



# Summary of the Management Information Returns (July 2003) on the use of the Local Intervention and Development (LID) fund 2003/04

## Introduction

The LID fund is a flexible fund, available for local LSCs to use at their discretion. For the sake of clarity, it is neither an enlarged Local Initiatives Fund (LIF), nor an enlarged Standards Fund, both of which existed in 2002-03.

The LID fund is about transforming local delivery and raising standards. It is a central part of the local strategic planning process and to deal with specific priorities within local plans. The LID budget received from the Department for Education and Skills (DfES) is £245.387 million. The amount of 'disposable' LID funds allocated to local LSCs is £135.4 million of the total LID budget.

Management Information returns were received from 37 of the 47 local LSCs and the National Contract Service at the end of July 2003. The purpose of this report is to summarise the information returned for the benefit of stakeholders and LSC management. We aim to repeat this exercise later in the year.

## Beneficiaries and projects/ activities funded

1,464 organisations in total received LID funding in 2003/04 from the 37 responding local LSCs. However, five local LSCs still have funding to allocate or could not provide the number of providers as they have yet to determine which providers/ suppliers will deliver LID projects.

1,853 projects/ activities have been funded from LID in 2003/04, an average of 39 per local LSC. Two local LSCs could not provide this information at this time, therefore by the next MI return, these numbers will have increased as local LSCs finalise their LID spending.

## Amount of LID spent and committed to activity in 2003/04

In total, £122.9 million of the LID fund has been spent or committed to projects and activities in 2003/04 to the end of July 03 in the 38 responding local LSCs. This is an average of £2.6m per local LSC.

A further £35.8 million is yet to be committed (£762k per local LSC on average).

Alongside LID, £20.7 million worth of TEC Legacy funds have also been spent or committed in 03/04, and £7.3 million worth of Local Initiatives Fund (LIF) has been carried over from 2002/03.

## Raising awareness of LID in the community

Local LSCs used a variety of different methods to make their community aware of the LID fund in 2003/04. The most common method was to contact providers and suppliers directly, usually by sending out newsletters, policy statements and LID prospectus. Many local LSCs also used their websites to publish information, or included information on LID in their annual strategic plans, which are available in the public domain.

A number of LLSCs ran events for providers, suppliers and strategic partners. Advertisements in the local press and targeted press releases were also used in some instances.

Some local LSCs have not openly invited providers/suppliers to bid for LID funding, and have strategically allocated funding via partnership activity.

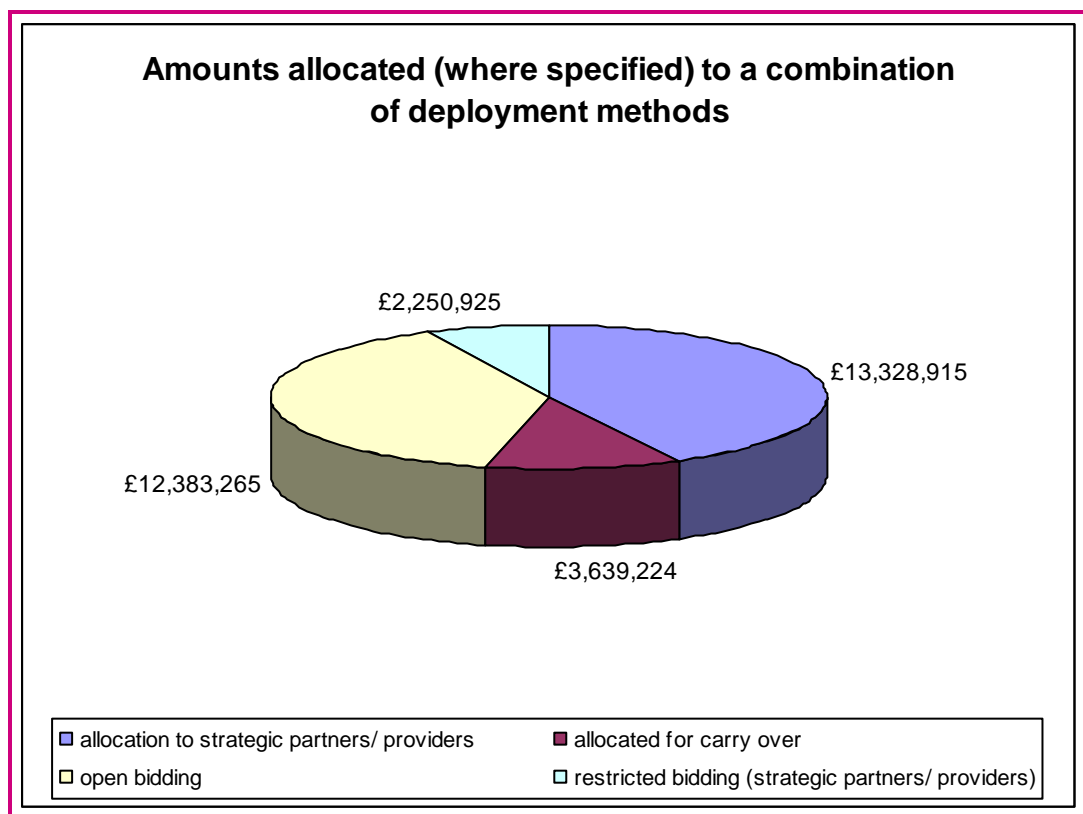
## Deploying LID

Over half of the responding local LSCs used a combination of methods to deploy LID funds, mostly combining direct allocations and bidding processes. Inconsistent responses in the level of detail returned from the 37 responding local LSCs make it difficult to summarise the proportion where combinations of methods have been used.

Local LSCs deployed some or all of their LID allocation in the following ways:

- 36 by direct allocation to strategic partners/ providers
- 23 by open bidding process
- 10 were ongoing commitments from 02/03 and some from 01/02
- 4 by a restricted bidding round (strategic partners/ providers invited to bid)

Eleven of the responding local LSCs have specified proportions of expenditure where a combination of methods has been used. Between those 11 local LSCs, £31.6 million has been spent or committed to projects/ activities in 2003/04. The chart below shows the proportion of this amount deployed by the 11 local LSCs by direct allocation to strategic partners/ providers (42%), open bidding process (39%), continued funding of commitments from 02/03 and restricted bidding (strategic partners only invited to bid).



## Evaluating the success of the LID fund

The majority of LID projects/ activities commissioned by local LSCs have been evaluated individually using processes built into the contracting procedure, such as ongoing update meetings where project managers report on the impact and monitor spend against outcomes.

In many cases, individual project/ activity evaluations feed into an overall evaluation of the LID programme for 2003/04, and this is often reported in the local LSC's Annual Plan. One local LSC has created a database to pull together performance information from specific projects that have been individually evaluated.

Many local LSCs have commissioned consultants to carry out external evaluations of the use of LID. In a few cases, providers are asked to report on the impact of the LID programme through questionnaires, or the local LSC holds interviews with the project managers and beneficiaries.

Another local LSC will look at the general quality improvement and increase in 14-16 participation in the area following the programme as a means to evaluate the overall success of LID.

## **Informing the community of what the LID fund achieves overall**

The majority of responding local LSCs produced some form of publication to inform their communities of the overall impact of LID. Most commonly, outcomes are included in the local LSCs' annual plans, but newsletters were also used in many areas to highlight achievements, often alongside other methods. Websites are also being used in a number of local LSCs to publish the information, and in one case, best practice examples from the projects/ activities funded have been posted. One local LSC plans to publish an evaluation report.

As well as LSC published material, just under half of the responding local LSCs used the local press to publicise the achievements of LID. This is often done on an ad-hoc basis although some media coverage is targeted.

A small number of local LSCs plan to disseminate their outcomes at events or seminars.

## **Deploying TEC Legacy and LIF brought forward from 2002/03**

TEC Legacy funding has most commonly been used to fund larger strategic projects or activities. The money has been allocated in various ways. A number of local LSCs used TEC Legacy alongside LID to address strategic plan priorities and directly allocated the money to key partners at their discretion. One local LSC opted for a bidding system inviting providers/ suppliers or partners to submit tender proposals. Following an internal consultation exercise, TEC Legacy was used to fund a mixture of national and local priorities.

A number of local LSCs committed Legacy funds to projects where the activity is only delivered in one area, or only allocated funding to projects in the former TEC areas where the Legacy funding originated. Elsewhere, the TEC Legacy funding was used to continue to fund projects that started in previous years.

The table below lists the areas in which various projects, activities and initiatives being carried out with TEC Legacy funding in 2003/04:

Voluntary Sector Development
Workforce Development
Employer Engagement
Entry to Employment (E2E)
Strategic Area Review (StAR) process
Widening Participation
Skills Strategies
Area Investment Frameworks
Industry Sector Initiatives

Progression into HE
Consultancy support 14-19
Work with ex-offenders
Development of 3 vocational learning centres
Economic Development
'Beating the Odds' campaign
Adult Learning campaign
Support for redundant miners
Supporting ESF objectives 2 & 3
Match funding for working with Small & Medium size Enterprises (SMEs)
Implementation of e-learning framework
Capital projects
Cluster projects development
Supporting 3 year development plans