

CABINET

22 NOVEMBER 2016

FUTURE INTEGRATED YOUTH SUPPORT SERVICES (IYSS) DELIVERY

Portfolio Holder: Councillor Andrew Mackness, Children's Services
(Lead Member)

Report from: Neil Davies, Chief Executive

Author: Carrie McKenzie, Chief People Officer

Summary:

This report provides an update on the future delivery model for Integrated Youth Support Services (IYSS).

1. Budget and Policy Framework

- 1.1 The decision to reconfigure and or outsource executive functions like the Youth Service and Youth Justice Service is a matter for Cabinet.
- 1.2 The Cabinet is asked to accept this as urgent owing to the requirement to notify the bidders of the outcome of the tender process within 90 days of the submission deadline.

2. Background

- 2.1 The Cabinet considered reports on 12 January and 5 April on the future of IYSS services. These reports requested that the Cabinet approved the commencement of a tendering process for IYSS.
- 2.2 The tendering process for the IYSS was undertaken and the Council received multiple respondents.
- 2.3 A further piece of independent review work has been undertaken since the tendering process was completed to ascertain if there are any additional financial and service benefits which may not be realised from awarding the contract to an external provider.
- 2.4 The independent review and financial data suggests that there are significant further savings and service benefits available by not awarding the contract.

3. Options

- 3.1 Award the contract to the winning bidder and realise the financial savings already outlined in the report to Cabinet 4 April 2016 (option 1)

3.2 Do not award the contract and undertake further work to re-configure IAG, YOT and Youth Services retaining control within the Local Authority which will realise significantly more savings and better outcomes for children and young people. Retaining services in house will also further complements the newly structured Children’s Social Care teams. (option 2).

4. Advice and analysis

4.1 Should the Cabinet agree option 2, a full business plan for the future delivery of IYSS will be submitted to the Cabinet meeting 20 December 2016. This is the recommended way forward.

5. Financial implications

5.1 The budget was predicated on option 1 delivering a full year saving of £1.56m and a part year effect in 2016/17 of £520,000. The recommendation not to award the contract and agree option 2 (reconfiguration) means that these savings would not be fully delivered in 2016/17 or 2017/18, however there would be some immediate mitigation and it is anticipated that greater savings would be delivered over the longer term.

6. Legal implications

6.1 The Local Authority has a statutory duty to provide IAG and a Youth Offending Service.

6.2 The Education and Skills Act 2008 places a duty on Local Authorities to ensure that young people participate in learning post 16 and to provide the support services, currently known as Connexions. This statute also places the Local Authority under a duty to assess the education and training needs of young people aged 16-19 with special educational needs.

6.3 The Local Authority has a duty to secure that, to such extent as is appropriate for their area, all youth justice services are available along with the police, local probation board and Health Authority in the area (s38 Crime and Disorder Act 1998).

7. Risk management implications

7.1

Risk	Description	Action to avoid or mitigate risk
Budget implications	Savings identified as part of the tender process would not be realised	An independent review has been undertaken which details the opportunities for further significant financial savings
Budget implications	Non delivery of identified future savings	A robust business and implementation plan put in place
Reputational damage	The Council could suffer adverse reputational damage by not awarding the contract having gone through a full tender process	Within the tender documentation issued the Council clearly states its right to not proceed with the issuing of a contract after the tender process has been completed

8. Recommendations

- 8.1 Cabinet is asked not to award a contract for the future delivery of Integrated Youth Support Services.
- 8.2 Cabinet is asked to agree that a detailed report can be submitted for consideration at the Cabinet meeting 20 December 2016 which will provide full details of the service and financial benefits of an alternative delivery model compared to that of outsourcing.

9. Suggested reasons for decision

- 9.1 The independent review and financial data suggests that there are significant further savings and service benefits available by further reviewing the IYSS service provision and not awarding the contract.

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Appendices:

None

Background papers:

Cabinet report – Future of Integrated Youth Support Services Delivery	https://democracy.medway.gov.uk/ieListDocuments.aspx?CId=115&MId=3166&Ver=4	12 January 2016
Cabinet report – Future Integrated Youth Support Services Delivery Specification	https://democracy.medway.gov.uk/ieListDocuments.aspx?CId=115&MId=3169&Ver=4	5 April 2016