

CARLISLE CITY COUNCIL

Report to:- The Chairman and Members of the Policy & Resources Committee

Date of Meeting:- 30th August 2001

Agenda Item No:-

Public

Policy

Delegated: Yes

Accompanying Comments and Statements

Required

Included

Tenant Consultation:

No

-

Environmental Impact Statement:

No

-

Corporate Management Team Comments:

Yes

Yes

City Treasurers Comments:

Yes

Yes

City Solicitor & Secretary Comments:

Yes

Yes

Head of Personnel Services Comments:

No

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Title:-

RAFFLES SINGLE REGENERATION BUDGET SCHEME

Report of:-

Town Clerk & Chief Executive/Director of Housing

Report reference:-

H.088/2001

Summary:-

The report highlights recent developments on the Raffles SRB Scheme, the request from North West Development Agency for Carlisle City Council to become the 'Accountable Body' for the scheme and the envisaged process for the progression of the scheme.

Recommendation:-

Policy & Resources Committee are recommended to agree to the request from NWDA for Carlisle City Council to become the Raffles SRB Scheme Accountable Body – subject both to the conditions set out in section 4.1 of the report and to the safeguard set out in Section 9.3 of the report.

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Town Clerk & Chief Executive

20th August 2001

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

**To the Chairman and Members of the
Policy and Resources Committee**

RAFFLES SRB SCHEME

1. Introduction

1.1. This report provides information on the recent developments of the Raffles SRB Scheme, explains the current expectations of the North West Development Agency (NWDA), and the envisaged process for progressing the scheme.

2. Background

2.1. Raffles SRB Scheme, known as 'Positively Raffles' was awarded £420,000 under SRB Round 4 for the period April 1998 – March 2004.

2.2. Carlisle Diocesan Board of Finance acted as the scheme's 'Accountable Body' (see section 5 below). They in turn appointed an SRB Board responsible for the strategic direction and decision making of the scheme. The Raffles Youth and Community Development Project (RYCDP) were both the main delivery agency of the scheme and also responsible for the management and administration of the scheme.

2.3. Following policy changes at a national level responsibility for the SRB programme was handed from the Government Office North West to the North West Development Agency in 1999. A 'health check' of the Raffles Scheme was then undertaken by the NWDA in October 1999 and this revealed a number of systems failings in the scheme.

2.4. After protracted discussions the NWDA then removed the Scheme's delegated powers in April 2000. This has meant that since then all major funding and delivery decisions have to be made with the approval and authorisation of NWDA – a situation that still prevails today.

2.5. Following a series of interventions between autumn 1999 and summer 2000 NWDA believed failings were still evident. In July 2000 to deal with these NWDA stipulated:

- The reconstitution of the SRB Board;
- The creation of a new post of SRB Scheme Manager;
- The re-appraisal of all existing and anticipated SRB-funded projects in advance of April 1st 2001.

2.6. In response the Accountable Body:

- Reconstituted the SRB Board - Carlisle City Council has been represented on this since August 2000 by the Chairman of Housing and Care Services Committee supported by the Director of Housing;
- Sought the appointment of an scheme manager – Recruitment commenced in the autumn of 2000 and the postholder commenced in January 2001 with the post being hosted by the Housing Department;
- Re-appraised all existing and proposed schemes during January-March 2001 making recommendations to the NWDA.

2.7. The latter re-appraisal resulted in funding for only one project from 1st April 2001 (delivered through Newtown Primary School) as well as the continued funding of the new Scheme Manager post.

3. The Current Position

3.1. Following discussions with both the Carlisle Diocesan Board of Finance and the City Council, NWDA is now seeking Carlisle City Council to assume the responsibility of being the schemes' Accountable Body to enable the satisfactory continuation of the scheme.

3.2. Subject to a full audit of the schemes' finances, there is approximately £210,000 grant funding still available from April 1st 2001 – March 2004.

3.3. An action plan to re-establish the scheme was submitted by the SRB Board to NWDA in April 2001. This action plan has been agreed by NWDA as providing a basis for progressing the scheme

4. Carlisle City Council Becoming the Accountable Body

- 4.1. NWDA have agreed that Carlisle City Council will be asked to take on the role of the Accountable Body on the basis of being given a 'clean slate'. There will be no further transfer of undertakings with regards to either projects or employees previously receiving SRB funding whose funding has now ceased. Prior to Carlisle City Council becoming the Accountable Body the following pre-conditions have been agreed with NWDA:
- 4.1.1. A full audit of SRB accounts for the financial years 1999-00 and 2000-01. This will be undertaken by an NWDA-appointed external auditor in August/early September 2001;
 - 4.1.2. Formal agreement from Carlisle Diocesan Board of Finance that they are willing to relinquish the role of the Accountable Body;
 - 4.1.3. The preparation of a satisfactory novation agreement (in order to legally transfer scheme responsibility);
 - 4.1.4. Approval for undertaking the role of the Accountable Body by the City Council.
- 4.2. Further to the above NWDA have requested that the following be prepared by the end of August 2001:
- The submission of a Delivery plan setting out the key tasks/actions etc. of the scheme until March 2002;
 - An Action Plan providing detail on the above;
 - An outline plan of how the scheme will develop until the end of March 2004;
 - A report on the work towards re-establishing the scheme undertaken between April and August 2001.
- 4.3. In terms of timescales for delivery of the change, most of the actions required by the NWDA in section 4.2. above are either already complete or well advanced and the speed with which the transition of accountable body status can proceed is dependent on the progression of the items in section 4.1.

5. The Role of an Accountable Body

- 5.1. NWDA require a legal body to enter into a contract with, on behalf of the SRB Partnership, for the running of all SRB Schemes. This body is then the Accountable Body.
- 5.2. The Accountable Body is responsible for the overall management, delivery and administration of the scheme. However, operational responsibility is delegated to the Board for strategic matters and on a day-to-day level to the Scheme Manager. SRB funded projects are managed by a named Project manager within the funding agreement for the project and subject to monitoring from the Scheme Manager, Board and ultimately Accountable Body.
- 5.3. The Accountable Body have a responsibility to ensure that the Board, the Scheme Manger and SRB-funded projects receiving funding are all fulfilling their responsibilities. Should any of those not be doing so, the accountable body has a responsibility to take action, including where appropriate notifying NWDA.
- 5.4. The Accountable Body is responsible for ensuring the satisfactory preparation, submission and implementation of a delivery plan for each financial year. This includes the financial profile for the scheme and key tasks, milestones and outputs which will be achieved.
- 5.5. The Accountable Body has a financial management role and this will require the Council to have a nominated finance officer overseeing the preparation of the quarterly grant claims and annual statement of grant expenditure prepared by the scheme manager. SRB grants are paid retrospectively based on spending incurred. The arrangements for this are summarised below:
 - 5.5.1. Total spending for the scheme is contained in the Delivery Plan for each year;
 - 5.5.2. Individual project spending is stated in the specific project appraisal and subsequent grant confirmation letters, or where declined in the reasons for refusal letters;
 - 5.5.3. Projects claim back spending incurred from the Accountable Body in line with the above on a quarterly basis;

- 5.5.4. The Accountable Body claims back total spending incurred from the NWDA at the end of each quarter.
- 5.5.5. Annually a 'Statement of Grant Expenditure' is prepared and submitted to the NWDA.

6. Current Tasks Now Subject to Ratification of the Change of Accountable Body

- 6.1. Due to the fundamental changes in both the SRB Scheme and Raffles estate, the delivery plan for the remainder of financial year 2001/02, and associated detailed action plan, will include the following:
 - 6.1.1 The agreement of new Strategic Objectives which the scheme will work towards;
 - 6.1.2 The development of a new baseline stating the current position of the estate in relation to the strategic objectives. This will be aided by conducting a comprehensive survey of Raffles residents;
 - 6.1.3 The establishment of Key Indicators to monitor the progress of the scheme, and of outputs and outcomes which work towards the new strategic objectives;
 - 6.1.4 A review of all SRB processes, including financial arrangements, project appraisal, monitoring and evaluation;
 - 6.1.5 A review of the existing SRB Board, with additional/amended membership drawn from Raffles residents and from representatives of organisations with an expertise in addressing the strategic objectives;
 - 6.1.6 A review of the Scheme Manager post, including the role and working hours;
 - 6.1.7 Further consultation with potential partners, delivery organisations and funders, including relevant departments of Carlisle City Council and the Riverside Group as preferred partners in the proposed Large Scale Voluntary Transfer.
- 6.2. Items 6.1.4 - .6 will be included in a new Raffles SRB Scheme Handbook which will include all relevant SRB process and structures, including an agreement stating the responsibilities of Carlisle City Council as the new Accountable Body.

7 Anticipated Strategic Objectives of the SRB Scheme

- 7.1. The SRB Scheme will work towards objectives which address evidence-based need on the Raffles estate and which are in line with the NWDA *'Strategy for The North West Towards 2020'*. The relevant section of the above document is *'Investing in People and Communities'*.
- 7.2. The relevant sub sections are to *'develop the skills of all of the people'*, *'deliver urban renaissance'* and to *'tackle social exclusion'*. At a local level within Raffles this would translate to addressing the educational and training needs of residents, the housing situation and demolition sites and the dynamics which are causal and consequential to social exclusion.
- 7.3. Appendix 1 sets out the relevant draft section of the SRB Board's delivery plan which is currently subject to NWDA approval.
- 7.4. It is important that a realistic approach be taken with regards the size of remaining SRB grant and the remaining time of the scheme. The aim should be to locate the SRB scheme within a wider package, or alternatively to use SRB as a leverage to stimulate a wider regeneration package.
- 7.5. Key to this will be active engagement of wider partners, with obvious reference to Carlisle City Council Housing Department's Raffles Area Strategy and Riverside Group's plans as preferred partners in the LSVT.

8 Comments of City Treasurer

- 8.1. There are no tangible addition costs to the Council beyond those which are presently being incurred in hosting the scheme manager and providing a modest level of administrative support. The cash flow cost of reclaiming expenditure quarterly in arrears is insignificant.
- 8.2. The City Treasurer will be the "proper officer" designated to provide the financial management role, including oversight of the preparation and submission of the quarterly grant claims and annual statement of expenditure.

9 Comments of City Solicitor

- 9.1 The report outlines in broad terms the basis upon which the Council would inherit the role of "Accountable Body" and Members need to take a view on whether they are prepared to accept that responsibility on behalf of the Council.
- 9.2 The Council, though, needs to have full knowledge of and be entirely satisfied on the degree of risk, if any, and the level of resource demand which assuming this role will place on the authority. The Council will, for example, be expected to enter into a formal legal agreement transferring responsibility for the scheme to it if it proceeds. The detailed terms of the agreement have not yet been presented and need to be thoroughly examined before they are signed and if there are any risks not disclosed in this report then the matter needs reporting back. Similarly in the case of liability for existing staff and projects, where it is assumed that the Council would start with a "clean" slate and that TUPE would not apply so as to avoid the authority picking up liabilities for personnel and projects accrued to date. The Council would need to be satisfied that any agreement made absolutely certain that this was the case and that the authority did not enter into the accountable role on one premise, only to find subsequently that risks and consequences which it had not anticipated crystallised and fell at its door to solve and resource.
- 9.3 If Members do decide to proceed then it is recommended that it is on the basis only of the City Treasurer and City Solicitor and Secretary first satisfying themselves that the formal agreements do not appear to raise any additional risks for the Council not disclosed in this report and, if they are not so satisfied, that the matter is referred back to Members for further consideration.

10 Recommendation

Policy & Resources Committee are recommended to agree to the request from NWDA for Carlisle City Council to become the Raffles SRB Scheme Accountable Body – subject both to the conditions set out in section 4.1 of the report and to the safeguard set out in Section 9.3 of the report.

Peter Stybelski
Town Clerk & Chief Executive
Tony Bramley
Director of Housing

20th August 2001

RAFFLES SRB SCHEME - PROPOSED STRATEGIC OBJECTIVES

The purpose of the scheme is to ensure a sustainable community on Raffles through supporting housing demand, tackling social exclusion and promoting opportunities. Recognising the relative size of the scheme, and finance available, the scheme needs to be focussed and realistic in what can be achieved over the remaining 3 years. Linked to this the importance of the scheme complementing and working with other initiatives, funders and service delivery agents is recognised.

Raffles SRB Scheme strategic objectives¹ have been informed by objectives contained within the NWDA Strategy Towards 2020. The Raffles SRB Scheme primarily works towards the key theme of 'Investing in People and Communities' which is the most applicable theme to the Raffles context.

The Schemes Strategic Objectives are:

Stimulate new, and sustain existing, housing demand within Raffles estate (SO1)

Remove barriers to successful social inclusion for vulnerable groups (SO2)

Provide increased access to educational, training and employment opportunities (SO3)

The strategic objectives have been defined by:

- Raffles Community Profile (document providing wide ranging indicators of community need including economic activity, population, crime, facilities etc.)
- Raffles Planning for Real Exercise
- Consultation with residents and relevant agencies

Stimulate new, and sustain existing, housing demand within Raffles estate (SO1)

This strategic objective links with the NWDA Objective P2: Deliver Urban Renaissance, and most specifically sections 5.33 – 5.35 of the strategy.

In 1998 Carlisle City Council Housing Department approved the Raffles Area Strategy, which stated the process for the demolition of approximately 400 properties on Raffles with an optional phase including a further 77 properties. By March 2002 385 of these properties will have been demolished. The demolition programme was in direct response to the escalating number of void

¹ These are new Strategic Objectives, replacing the original scheme Strategic Objectives as agreed with NWDA

properties on the estate. A study by Sheffield Hallam University² revealed Raffles to be the most unpopular estate in Carlisle. As of May 15th 2001 345 (27%) of properties on the estate were unoccupied, 140 of which have been unoccupied for over 3 years.

Low demand for Raffles housing has been driven by a range of factors, including the estates poor reputation, the increase in competition from other housing sectors, and the increasingly transient nature of local authority tenants. Further to this, strategies needed to counteract growing low demand and depopulation have not been successfully implemented. Raffles SRB Scheme will support their formulation and implementation by pursuing initiatives which address the following:

- Support tenants in successfully maintaining their tenancy
- Improve the physical environment of Raffles, including security and maintenance of properties
- Develop new marketing approaches

The Schemes two further strategic objectives (SO2 and SO3) will further be linked, and contribute to, the achievement of SO1.

The scheme will specifically work towards the following outputs linked to SO1:

Output Code	Description
3D	Number of empty dwellings brought back into use
3E	Reduction in number of difficult to let dwellings
5A	Number of people who benefit from community safety initiatives
5C	Number of community safety initiatives

Additional complementary outputs may also be measured³. These will be developed through the course of the financial year and are likely to include:

SO1, Additional output code	Description
SO1, A1	Number of properties subject to new marketing approaches
SO1, A2	Reduction in property re-let times
SO1, A3	Reduction in number of tenancy terminations
SO1, A4	Reduction in the number of tenants carrying rent arrears
SO1, A5	Number of new tenancies subject to new tenant support programmes
SO1, A6	Number of properties receiving improved physical repairs and maintenance

² I Cole, S. Greenwood et al, 2000, "The Dynamics of Local Housing Demand: A Case Study of the City of Carlisle" Sheffield Hallam University

³ These will be devised as outputs specifically relevant to the Raffles Scheme and context, complementing output codes in the SRB Guidance Manual

Remove barriers to successful social inclusion for vulnerable groups and increase community involvement in the regeneration process (SO2)

This strategic objective links with the NWDA Objective P3: Tackle Social Exclusion and Place Communities and Citizenship at the Heart of Growth and Regeneration. Raffles SRB Scheme is designed to address all three areas of social exclusion identified in section 5.38 of the strategy, that is labour market exclusion, welfare exclusion and cultural exclusion.

Currently, other than statutory services delivered off-estate or on a domiciliary basis, there is no direct formal service provision for people within vulnerable groups. However, anecdotal evidence from relevant professionals and from residents suggests a high prevalence of a wide range of entrenched social, economic and health problems.

Currently there is no Raffles Residents Group, STARR, the former residents group formerly ended in August 2000 having been inactive for a number of months. Similarly Carlisle Tenants Federation (city wide association which residents groups report to) has no direct Raffles representation and neither does the Tenants Advisory Group (relating to Large Scale Voluntary Transfer). The only place residents can voice their opinions is the Raffles Community Forum, which remains professional led.

To address these issues, Raffles SRB Scheme will pursue projects which:

- *Develop support services to vulnerable groups, e.g. elderly, physical and mental health, drugs/alcohol, domestic violence, victims of crime etc.*
- *Support the development of active resident organisation and input into the regeneration process*

The scheme will specifically work towards the following outputs linked to SO2:

Output Code	Description
7A	Number of new community facilities
7B	Number of community facilities improved
8A	Number of voluntary organisations supported
8F	Number of capacity building initiatives carried out

Additional outputs may also be measured. These will be developed through the course of the financial year and are likely to include:

SO2 Additional Output Code	Description
SO2, A1	Number of new service delivery projects targetting groups vulnerable to social exclusion
SO2, A2	Number of people from groups vulnerable to social exclusion accessing new service delivery projects
SO2, A3	Number of people involved in new projects engaging the community in the regeneration process

Provide increased access to educational, training and employment opportunities (SO3)

This strategic objective links with the NWDA Objective P1: Develop the Skills of all the People, and most specifically sections 5.33 – 5.35 of the strategy.

SO2 will work towards removing some of the barriers which prevent people from developing skills. SO3 will build on this by introducing opportunities for community based learning, using local skills to address issues of low demand housing (SO1), as an illustrative example this may include the employment of Community Wardens, and by finding new ways to engage people. Primarily this will mean progressing the following:

- *Community Enterprise/Intermediate Labour Market*
- *Community based learning*
- Engaging those outside the job market, or currently unable to successfully access and remain within the job market

The scheme will specifically work towards the following outputs linked to SO3:

Output Code	Description
1A	Number of jibs created/safeguarded
1B	Number of pupils benefiting from projects designed to enhance/improve attainment
1E	Number of training weeks
8F	Number of community enterprise start ups