

CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

19 JANUARY 2017

CALL-IN: FUTURE INTEGRATED YOUTH SUPPORT SERVICE DELIVERY

Report from: Ian Sutherland, Interim Director, Children and Adult Services

Author: Teri Reynolds, Democratic Services Officer

Summary

This report advises the Committee of a notice of call-in received from six Members of the Council of the Cabinet's decision (147 and 148/2016) to retain the youth service and the Youth offending Team within Children's Services and to extend the contract with Medway Youth Trust to August 2019 on the basis set out in the Cabinet report (attached at Appendix A).

The Committee must consider the Cabinet decisions and decide either to take no further action, to refer the decisions back to Cabinet for reconsideration or to refer the matter to full Council.

1. Budget and Policy Framework

1.1 In accordance with Chapter 4, part 5, paragraph 15.3 of the constitution with regard to decisions, Cabinet decision 147-148/2016 has been called-in to this Committee by six Members of the Council.

2. Background

2.1 The Cabinet considered this matter on 20 December 2016 and made the following decisions:

Decision number:

Decision:

147/2016

The Cabinet approved the retention of youth services and the Youth Offending Team (YOT) within Children's Services.

148/2016

The Cabinet agreed the extension of the contract with Medway Youth Trust to August 2019 on the basis set out in the report.

Reasons:

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.

- 2.2 The above decisions were subsequently called in by six Members of the Council. The reasons for the call in are as follows.

“It is completely unclear what the services will look like under the Cabinet papers. We believe that a decision of this nature needs scrutiny which has been simply impossible as the paper proposing this has been in the public domain less than 24 hours before the Cabinet meeting and the Leader of the Council refused the opposition spokesperson for children’s services an opportunity to address the Cabinet before their decision making. There is also no equality impact assessment within the report.

Youth Services are critically important to our community and we believe that before this decision is taken forward it is right and appropriate for due scrutiny to take place before anything is taken forward on delegated authority.”

3 Director’s Response

- 3.1 The very tight timeframe between Cabinet meetings in November and December provided a considerable challenge to undertake the required work. Hence there was a delay in completing and subsequently circulating the papers. We apologise that more time for considering the paper before Cabinet could not be given.
- 3.2 Youth Services are very important to our community and so it is vital to ensure that the organisation of the services concerned are integrated into Children’s Services to achieve maximum impact, especially for young people at risk. The financial envelope set for IYSS was significantly reduced for 2017/18 and the future service model within that budget envelope will take some weeks to develop. Hence it was not possible to provide this for the Cabinet meeting in December.
- 3.3 The proposed extension of the Youth and Employment Services (YES) Contract to Medway Youth Trust at £300K per annum from April 2017 to August 2019 also reflects a significant budget reduction. The new arrangements will be developed over the coming weeks to include aspects of the 16-19 Strategy. This will result in a very different offer to that currently provided and so it was not possible to give information on any changes to the Cabinet meeting.
- 3.4 An updated Diversity Impact Assessment, from the one completed in 2016, has been produced which incorporates the most recent annual engagement data. This is attached at Appendix B.

4. Options

4.1 The options open to this Committee in dealing with this call in are to:

- a) ask Cabinet to reconsider its decisions if Members have concerns about them (setting out in writing the nature of any concerns), or
- b) refer the matter to full Council so Council can decide whether or not to object to the decisions and, if so, then refer them back to Cabinet for reconsideration, or
- c) to consider the matter and accept the Cabinet decisions.

4.2 In accordance with rule 15.8 of the constitution, Overview and Scrutiny Committees should normally only use the power to refer a matter to the full Council for consideration with a request for referral back to the decision-maker if it considers either:

- a) that the decision is contrary to the policy framework or contrary or not wholly in accordance with the budget;
- b) where a request for call-in is signed by six or more members representing at least two political groups.

5. Risk Management

5.1 Risk management is addressed in section 5 of the Cabinet report attached at Appendix A.

6. Financial and legal implications

6.1 The financial and legal implications are set out at sections 6 and 7 of the Cabinet report attached at Appendix A.

6.2 In accordance with rule 15.3 of the constitution, six members of the Council may call in a decision for scrutiny by the relevant Overview and Scrutiny Committee.

7. Recommendations

7.1 The Committee is asked to consider the called-in Cabinet decisions and decide either to:

7.1.1 accept the Cabinet decisions 147 and 148/2016 set out in paragraph 2.1 of this report and to take no further action or;

7.1.2 refer the decisions back to Cabinet for reconsideration, setting out the reasons for the referral back or;

7.1.3 refer the decisions to full Council so Council can decide whether or not to object to the decisions and, if so, then refer them back

to Cabinet for reconsideration (taking into account the advice in paragraph 4.2 above).

Lead officer contact

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Background papers

As set out in the Cabinet report at Appendix A

Appendices

Appendix A – Report to 20 December 2016 Cabinet meeting – Future Integrated Youth Support Services Delivery

Appendix B – Diversity Impact Assessment



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 |
| Author: | Pauline Maddison, Interim Assistant Director, School Effectiveness and Inclusion |

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.

Lead officer contact

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Appendices

None

Background papers

None

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Diversity impact assessment

| | |
|--|--|
| TITLE <i>Name/description of the issue being assessed</i> | Integrated Youth Support Service - Future In House Delivery |
| DATE <i>Date the DIA is completed</i> | December 2016 |
| LEAD OFFICER <i>Name of person responsible for carrying out the DIA.</i> | Andrew Willetts |

1 Summary description of the proposed change

At the Cabinet meeting on 22 November 2016, Cabinet agreed not to award an outsourced 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.

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.

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.

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.

Diversity impact assessment

2 Summary of evidence used to support this assessment

Full Diversity Impact Assessments were completed on the following IYSS agencies:

- On IYSS this was completed in March 2016 and is updated in this DIA.
- MYT – YES Contract 2012-17 – Full DIA completed February 2014
- Medway Youth Service – Full DIA completed May 2014
- Medway Youth Offending Team – Full DIA completed July 2014

3 What is the likely impact of the proposed change?

Is it likely to :

- *Adversely impact on one or more of the protected characteristic groups?*
 - *Advance equality of opportunity for one or more of the protected characteristic groups?*
 - *Foster good relations between people who share a protected characteristic and those who don't?*
- (insert ✓ in one or more boxes)*

| Protected characteristic groups | Adverse impact | Advance equality | Foster good relations |
|---|----------------|------------------|-----------------------|
| Age | x | | |
| Disability | x | | |
| Gender reassignment | | | |
| Marriage/civil partnership | | | |
| Pregnancy/maternity | | | |
| Race | x | | |
| Religion/belief | | | |
| Sex | x | | |
| Sexual orientation | | | |
| Other (e.g. vulnerable or disadvantaged groups) | x | | |

Diversity impact assessment

4 Summary of the likely impacts

AGE

IYSS have varying age ranges in the age group definition 10-19 but work outside this where need occurs. Statistics are collected monthly for MIS performance data.

Medway YOT works with the 10-17 age group, YES works predominantly with the 13-19 age group.

IYSS services from 2017 will offer programmes and services to young people in the 10-19 age groups and to 25 years with additional needs.

Some geographical areas of Medway will have reduced universal provision of Youth Work programmes and unbiased information, advice and guidance provision will be significantly reduced from the 6681 interventions in 2015-16. Medway Youth Service reported contact with 3755 young people 10-19 years in 2015-16. There is a further reduction in the funding envelope for the service over the period 2017 – 21 which will result in a reduction in universal contacts.

Disability

The IYSS service is open to young people regardless of disability. We promote activities with disability groups – Special Needs Club exist at Parkwood and Woodlands YC and action plans are in place for DDA building compliance.

Statistics are collected monthly for MIS performance data. A focus of the YES contract is to provide high quality support to young people with Education and Health Care Plans (EHP).

In 2015-16 Medway Youth Service worked with 163 young people 10-19 years who were identified as having a disability. This equates to 4.3 %.

In 2015-16 the YES contract was accessed by 13 % young people identified as SEND. However, elements of this support service will be reduced in terms of unbiased information, advice and guidance as the funding available from 2017 will be significantly reduced on current budget levels. This will have an adverse impact on our Not in Education, Employment and Training (NEET) levels from 2017.

Race

The Integrated Youth Support service is open to all young people including all BME groups. The Youth Service and YES contract supports positive activities with BME groups – Statistics are collected monthly for MIS performance data.

In 2015-16 the Youth Service had a participation rate of 11.3%. The BME

Diversity impact assessment

population of this age group in Medway is 21%.

In 2015 Medway YOT had a BME population of 26.8%.

In 2015-6 the YES Contract was accessed by 18.6 % young people from BME backgrounds.

SEX

The Integrated Youth Support Service conducts itself within equal opportunity principles – access and training.

Statistical returns indicate a positive engagement with both genders.

Statistics are collected monthly for MIS performance data.

In 2015-16 The Youth Service had a participation rate of 40.5% of girls and young women. Considering the national reduction in female engagement with youth services, this figure is still positive.

In 2015-16 45.3% of young people who accessed the YES contract were female.

In 2015 the Medway YOT had 20.5% of its client cohort comprising the female gender.

Other (Disadvantaged and vulnerable groups)

IYSS support to young people in Medway Council has traditionally focused on vulnerable and disadvantaged groups of young people. This targeting of service delivery has been across both statutory and discretionary services and included young people with special needs, looked after children and young people from areas of the council with high deprivation indicators.

80% of the YES contract work is targeted at vulnerable groups of young people. The numbers of these vulnerable young people supported through the YES contract will reduce significantly.

Diversity impact assessment

5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

- *Are there alternative providers?*
- *What alternative ways can the Council provide the service?*
- *Can demand for services be managed differently?*

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.

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.

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.

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.

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.

6 Action plan

- *Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence*

| Action | Lead | Deadline or review date |
|--------------------------|-------|-------------------------|
| 1. Cabinet | DD/PM | Dec 2016 |
| 2. Overview and Scrutiny | DD/PM | Jan 2017 |
| | | |

Diversity impact assessment

7 Recommendation

The recommendation by the lead officer should be stated below. This may be:

- to proceed with the change implementing action plan if appropriate
- consider alternatives
- gather further evidence

If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.

Cabinet is asked to:

- Approve the retention of youth services and the Youth Offending Team (YOT) within Children’s Services.
- Agree the extension of the contract with Medway Youth Trust to August 2019 on the basis set out in this report.
- 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).

- 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.

8 Authorisation

The authorising officer is consenting that:

Assistant Director

Ann Domenev

Date

January 2017

Contact your Performance and Intelligence hub for advice on completing this assessment

RCC: phone 2443 email: annamarie.lawrence@medway.gov.uk

C&A: (Children’s Social Care) contact your normal P&I contact

C&A (all other areas): phone 1481 email: paddy.cahill@medway.gov.uk

BSD: phone 2472/1490 email: corppi@medway.gov.uk

PH: phone 2636 email: david.whiting@medway.gov.uk

Send completed assessment to the Corporate Performance & Intelligence Hub (CPI) for web publication (corppi@medway.gov.uk)