
LEICESTER ECONOMIC REGENERATION PARTNERSHIP

Objective 2 European Social Fund Strategy for Leicester

**Addendum to the Action Plan submission for Objective 2 funding for the
area of Leicester**

Information addressing the ESF measures

February 2004



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STRATEGY FOR OBJECTIVE 2 EUROPEAN SOCIAL FUND

1. INTRODUCTION

In December 2001, the Leicester Economic Regeneration Partnership submitted its application to run an Objective 2 Action Plan to GOEM for their consideration. The plan covered measures in the programme with the exception of Measure 2.1 and Measure 3b, measure 2.1 was dealt separately through the Strategic Development Opportunities and Measure 3b is not eligible for Leicester. Measures 1.5 and 3.a3 are outlined in this strategy document.

Target Area

This bid targets the fully eligible area of the Objective 2 area of Leicester Economic Regeneration Partnership. This covers part of Leicester City Council's local authority wards of Belgrave, Beaumont Leys, Charnwood, Latimer, Mowmacre, New Parks, North Braunstone, Spinney Hill, West Humberstone and Wycliffe.

Within the endorsement of the Action Plan, an opportunity has arisen to incorporate the outstanding ESF measures within the plan. This document sets out what the LERP wish to achieve using ESF and if agreed will be incorporated into the LERP's Action Plan. The ESF strategy will operate from 2002 to 2006.

Partnership

The Leicester Economic Regeneration Partnership (LERP) Partnership has endorsed the indicative measures and activities set out in the ESF strategy. The LERP is a strategic partnership and includes representatives from:

Leicester City Council
Employment Service
Leicestershire Chamber of Commerce & Industry
Leicestershire Asian Business Association
Leicestershire Business Link (Small Business Service)
Leicestershire Learning & Skills Council
Voluntary organisations
Leicestershire Constabulary
Voluntary Action Leicester

The LERP have agreed that the partnership will provide a Steering Group to determine the strategic direction of the plan. Contact:

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2. TARGET AREAS / POPULATION

As outlined in the LERP Action plan, Leicester has experienced significant levels of unemployment and industrial decline. The following tables outline the characteristics of the Leicester Area in relation to employment.

IMD East Midlands Ward Placement	Ward Name	Ward Population	Local Authority	Index of Multi Deprivation 2000 Score	Ranking in Index of Multi Deprivation 2000
1	North Braunstone	9,490	Leicester	71.75	57
8	Wycliffe	12,535	Leicester	65.79	150
22	Spinney Hill	10,932	Leicester	55.55	371
27	New Parks	11,228	Leicester	54.58	410
35	West Humberstone	10,767	Leicester	52.41	488
36	Mowmacre	7,647	Leicester	52.33	490
38	Belgrave	11,606	Leicester	51.31	517
47	Beaumont Leys	15,622	Leicester	49.09	600
50	Latimer	7,955	Leicester	48.82	612
51	Charnwood	9,293	Leicester	48.67	621

IMD Indicator - Income

Government policy makes it clear that issues surrounding unemployment, economic inactivity, qualification and skills attainment, low pay and barriers to employment, and peoples living environment need to be addressed because of the impact of individuals lives and issues of social justice. Additionally, social exclusion is a Government Priority because of the links between economic disadvantage, health and community safety.¹

Local Ranking	Objective 2 Ward	IMD Score – Income	IMD Ranking – Income
1	North Braunstone *	39.48	20
2	Wycliffe*	55.48	75
3	Spinney Hill*	50.80	152
4	New Parks*	44.11	319
5	Belgrave*	42.54	385
6	Mowmacre*	42.50	387
7	West Humberstone*	39.48	540
8	Beaumont Leys	39.09	600
9	Charnwood	48.82	621
10	Latimer	38.09	638

* These Wards come under the Community Economic Development priority of the SPD

Low Income may be due to unemployment, lone parenthood, low wages and high outgoings or self – employment. The number of people with low incomes has grown

¹ “Leicestershire Economic Perspective 1999” (LSC, LCC and Leics County Council, 1999) Section 7, Page 81

LEICESTER ECONOMIC REGENERATION PARTNERSHIP (LERP)
OBJECTIVE 2 ESF

significantly since 1979 with 13 – 14 million people (24% of the population) living on or below the income support level in 1992.²

In over three-quarter of couples with both partners in full-time work, the male partner earned at least 10% more than the female partner in 1995-96. Analysing the Earning Survey data for 7 major industry groups shows that in April 1997 women's earnings ranged from 72% of men's earnings in manufacturing to 90% in the transport and storage industries. The difference between average earnings of men and women has been constant since 1971.³

Data from the Labour Force Survey shows that hourly earnings are higher than average for white men working full time than for men from ethnic minority groups as a whole. Data from the Family Resource Survey show that in and around 4 out of 5 couples the male partner earned at least 5% more than the female partner in 1995-6.⁴

IMD Indicator - Employment

Local Ranking	Objective 2 Ward	IMD Employment – score	IMD Employment – Ranking
1	Wycliffe*	29.72	116
2	North Braunstone *	24.68	350
3	Spinney Hill*	20.56	701
4	West Humberstone*	18.82	909
5	Beaumont Leys		931
6	New Parks*	18.73	924
7	Belgrave*	18.02	1038
8	Mowmacre*	17.99	1042
9	Latimer	17.09	1198
10	Charnwood	15.81	1431

* These Wards come under the Community Economic Development priority of the SPD

Unemployment levels and in particular the incidence of long-term unemployment is probably the most widely used indicator of deprivation. However, it is well anticipated that there exists a group(s) called the 'hidden' unemployed. Therefore, a range of indicators are generally used when assessing levels of deprivation and exclusion. Nationally, there are two official measurement of unemployment, the claimant count and the ILO defined unemployed.

The UK national unemployment rate currently stands at 1,098,058 giving a national rate of 3.7%. The East Midlands has an unemployment rate of 3.5%. However, the average unemployment for Leicester City as a whole is 7.2%, well above the national average. In addition to this, some of Leicester's most deprived wards stand between 6.9 – 17.7% high above that of the East Midlands or the UK as a whole.

² "Townsend Deprivation Index" – NHS Executive (1998)

³ "Social Trends 28" (Government Statistical Service, 1998), Chapter 5, Page 91

⁴ "Social Trends 28" (Government Statistical Service, 1998), Chapter 5, Page 97

Economic activity rates are lower in the urban areas of Leicester, Nottingham and Derby which have a combined rate of only 73.6%. However, this will be even lower in the most deprived inner-city wards.⁵

In the 1991 Census, nearly 23% of under 25's from ethnic minority groups were unemployed, almost double that of the white population (11.6%).⁶

IMD Indicator – Education Skills and Training

The 2 wards with the highest IMD ranking are North Braunstone (9th) and New Parks (23rd). At key stage 2 (7-11 years of age) North Braunstone has only 3% of pupils who gained Level5+ in English and 5% in Level 5+ in maths:

Local Ranking	Objective 2 Ward	IMD Education – Score	IMD Education – Ranking
1	North Braunstone *	2.70	9
2	New Parks*	2.43	23
3	Mowmacre*	2.16	58
4	West Humberstone*	1.76	190
5	Beaumont Leys	1.60	282
6	Charnwood	1.37	510
7	Latimer	1.26	671
8	Belgrave*	1.26	674
9	Wycliffe*	1.0	1129
10	Spinney Hill*	1.60	1220

* These Wards come under the Community Economic Development priority of the SPD

Business Profile

General Business Conditions

Business Optimism continues to fluctuate. Optimism has declined since Summer 2002 but is slightly above that found in Winter 2001/02. Overall, the balance of optimism is now negative at –13% from +3% in Summer 2002. 16% thought business conditions would improve compared to 29% who thought they would deteriorate over the next six months. This decrease in optimism applied to both the manufacturing and service sector.⁷

Workforce Growth

The outlook for the next 6 months is still fairly optimistic. Over a quarter of firms surveyed (28%) expect the size of their workforce to increase during this time.⁸

Two thirds of the firms surveyed (62%) have recruited staff in the last 6 months, at 59% of manufacturing companies and 64% of service sector firms. Compared with six months ago, more service sector companies have recruited staff whereas the situation for the

⁵ “East Midlands Objective 2 Single Programming Document 2000 – 2006 (GOEM), Page 12 - 13

⁶ “Census 1991” (Leicestershire County Council), Page 3

⁷ “LERP” Leicester & Leicestershire business survey winter 2002/03, Page 3

⁸ “LERP” Leicester & Leicestershire business survey winter 2002/03, Page 10

manufacturing sector was little changed. The percentage recruiting in the past six months increases from 45% of firms with fewer than 20 staff to 80% of those with 20-199 staff and 98% of those with 200+ employees.⁹

Over half of recruiting firms (54%) have experienced difficulties, much the same as six months ago (53%). In general, manufacturing sector firms reported more problems (56%) than the service sector (53%), as was found in the Summer 2002 survey, 61% of recruiting textile companies reported difficulties.

Skills Shortages

The position on skills shortages has changed little in the last six months. Overall, 38% of firms surveyed agreed that skill shortages were having a serious impact on their business, much the same as six months ago.

The most significant skills which companies thought needed improving in their workforce were communication skills (35%), technical skills specific to their sector (32%), and management or supervisory skills (30%). Small companies were less likely to say they had skills gaps.¹⁰

Linkages to Local Strategies

LERP Strategy

The LERP Strategy “Regenerating Leicester” has developed key targets for area of Employment and Enterprise and Lifelong Learning. Through the development of this strategy this significantly help to achieve these targets and the prosperity of the city as a whole. The targets are outlined below:

Lifelong Learning:

- 16% of the adult population undergoing training and learning
- 28% possess NVQ4 or equivalent

Employment and Enterprise:

- 75% of the working population will be economically active by 2010: Labour Force Survey Baseline 69%
- Increase in employment in 10 most deprived areas – 2,000 more in employment by 2010
- New jobs attracted to city (EMDA) – 3,000 by 2010

Learning & Skills Council, Strategic Framework to 2004 – Corporate Plan

This ESF Strategy links to the key objectives of “Increase engagement of employers in workforce development” and “raise achievements of adults”. With the National overarching vision of “by 2010, young people and adults in England will have knowledge and productive skills matching the best in the world.

⁹ “LERP” Leicester & Leicestershire business survey winter 2002/03, Page 10

¹⁰ “LERP” Leicester & Leicestershire business survey winter 2002/03, Page 11

3. STRATEGIC OBJECTIVES

The Leicester Economic Regeneration Partnership (LERP) ESF strategy has been determined by the overall objectives set out in “**Leicester’s Community Plan**” and the “**Leicester Regeneration Strategy**”. These sub-regional strategies have been shaped and informed by the East Midlands Regional Assembly’s “**Integrated Regional Strategy**” and by the East Midlands Development Agency’s “**Regional Economic Strategy**”.

This strategy will complement by the LERP’s Action Plan by clearly linking to the objectives of the action plan:

- **Objective 1:** To combat social and economic exclusion in the Objective 2 area by building capacity in Leicester’s most disadvantaged communities
- **Objective 2:** To support new employment initiatives and community economic development within Leicester’s most deprived wards
- **Objective 3:** To complement existing UK employment programmes in the Objective 2 area (these include SRB4, SRB5, SRB6 and New Deal funding).

The indicative measures and activities set out in this strategy have been assessed and appraised by the LERP. The Plan’s intended activities could not be delivered without ESF grant funding.

Priorities linked to the Action Plan from the Community Plan include the following objectives:

- To target disadvantaged groups in the labour market to increase their employability prospects. Disadvantaged groups include disabled people, members of ethnic minority communities, the long-term unemployed, those without appropriate skills and women returning to employment.
- To develop a city-wide approach to employment and training in Leicester that involves the public, private, voluntary and community sectors, EMDA and the Learning & Skills Council (Measures 1.5, 3.13).
- To support sustainable approaches to enterprise, including cooperatives and social enterprises which benefit the local community and economy and create opportunities for excluded groups (both measures).

Our focus will be outlined from the Regional Delivery Plan 2000-2003, which has influenced the design of the LSEP Strategy and the Leicester Partnerships Community Plan. In order to meet these objectives we aim to complement the Enterprise & Innovation strand and the Sustainable Communities strand of the Leicestershire Economic Partnership Strategy, which aims to achieve the following:

Enterprise & Innovation:

- Promoting our enterprise culture and stimulating a desire amongst all groups of the working population to set up in business

- Developing the potential of ethnic minority businesses for local and wider markets
- Concentrating support on those industrial sectors which we believe offer the most tangible benefits of increased jobs and/or productivity for the long-term of the economy, namely:
 - Financial and business services
 - High technology industries
 - Food and drink
 - Logistics and transport
 - Creative and cultural industries
 - Tourism
 - Clothing and textiles
- Supporting employment opportunities whose higher productivity and 'added value' help to raise wage rates and family incomes

Sustainable Communities:

- Tackling social exclusion in more deprived geographical communities and communities of interest by providing practical support for local economic renewal, which helps to raise household incomes, offers new education and job opportunities and encourages greater local pride and involvement in community activities
- Contributing to the wider sustainable development agenda by encouraging businesses to pursue new environmental technology and assess and respond to the wider sustainability impact of their operations

Objectives Against Indicative Activities

To increase the competitiveness of companies and the number of new starts through the provision of high quality skills and management training

Measure 1.5 Indicative Activities

As outlined in the Programme Complement (June 2002) "Emda has developed a Skills Action Plan which highlights, amongst other things, the urgent need to raise skill levels. The Objective 2 Labour Market Assessment identifies several factors inhibiting adaptability including lower than average qualification levels and a degree of long-term and relatively intractable unemployment. At the same time industries sectors such as fashion, food, printing, tourism, finance and healthcare are creating jobs"(Page 26).

To address these issues the ESF Strategy aims to support the following indicative actions (Objective 2 & 3):

- Support for intermediary skills, particularly but exclusively in ICT
- Provision of skills training and development
- Support for management and business training for supervisors

- Provision of tailored recruitment and training packages linked to new investments, wage subsidies, including support for people setting up in business and for social enterprise companies.

To increase employment and incomes in targeted communities by providing appropriate HRD guidance and support to increase the skills and employability of the residents

Measure 3.13 Indicative Activities

As outlined above and within the Programme Complement the activities will focus on “relatively high proportion of pre-employment and employability training, focusing on improving attitudinal, personal and practical skills and on employability outcomes”. “Typical elements might be undertaking and completing work placements, achieving satisfactory attendance on training courses, acquisition and reinforcement of basic communication and numeracy skills, personal action planning, ability to complete forms and put together CVs, increased confidence and self-esteem” (page 44).

To address these issues the ESF Strategy aims to support the following indicative actions (Objective 1 & 2):

- Planning and running local training and employment Programmes including programmes which support the development of community financial instruments such as LETS and credit unions
- Provision of personal development and advice
- Vocational and pre-vocational training programmes
- Training activities tailor-made to needs of businesses and to the individual
- Management training for individuals intending to start-up businesses, employment subsidies and community works

4. THEMATIC PRIORITIES

Environment & Sustainability

This ESF Strategy links into the Environment Strategy and the environmental objectives set out in the SPD. To address the cross-cutting theme of sustainability, this ESF Strategy aims to build upon Leicester's innovative role as Britain's first Environmental City and the lessons learnt from the "Blueprint for Sustainable Development" programme which received grant funding under Article 10 of the ERDF (Urban Pilot Projects). This project delivered an integrated programme of environmental improvements, economic development and social inclusion measures. Research carried out by the UPP has informed the design of this Strategy. As part of its Evaluation Strategy, the Strategy will monitor its impact on the environment and its use of natural resources. In particular the ESF Strategy will ensure:

- That activities delivered under Measures 1.5 and 3.13 are delivered within the broad framework of the EU's "Environmental Management & Audit Scheme"

All of the measures set out in this ESF Strategy have been endorsed by the Leicester Economic Regeneration Partnership in terms of their environmental impact and sustainability

Equality of Opportunity

Leicester City Council has a published Equal Opportunities Policy. The policy was first published in 1976 and is regularly reviewed, revised and updated to reflect new equal opportunities legislation. It has been published and endorsed by Committee. The policy is monitored by dedicated equalities staff and is subject to ongoing evaluation and revision.

Work carried out in this ESF Strategy will be delivered within the framework of the Council's Equal Opportunities Policy. The policy ensures equal opportunities for women, lone parents, ethnic minorities and the disabled. Within this framework, the ESF Strategy will ensure equality of access to all elements of the programme and will ensure against discrimination on the grounds of race, gender or disability.

This ESF Strategy will formally adopt the Council's Equal Opportunity Policy as part of the programme's Terms of Reference and will ensure that the policy applies to all sub contractors. The equal opportunities elements of the project will be subject to ongoing monitoring, evaluation and revision.

The Equal Opportunities Strategy will also ensure that mainstreaming of equalities takes place. This will ensure that all stages of the programme (i.e. project development, management, delivery and evaluation) are under-pinned by equal opportunities and that socially excluded groups are able to contribute to the development and strategic direction of the programme. Existing ESF Monitoring and evaluation procedures will be adapted to monitor and review how equal opportunities are addressed throughout the lifetime of the programme. Local community groups will be consulted throughout the lifetime of the programme's development.

It is planned that equal opportunities will be addressed by complying with the following:

- Comply with the Race Relation Amendment Act 2000
- Ensure information about the project is disseminated in Asian languages as well as English
- Consult people from ethnic minority communities who may be affected by the development
- Where appropriate, ensure childcare meets the needs of ethnic minority communities

ICT

Local research shows that unemployed and socially excluded groups in Leicester's Objective 2 area lack ICT skills. This ESF Strategy will support the provision of locally based ICT training facilities relating to employment & training and provision for ICT support centres offering advice to SMEs. This provision will address Objectives 1 & 2 of the "ICT Revolution" as set out in Section 6 of the Programme Complement. The ESF Strategy intends to move towards the use of electronic and telematic services to support the delivery and management of the ESF Strategy as set out under Objective 3 of the "ICT Revolution".

5. OUTPUTS

Measure 1.5

Indicators at Measure level, as set out in the Programme Complement, are identified below. Table 1 sets out anticipated targets under Measure 1.5.

TABLE 1: MEASURE 1.5 MEASURE LEVEL TARGETS			
Outputs			
	Fully Eligible Area		Leicester Regeneration Agency
Number of beneficiaries getting help into self-employment (ESF)	1750		94
Number of companies helped (ESF)	3000		145
Number of employees helped (ESF)	5800		279
Results			
% gaining a qualification	64%		64%
Surviving rate of self-employment at 18 months	50%		50%
Impacts			
Net new businesses running after 18 months (ESF)	410		20
Net number of jobs safeguarded by ESF support	280		13
Net number of jobs created through support for self-employment (ESF)	1190		57
ICT Revolution			
Number of beneficiaries trained in IT	2100		101
Number of companies provided with ICT related training	700		34
Equal Opportunities			
% of women receiving ESF support	33% of all beneficiaries		
Environmental Sustainability			
Percentage of M1.5 ESF beneficiaries receiving training in environmental technologies	*		
ESF monitoring processes will parallel those in operation for objective 3			

Outputs marked* cannot be readily quantified but will be monitored as the programme progresses to inform evaluation

Measure 3.13

Indicators at Measure level, as set out in the Programme Complement, are identified below. Table 2 sets out anticipated targets under Measure 3.13.

TABLE 2: MEASURE 3.13 MEASURE LEVEL TARGETS			
Outputs			
	Fully Eligible Area		Leicester Regeneration Agency
Number of people in CED target areas benefiting from ESF assistance	12500		1278
Number of people in CED target areas benefiting from ESF training	3400		399
% of women receiving ESF support	42%		42%
Results			
% ESF beneficiaries achieving a positive outcome	63%		63%
% ESF beneficiaries progressing to full-time or part-time employment or voluntary work	34%		34%
Impacts			
Net numbers in work 6 months after ESF support	70		7
ICT Revolution			
Number of ICT initiatives supported	5		1
Equal Opportunities			
% of projects which offer access to targeted groups		100%	
Environmental Sustainability			
Number of environmental initiatives supported	5		1

6. FINANCIAL

The following table outlines the anticipated expenditure against the European Social Fund measure within the Objective 2 Single Programming Document.

Measure 1.5	2003	2004	2005	2006	Total £
Public Sector match funding	110,888	285,751	285,752	285,752	968,143
Private Sector match funding	10,389	26,772	26,772	26,773	90,706
ESF Sought	90,746	233,846	233,846	233,847	792,285
Total	212,023	546,369	546,370	546,372	1,851,134

Measure 3a.3	2003	2004	2005	2006	Total £
Public Sector match funding	25,822	85,326	85,326	85,326	281,800
Private Sector match funding	0	0	0	0	0
ESF Sought	21,127	69,812	69,812	69,813	230,564
Total	46,949	155,138	155,138	155,139	512,364

Match Funding

Match funding is likely to come from the Single Regeneration Budgets situated within the eligible Objective 2 wards of Leicester; Learning & Skills Council and the Leicestershire Economic Partnership (LSEP). Other sources of funding may be the Local Authority and Neighborhood Renewal Fund (available in the 10 wards eligible of Objective 2 funding).

Private Sector Investment

As identified in the Programme Complement, the private sector contribution to Measure 1.5 has been set at around 5%. This 5% is anticipated in the delivery of training programmes for the Business community. Measure 3.13 does not have private sector investment as it is more difficult to attract private sector community development projects.

7. Partnership and Management Arrangements

The management and partnerships will follow the same arrangement as outlined in the Action Plan. The LERP will have agreed that the partnership will provide a steering group (European Steering Group) to determine the strategic direction of the Plan.

The LERP has provided the strategic management for a range of regeneration programmes. These include SBR 2,4,5 and 6, sure-start, Objective 3 ESF, Learning & Skills Council and JobCentre plus. The LERP will monitor the ESF Strategy through its lifetime and will act as a Strategic Steering Group for the Programme. The LERP reports to the Local Strategic Partnership (LSP) and to local area forums. Leicester's "**Community Plan**" and the "**Revitalising Neighbourhoods**" initiative will provide a strategic framework and mechanisms to ensure continued consultation and the involvement of local communities in the management, further development and implementation of the strategy. In addition, consultation and awareness raising will be undertaken via the Leicester and County ESF network, which involves organisations who are interested in accessing or managing ESF funding.

The ESF strategy will be monitored through its "Monitoring and Evaluation Strategy". This Strategy will be delivered within the framework of the programme. This strategy will ensure that all programme "stake-holders" receive regular and systematic reports on the progress of the strategy in achieving its outcomes. It is planned that reports will be presented monthly to the steering group and subsequently to the LERP Board.

Via the monthly evaluation reports, this will enable partners to inform the design of the next stage. The ESF Strategy will be delivered in a number of stages. Each stage will include a statement of aims and expected outcomes. At the completion stage of each phase, an evaluation report will be presented to the Steering Group so that the findings can be discussed and, where appropriate inform the design of the next stage of the ESF Strategy.

In brief the LERP Steering Group will oversee the

- Strategic financial management of the ESF Strategy
- Establishment of monitoring systems
- Regulation and propriety in the use of the Structural Funds
- Preparation of monthly progress reports
- Review of project grant claims, and retain documentation for audit

Programme Delivery

The LERP have established a Europe Sub-Group to co-ordinate work around the Objective 2 programme. This steering group will be enhanced to cover activities around the Objective 2 ESF measures. Development Officers will support the Steering Group, whilst these officers are acting on behalf of the partnerships they will be accountable to the Partnership and not to that of individual partners.

The LERP will be supported by Leicester City Council's European & Regional Office who will:

- Undertake detailed partnership liaison
- Implement the strategic direction agreed by the LERP board
- Implement policy on bidding rounds
- Implement bidding round timetables and manage bidding rounds
- Receive applications for grant assistance
- Work with partners to score, assess and make recommendations to the European Sub-group
- Preparation of monthly reports to the European Sub-Group and updates to the LERP board
- Liaise with Government Office for the East Midlands on projects selected by the Leicester Economic Regeneration Partnership
- Collate grant claims from approved projects and assemble these to report to the LERP European Sub Group
- Undertake any marketing required
- Advice and guidance to project sponsors on audit trails and management information required to ensure EU funds are spent appropriately and in accordance with the information given in the project application

Monitoring Performance

Through the Steering Group, the LERP partnership will be responsible for monitoring progress towards delivering the outputs in the agreed ESF Strategy. Dedicated City Council Officers will monitor these outputs and monthly reports will be reported to the Steering Group monthly.

The LERP Partnership will provide the Strategic guidance to address any shortfalls in performance against target outputs.

Further mechanisms of project delivery will be followed in line with section 6 –8 of the Leicester Economic Regeneration Partnership's Action Plan.

Delivery Timetable

Timetable

ESF Strategy Submitted	March 2003
First Bidding round opens (expression of interest)	April 2003
Call for Full applications	May 2003
Deadline for receipt of applications	June 2003
ESF Strategy Approved	April 2003
1 st scoring and appraisal panel established	June 2003
Recommendations to European Sub-Group	July 2003

Projects referred to GOEM	July 2003
First Round Project Approvals	August 2003
First bidding round cover activities for maximum of 2 years	
Second bidding round opens (expression of interest)	April 2004
Second bidding round closes	May 2004
Second round project approvals	August 2004
Third and reserve Bidding round opens	March 2005
Operational period ends	December 2006

European Sub-Group meetings will be held monthly, where monitoring reports are presented. All project sponsors will submit claims to the LERP Partnership and copies to the European Secretariat at Government Office for the East Midlands.

Bidding Round 1

The first ESF bidding round will be called at the beginning of April 2003 with closing date of May 2003.

All projects will be required to have match funding in place and all technical issues resolved at the time of application.

The first scoring and appraisal panel will be established in June 2003 where projects will have an initial check for eligibility including proof of match funding and will ONLY proceed to scoring and appraisal if these are met. The scoring is carried out by two people, neither of whom will have a conflict of interest with the project, and moderated if necessary by another.

The scoring will follow that of the system used by the ESF European Secretariat. The process will be carried out by officers employed via the LERP stakeholders who have been trained by GOEM and have experience of the process at regional level.

Each project will be assigned two separate scorers who will score it independently before meeting to discuss and agree any discrepancies, thereby moderating the score. In the event of a failure to reach agreement the project will be referred to the European Office for a decision.

Once all projects have been scored, all recommendations will be taken to the LERP Steering Group for their comments for endorsement. After this they will be allocated to the ESF Appraisal team for appraisal. It is anticipated that the appraisal stage will last approximately 6 weeks. Once appraisals have been completed, all recommendations will be taken to the LERP steering group who will inform successful applicants accordingly.

These arrangements will be reviewed for subsequent bidding rounds, subject to GOEM being satisfied with any revisions.

ESF Strategy Bidding Round Documentation

A bidding guidance pack will be prepared, with the following information:

- Covering letter
- Application form software
- Guidance note for filling in application form
- Map of eligible area with details of wards for both measures
- Supplementary information above and beyond that required by the ESF application form
- Selection criteria
- Guidance notes on achieving target outputs
- List of contacts for advice and support
- List of websites for information, such as the SPD, RDP, Leicester & County ESF Network
- Bidding round guidance notes

Documentation will be placed on the Government Office for the East Midlands website, along with the Leicester and County ESF network.

Scoring Criteria

GOEM's Objective 2 ESF scoring criteria will be used to assess Leicester projects wishing to access ESF funds.

8. Financial Management

The City Council's programme management systems are designed to ensure that good financial controls are in place so "that all concerned can be confident that regularly, propriety and value for money are being achieved in the use of" grant funding.

Grant payment from the Accountable body to project deliverers will be clearly linked to performance monitoring. Project claims will be compiled by one officer, checked by another officer and authorised by a separate accountable officer. ESF claim forms will be used. The approval of grant claims will also be based on demonstrable evidence of expenditure and project grant budget limits. There will be an explicit link between the approval of a grant claim and receipt of satisfactory output monitoring.

The steering group will be able to track and forecast spend at project and overall level. There are also systems in place to ensure propriety and value for money. An inventory of assets will be maintained and kept up to date by the Accountable Body.

The Accountable Body will issue guidance to partners and project deliverers making clear that contracts should normally be subject to competitive tendering procedures. The lowest tender will be accepted unless there are reliable grounds for accepting an alternative tender. Where tenders are let on a single tender basis, these will be approved by the Steering Group and the reason recorded. The Accountable Body will take legal advice for the Council's Legal Services Department to comply with EC Procurement Rules set out in the Structural Funds Handbook.

The City Council will keep clear records of expenditure and grant claimed.

9. Added Value

The ESF strategy will add value to the resources of the LSEP and SRB programmes in particular to concentrate resources on this priority area. This ESF Strategy has therefore been developed to implement those part of the ESF strategy that are eligible for ESF Structural Funds support, and deliver significant economic development benefits.

If ESF funding is not secured, this will directly affect the training prospects of the local economy and the benefits of the region as a whole.