



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

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Scrutiny Report to the City Council

The Effectiveness of Birmingham SRB Programmes in Getting People into Work

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The Effectiveness of Birmingham SRB Programmes in Getting People into Work

Contents

	Page No.
Preface	3
1. Executive Summary	5
2. Purpose, Origins and Objectives of the Review	11
3. Introduction and Context of SRB	13
4. Method of Investigation	16
5. SRB Programmes in Birmingham	19
6. Findings	27
7. Conclusion	62
8. Recommendations	67

Appendices

Appendix A	List of Contributors
Appendix B	Summary of Outputs
Appendix C	Bibliography



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

Preface

By Councillor Jagdip Rai
Chair, Regeneration Overview and Scrutiny Committee



The Single Regeneration Budget (SRB) has been a significant source of funding for regeneration activity in Birmingham since its introduction by government 1995. The programme is aimed to improve the quality of life for local people in areas of the city where need is greatest.

With this in mind my Committee was keen to understand what the impact of this investment was on local people and whether the benefits had been sustainable.

We realised that the City had a variety of very different programmes and projects funded under the SRB and that it would be impossible to look in detail at all aspects of the programmes. However, given that a key objective of the SRB programme overall is to improve the employment prospects of local people we decided to concentrate on this issue.

We set ourselves the task of reviewing what type of jobs had been created, who secured the jobs and whether these jobs had been sustainable. Our ambition was to get underneath the complex bureaucracy and output driven approach and discover the real impact of the programmes on local people. To do that we contacted a wide range of people involved in the programmes from board members and programme managers, to beneficiaries of projects.

This has not been an easy task, but it has raised some important lessons for the remaining SRB programmes and future regeneration initiatives. The key messages are firstly that funding should not be competitive pitching one area or city against another but that government should provide adequate resources and trust the local partnership to get on with the tasks needed. Secondly we must move away from the output-dominated culture to a more qualitative and strategic approach to measuring impact. Linked to that is a need to put in place the necessary systems to allow that the impact to be measured.

We must also put in place actions, which promote more effective partnership working and the real involvement of stakeholders in regeneration programmes to



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

ensure that the regeneration process is sustainable.

Finally I would like to thank everyone who has worked to produce or taken the time to contribute to this review, including SRB board members, programme managers, project officers and beneficiaries, the staff at Castle Vale HAT and Speke Garston Partnership, the Government Office of the West Midlands, Advantage West Midlands and Members and Officers of the City Council.

A handwritten signature in black ink, appearing to be 'P. Smith'.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

1: Executive Summary

1.1 Introduction

This summary is based on a review of the effectiveness of the Birmingham programmes, funded under the Single Regeneration Budget Challenge Fund (SRBCF), in getting people into work.

The SRBCF provides resources to support regeneration initiatives in England delivered through local regeneration partnerships. Its priority is to enhance the quality of life of people in areas of need by reducing the gap between deprived and other areas and between different groups. Nationally, between 1994 and 2000, under Rounds 1 to 6 of the SRB over 900 schemes were approved, worth over £5.5 billion in SRB support over their lifetime of between one and seven years.

The responsibility for managing the SRBCF was given to the Government Office for the Regions for Rounds 1 to 5 and to the newly created Regional Development Agencies (RDAs) in Round 6.

Birmingham City Council and its partners successfully bid for funds from the SRBCF in five of the six available rounds. The City Council was the Accountable Body for programmes in four of the rounds with the Voluntary sector through Birmingham Voluntary Services Council in SRB4 and the Health Authority in SRB Round 5. The Accountable Body is the organisation, which will be responsible through a formal funding agreement for the receipt and use of grant from the SRB and for the realisation of the scheme's Delivery Plan.

The Birmingham programmes vary in their approach and emphasis. Some are thematic and focus on a particular issue at a local or city level such as the Core Skills Partnership, which aimed to raise educational attainment in the city. Others are area based and focus on a wide range of complex issues within a defined geographical area such as the Sparkbrook, Sparkhill and Tyseley Area Regeneration Initiative. The majority of the programmes identified some jobs related output targets in their delivery plans in the form of outputs related to training and employability, job creation or jobs safeguarded.

Despite the success in winning these resources for the city the unemployment rate, although falling, remains persistently higher in the SRB target areas than the city and national averages. The



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

Regeneration Overview and Scrutiny Committee therefore wanted to review what impact the SRB programmes have had on employment and if local people have benefited from the employment opportunities generated.

1.2 Methodology

A number of different techniques were employed to ensure that the review was comprehensive in its approach and obtained evidence and feedback from the wide range of agencies and individuals involved. The methods used included:

- ❑ Baseline economic study
- ❑ Review of performance and evaluation data
- ❑ Questionnaires
- ❑ Written evidence
- ❑ Presentations to Committee
- ❑ Structured interviews
- ❑ Visits to projects
- ❑ Beneficiary focus groups

1.3 A summary of the findings

Across the six rounds of the SRBCF in Birmingham there are eleven separate programmes each with their own board and management systems. Round 1 programmes ended in March 2002, Round 2 will finish in March 2003, with the remaining programmes at various stages of their delivery until 2007. However all the programmes will include some or all of the following strategic objectives:

- ❑ To improve the employment prospects, education and skills of local people;
- ❑ To address social exclusion and improve the opportunities for the disadvantaged;
- ❑ To promote sustainable regeneration;
- ❑ To improve and protect the environment and infrastructure, including housing;
- ❑ To support and promote growth in local economies and businesses;
- ❑ To reduce crime, drug abuse and improve community safety.

As might be expected, there is a wide variation between programmes in terms of the number of jobs related outputs and the methods used to achieve these. Enterprise Link, part of SRB1, was the only programme, which concentrated solely on creating jobs with an output target of 6048 jobs created. The programme recorded that it had created 6543 jobs during its lifetime.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

SRB Rounds 1 & 2 have the most significant job related outputs, with combined targets of 7606 jobs created and 8665 local people assisted into employment through training. Round 6, with targets of 887 jobs created and 4039 local people assisted into employment through training or advice has higher outputs than rounds 4 & 5, which together aim to create 619 jobs.

Rounds 1 and 2 have in the main reached or exceeded their targets and the Round 2 programmes, which come to an end in March 2003 report that they expect to meet all targets by then. Rounds 4 & 5 report that they expect to meet all targets by the end of their programmes. Round 6 is currently below its job related targets, but following the implementation of a number of critical actions they expect to be back on track by the end of this year.

Information on the types of jobs created and the postcode areas of beneficiaries of those jobs was difficult to obtain and consequently was not comprehensive across all programmes. There was no real evidence of systems to track individuals to ascertain the long-term effect of SRB projects. This was in part due to the over emphasis on collecting financial and numerical information against output targets rather than on data which would track the achievement of real and sustainable differences in the quality of life for individuals and in local areas. The impact was therefore hard to determine.

A number of comments were made concerning how the priorities were defined and the size and scale of the interventions, which in most cases were too large and too complex to make a real impact. The competitive nature of the funding encouraged bidders to be over ambitious in their aims and failed to recognise the intractable nature of unemployment and market failure in some urban areas.

The economic analysis of the areas covered by the SRB programmes showed that unemployment has fallen in all areas. However the number of jobs has also fallen in the majority of these areas, with the continued decline of the manufacturing sector. This is likely to indicate that some people from areas covered by SRB funding are travelling to work in other areas.

1.4 The Partnership Process

One of the key aspects of the SRB approach was its emphasis on the partnership model of delivery. This was fundamental to the delivery of each scheme, as it was believed that this would lead to better regeneration outcomes and to the sustainability of the process.

There were many comments about the role of strategic agencies



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

and it was felt that they should clearly state at the commencement of the funding what their contribution and commitment to the programme is over its lifetime and beyond. This would ensure the sustainability of the regeneration process. Further it was felt that the partners should be more proactive in identifying innovative best practice from the regeneration initiatives and apply this to mainstream activities and funding regimes.

It was also reported that setting up the initial partnerships which pulled the bid together was relatively easy but it proved to be much more difficult to develop the partnership beyond this to a more collaborative form of working with a shared vision and common objectives. This was in part due to the conflicting objectives of the funding bodies and the raft of new initiatives (up to 28 in some parts of the country), which have been set up since the start of the programme and in part due to the considerable changes in organisational structures, which took place over this time.

Over Rounds 1-6 there were a range of different models adopted in setting up the partnership boards. These varied from a board of Chief Executives of Agencies in the Core Skills Partnership to an elected board of Community Representatives in SRB6. In general contributors felt that the board structures were difficult to establish but once set up worked reasonably well.

We received many comments about the partnerships, stakeholder involvement and the role of key agencies concerning the early rounds in particular. A key message coming through was that the City Council should provide clearer leadership and adopt a role, which was more facilitative than dominant.

Other comments concerned the partnership process and particularly the involvement of the community in identification of needs, decision-making and planning. Although there is evidence of higher community involvement in the later rounds several respondents highlighted that the partners were slow to take on board the lessons from both mistakes and good practice of the earlier rounds.

1.5 Feedback from Beneficiaries

A series of focus group discussions were commissioned to hear the views of beneficiaries who have participated in projects related to employment opportunities. The beneficiaries were very positive about the training they had received, and many had progressed into employment. The report concluded that there were a number of lessons to be learnt for future programmes.

These include:

- linking a course to a particular industry is an important



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

- ingredient for success.
- ❑ locally tailored solutions are particularly effective at reaching more excluded groups and engaging them in learning.
- ❑ Schemes that build in personal development such as team working and confidence building activities alongside the practical training are particularly effective.
- ❑ Childcare provision is important in overcoming some of the barriers to participation.

1.6 The Identification of Best Practice and Conclusions

Officers and members looked at a range of SRB funded projects both in the Birmingham and in Liverpool, which were identified as demonstrating best practice. We also visited the Castle Vale Housing Action Team (CVHAT), which was funded directly by national government and has received wide acclaim for its achievements. The key issues arising from these visits can be summarised as follows:

- ❑ The programmes in Liverpool and Castle Vale focussed on specific geographic areas with significantly smaller populations than the area based SRB programmes in Birmingham.
- ❑ In setting up the Speke Garston Project, Liverpool recruited high staffing levels early on in the programme to ensure it had a good start. As a consequence they achieved most of their planned outputs in the first few years of the programme. By contrast Birmingham SRB projects struggled over the early parts of the programme due to limited staff resource.
- ❑ Liverpool had in place a comprehensive database and tracking system which enabled them to understand the impact of their employment related actions more fully. This was not the case in the Birmingham projects we reviewed.
- ❑ Employment projects which are based on identified skill shortages or specific vacancies have a better rate of success in getting people into jobs, which they then sustain.
- ❑ Both Liverpool and Castle Vale had robust links with local businesses and this helped to ensure local people obtained the jobs were possible.
- ❑ The CVHAT planned its succession strategy at the start of its programme. Liverpool similarly has put in place a range of actions with mainstream providers, which will ensure that the best practice is sustainable beyond the lifetime of the funding.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

1.7 Summary of Recommendations

Future regeneration priorities of the city should have clearer objectives linked to defined outcomes and methods of measurement. They should be set down in the Community Strategy, show the linkage between the regeneration priorities and the Neighbourhood Renewal Strategy and Targets and other relevant strategies and identify the funding to deliver the actions.

Protocols for Partnership should be developed for all major regeneration programmes. This will ensure that the added value of the partnership process is clear at the outset.

Identify the freedoms and flexibilities, which can be achieved through mainstream services to ensure the sustainability of best practice and innovation at the local level

Improve the guidance provided in setting up future regeneration partnerships, boards and delivery vehicles. This could be achieved through seminars and discussions with partners and communities in the city, region and nationally.

Ensure there is coherence of delivery and objectives in relation to these and future regeneration programmes and other initiatives that can be targeted on specified areas.

Review the staffing structures of existing regeneration programmes to ensure that they have the capacity to deliver the activities. Ensure that future programmes have a staff resource plan in place at the outset.

Ensure all current and future regeneration schemes put in place and implement effective tracking and evaluation mechanisms to measure the impact of the actions on intended beneficiaries and issues.

Review succession (including exit) strategies of the current range of programmes to establish how they are managed to the end of the funding and ensure the regeneration process is sustainable.

Ensure that there are clear and continuous progression opportunities for long term unemployed people to develop the necessary skills to access jobs.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

2: Purpose, Origins and Objectives of the Review

2.1 Purpose and Origins of the Review

Birmingham City Council and its partners have successfully bid for regeneration funds through the Single Regeneration Budget Challenge Fund in 5 of the 6 available rounds between 1995 and 2000. The City Council is the Accountable Body for programmes in four of the rounds with the Health Authority and the Voluntary Sector responsible for separate bids in the other rounds.

Several of the programmes have targets focussed on training and employability, job creation and jobs safeguarded but, despite this, the overall number of jobs in the city has fallen and unemployment in the target areas remains persistently higher than the city and national average.

The Regeneration Overview and Scrutiny Committee therefore wanted to review what impact the SRB programmes have had on employment and if local people have benefited from these employment opportunities.

2.2 The Objectives of the Review

The Objectives of the Review were:

- ❑ To identify the key objectives and actions related to getting people into jobs, across the SRB 1,2,4,5 &6 programmes.
- ❑ To evaluate the achievement and impact of those actions, in particular, to identify the types of jobs created and how local people were recruited into those jobs. To review the retention of and progression through those jobs.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

- ❑ To review any external factors which contributed to the achievement or non achievement of the outputs.
- ❑ To examine the criteria which underpinned the partnership process and support mechanisms which were put in place to support the delivery of the programmes.
- ❑ To seek the views of key stakeholders and beneficiaries on the success and sustainability of the schemes.
- ❑ To identify best practice in Birmingham and elsewhere.
- ❑ To inform the policy development, preparation and delivery of future regeneration programmes through the dissemination of the scrutiny findings.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

3: Introduction and Context of SRB

This chapter provides a short background to the introduction of the Single Regeneration Budget (SRB) in England and sets out a summary of the key purpose and objectives of the overall scheme as identified in the guidance documents.

3.1 The Policy Context for the Introduction of the SRB

Some of the earliest attempts to tackle the problems of inner city areas and address the issues of adjustment from the traditional manufacturing employment base were reflected in the operation of the Urban Programme, which began in 1969. Funds under this programme were allocated mainly to local authorities on a project-by-project basis. In a similar manner, funds to overcome barriers to the reuse of urban areas associated with land contamination and dereliction were addressed through the Derelict Land Grant.

From the early 1980s onwards the Department of the Environment (DOE), which had the main responsibility for the development of initiatives to tackle the problems of inner cities and peripheral housing estates, began to more extensively deploy Area Based Initiatives. The DOE programmes were largely orientated to land and property led physical and economic regeneration. Examples of these were the Urban Development Corporations (UDC) and Enterprise Zones. The objective was to tackle what were deemed to be market failures in land and property.

In the face of evidence that local area regeneration problems were intensifying there was a change in policy response from the government in the early 1990's when the DOE launched the City Challenge. The central objective of this programme was to encourage sustainable improvements in deprived areas by encouraging local authorities to produce plans to regenerate their rundown areas and submit bids to the DTLR, for the funding to do this. The plans were to be implemented through a partnership-based approach and this was the first real attempt to bring about holistic regeneration in the local areas concerned since they embraced measures to address economic, physical and social issues. In many ways the City Challenge initiative was the foundation for the Single Regeneration Budget in 1994.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

3.2 How SRB operates

The SRB comprised two main elements. The first was a regeneration agency called English Partnerships with its own ring fenced funding within the SRB. It operated across England, although its activities concentrated mainly on urban areas. Its remit was to undertake land clearance and reclamation, assist through grants the building of new and refurbished buildings and provide premises in run down areas. It brought together the Derelict Land Grant, City Grant and English Estates.

The second element of the SRB was a Challenge Fund approach to local area regeneration. The Challenge Fund brought together 18 separate programmes into a Single Regeneration Budget covering a range of objectives including land reclamation, site preparation, provision of premises, grant assisted development, enhancing employment prospects, education and skills, sustainable economic growth, initiatives for ethnic minorities and reducing crime.

The Single Regeneration Budget Challenge Fund (SRBCF), thus became the government's main vehicle for the allocation of funds for regeneration in England. It was designed to encourage a more strategic, coherent and holistic approach to the design of regeneration interventions. The responsibility for managing the SRBCF was given to the Government Offices for the Regions for Rounds 1 to 5, and to the newly created Regional Development Agencies (RDAs) in Round 6.

Although the funds were to be targeted at areas suffering economic and social deprivation, the intention was to extend the eligibility beyond inner urban areas to other types of area such as rural and coalfield areas where there was also a need for regeneration. Between 1994 and 2000 under Rounds 1 to 6, over 900 schemes were approved, worth over £5.5 billion in SRB support. It was estimated that these schemes would attract over £10 billion of private sector investment and help attract European funding over their lifetime of up to 7 years.

According to the guidance, SRB partnerships are expected to involve a diverse range of local organisations in the management of their scheme. In particular, they should harness the talent, resources and experience of local businesses, the voluntary sector and the local community. Schemes can offer support to build the skills and confidence of the local community so that they can play a key role in the regeneration of their areas.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

3.3 The Future

There will be no further national round of the SRB. RDAs will meet their current commitments to SRB Rounds 1 to 6 and then be able to use uncommitted resources in this budget line to take forward schemes that help deliver their regional strategies. This follows on from the announcement of a new package of measures for the RDAs by the Deputy Prime Minister on the 9 March 2001.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

4: Method of Investigation

4.1 Methodology

Reviewing the employment impact of SRB activities in Birmingham was a challenging task. The various programmes were developed to address a range of complex and frequently interrelated issues. The focus of the review was clearly on the employment and jobs elements of the programmes but many other factors impact on this.

However within the available resource and time scale for the completion of the work we identified a number of different techniques to ensure that the review was comprehensive in its approach and obtained evidence and feedback from the wide range of agencies and individuals involved in SRB in Birmingham. These included board members, programme and project managers and beneficiaries, the Government Office for the West Midlands (GOWM) and the Regional Development Agency, Advantage West Midlands (AWM). Issues arising from the various methods will be discussed further in Chapter 6 of the report.

4.2 Baseline Study

In order to put the review and its findings in the context of the wider Birmingham economy a baseline study was undertaken to look at trends in employment, unemployment and enterprise in the relevant areas during the timescale of the programmes. We also analysed the population change by ward since the start of the SRB programme. The economic context is discussed further in Chapter 6 Section 6.

4.3 Review of Performance and Evaluation Documentation

Original bid documents and delivery plans for all programmes included in the review were summarised to determine aims and objectives, Accountable Body, key employment related outputs, and the amount of funding received. These findings are summarised in Chapter 6 Section 2.

The key issues were identified from national level evaluation reports, existing evaluation studies on SRB in Birmingham and other similar funding regimes. Key issues raised by these evaluations have been used to inform the review process.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

Performance data including 'actual' and 'forecast' figures has been summarised for all the SRB programmes under review along with forecasts for future years (Appendix B)

4.4 Questionnaires and Written Evidence

Specific questionnaires were developed and sent to the following:

- ❑ 24 Chairs and Vice Chairs of Programme Boards and relevant sub-Boards
- ❑ 10 SRB Programme Managers
- ❑ 41 SRB Project Managers

The questionnaires were designed to elicit responses on issues such as the performance of the project/programme, employment targets, tracking procedures, best practice and lessons for the future. Responses are discussed in Chapter 6 Sections 2 and 3.

Written evidence was also requested from a range of relevant parties across the city including 116 Councillors, 9 Members of Parliament and key regeneration agencies.

6 board members, 6 programme managers and 9 project officers completed questionnaires. A further 25 project officers supplied written information along with 4 elected members, 1 MP and 4 signatories of the original bids.

4.5 Presentations to Committee

During November and December 2002 four presentations were made to the Scrutiny Committee with a further two at an informal session with the Committee Chair. The topics for presentations were chosen to enable the committee to hear from and question people involved in a variety of SRB programmes and with different responsibilities. They included a representative of the City Council as Accountable Body, programme managers and project officers. The issues identified will be developed further in Chapter 6.

4.6 Structured Interviews

In order to obtain a more detailed understanding of the issues and to supplement the written and verbal presentations ten structured interviews were arranged with programme managers and other individuals during November and December 2002 and January 2003. These included discussions with GOWM and AWM. The findings are discussed in Chapter 6 Section 3.



The Effectiveness of Birmingham SRB Programmes in Getting People into Work

4.7 Beneficiary Focus Groups

As part of the evidence, we wanted to include the opinions of participants of the SRB programmes. An independent consultant was appointed to run 3 focus groups to obtain feedback directly. These were carried out during December 2002.

A total of 26 beneficiaries were interviewed from three projects in SRB2 Sparkbrook, Sparkhill and Tyseley (a media course and Community Education) and SRB5 Family Support (Fork Lift Course). The findings are discussed in Chapter 6 Section 4.

4.8 Visits to Projects

Programme managers identified a number of projects that they felt demonstrated best practice in achieving employment outputs. From this number we organised officer/member visits to two Birmingham based projects - Recruitment and Selection Project (RASP) from SRB2 and the GWINTO project from SRB5. A visit was also made to the Castle Vale Housing Action Trust, a twelve-year programme that was funded directly from the government.

In addition to these Birmingham projects, we visited the Speke Garston SRB programme in Liverpool. This project had been nationally acclaimed as a successful regeneration programme. Further details on both the Birmingham and Liverpool visits are in Chapter 6 Section 5.