

Bath & North East Somerset Council		
MEETING	Children & Young People Policy Development & Scrutiny Panel	
MEETING/ DECISION DATE:	20 <sup>th</sup> March 2018	EXECUTIVE FORWARD PLAN REFERENCE:
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TITLE:	Update on Youth Connect Service	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
None		

## **1 THE ISSUE**

- 1.1 This report seeks to update the Children's Policy, Development and Scrutiny Committee on the work that has been undertaken to re-structure the Youth Connect Service in light of the need to reduce the overall budget for the service. In particular the report updates on the work to explore whether or not the service could function as a Staff Mutual, or whether it should remain within the Council. The report also highlights the work currently being undertaken to explore possible community options for each of the three buildings currently being utilised by Youth Connect.

## **2 RECOMMENDATION**

- 2.1 There is no specific proposal attached to this report, it is for the purpose of update and information.

## **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 The Youth Connect Services delivers targeted youth engagement across BANES from three buildings (Riverside in central Bath, Southside in Twerton, and Peasedown St John). The Service also runs a mobile service in the Chew Valley and Radstock. The Service is focused on prevention and early intervention.

- 3.2 Youth Connect also have a statutory duty to “track” the educational and training destinations of all 16-18 yr olds and report on NEET levels (Not in Employment, Education and Training) to Central Government.
- 3.3 In January 2017, the Council reduced the budget to the Service by £500k. This equated to a 50% reduction in funding to the Service. These saving will need to be taken by September 2018. The total budget for the reduced Service will be £516,319.
- 3.4 As a result of the significant changes to the funding of the Service, we have needed to undertake a process of reviewing the structure and remit of the Service as well as reviewing the usage of the three buildings. This paper seeks to summarise the key issues arising from this exercise.
- 3.5 Alongside the planning to re-design the Service, we have engaged with the HR team to move forward the necessary arrangements for staff redundancies.

## **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 There is a statutory requirement for all Local Authorities to facilitate the provision of a youth service. But there is no specified statutory minimum of what this service should be structured or the scope and reach of the service.

## **5 THE REPORT**

- 5.1 With regard to (a), the current viable options are to maintain the reduced Youth Connect Service “in-house” or to allow the staff to pursue a social enterprise/staff mutual approach. An initial feasibility has recently been completed and recommends that this could be a feasible option.
- 5.2 With regard to (b), the report sets out the options which have emerged from the engagement process with a number of community based organisations that have expressed interest in the three buildings. Each of the three buildings could offer a range of different opportunities for the Council.

### **1: Context/Background;**

- 1.1 The Youth Connect Service needs to reduce its budget by 500k on 1<sup>st</sup> October 2018. This require the service to be re-designed to allow for a the delivery of a reduced service to young people. In addition the budget reduction will also affect the use of the existing three buildings. Over the past year staff have held a number of engagement event with community groups to establish the level of possible collaboration in delivering services and/or usage of buildings.

### **2: Options for the Structure, Scope and Status of the Youth Connect service;**

- We have used the past 11 months to engage with staff about possible future structures and service designs as well as exploring other delivery models developed by other Local Authorities. This could involve retaining the service “in-house” with it continuing to be part of the range of services available for young children. Alternatively the service could be supported to become a social enterprise via a “staff mutual” approach. Initial scoping of this has taken place

both internally and more recently externally to assess its viability. An “Expression of Interest” under the right to provide procedures is expected to be submitted from the Youth Connect staff.

- If the service remains run by the Council (the “in-house”) option, the size of the budget reductions will require a significant reduction in the scope of the work undertaken, and will mean that there would not be sufficient staff to run all of the buildings that are currently open, hence the discussions outlined later in this paper. A revised structure has been developed which would be sufficiently flexible to deliver the reduced expectations from one building. It is proposed that the remaining base would be the Southside Centre in Twerton as this is where the majority of youth interventions take place, and is area of highest need.
- The Staff Mutual feasibility study was funded by the Department of Culture, Sport and Media, and concludes that it would be feasible for a staff mutual to be delivered within the new reduced budget which will come into effect in September 2018. If the staff mutual approach was to be pursued, there would need to be an interim/transition phase with a suggested start/launch in April 2019.
- The potential advantage of the staff mutual approach is that it allows the Youth Connect Service to operate on a fully commercial basis and grow the service via its commercial activity. There are a number of examples of similar youth services developing in this way. The approach also fits well with the “enabling” approach highlighted by the Council as part of a different way of ensuring services remain in our communities, but not necessarily provided by the Council. However, before any final decision is made there is a need for the Council to undertake a further “due diligence” scrutiny of the financial implications of a staff mutual. This is currently underway and a decision is expected shortly.
- However, the staff mutual approach would require a base, and staff have asked that Southside could be leased to them as a base for the service. (Should the service remain “in-house”, the Service would still need to retain this building as its base).
- The proposed staffing structure for both an “in-house” approach and a potential “staff mutual” has been developed as is felt to be sufficiently flexible to fit either approach.

### **3: Asset Transfer Options;**

- Alongside the discussions about the scope and structure of the reduced Service, we have also undertaken an engagement process with local community groups about possible options and usage of the three buildings currently occupied by Youth Connect.
- There is no agreed Council process to achieve these asset transfers. It has been confirmed that this is neither a procurement nor a commission and neither is it a straightforward lease as there are attached conditions.
- The following people have been consulted and participated in discussions relating to this issue;  
Michelle Vittozzi, Procurement and Commissioning Manager  
Debbie Forward, Senior Commissioning Manager  
Keith McCombie, Senior Estates Manager  
Andy Thomas, Strategic Manager Communities  
Richard Long, Head of Property Services  
Members of the Youth Connect Service  
Community representatives

- Invitations were sent to all those community groups currently using the Youth Hubs, the Voluntary Sector Network, local Parish Councils, local schools and local faith groups and two open meetings were held in September and in November to set out the Council position and explore options. After the second meeting, organisations were invited to express an interest in managing one or more of the Youth Hubs on the following bases:
  - 25 year (or longer by negotiation), full repair leases at 'peppercorn rents';
  - Tenants will be properly constituted bodies that can work in accordance with the Council's vision and values;
  - Ability to generate income by managing the Hubs and renting out space to others;
  - Tenants will ensure continuing use of rented space by those currently 'in residence', giving them reasonable time to make alternative arrangements if change is necessary;
  - Delivery of two open access youth sessions per week;
  - Maintaining priority use of the buildings by young people;
  - Free use of office and delivery space by Youth Connect.
- In all, there were three expressions of interest in each of the three Youth Hubs (counting Youth Connect Staff Mutual and Youth Connect B&NES as a single organisation). No single agency expressed an interest in managing more than one site at this stage. All agencies were offered an informal, individual meeting to explore how they would use the buildings and the extent to which they would be able to satisfy these expectations. During the meetings, they all confirmed their continuing interest in managing the Youth Hubs and willingness to work in partnership with the Council. Therefore the information gathered was reviewed by a small working group made up of Debbie Forward, Senior Commissioning Manager, Keith McCombie, Senior Estates Manager, Andy Thomas, Strategic Manager Communities and Sally Churchyard, Head of Young People's Prevention Services with a view to identifying the 'best fit'.

### **Riverside Youth Hub, London Road, Bath**

- The main issue with any asset transfer of Riverside is that the likely value of the site will make it hard to argue that this is outstripped by community benefit. An estimated value obtained from Property services is that the value of the land is anticipated at 3 million pounds. One option currently being explored is the possibility of ensuring that any subsequent development of the site incorporates some level of youth provision, although further discussion will need to take place to determine which organisation might wish to run this.
- If it is decided to dispose of the site commercially, then an interim tenant/building manager may need to be identified to keep the building open pending any works. Mentoring Plus (currently co-located in the building) could possibly fulfil this role, although further discussion will be required before any decision can be confirmed.

### **Peasedown St John Youth Hub**

- There have been expressions of interest from two existing building users, who makes occasional use of the building and knows it well.

- However, the School will need to establish two new classrooms for an additional 70 pupils by 2020 and if it is not able to continue to use the Youth Hub's sports hall, will also need to build its own sports facilities. As the Local Authority will bear the capital costs for this growth, there is an argument that the School should manage the site and utilise existing space for the new classrooms.

### **Southside**

- Expressions of interest were been received from a small number of organisations including Youth Connect, both as an in-house and as an emerging Staff Mutual. There is a commitment to seeing the building remain open for use by young people and the wider community.
- Youth Connect would benefit from a centre for delivery of services to young people and an opportunity to generate income from taking a more 'business-like' approach to building management.

### **Next Steps**

- The options set out in this report have been shared with senior managers, who were broadly supportive of the direction of travel. However, no firm decision has yet been made in regard to the staff mutual. This is anticipated soon, once the financial due diligence report has concluded.
- It is likely that the Asset transfer issues will be addressed via single member decisions.

<b>Contact person</b>	<i>Richard Baldwin</i>
<b>Background papers</b>	<i>None</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	