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Report of the West Leeds Area Manager

Inner West Area Committee

Date: 25th October 2007

Subject: Funding opportunities to support jobs skills and enterprise in West Leeds

<p>Electoral Wards Affected:</p> <p>Armley Bramley and Stanningley</p> <div style="border: 1px solid black; display: inline-block; padding: 2px; margin-top: 10px;">No</div> Ward Members consulted (referred to in report)	<p>Specific Implications For:</p> <p>Equality and Diversity <input checked="" type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input checked="" type="checkbox"/></p>	
<p>Council Function <input type="checkbox"/></p>	<p>Delegated Executive Function available for Call In <input checked="" type="checkbox"/></p>	<p>Delegated Executive Function not available for Call In Details set out in the report <input type="checkbox"/></p>

Executive Summary

1.0 Purpose Of This Report

- 1.1 This report informs the Area Committee of the current opportunities that exist to bid for European Funding to assist jobs, enterprise and skill levels in West Leeds. West Leeds is eligible under the Regional Competitiveness and Economy Programme for both European Regional Development Fund (ERDF) and European Social Fund (ESF). It is also eligible for LEGI (Loal Enterprise Growth Initiative (LEGI) funding and Action for Employment (A2E) funding

- 1.2 West Leeds District Partnership Executive met on September 21st 2007 at Farnell in One. Presentations were made by local business, by Education Leeds on enterprise in schools, on worklessness programmes, credit unions, and on corporate social responsibility by Leeds Ahead. The partners agreed to support a programme of bids for European funding as presented below

- 1.3 The report seeks West Leeds Inner Area Committee to note the overall approach to help tackle the needs of local people and businesses and to seek funding from the significant number of new funding opportunities that will become available in West Leeds.

2.0 Background Information

European Regional Development Fund/European Social Fund

- 2.1 A regional Task Group has been established to oversee the development of the ERDF Operational Programme (OP) for Yorkshire and the Humber. Following regional consultation, the ERDF Operational Programme was submitted to Department for Communities and Local Government for sign-off and the programme submitted to the European Commission for approval.
- 2.2 With its strong emphasis on Innovation, Research and Development (R&D), Enterprise, and businesses with the potential for high growth, the new ERDF Programme is significantly different from the current Objective 2 Programme. There is little scope for supporting the capacity building of voluntary and community organisations, unless they are able to deliver services. However, activities under the themes of access to employment, social enterprise and support for the establishment of development trusts and other organisations to deliver local services are highlighted.
- 2.3 The Managing Authority for the 2007-2013 ERDF Programme will be Yorkshire Forward. It is expected that Yorkshire Forward will formally take on this role on in November, once appropriate secondary legislation has been passed by Parliament.
- 2.4 An indicative allocation of around € 270m (£181m) will be available to the Yorkshire and Humber region outside South Yorkshire. This equates to approximately € 39m (£26.2m) per year across the 7-year programming period. There will be many bids for this limited pot of money
- 2.5 There are 5 priorities
 - Priority 1 - Promoting Innovation and R&D
 - Priority 2 - Supporting and Stimulating Successful Enterprise
 - Priority 3 - Sustainable Communities
 - Priority 4 - Economic Infrastructure (South Yorkshire only)
 - Priority 5 - Technical Assistance
- 2.6 **Priority 1** - Promoting Innovation and R&D. The aim of this priority is “to achieve a substantial increase in investment in R&D and new technologies in the region by promoting the growth of the knowledge economy through increasing the rate of innovation and use of

knowledge within the region's business base, increasing the number of high value added and innovative firms".

- 2.7 Investment under Priority 1 will be focussed on existing knowledge-based regional clusters which offer the greatest potential for improving regional competitiveness. These clusters include; Creative & Digital industries, Advanced Manufacturing, Food and Drink, Chemicals, Environmental Technologies, Bioscience and Healthcare Technologies.
- 2.8 **Priority 2** – Supporting and Stimulating Successful Enterprise. The aim of Priority 2 is “to promote a greater shift towards knowledge intensive growth sectors in Yorkshire and the Humber by increasing the number of business and occupations in knowledge intensive industries and by developing a more entrepreneurial culture in order to increase wealth generation across the region”.
- 2.9 Investment under this priority will also be focussed on knowledge intensive and high growth industries including the existing business clusters above. Targeting will include interventions that promote energy efficiency and renewable energy and low carbon technologies. Interventions will also support the aims of the region's City Region Development Plans.
- 2.10 **Priority 3** – Sustainable Communities The aim of Priority 3 is “to target resources at these most deprived communities where continued under-performance is a threat to the region's economic growth – focussing on tackling social and economic exclusion and improving territorial cohesion creating enterprise opportunities within disadvantaged neighbourhoods and extending the social economy”
- 2.11 All areas in Leeds will be eligible for support under Priorities 1 and 2. However, Priority 3 will target the communities in the top 10% most disadvantaged SOAs in the region. A map highlighting these SOAs is presented for information (Appendix 2).
- 2.12 Priorities 1 & 2 are expected to be matched by Yorkshire Forward Single Pot or through the Yorkshire Forward Development Fund. Yorkshire Forward has indicated that there is no Single Pot available to match-fund Priority 3. From the National Strategic Reference Framework, it is clear that the Government expects that Neighbourhood Renewal Fund, Local Enterprise Growth Initiative and Local Area Agreement to be major contributors of match funding.
- 2.13 The process of applying for ERDF has not yet been determined. It is likely that partnership endorsement and agreement of projects will be aligned with the Investment Planning process, with project and programme development, and subsequent approval through Yorkshire Forward's existing Performance Management Framework (PMF). The Investment Planning process is currently under review and, from April 2009, the process will move to City Region level.

Action for Employment (A2E)

- 2.14 In order to support the roll out of the Government's Welfare Reform Agenda, the findings of the Freud Review of Worklessness and the publication of the Department of Work and Pensions strategy "In work: better off" Jobcentre Plus commissioned research from Shreeveport to review the current arrangements for delivering services for people who are unemployed or workless. The Jobcentre boundaries focus on the worst deprived 10% wards in the city – these present a number of difficulties for West Leeds in that the data excludes a number of neighbourhoods where deprivation levels are high yet the overall ward levels do not warrant inclusion for funding purposes. The City Council has thus extended the work of the Shreeveport Consultants to include West and North West Leeds
- 2.15 The results of the survey showed that in 2007/8 there were 55 funded employment projects funded by Job Centre Plus or by other funding sources which between them accounted for a spend of £9.7 million. Whilst West Leeds undoubtedly benefits from a wide range of Leeds wide employment projects only two of these were in West Leeds – New Wortley Community Centre and Fairfield Estate SSCF funding, and neither of these funds was specifically targeted to assist workless people.
- 2.16 The main "gaps" were helping people at the beginning of the search for employment and the final stage of linking with the actual employers and the struggle to remain in employment. Other specific gaps were
- The fact that there are neighbourhoods with entrenched and significant pockets of worklessness that need to be addressed (see Appendix Two)
 - The availability of ESOL courses for Eastern European migrants
 - The suitability cost and availability of childcare
 - The suitability of local bus services to employment sites
- 2.17 The targets of intervention required will be:
- providing support and removing barriers to employment to incapacity benefit claimants, with a focus on individuals that have been out of work for more than 12 months due to mental illness.
 - developing a targeted programme of activity which re-engages young people not in education, employment or training (NEET), back into mainstream provision and towards employment.
 - helping to remove the barriers to work and training for lone parents who have been claiming Income Support for more than 12 months.
 - working with unemployed individuals, who have been claiming Job Seekers Allowance for more than 12 months.

- 2.18 Funding of £1.87 million is available under Access to Employment round 2 across Leeds of which £300k is capital. The commissioning process began on Friday 12th October, with a closing date of Monday 19th November. The funding is for 24 months – it runs between 1st April 2008 and 31st March 2010.
- 2.19 Additional funding for worklessness will come through the opportunities provided in the Northern Housing Challenge bid for new housing in Fairfield, Bramley discussed elsewhere on this agenda.

Leeds Enterprise Growth initiative (LEGI)

- 2.20 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. The Local Enterprise Growth Initiative is a DCLG initiative that aims to tackle worklessness in deprived areas through enterprise. A report on LEGI is given elsewhere on the agenda.
- 2.21 Some funding for West Leeds will be available through LEGI. A large proportion of funding is targeted at residents from within the 3% most deprived neighbourhoods in the country. In the West this currently means the Fairfield area of Bramley although this designation and priority could change with the announcement to be made by the Government on the latest deprivation data in November 2007.

3.0 Main Issues

- 3.1 Because of the dispersed nature of neighbourhoods deprivation in West Leeds, any approach needs to be necessarily targeted and appropriate. A number of opportunities exist to provide for these needs

Worklessness

- 3.2 Using the Shreeveport approach it is proposed that a number of caseworkers are recruited within both West and North West Leeds to target neighbourhoods where there are persistent and long term pockets of worklessness. It is proposed that a caseworker is employed for each targeted location (e.g. New Wortley, Armley, Fairfield or Hollybush). The caseworkers would be recruited for their specific skills and experience in working with a range of different client groups and they will work across all the centres rather than just being assigned to one. The caseworker will support and mentor their clients throughout the process into employment from first stage basic introduction to 'work' to sustainable employment.
- 3.3 These caseworkers would use the centres to access services already provided (e.g.. volunteering at New Wortley, kitchen/catering taster

sessions at community cafes at New Wortley and Fairfield community centres, volunteer with community gardening service at Fairfield) plus develop and signpost additional services to address their individual needs.

- 3.4 Each caseworker could have a caseload of 60 clients. The timescales for getting people into employment is not determined at this stage, but the target would be for people to remain in work for 12 months. A proposed job shop in Armley could aim for a higher target figure more due to the high profile location of the facility in the area and also those accessing a 'job shop' directly maybe more work ready. The community venues and a job shop would be supported to be a continuing focus for local people to access employment information, training, support, volunteering, taster and engagement activities.
- 3.5 The funding for such a proposal will be included in the bid to the Access to Employment fund for both West and North West Leeds wedges. This bid provides a means of tackling some of the entrenched problems of worklessness in West and also North West Leeds neighbourhoods.

Development Trust/Catalyst Centre/Cultural Workspace projects

- 3.6 Expressions of interest have been submitted to the City Council led Local Enterprise Growth Initiative (LEGI) Programme Board to secure finance to establish a Development Trust, to develop a catalyst centre and develop a sector academy.
- 3.7 The Development Trust will be based as part of Bramley and Rodley Community Action (BARCA) – Leeds. This body has extensive experience and assets in delivering community based services in West Leeds (the Director is a member of the West Leeds District Partnership) and has the capacity to extend its portfolio to support the growth of local enterprise work throughout West and North West Leeds. BARCA have been given a development grant of £15000 from the LEGI programme to establish the development trust and work up detailed proposals for a catalyst centre and sector academy which will be submitted to the LEGI Board in Autumn 2007.
- 3.8 A West Leeds Catalyst Centre will form part of the LEGI programme. It will offer residents and businesses in West Leeds an integrated set of support measures that will address the needs of individuals and enterprises. It will encourage and develop a learning culture which embraces innovation, entrepreneurialism, creativity and risk-taking. The Centre will provide local people with new skills provide start up / incubator space for those wanting to develop a business but who have limited capital and business skills. It will provide support to emerging and exiting business providing a mentoring programme that will encourage expansion and the creation of employment through a number of schemes.

- 3.9 A Cultural Workspace project to be run by Park Lane College has been given approval by the LEGI Board. This is within the West Leeds Gateway area on Artists Street off Armley Road

Other potential initiatives

– Armley incubator centre

- 3.10 Discussions are underway with Farnell in One who are willing to allow the use of one of their buildings for an enterprise project. To maximise the potential growth in the West of the city, an incubator centre could allow space for small businesses to develop. Such a project could offer the exciting opportunity to work in partnership with Farnell in One a leading business in the West Leeds area.

- 3.11 The incubator facility could offer a managed workspace which provided a range of business facilities and services. Its purpose would be to enable newly established small companies to access affordable workspace, in an instructive and supportive environment with a professional infrastructure and high quality climate. The aspiration would be that a community of like minded entrepreneurs, individuals and companies would evolve.

- 3.12 This range of added value services would support one of the key aims of the West Leeds Gateway Regeneration area which is to tackle employment deprivation by providing appropriate local employment opportunities and a more skilled workforce.

– Armley Job Shop

- 3.13 Armley Town Centre is the commercial focus of the West Leeds Gateway. It functions primarily as a shopping and service centre for the Armley area. In recent years there has been some investment in the area in the restoration and new development of Armley Library and One Stop Centre and a new health centre. A new £15 million leisure centre is planned for 2009, the council is investing in improvements to the public realm and a Stage 2 Lottery bid is being prepared for a Townscape Heritage Initiative to restore historic buildings. However there are still a number of issues to address to maintain the Town Centre's long term viability. Overall it presents a poor appearance, and has a high number of vacant shop units. Independent studies by consultants all identify the need for radical change to address the problems.

- 3.14 A key objective of the West Leeds Gateway Regeneration area is the revitalisation of Armley Town Street. Its central location would be ideal for a 'Job Shop'. This could provide a highly visible presence on Armley Town street to act as a job referral centre and also link to other programmes, such as training and education provided close by. It

would also provide a local referral point for local employers wishing to recruit. Armley used to be served by a job referral service one day a week from the Armley One Stop Centre but this ceased over 12 months ago.

- 3.15 The Job Shop would service all of Armley Ward, parts of Bramley and Stanningley ward and parts of Farnley & Wortley ward through the frequent bus services to Armley Town Street. The idea of a Job Shop on Armley Town Street is supported locally especially since the withdrawal of the service from Armley One Stop Centre.

– Gelder Road Enterprise Units

- 3.16 Adjacent to Armley Town Street, are a small number (13) of commercial units which are in need of renovation. Feasibility work is being undertaken to consider the future of these units and one possibility may be for them to be refurbished as small business start up units. Situated close to Town Street, and the job shop, such a project could form the hub of a local enterprise initiative to support and encourage new business to develop on Armley Town Street and the surrounding area. Such activity would contribute to the revitalisation of Armley Town Street in conjunction with the other investment outlined above

– Sector Skills academy for logistics and distribution

- 3.17 West Leeds is a hub for the logistics and distribution services. There are partner organisations working closely on a number of schemes to facilitate the engagement of local unemployed people. The next step for this initiative is to enhance the training element of the provision to facilitate the setting up of a network of local drivers/distributors that could be commissioned for larger local and regional contracts. This network would provide the scope for many small businesses to develop and provide future local employment potential. Running in parallel to the skills gained towards creation of their own business all of the skills will be given around the use of CO2 reducing technologies. This focus on the environmental aspects of the role in logistics will lead to the new businesses being useful to other businesses as from a CSR point of view the reduction in a company's CO2 footprint is becoming increasingly important.

- 3.18 The Sector Skills Agency for the logistics industry 'Skills for Logistics' highlights several key issues that need addressing, these are: Unrepresented labour force profile- too few women and BME's, ageing profile of GV drivers; major shortage of LGV drivers; limitations of external training provision; basic skills gap at all levels of the workforce; the image of the industry;

- 3.19 It is anticipated that by year 2 the sector academy could have become an approved centre for the delivery of some elements of training, and

hold a contract for these from the Learning and Skills Council and Job Centre+. These links would again provide further support and inspiration for the development of new small businesses.

4.0 Implications For Council Policy And Governance

- 4.1 The proposals above would, were they to be successful help deliver the outcomes of the Leeds Strategic Plan 2008-11 in relation to Enterprise and the Economy (increase entrepreneurial activity in deprived areas) and Thriving Places (reduce worklessness in deprived areas). It will also contribute to the strategic priority of Narrowing the Gap. Proposals in the plan have been formulated in consultation with key stakeholders in the local area.

5.0 Legal and Resource Implications

- 5.1 Funding has been earmarked or is to be sought for all of these initiatives from a variety of European and other sources including Access to Employment and LEGI. The Well-Being Fund could also be used to finance projects which meet the objectives of the Area Delivery Plan.

6.0 Conclusions

- 6.1 The Area Delivery Plan sets out the key actions for 2007/8 for Inner West Leeds. Projects to increase employment and decrease worklessness are an important part of the work of the City Council and the Inner West Area Committee. This report has provided an update for members on possible sources of funding for some of these initiatives.

7.0 Recommendations

- 7.1 Members are asked to note the proposed bids to go forward to the relevant funding organisations for economic development and worklessness in Inner West Leeds and agree that the results of any success in bidding are reported back to a future Area Committee.

APPENDIX 2 Ward	Employment Deprivation Domain	Area Key- YELLOW: WEST, BLUE: NORTH WEST RANK: DARK RED = worst 10% LIGHT RED = worst 20%
	Rank	
Hyde Park & Woodhouse	297	Little London, Lovell Park
Armley	1412	Holdforths, Clyde Approach,
Bramley & Stanningley	1424	Fairfields
Farnley & Wortley	1737	Highfield Cres, Old Lane, Roseneaths, Gilpins
Hyde Park & Woodhouse	2373	Cambridge Road, Servias, Meanwood Rd, Leicester Place
Armley	2776	Wyther Parks
Armley	3467	Armley Grove Place, Hall Lane, Abbot View
Farnley & Wortley	3659	Heights Way, Heights Drive, Farrows
Hyde Park & Woodhouse	3884	Woodhouse St. Melville Rd, Elthams
Kirkstall	4584	Fillingfir Drive, Latchmeres
Kirkstall	4713	Eden Cres, Beecroft St, Sandford Rd
Bramley & Stanningley	4977	Waterloo Way, Rossefields, Ashbys
Farnley & Wortley	5085	Gamble Hill
Bramley & Stanningley	5128	Ganners, St Catherines
Kirkstall	5134	Queenswood Drive, Lea Farms, Ghyll Road
Armley	5351	Aviaries, Arleys, Salisburys
Farnley & Wortley	5640	Butterbowl Drive, Whincovers
Hyde Park & Woodhouse	5726	Westfield Road, Woodsley Road, Rosebank Road
Pudsey	5864	Harley Road, Swinnow Lane, Wellstone Drive
Armley	6467	Mistress Lane, Nancroft Lane, Brooklyns, Models

