

<b>Item No.</b> 13.	<b>Classification:</b> Open	<b>Date:</b> 13 December 2011	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Changes to Delivery Arrangements for the Youth Service	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet member:</b>		Councillor Catherine McDonald, Children's Services	

## **FOREWORD – COUNCILLOR CATHERINE MCDONALD, CABINET MEMBER FOR CHILDREN'S SERVICES**

This report sets out proposals to change Southwark's youth service delivery arrangements, to create an improved service that better meets the needs of more of Southwark's young people.

When I took on the role of cabinet member for children's services, surveys said that more of Southwark's residents were dissatisfied with youth provision than with any other service. I also found that the existing youth service only reached around 14% of Southwark's teenagers – far below best practice, meaning many of Southwark's young people miss out. Some areas of our borough - such as East Dulwich, Nunhead and Peckham Rye, had very little or no council youth service-operated provision at all. Three of the four wards with the highest NEET levels have no Local Authority-run youth clubs. In addition, through this summer's "Community Conversations" residents told us that it was important to provide things for young people to do.

It is clear that the youth service needs to be improved. The council's aim is to create a service that better provides what young people want and need – to create a youth service that gives young people experiences that could, for some of them, be positively 'life-changing'.

The new delivery arrangements will provide a youth service that can help unlock young people's potential, by providing a variety of accessible, affordable, high quality, attractive and well-publicised activities that develop the aspirations and technical and relationship skills that they need to succeed in life. The youth service will work with young people – and their families – in a way that delivers social justice, tackles disadvantage and embraces and celebrates cultural diversity.

The new delivery arrangements will create a youth service that is fair, open to all; and best use of resources within a budget that was reduced due to cuts from central government. The new £2.2 million annual youth service budget is higher than the average council spend on youth services across the country. The new arrangements will mean front-line staff will be able to concentrate on what they are good at and trained to do – providing quality youth work.

Young people have already had input to these proposals, through a series of focus groups in youth groups and schools. In line with the council's aim to give increased power over the youth service budget to young people by 2014, young people will continue to have an active voice – through design and commissioning decisions.

The delivery of a high quality youth service is an important part of this council's

commitment to young people, which includes a £3 million, three year Youth Fund to help young people stay in education and get a job.

## **RECOMMENDATION**

1. That cabinet agrees to the development of new delivery arrangements for the youth service in accordance with the design principles set out in Appendix 1 from April 2012 in order to create a better and more cost effective service with the aim of reaching 25% of young people in the borough aged 13 to 19 years. This new model will also achieve a saving of £1.5m, as agreed by Council Assembly.

## **BACKGROUND INFORMATION**

### **Local policy framework**

2. The delivery of youth services is guided by the Children and Young People's Plan (CYPP) priority 'Improving the quality, suitability and range of activities for children and young people'. This commits children's trust partners to commission services which enable more children and young people to play, volunteer, participate and be active in Southwark. This includes more young people shaping services, being part of their community and participating in the decisions that affect their lives, with those who are vulnerable provided with the support and opportunities they need to realise their potential.
3. This vision is embedded in the department's Council Plan objectives, which seek to enable young people to make the best start in life, and the council's commitment to give young people real power over 20% of the youth service budget by 2014, as set out in the June 2010 cabinet paper 'A Fairer Future for All in Southwark'. These objectives seek to improve the outcomes young people experience and make better use of money. For the financial year 2011/12, young people have been involved in commissioning decisions as well as being responsible for distinctive budgets for Southwark Youth Council and youth community councils, which collectively represent approximately 25% of the youth budget.

### **Case for change**

4. In its last inspection of local youth services in 2008, Ofsted recognised the good-quality local facilities to engage young people in sports, arts and media. It also noted the good range of activities to engage a wide range of young people, including those with disabilities, and that provision recognised and promoted the borough's diversity. The inspectorate, however, highlighted the need to improve: the monitoring and support arrangements for voluntary organisations; the quality and condition of some accommodation; and the use of needs analysis in driving planning choices and leading to the most effective use of resources.
5. Resident feedback on council services also indicated that there was room for improvement. In the 2008 resident survey, the most important priority to 'get right' was facilities for youth services. This feedback is complemented by the views of children and young people, who consistently say their top priorities are the provision of targeted work for the most vulnerable young people alongside high-quality, universally available youth provision.
6. In 2010/2011 the youth service in the borough reached 14% of young people in the borough within the youth service age range of 13 to 19 years of age. This is set against a national bench mark where youth services are expected to reach 25% of

young people aged 13 to 19 years of age. It is hoped that the new model of delivery will ensure this bench mark is achievable.

7. For the youth service to achieve a redesigned service in accordance with the design principles (attached at Appendix 1) and budget reductions agreed by Council Assembly, it will be required to:
  - a. Reduce staffing from 55 full-time equivalents to 33 full-time equivalents including the deletion of five vacant full-time equivalent posts
  - b. Decommission facilities and activities that are not high quality, fit for purpose or meeting need
  - c. Move voluntary sector provision to new commissioning arrangements which maximise the sector's expertise, increase value for money and reduce duplication.

### **Budget reductions**

8. On 13 December 2010, the Secretary of State for Communities and Local Government announced the 2011/12 and 2012/13 provisional local government settlement. It set out that Southwark would experience a 11.3% reduction in funding for 2011/12, which means a loss of formula grant in cash terms of £29.7m from April 2011, and a further £17.2m in 2012/13 (a 7.4% reduction).
9. In this context, Council Assembly agreed the council's three-year policy and resources strategy on 22 February 2011, including required savings across the council. For children's services, this amounted to some £5.8m in 2011/12, with further indicative savings of £6.1m in 2012/13 and £6.1m in 2013/14, making a total of £18m over 2011-14 in addition to the loss of a number of grant funding streams.
10. One of the proposals agreed to achieve these budget reductions included savings of £1.5m through a restructure of the youth service. This requires the council to think differently about how it provides services, to ensure limited resources are put to best use and have the biggest positive impact on young people's opportunities.

### **Consultation to develop new delivery arrangements**

11. The youth service has carried out wide-ranging consultations and needs analysis to support the development of new delivery arrangements. This included a workshop independently facilitated by the National Youth Agency (NYA) for young people, staff, members and providers which looked at what the service might look like.
12. The workshop found positive support for doing things differently, with participants recognising that what is currently on offer might not always be meeting need or providing the best value for money. Participants also highlighted that there were many examples of quality youth provision in the borough, and strongly supported the view that any new model must build on these. One outcome of the workshop was a set of design principles to frame the reconfiguration, as shown in appendix 1.
13. Young people and staff were further consulted in relation to these design principles, and their feedback supported the findings of the NYA workshop. For example, the majority of respondents said:
  - a. The service cannot continue providing all the same services within reduced resources – particularly where the services are unpopular or low value for money

- b. Support and activities must be based on the needs of young people
- c. Young people who need and want support should get it, but this should not necessarily be delivered in the same way for all
- d. Existing services, facilities and buildings should be assessed to determine what best meets the needs of local young people, with funding for underused or poor-condition facilities stopped
- e. Funding should be distributed to organisations which are effective, not necessarily those commissioned historically

## **KEY ISSUES FOR CONSIDERATION**

### **The new delivery arrangements**

14. Working with the outcomes of the consultations and needs analysis, it is proposed that the youth service is restructured with the following key features:
  - a. Arranged around locality hubs, which maximise the use of existing quality provision and have 'spokes' of detached workers reaching out to engage young people, particularly those who are vulnerable
  - b. Provide a redesigned offer of universal and targeted activities, which are higher quality and more suited to meeting young people's needs
  - c. Be delivered by a mix of council and voluntary sector provision, each focused on what they do best
  - d. Be underpinned by robust needs analysis, and smarter commissioning and quality assurance processes
15. Following completion of appropriate reorganisation processes, it is proposed that the new model is operational from 1 April 2012.
16. The model is based on the premise of a locality hub acting as a quality central building around which all activity revolves. It will provide universal activities and additional support as well as being the base for 'spokes' of outreach workers who work in the surrounding streets and local communities to attract young people into the building. 'Spokes' are also other, smaller, community venues which are linked to the hub, as well as activities commissioned from voluntary groups which can either be provided in the building or be signposted to by workers in the hub. The central feature is that the hub is more than a building – it is the focus of the community and will be able to respond to local needs, such as commissioning at a hyper-local level.
17. The involvement of young people and communities in the redesign process will be crucial to its success. In line with the council's priority commitment, young people will continue to be responsible for approximately 20% of the youth services budget. In addition, the service plans to increase opportunities for young people to give direct feedback on what works and what they would like more of. This process will include Southwark Youth Council as well as community councils, so that local communities too can contribute their views on what services should be provided and where they should be located.
18. The new model will be underpinned by smarter commissioning and quality assurance processes to measure the impact of activity. The aim is to ensure that all activity meets a set of core council expectations, so that young people and their families can be assured that delivery will be at least good in all settings. In addition, the common assessment framework will underpin a coordinated approach, ensuring support is focused on the most vulnerable young people as well as supporting

closer working with partners including community safety, police and local communities.

### **Rationalising buildings and activities**

19. The range of activities available in each locality will be developed over the coming months based on further needs analysis and consultation with communities to ensure that the service offers more of what young people want, delivered in venues that they want to go to and operating at times that suit their needs. It is clear, however, from existing feedback and needs analysis that the offer needs to encompass universally available activities as well as targeted support for more vulnerable young people.
20. It is also recognised that this process will involve a rationalisation of both the current activities on offer, and the buildings from which they operate, in order to ensure that the council's limited resources are directed to maximum effect at areas of greatest need. Any decisions to end activities will be based on the needs analysis and consultation and will ensure young people are directed to a local suitable alternative.
21. In carrying out this rationalisation, the council will be guided by the views of stakeholders at the NYA workshop which highlighted maximising the use of 'spaces' in their widest definition, be they owned by the youth service, community organisations or other partners, such as schools. The underlying principle is for the service to focus on turning 'spaces' into 'places' that young people want to go to.
22. Other considerations are the condition of the buildings, where they are located, and how suitable they are to meeting the needs of local young people. The service currently operates ten buildings. It has invested in expanding the range of facilities, such as over £900k at the Belair Park Recreation Rooms and nearly £500k in Camberwell Baths youth wing, as well as securing additional funding to create a new facility at Success House. The Local Authority would aim to make maximum use of those facilities which are fit for purpose and require minimal capital investment.
23. Other buildings, however, are in poorer condition. A condition analysis estimates that bringing the estate up to acceptable condition within the next five years would cost in excess of £500k. This is a substantial investment which would require diverting revenue funding from providing positive activities in order to bring the buildings up to a minimum standard and maintain them. Any rationalisation will maximise the use of buildings that have received investment, minimise costs in bringing others up to standard, and ensure that the new offer is better quality and more suited to young people's needs and wants. The new commissioning model which will be informed by the needs analysis and input from young people will ensure equity of delivery points across the borough, with a full communications strategy in place ensuring young people know where all their local services are located.

### **A new relationship with the voluntary sector**

24. The arrangements recognise the different expertise of council and voluntary sector provision. Universal and specialist work will be provided directly by council staff, and the voluntary and community sector will be commissioned to provide targeted work and supplementary universal activity to ensure a comprehensive, borough-

wide offer. The council will remain accountable for ensuring the quality and range of all commissioned provision, in line with its strategic priorities.

25. Meetings have taken place with a selection of voluntary sector providers which have both endorsed the plan and assured the council that there is both the capacity and will within the sector to support the delivery of this new model. The allocation for commissioned provision, to be determined through the early intervention grant budget-setting process, will be a minimum of £500k in 2012/13. This will ensure the service retains sufficient resources to commission a full and varied programme, while also giving the voluntary sector time to adjust to a new delivery model.

### **A new staffing structure**

26. The new model hinges on enabling staff to concentrate on what they are good at and trained to do – providing quality youth work. The new structure, which is set out in Appendix 2, gives the service a clarity of focus, enabling it to provide a wide range of universally available activities as well as some specialist support.
27. In line with the council's budget principles, the service has worked to minimise the staff reductions needed to achieve the high level of savings and implement the new arrangements. It has also worked to minimise the impact on the front line. As a result, it proposes the deletion of 20 full-time equivalent posts, which include five vacant posts, four management posts, four administrative posts, three project co-ordinator posts, one caretaking post and three youth work posts. The new structure will ensure the council can deliver the best possible service to young people, with a high-quality, fit-for-purpose team which is focused on the needs of today's young people. This will mean workers delivering services where and when required as well as developing workers skills to deliver centre based, detached and outreach work. This will ensure a both a flexible staff team as well as a flexible delivery model. The new model will ensure a flexible approach with the development of multi-functional youth work teams who deliver services to the requirements of both young people and local communities.
28. Staff will be supported with a training programme, which will build on and enhance their skills in areas such as working with very vulnerable young people and dealing with challenging behaviour. No other council services are affected by this restructure.

### **Policy implications**

29. The new model of delivery will enable the council to meet its strategic objectives, as outlined in the CYPP, the Council Plan and the June 20101 cabinet paper 'A Fairer Future for All in Southwark', as well as to achieve the budget savings agreed by Council Assembly in February 2011.
30. The model will also strengthen voluntary sector delivery through the commissioning of high-quality universal youth work and targeted youth work ensuring the council is able to deliver the proposed outcomes set out in the report 'More for Children and Young People To Do – Children's Services (Education) Grants Commissioning Allocations 2009/2012 Year 3'.

## **Community impact statement**

31. The youth service strives to ensure that its support and activities are available equally to all sections of the community. As detailed above, there has been consultation with young people, staff and providers as well as a needs analysis. These stakeholders will be further consulted to ensure that no one section of the community will be disadvantaged by the implementation of the new arrangements. This will involve the youth council, youth community council and service users, as well as community councils and interested groups.
32. The youth service has a large proportion of ethnic minority staff currently employed, with 46% identifying themselves as black British. There is a fairly even split in gender, with 53% being male, while some 3% state they have a disability, and 48% are aged between 25 and 39. The impact of the reorganisation will be monitored and assessed as the reorganisation progresses in order to seek ways of minimising the staff reductions and to ensure that staff are treated equitably throughout the process.

## **Equality impact assessment**

33. It is estimated that there are around 19,700 young people aged 13 to 19 in Southwark, which represents 6.8% of the borough's population. According to ONS 2010 mid-population estimates, the split by gender is fairly even, with 51% male. The staff gender ratio and the offer of activities reflect this with a wide range of activities encompassing sport, media and arts, as recognised by Ofsted's last inspection.
34. The borough is diverse, with some 53% of young people identifying themselves as belonging to an ethnic minority group. This represents a higher percentage than the whole borough population, which stands at some 48%. The diversity in ethnicity is reflected in the profile of youth service staff, as noted above.
35. The needs analysis developed to support thinking about new delivery arrangements identified high levels of need – for example, according to the income deprivation affecting children index, over 20,000 children were estimated to be living in poverty in 2007. This equates to 42.3% of the child population, which is double the national average of 22.4%. By another similar measure, Southwark has the sixth-highest rate of children in families on key benefits in London.
36. There are also high levels of need among the borough's vulnerable young people. The local rates of teenage conceptions and young people not in education, employment or training (NEET), although falling, are higher than many similar boroughs. Analysis of the ethnicity of those who are NEET finds there is a much higher proportion of white British young people who are NEET than for the school population. For teenage conception rates, local mapping by postcode shows that some of the larger council estates with high rates of poverty and deprivation have particularly high rates. Teenage pregnancy levels are relatively high for black Caribbean, and mixed race ethnic groups. There are also differences in abortion patterns between different ethnic groups. The termination rate is highest among black African teenagers and lowest in the white British group.
37. Ofsted recognised that provision targeted at young people with disabilities is good, and that equality and diversity is well promoted by the service. According to the January 2011 school census, about a third of secondary pupils have an additional

need, in the form of school action, school action plus or a statement. This level is above similar boroughs.

38. As detailed above, the service has involved young people in assessing need and identifying how provision can be improved. This involvement will continue, and will include ensuring that any changes to the local offer of activities will include consideration of equalities issues.

### **Finance implications**

39. The new structure will be funded through children's services core budget, with grants commissioning funded through a proportion of the early intervention grant. It reflects the reduction in the council's budget over the next three years and the need to make significant savings to service costs, in particular those services that are non-statutory.
40. Appendix 3 sets out the savings which will be achieved through implementing the structure and the new way of working.

### **Departmental Finance Manager (CS0139)**

41. The report's recommended restructure of the youth service seeks to make a savings contribution to the core budget. The table in Appendix 3 reflects the breakdown of costs for the new structure [an extract is reflected in the table below]. The total core budget for 2010/11 is £3,237k; the new structure will result to core budget funding of £1,770k, plus grants for young people of £500,000.
42. In addition, funding will need to be allocated through the 2012/13 early intervention grant budget-setting process to support grants commissioning for voluntary and community sector provision. It is anticipated this will be a minimum of £0.5m.

#### **Extract from the table for the cost of the new structure**

<b>Cost category</b>	<b>Amount £k</b>
Staff costs	1,350
Other costs	257
Buildings	130
<b>Sub-total cost for the new structure</b>	<b>1,737</b>
<b>Early intervention grants for young people</b>	<b>500</b>
<b>Total cost for new structure</b>	<b>2,237</b>

43. The proposed saving arising from the new structure is [£3,237k - £1,737k] £1,500k, which is in line with the 2011-14 savings target for the youth service agreed in the council's budget by Council Assembly. It is expected that the cost of the redundancies arising from this restructure will be funded centrally.

### **Human resource implications**

44. This is a major restructure and does represent a significant change in the service, with significant reductions in numbers of staff. It is recognised that opportunities to offer many of these staff suitable alternative employment opportunities will be



limited, but support will be given for staff to maximise their opportunities for redeployment and to obtain work outside the council.

45. The impact will be felt across management at all levels and on frontline staff. Vacancies have been maintained in order to limit the impact wherever possible.
46. There is also a significant impact on the number of administration staff employed within the service, but opportunities may exist for future employment through the re-deployment process.
47. There will be consultation with trade unions at every stage and attempts made to mitigate the need for compulsory redundancy by seeking volunteers.
48. The reorganisation will follow the council's reorganisation, redeployment and redundancy procedure. It is believed that there will be no TUPE issues in relation to those staff who are being made redundant.

### Consultation

49. The proposed model for service delivery has been developed following consultation with service users, staff, providers and members. In moving forward with the reconfiguration, consultation will include meetings with unions and staff, including individual appointments for staff being made available if requested.

### SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

#### Finance Director

50. The financial implications are set out in paragraphs 39 to 41.

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
More for children and young people to do – Children's Services (Education) Grants Commissioning Allocations: 2009/2012 Year 3	160 Tooley Street SE1; <a href="http://moderngov.southwarbsites.com/mgConvert2PDF.aspx?ID=17920">http://moderngov.southwarbsites.com/mgConvert2PDF.aspx?ID=17920</a>	Pat Shelley, Head of Youth Service, 020 7525 1530

### APPENDICES

No.	Title
Appendix 1	Design principles for new youth service model
Appendix 2	New service structure chart
Appendix 3	Financial table
Appendix 4	Consultation on the youth service restructure
Appendix 5	Current provision

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Catherine McDonald, Children's Services	
<b>Lead Officer</b>	Merril Haeusler, Deputy Director, Education, Children's Services	
<b>Report Author</b>	Pat Shelley, Head of Youth Service	
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<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
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Strategic Director of Communities, Law & Governance	Yes	No
Finance Director	Yes	Yes
Head of Human Resources	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
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