and had approved, a range of projects to improve the City's environment
Crime and Disorder	yes	The Crime & Disorder Partnership has developed and will implement a range of projects that will tackle crime & disorder issues in the City

Human Rights Act	Yes	Various elements of the NRF programme are aimed at addressing human rights issues, particularly those concerning refugees.
Older 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. Whilst there are few projects specifically targeting this issue, a number of projects will undoubtedly address their needs, such as projects to combat fuel poverty.

6. Risk Analysis

Risk	Likelihood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
Leicester Partnership fails to satisfy government that it is fit for purpose. This would mean that the City did not have an accredited local strategic partnership, with Subsequent potential loss of large amounts of regeneration & renewal funding for the City	L	H	Partnership implements the infrastructure and capacity programme to ensure government views it as fit for purpose, and its capacity to deliver is built on and sustained.

L - Low
M - Medium
H - High

L - Low
M - Medium
H - High

7. Background Papers – Local Government Act 1972

- Report to Cabinet - A Programme for Neighbourhood Renewal 2002-04 – May 20th 2002
- Report to Housing Scrutiny Committee – NRF Progress Report – June 16th, 2003
- Report to Cabinet – NRF Programme Proposals 2004-06 – March 15th, 2004
- Report to FREOPS – NRF Infrastructure & Capacity Programme – June 14th, 2004

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