Leicester City Council

WARDS AFFECTED: Abbey, Beaumont Leys, Belgrave, Braunstone Park & Rowley Fields, Charnwood, Coleman, Eyres Monsell, Freemen, Humberstone & Hamilton, Latimer, Rushey Mead, Spinney Hill, Stoneygate.

ECONOMIC DEVELOPMENT AND PLANNING SCRUTINY COMMITTEE **7 DECEMBER 2006**

SRB PROGRAMME - ANNUAL REVIEW

Report of the Service Director, Regeneration, Highways & Transportation

1. Purpose of Report

To keep Members informed about the progress of Leicester's SRB programme, for consideration prior to the preparation of the 2007/8 SRB Delivery Plan.

2. Summary

2.1 This report summarises the outturn of the SRB programme managed by the City Council, and reviews the performance of the programme against its lifetime key targets.

3 Recommendations

Members are recommended to:

1. Note the progress on Leicester's SRB programme to date.

4 Financial & Legal Implications

4.1 Financial Implications

There are no financial implications as a result of this report. Any re-phasings of expenditure between years is subject to approval by EMDA. Consultations on a revised 2006/07 programme are ongoing. However, officers are confident that approval will be given.

The expenditure achieved to 31 March 2006 is summarised in the table below

	2005/06	**1996/97 to 2005/06**
SRB Expenditure;		
Capital	606,795	17,160,938

Revenue	1,023,261	20,688,696
Total	1,630,056	37,849,634
Other Contributions;		
Private Sector	144,079	17,282,182
Public Sector	1,213,410	17,684,558
Total	1,357,489	34,966,740
Total Expenditure	**2,987,545**	**72,816,374**

NB The 2005/06 figures are subject to final audit.

4.2 Legal Implications

As the Accountable Body, Government expects the City Council to ensure financial probity as the grant money is spent, oversee its distribution, and vouch for the accuracy of claims, in the light of specific financial and audit guidelines.

5 Report Author

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SUPPORTING INFORMATION

1. Background

1.1 Leicester's SRB programme has been operating for ten years and will end in March 2008. The programme incorporates seven area-based schemes in a single Leicester delivery plan. The economic development delivery arm of the Leicester Partnership, the Programme Management Board of LEAP, decides and supervises the management of the programme. The SRB programme is gradually been phased down and now provides services primarily for residents and businesses in the Belgrave and Greater Humberstone areas.

1.2 Roles and responsibilities

The Leicester SRB programme is managed by the City Council on behalf of LEAP. The City Council is also the Accountable Body for SRB grant, which includes responsibility for the programme's monitoring, payments and audit.

2. Report

2.1 Programme objectives

The Leicester SRB programme has met nearly all of its objectives and outputs in terms of community-based regeneration. In the remaining lifetime of the project the focus has been on providing access to employment, training, and business advice for residents and businesses in Belgrave and Greater Humberstone.

This is being achieved through:

- providing locally-based vocational skills training in construction and other services with supporting ESOL, Adult Basic Skills, and childcare

provision.

- supporting local access to advice, support and training on employment and skills training through the provision of suitable premises
- providing suitable premises and wrap-around support to enable local enterprises in deprived areas to grow and flourish.

2.2 Funding

Leicester was allocated £41.521 million SRB grant spread over eleven years. By April 2006, £37.85 million of this budget had been spent. LEAP has allocated £2.84 million to schemes currently in operation and endorsed £327,000 for new schemes under development. From the balance remaining, £251,000 has been earmarked for a construction intermediate labour market initiative, leaving approximately £253,000 for the development of new initiatives. Appendix 1 to the report provides a detailed breakdown of how the SRB budget has been allocated over the remaining lifetime of the programme.

2.3 Performance

As the managing agency, the City Council is legally contracted with *emda* to deliver a range of key outputs over the lifetime of the programme.

Lifetime targets in community safety, environmental improvements and community capacity building schemes were achieved by April 2005. Since then the programme has been concentrating its remaining resources on key employment and economic development targets. Performance related contracts have been issued that will ensure the programme meets and exceeds its training targets. Appendix 2 sets out the outputs position as at 30th. September. The outstanding targets needing further development are: 6 more jobs to be created; 95 more residents to be assisted to find work; and 143 business advice sessions.

2.4 2006/7 programme

Some of the new projects started in 2006 include:

- A building in Layton Road, Humberstone, purchased earlier this year and converted into a construction skills centre, with training provided by Leicester College and in-house employment advice from Connexions. The response from local residents has exceeded expectations and the course currently has 40 people on its waiting list.

- Construction recently started on the £810, 000 Emerald Centre in Gypsy Lane, which when completed next year will provide a state of the art sports and community access centre for people of all ages, and offer a full range of activities including sports coaching, key skills, and job search.

- LEAP has also approved £97,000 SRB towards the creation of 10 extra business incubation units at the successful Leicester Business Centre in Ross Walk. In-house business advice will provide wrap-around support for new businesses.

- A £250,000 contract with Leicester College to provide locally-based accredited training for residents in Belgrave. Four hundred will have enrolled on mainstream and outreach courses by September 2007.

- Waged on-the-job training for prospective carers in the community through Leicester West Carers.

- Free forklift and mechanical handling training.

2.5 These new schemes add to existing SRB provision in Belgrave and Humberstone for free business advice and start-up grants, employment and training advice, and home-based computer skills training. Residents accessing SRB training are also entitled to extra help with English as a second language, free childcare, transport and equipment.

2.6 Schemes under development include an employer wage incentive scheme to provide waged work experience for trainees with local employers, more business skills training for those seeking self-employment, and a construction ILM project, which will purchase dilapidated houses for refurbishment by construction trainees.

3. Issues and Conclusions

3.1 The developmental cycle of the Leicester SRB programme is virtually complete and more than 99% of the budget has either been spent or committed to services for residents and businesses in some of Leicester's most deprived areas. The programme has met and exceeded many of its community-based regeneration targets and is now concentrating on supporting economic and enterprise development goals set out in the Floor Target Action Plan of the Local Area Agreement.

3.2 Work on the end of programme evaluation and a forward strategy will begin in earnest during 2007. Some of the strategic issues arising from this work that LEAP will need to address include the future ownership and management of £16 million worth of community access, training and business centres funded by the programme; more mainstream support for the development of community development trusts; and a single common partnership approach to managing the various new funding streams that are likely to become available in Leicester, including ERDF, ESF, and LEGI.

4. **Recommendations**

Members are asked to note the information in this report.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

There are no financial implications as a result of this report

5.2 Legal Implications

As the Accountable Body, Government expects the City Council to ensure financial probity as the grant money is spent, oversee its distribution, and vouch for the accuracy of claims, in the light of specific financial and audit guidelines.

An important purpose of the role, as far as Government is concerned, is that it identifies the organisation that will be responsible for repaying grant monies should it be discovered that they have been used improperly, or in contravention of the financial guidelines.

5.3 Other Implications

The activities funded by Leicester's SRB programme make a substantial contribution to the objectives of Leicester's Community & Neighbourhood Renewal Strategy, and the priorities of the Leicester Partnership.

OTHER IMPLICATIONS	YES/NO	PARAGRAPH REFERENCES WITHIN SUPPORTING PAPERS
Equal Opportunities	Yes	SRB is concerned with tackling the deprivation and disadvantage endured by a range of social groups
Policy	Yes	Neighbourhood Renewal, Crime and Disorder Reduction, Employment, Life Long Learning, Environment.
Sustainable and Environmental	Yes	The sustainability of SRB's capital investment in neighbourhood based facilities post-SRB is dependent on ongoing revenue support from statutory partners
Crime and Disorder	Yes	SRB has invested £millions in crime reduction to proven effect.
Human Rights Act	No	SRB is primarily concerned with collective action on behalf of certain social groups, rather than individuals
Older People on Low Income	Yes	Over-50's seeking employment are a target group for the programme's training and employment strategy

Risk Assessment Matrix

Risk	Likeli Hood L/M/H	Severity Impact L/M/H	Control Actions (if necessary/or appropriate)
Not achieving full spend of grant within a given year	M	H	Failure to spend full grant results in loss of SRB grant to the city. Rigorous monitoring and half-year reviews in close liaison with emda reduce the risk.
Not achieving forecast outputs within a given year	M	L	Requires re-appraisal of projects, possible de-commitment of projects, programme evaluation, and re-profiling.
Ineligible claims by projects	L	H	City Council cannot reclaim grant in arrears from emda, with financial implications as the under-writer for the programme. Annual external audits, rigorous monitoring, and specific guidance and support for projects reduces the risk.

6 Background Papers – Local Government Act 1972

- Leicester SRB Programme Single Delivery Plan 2006/7

7 Consultations

Consultee	Date Consulted
R&C Head of Finance	20/11/06
Head of Legal Services	20/11/06