



Report of the LEGI Programme Manager

Inner South Area Committee

Date: 13th December 2007

Subject: Leeds LEGI Programme Update

Electoral Wards Affected:

Beeston and Holbeck
City and Hunslet
Middleton Park

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Council
Function

Delegated Executive
Function available
for Call In

Delegated Executive
Function not available for
Call In Details set out in the
report

Executive Summary

Leeds City Council was one of ten local authorities successful in round 2 of the Local Enterprise Growth Initiative (LEGI) Programme. A total of £15.6m was awarded for the period January 2007 to March 2010. LEGI aims to tackle worklessness in the most deprived areas by encouraging residents to consider starting their own business and by supporting existing local businesses to survive and grow. This report updates Inner South Area Committee on the progress of the programme to date.

1.0 Purpose Of This Report

1.1 To update Inner South Area committee on the progress of the Leeds LEGI programme.

2.0 Background Information

2.1 The Local Enterprise Growth Initiative is a DCLG initiative that aims to tackle worklessness in deprived areas through enterprise. The scheme began in 2006 and was open to those English local authorities designated as Neighbourhood Renewal Areas. Leeds' application was not one of those supported in the first round (the only successful authority in the region was Bradford). Round 2 submissions were submitted in September 2006 and Leeds was one of the ten successful authorities. Sheffield, Doncaster and North East Lincolnshire were the other successful applicants from the region. The total amount offered to Leeds was £15.6m to March 2010 (subject to Comprehensive Spending Review).

2.2 Leeds has 46,000 residents who live in Super Output Areas (areas of about 1,500 residents) that are among the 3% most deprived in the country. This is the fifth highest of all local authorities. The Leeds LEGI programme specifically targets these areas and refers to them as LEGI Target Areas. The programme aims to achieve 75% of its outputs from these areas. The remaining 25% of outputs are to be achieved in the Sphere of Influence which is a roughly circular border around the inner city area.

2.3 The Leeds LEGI programme targets are:

- To establish 550 new businesses;
- To support 650 existing businesses;
- To attract 75 new businesses;
- To create 1,100 new jobs
- To engage with 6,000 people about enterprise.

3.0 Main Issues

3.1 As part of the Local Area Agreement, the LEGI programme is subject to strict rules on budgetary carry-forward and on capital and revenue spend. The overall budgets are as follows:

	2006/07	2007/08	2008/09	2009/10	Total
Revenue	130,000	3,520,000	3,690,000	3,560,000	10,900,000
Capital	450,000	1,250,000	1,500,000	1,500,000	4,700,000
Total Available	580,000	4,770,000	5,190,000	5,060,000	15,600,000

3.2 Opening Catalyst Centres, the key element of our successful bid and a major factor in securing our funding from government, has been the key priority for early commissioning, and this has necessitated converting £1.3m of the 2007/08 revenue budget to additional capital. The budget for 2007/08 is now fully committed, while in

the two coming years there is a total of £1.7m revenue and £2.8m capital yet to allocate.

- 3.3 The LEGI Programme Board has considered its priorities for investing the remaining funds, mindful of the themes and targets set out in the bid, and has agreed the following:

Revenue

- the five Catalyst Centres identified in the bid (Harehills, Beeston, Chapeltown, east Leeds, west Leeds)
- Enterprise Prospectors - the “Street Walker” roles outlined in our bid
- a toolkit of Enterprise Awareness and outreach products for use in LEGI communities
- one sector academy

Capital

- investment in a west Leeds enterprise centre
- investment in Belle Isle/Middleton
- potential investment in a new live music centre in Holbeck
- investments in the network of Development Trusts which underlie much of the programme.

4.0 Implications For Council Policy and Governance

- 4.1 Of the 31 Super Outputs Area that make up the LEGI Target Area, nine are in Inner South area.

- 4.2 With the exception of the Development Trust and Catalyst Centre projects, which by their nature are area specific, all LEGI projects cover the whole Sphere of Influence area. Specific South Leeds projects are:

- Middleton/Belle Isle Development Trust - South Leeds Health for All Leeds have been offered development funding to investigate the feasibility of establishing an enterprise focused development trust in South Leeds;
- Tiger 11 - LEGI is currently providing approximately £1.2m in capital and revenue support to Tiger 11, which is developing the former Hillside School as an enterprise and community centre for Beeston Hill.
- Beeston Hill Catalyst Centre - a pilot centre, run by the Camberwell Project, is currently operating from a container at the Tiger 11 site. Negotiations are in progress with the Camberwell Project with a view to establishing the full catalyst centre when the Tiger 11 building opens next summer.
- Re’new are coordinating a development project looking at the possibility of providing a new live music centre based at Old Chapel studios in Holbeck and to be run by the Holbeck Music Trust.

5.0 Legal and Resource Implications

- 5.1 The 2007/08 budget is fully committed. Any new projects will not be able to begin until April 2008.

6.0 Conclusions

- 6.1 The Leeds LEGI programme is progressing at a rapid pace. Higher than anticipated capital funding has been necessary for 2007/08 but subsequent years are expected to be in line with original forecasts.

7.0 Recommendations

- 7.1 Inner South Area Committee is requested to note the contents of this report.