

19th March 2018**Agenda Item:15****REPORT OF THE SERVICE DIRECTOR, YOUTH, FAMILIES AND SOCIAL
WORK****YOUNG PEOPLE'S SERVICE – ALTERNATIVE SERVICE DELIVERY MODEL
AND OPPORTUNITY TO REINVEST SAVINGS****Purpose of the Report**

1. This report updates Committee on the progress made in remodelling the Youth Service and Outdoor and Environmental Education Service, and seeks approval to explore an alternative service delivery model that could enhance the Council's offer of open access youth provision in Nottinghamshire.

Information

2. The Youth Service and Outdoor and Environmental Education Service form part of the Council's Early Help offer. The services enable the Council to fulfil its statutory requirements under Section 507 B of the Education Act 1996 as inserted by the Education and Inspections Act 2006 which describes the duty to secure services and activities for young people aged 13-19, and those with learning difficulties to age 24, to improve their wellbeing.
3. Due to financial pressures and reduced funding year on year, youth services across the country have been significantly reduced or closed. It is therefore likely that whilst Nottinghamshire's Youth Service is directly delivered by the Local Authority, it will remain subject to financial constraints, and consequently puts the service's viability into question.
4. It is proposed that the Council should explore the merits of services moving to an alternative service delivery model such as a newly created charitable provider in early 2019 to deliver its Youth Service and Outdoor and Environmental Education provision. Through adopting this approach, the Council would retain responsibility for determining the scope and standards of services to be provided through a contractual arrangement and appropriate governance structure. This would help to continue and sustain future high quality youth work provision in Nottinghamshire, whilst continuing to develop and grow the services that young people and the local community need.
5. This option builds on other successful work by moving services to a charitable provider. This may allow for reduced business rates and access to external funding streams that are not available to the Local Authority, thus attracting additional resources for Nottinghamshire's young people.

6. Remodelling and transferring the Youth Service and Outdoor and Environmental Education Service to an external charitable provider may open opportunities to generate savings of up to £120,000 per annum. However the extent of any savings to be generated are unlikely to become clear until the Council has explored the alternative service delivery model in more detail. The potential savings generated from reduced business rates together with the savings identified below for Phase 1 may provide an opportunity to reinvest in the service to enhance the Council's offer of open access youth provision in Nottinghamshire. Any savings would be made on management costs and administrative efficiencies, as well as business rates, due to the company having charitable status. It is envisaged that savings may be created in two phases.

Phase 1:

In December 2017, Children and Young People's Committee approval was given to develop a revised staffing structure for the Outdoor and Environmental Education Service. This subsequently will generate savings of up to £50,000 per annum on management and operational costs from 1st April 2018.

Due to the recent concerns raised by local communities regarding the reduced service in their area from April 2018, as approved by Full Council in February 2016, it is proposed to retain a level of service via the two mobile youth provision and offer a reduced service in areas that are currently served, in part by looking at split sessions so that the service is delivered in a greater number of areas within the same budget allocation. The table below details the sessions that would continue post April 2018. There may also be an opportunity to re-establish mobile provision in areas such as Bingham and Southwell. The Youth Service withdrew direct delivery of youth work in these areas in October 2014 as its contribution to the Council's budget reduction, which was approved by Full Council on 27 February 2014.

Area	Location
Blidworth	Main Street
Tuxford	Opposite Comprehensive School
Langold	Main Street
Edwinstowe	Fourth Avenue
Arnold	Park
Killisick	Near community centre
Bestwood Estate	Park
Inham Nook	Inham Nook Park

Phase 2:

It is envisaged that by moving the service to an external charitable provider, it may create opportunities for the Council and the charity to make best use of its funding, whilst having access to new funding streams in order to improve the offer to young people and the local community. This approach may allow the new charity to access reduced business rates to reinvest into the services and its charitable objectives. It is envisaged that further savings may be achievable to reinvest to extend youth service provision during school holidays, and develop youth work provision in other areas of the County.

7. It is proposed that in order to fully scope and explore the merits of an alternative service delivery model for phase 2, internal project management support is secured to assist with consideration of the following:
- develop a project plan
 - the legal forms available and explore options of what the best governance arrangements could be
 - arrange regular stakeholder engagement sessions
 - consider potential additional costs (that the service does not normally have to deal with, for instance VAT)
 - disaggregated costs from central services and service level agreements
 - terms of occupation of properties with Corporate Property
 - develop an approach to transfer business support and Youth Service training function to the direct line management and budget of the service from April 2018
 - scope elements of risk and accountability and develop methods to mitigate, for instance Health & Safety functions
 - develop the most appropriate future governance structure for Beeston Youth and Community Centre
 - TUPE - Scope approach and implications and transfer staff
 - consider pension liabilities
 - plan in for return of Council equipment – for example, purchase cards, ICT equipment, swipe cards
 - consider branding and marketing for the newly created charity
 - look into contract management, along with the creation of the shadow board
8. In addition to securing internal project management support, there is also an opportunity to seek external advice from the Department for Digital, Culture, Media and Sport, through its Mutuals Support Programme.
9. On completion of the development work for Phase 2, any recommendation for setting up an alternative service delivery model will be reported to the appropriate Committee for approval.

Other Options Considered

10. The Council continues with the direct delivery of services: whilst this option provides continuity, the result of such an approach may be a reduction of services in response to increasing budgetary pressures from the demand for statutory services.

Reason/s for Recommendation/s

11. Nottinghamshire County Council faces unprecedented financial challenges and thus further savings will be required. In creating a new charity, the proposals made offer an opportunity for the Council to continue and sustain high quality youth work provision in Nottinghamshire, whilst continuing to develop and grow the services that young people and the local community need.

Statutory and Policy Implications

12. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

13. The move to an alternative form of governance through the formation of a charity will enable the service to make the proposed level of savings to reinvest into the Council's offer of open access youth provision in Nottinghamshire.
14. Once project management support is secured, work will be undertaken to establish and quantify the relevant set up costs. When this work has been completed a further progress report will be brought to the Committee. Any costs incurred in the meantime will be met from within existing resources where possible.
15. Increased access to grant funding will be facilitated once the service is not directly delivered by the County Council.

Implications for Service Users

16. There would be no implications for service users as there would be no reduction in volume or quality of the service provided.

RECOMMENDATION/S

- 1) That approval is given to commence the development work to secure the future of the Youth Service and Outdoor and Environmental Education Service in Nottinghamshire, as outlined in paragraphs 6, 7 and 8, and for any identified savings to be reinvested in Youth Service provision.

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Constitutional Comments (SSR 01/03/18)

17. This report falls within the scope of decisions which may be approved by the Children and Young People's Committee.

Financial Comments (SAS 27/02/18)

18. The financial implications of the report are contained within paragraphs 13 to 15 above.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Annual Budget 2014/15 – report to Full Council on 27 February 2014

Annual Budget 2016/17 – report to Full Council on 25 February 2016

Staffing restructure of the Outdoor and Environmental Education Service – report to Children and Young People's Committee on 18 December 2017

Electoral Division(s) and Member(s) Affected

All.

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