

CABINET

20 DECEMBER 2016

FUTURE INTEGRATED YOUTH SUPPORT (IYSS) DELIVERY

Portfolio Holder:	Councillor Andrew Mackness, Children's Services (Lead Member)
Report from:	Ian Sutherland, Interim Director of Children and Adults Services
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Summary

To agree an in-house delivery of Integrated Youth Support Services (IYSS) within Medway Council and to continue to commission Medway Youth Trust to manage the Information and Advice and Guidance programme, both on a reduced budget envelope and focusing on young people at risk.

1. Budget and Policy Framework

- 1.1 The decision to reconfigure or outsource executive functions such as the Youth Service and related services is a matter for Cabinet.
- 1.2 Any subsequent proposal to restructure/reconfigure IYSS can be undertaken by the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services (Lead Member), under delegated authority.
- 1.3 The Cabinet is asked to consider this as urgent to enable the in-house delivery of these services to take effect from January 2017.

2. Background

- 2.1 At its meeting on 22 November 2016, Cabinet agreed not to award a contract for the future delivery of Integrated Youth Support Services and that a further report should be submitted to this Cabinet with the financial benefits of an alternative delivery model.
- 2.2 Management consultants were appointed to consider arrangements for keeping IYSS in house and the financial benefits which might be accrued over time of this alternative model alongside improved outcomes in a revised Children's Services structure. Their conclusion is that there are financial

benefits over five years on keeping the Youth Service and Youth Offending Team within Children's Services, aligning with the Early Help and Safeguarding priorities, which potentially could reduce the number of young people who are excluded from school or require intensive support, including being taken into care. This accords with recent remodeling of Children's Services and the need to focus resource on prevention.

- 2.3 The financial envelope for the delivery of Information, Advice and Guidance (IAG) was also assessed as part of the exercise. It is recommended that the best way to deliver IAG at this stage is to continue to commission this work from Medway Youth Trust through a contract extension, but within the advised cost envelope and targeted specifically at those most at risk.

3. Youth Service and Youth Offending Team (YOT)

- 3.1 It is proposed that these services work in an integrated model, with resources primarily targeted towards early help, safeguarding and those at the edge of care. The statutory duties of the Youth Offending Team will be maintained. The national review of the youth justice system has recently been published and it promotes the integrated model.
- 3.2 Youth centres will be maintained, offering some limited universal provision but will again focus on targeted services and provide bases for early help support. The effective use of those buildings will be factored into the development of the service, working with their management committees.
- 3.3 The Youth Parliament is currently supported by the Youth Service. It is proposed that this continues initially within Early Help, preserving its strong links with the democratic system and continuing to influence the development of council services.
- 3.4 The financial table at 6.4 shows the budget requirements between the outsourced and in house model. However, this does not take account of any reduction in potential expenditure which would accrue from a reduction in numbers of exclusions, looked after children and child protection cases, if realised.

4. Information, Advice and Guidance (IAG)

- 4.1 Currently this is a large universal contract. The resource envelope for delivery of IAG has reduced significantly. Medway Youth Trust has the expertise in this area and also in the wider 16-19 agenda. It is preferable to commission that expertise rather than establish a new provision in house.
- 4.2 The current contract is for the delivery of IAG. We propose that the current contract be extended for two years to August 2019 at the reduced cost envelope of £300,000 from April 2017. This contract would focus IAG on young people most at risk but would also include the implementation and delivery of the 16-19 Strategy which was approved by Cabinet in July 2016.

5. Risk management

Type	Description	Action to mitigate risk
Budget Implications	Savings identified as part of the independent review are not realised	A robust business plan and restructure will be in place
	Future budget model not realised Redundancies impact	Plan this cycle of restructure from January 2017
Savings model	Not able to evidence the savings achieved.	Look to evidence this through work with Children's Services Saving Board.
Reputational damage	Council suffers adverse reputational damage by not awarding IYSS contract to external provider.	Tender documentation clearly states the Council's right not to proceed. YJB is content with model
Partnership	IAG contract expiry may reduce support for 16-19 delivery	Seek extension to contract to include 16-19 Strategy

6. Financial implications

- 6.1 The integrated youth support service budget will be reduced to £1.475m from April 2017, of which £300,000 is allocated to IAG and £1.175m will be allocated for the Youth and YOT Services. This represents a significant reduction from the 2015/16 base budget of £2.653m, which the service was working to when the decision was originally made to outsource IYSS.
- 6.2 The IYSS will continue to commission the IAG service from Medway Youth Trust until August 2019 at £300,000 a year.
- 6.3 The Youth Service and YOT Services will be integrated into the Children's Services division with a mandate to support early intervention and avoiding longer term intensive interventions.
- 6.4 Table 1 below shows the budget requirement of the proposed in-house service when compared to the original outsourcing proposal. It demonstrates that the new service can be delivered within the same cash envelope, whilst preserving the statutory YOT provision and providing continuity in terms of the IAG provision. Potential redundancy costs which may arise from a service restructure have not been included in the table below, but should be less than under the original outsourcing scenario.

Table 1: Comparison of in-house proposal with outsourcing

Year		Outsourced service	In-house service and extended IAG contact.	Loss/(surplus) for the Council
		£m	£m	£m
2017/18	Budget Requirement	1.475	1.475	0.000
2018/19	Budget Requirement	1.475	1.475	0.000

7. Legal implications

- 7.1 Medway Council has the power under the Local Government (Contracts) Act 1997 and the Localism Act 2011 to enter into contracts in connection with the performance of its functions.
- 7.2 The process described in this report complies with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.
- 7.3 The Youth Justice System was set up under the Crime and Disorder Act 1998. The aim of the Youth Justice System is to prevent offending by children and young people aged 10 to 17 years. As part of that Act, local Youth Offending Services were set up and are regularly monitored by the national Youth Justice Board. The role of the national Youth Justice Board is to: Oversee the youth justice system in England and Wales. Work to prevent offending and reoffending by children and young people under the age of 18. Ensure that custody for them is safe, secure, and addresses the causes of their offending behavior The Youth Justice Board will also support local Youth Offending Services to deliver against three outcomes which have been set by central government, these are to:
- Reduce the number of first time entrants to the youth justice system.
 - Reduce re-offending of those young people already within the youth justice system.
 - Reduce the number of young people receiving a custodial sentence.
- 7.4 **Connexions / YES** - Part 1 of the Education and Skills Act 2008 places a Duty on all young people to participate in education or training until their 18th birthday.
- 7.5 The Government's strategy for achieving full participation of all young people is set out in '*Building Engagement Building Futures*' which was published during December 2011. The Raising Participation Age (RPA) policy is a 'whole system' issue that involves Medway Council (universal and targeted support services), schools, academies, Further Education college, post-16 training providers, employers and other services and agencies. Medway Council has legal duties which the IYSS provider(s) will discharge on behalf of the Council. These include the duties to:
- promote the effective participation in education or training of all 16 and 17 year olds resident in their area and to make arrangements to identify young people resident in the area who are not participating.
 - secure sufficient suitable education and training provision for all young people aged 16-18 (inclusive) in the area.
 - make available to young people aged 19 and below support that will

encourage, enable or assist them to participate in education or training.

- 7.6 **Youth Service** - There is a statutory duty on local authorities under the Education and Inspections Act 2006 to provide services for young people outside of the school day. The duty states that, for young people aged 13 to 19 and young people aged 20 to 25 with learning disabilities:
- Sufficient educational leisure-time activities, which are for the improvement of their well-being, and sufficient facilities for such activities; and
 - Sufficient recreational leisure-time activities, which are for the improvement of their well-being, and sufficient facilities for such activities.

7.7 It stipulates that local authorities may either, provide facilities for such activities, and assist others in the provision of such activities, or make arrangements for facilitating access to such facilities.

7.8 **Staff Consultation** - The Council will commence formal consultation with staff and trade unions early in January 2017 to discuss the financial savings outlined within the report. Any review of staffing will be undertaken in accordance with Medway Council's Organisational Change Policy and Procedure and in line with this the Council will seek to minimise the need for compulsory redundancies wherever possible.

8. Recommendations

8.1 Cabinet is asked to :-

- I. Approve the retention of youth services and the Youth Offending Team (YOT) within Children's Services.
- II. Agree the extension of the contract with Medway Youth Trust to August 2019 on the basis set out in this report.
- III. To note that the reconfiguration of services to effect delivery and savings reductions will be undertaken by the Interim Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services (Lead Member).

9. Suggested reasons for decision(s)

9.1 Greater long term savings and efficiencies can be achieved by the in house delivery of IYSS and the commissioning of IAG from Medway Youth Trust on a changed contract basis.

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Appendices

None

Background papers

None