

Education, Children and Young People Scrutiny Panel – Scoping Document

Review of targeted support for children and young people who demonstrate behaviours that may put them at risk – Priority D of the Children’s Trust Plan 2011-14

1. Introduction

- 1.1 The topic ‘*review of targeted support for children and young people who demonstrate behaviours that may put them at risk*’ was agreed by the Scrutiny Management Panel on 13 September 2011 and forms part of the Education, Children and Young People Scrutiny Panel’s 2011/12 work programme.
- 1.2 The topic forms part of a radical review and redesign of youth support services in the City and forms part of Priority D of the Children’s Trust Plan 2011-14. A commissioning strategy for Priority D has been developed and members have been kept informed of progress. The implementation of the strategy is now being taken forward.
- 1.3 Excluded from this approach were Information, Advice and Guidance services which are being reviewed in light of the new duties that will be placed on schools from September 2012 to ensure pupils Year 9-11 have access to independent and impartial careers guidance (subject to passage of the Education Bill) and the establishment of an All Age Careers Service by April 2012. In addition, a separate, but related area of work, is being undertaken in relation to Youth Offending services in the City and the disaggregation of Wessex YOT.

2. Background

- 2.1 Our current service delivery for Tier 2 and 3 children and young people is broadly structured around specific outcomes rather than risk and causal factors. Members of the 14-19 Partnership Board identified a need to look at redesigning services to better meet the needs of those children and young people who may be at risk of a range of poor outcomes and reduce the number who may require expensive (and less effective) Tier 4 services.
- 2.2 The commissioning strategy for Priority D focuses on three key strands:
 1. To develop an **integrated targeted youth support service** in Portsmouth (three area based teams are proposed – North, Central and South) offering support to the most vulnerable young people in Portsmouth.
 2. To develop a range of **open access structured youth activity programmes** (positive activities).
 3. To maintain and refocus a range of **specialist tier 2 / 3 services** which will be delivered alongside the targeted youth support service.
- 2.3 A steering group has been established to put in place the arrangements in order to implement the commissioning strategy and move to the next phase i.e. procurement of services. A project manager has been appointed to take forward the next phase of work.

3. Rationale

- 3.1 Our current service delivery of youth services is not formally commissioned by the Local Authority. As a result it is not integrated but dispersed between City Council services and third sector providers delivering discrete services and interventions in response to specific outcomes rather than risk and causal factors (see Figure 1). This in turn has led to a complex and confusing array of targeted services, a lack of co-ordination, disjointed front line working, duplication of roles and operational inefficiencies. The emphasis must be on investing in front-line delivery and reducing associated management and administrative costs.
- 3.2 These arrangements contribute to a situation where despite the City Council investing a total of approximately £3.37m (2010/11) in universal and targeted 'youth services', Portsmouth continues to perform poorly in terms of: the proportion of young people who are not in education, employment or training; teenage conception rates; persistence absence rates at school; number of young offenders/offences; and substance misuse.
- 3.3 Other Local Authorities are better at tackling these issues. There is a need to look at **redesigning targeted youth support services** to better meet the needs of those children and young people who may be at risk of a range of poor outcomes and reduce the number who may require expensive (and often less effective) specialist services. Equally it is important we reduce the number of referrals to specialist services. There is also evidence that there is a post code lottery in relation to youth services. There are disparities across the City both in terms of geographical coverage and the extent to which services respond to the areas of greatest need.
- 3.4 All the research points to early intervention as having the most effective outcomes and achieving the best value for money. We know if we don't intervene early to provide effective support and help, many young people are less likely to make a successful transition to adult life and can go on to cost the public purse significant amounts. The additional lifetime cost of being NEET per young person is estimated at £56,000 in public finance costs compared to the average person (Audit Commission 2010). In Portsmouth this would equate to a total of £22.7m based on the current cohort of 405 young people (16-18) who are NEET
- 3.5 There are also issues associated with the provision of **universal open access activity programmes** (positive activities) in Portsmouth. There is a need to bring together the totality of the resource and to better plan positive activities in order to reduce duplication, ensure improved geographical coverage focussed on those areas of greatest need and deliver more structured programmes that will deliver better outcomes for young people
- 3.6 The last results from the Tellus Survey in 2009 (national survey of children and young people carried out LA level in school Years 6, 8 and 10) revealed that Portsmouth's children and young people think there are not enough positive activities for them in the City. Compared to national data, outside of school, young people in Portsmouth take part in less organised sport, less use of organised youth clubs, less involvement in religious, faith or community groups, less take-up of musical activities and less charitable work or volunteering.

4. Summary of recommendations

4.1

- A phased outsourcing of Open Access Structured Youth Activity Programmes (positive activities), at a pace which local voluntary sector providers are able to respond to
- The development of an Integrated Targeted Youth Support Service based on 3 locality teams, with one team outsourced, in order to improve outcomes for young people in the city
- Funding for these developments to come from the budgets currently funding Integrated Youth Support Services (IYSS), Preventing Youth Offending Project (PYOP) and Motiv8
- In subsequent budget meetings to achieve savings of £100,000 in 2012/13 (seven months of new service) and £200,000 in 2013/14.

4.2 The Open Access Structured Youth Activity programme is progressing to procurement with the aim of an April 2012 start.

4.3 In relation to the Integrated Targeted Youth Support Service model, the ambition of both redesigning a service and achieving savings, at the same time as addressing TUPE considerations, is proving challenging.

4.4

Open Access Structured Youth Activity Programmes (Positive Activities)

- Commissioning through a competitive procurement process (60% of the positive activities budget - £500,000) to secure a broad range of exciting, innovative and effective positive activities across the city
- Retaining and make effective use of PCC's existing five youth centres (40% of the positive activities budget - £350,000) including a reduced baseline service (delivery of two open access drop in youth sessions per week)

Integrated Targeted Youth Support Service

- Implementation of Option 3 'hybrid model' as opposed to the other viable model (Option 2 – Phased Introduction Model) whereby 2012/13 year would be treated as a transition year. The largest part of the service would remain with PCC and PCC would manage a process of reducing staffing levels through a structured consultation and selection process to a size reflecting the budget available. Simultaneously, Motiv8 would be offered a 1 year extension to their current contract, but at a lower level funding level in line with the percentage level of service reduction taking place in PCC (i.e. the pain of funding cuts shared appropriately and more equitably across the two organisations). During 2012/13 a tendering process would then take place putting out the reduced-sized service, either in full or in part (for example, one area team), to tender, with a contract start date of April or September 2013. A summary of the two options the pros and cons of each option is given in [Appendix 1](#).

Appendix 1: options analysis for the Integrated Targeted Youth Support Service

Background

1.1 A range of options for the commissioning of the Integrated Targeted Youth Support Service have been considered by the Priority D Steering Group and the 14-19 Partnership Board. Five were initially considered, but this was extended to eight following a meeting of the Steering Group on 4 November 2011. These can be summarised as follows:

- **Option 1: Original Proposal Model** - commission 3 area-based teams, 2 to be delivered by PCC, 1 to be outsourced.
- **Option 2: Phased Introduction Model** - establishment of three PCC led area based teams. This would involve the TUPE of dedicated staff currently employed by Motiv8. Once the transfer has taken place an organisational review would commence in order to populate the required structure. These teams would form all of the Integrated Targeted Youth Support Service to be in place by August / September 2012. Consideration would then be given to which of the area teams should be put out to tender in late 2012 with a start date for a new contract in April or September 2013.
- **Option 3: Hybrid Model** - 2012/13 year would be treated as a transition year. The largest part of the service would remain with PCC and PCC would manage a process of reducing staffing levels through a structured consultation and selection process to a size reflecting the budget available. Simultaneously, Motiv8 would be offered a 1 year extension to their current contract, but at a lower level funding level in line with the percentage level of service reduction taking place in PCC (i.e. the pain of funding cuts shared appropriately and more equitably across the two organisations). During 2012/13 a tendering process would then take place putting out the reduced-sized service, either in full or in part (for example, one area team), to tender, with a contract start date of April or September 2013.
- **Option 4: Secondment Model** - commission 3 area-based teams, 2 to be delivered by PCC, 1 to be outsourced. For the outsourced team, the external provider recruits/selects a mix of PCC and non-PCC staff, but PCC staff are deployed on a secondment basis.
- **Option 5: Full Competition Model** - all of the 3 area-based teams/entire service is put out to tender. The PCC in-house team competitively bids for this service in competition with all external providers, potentially as a separate entity such as a social enterprise
- **Option 6: The Outsourced Management Model** - 3 area-based teams are delivered by PCC, but management of this service would be outsourced to an external provider
- **Option 7: The Outsourced Practitioner Model** - all of the 3 area-based teams/entire service is put out to tender. PCC retains management of the service but does not seek to be awarded the contract to deliver the service.
- **Option 8: The Split Service Model** - PCC delivers 2 or 3 area-based teams and an external contract is let for a distinctive/more specialised service which forms part of Targeted Youth Support Service e.g. a community outreach specialist service, a team which targets particular risk factors, supports specific groups.

- 1.2 All 8 options have been explored in detail in terms of:
- a summary analysis of their key strengths and weaknesses (refer to [Appendix 1](#))
 - further advice from PCC's Human Resources department;
 - financial implications of each model; and
 - feedback from a suppliers event that took place on Friday 18th November 2011
- 1.3 The options have also been discussed extensively at two multi-agency groups including representatives of the statutory and voluntary sectors; the 14-19 Partnership Board and the Priority D Steering Group.
- 1.4 The conclusion of all of this analysis and discussion is that two options have emerged as the "short-listed" / preferred ways forward; **Option 2: The Phased Introduction Model** or **Option 3: The Hybrid Model**.
- 1.5 At this stage, Options 2 and 3 are both viable options for consideration and both options, if managed effectively, have the potential to deliver the desired outcomes from Priority D. In addition, both options can be scaled to fit available budgets. Consideration of which option to pursue contains some elements, for example, the likelihood of PCC employee relations issues and claims, which are unknown at this stage and difficult to quantify. Therefore, Members decision will need to take account of these unknowns, in addition to the more explicit / quantifiable strengths and risks of each option.

2. Option 2 – The Phased Introduction Model: summary description, key advantages and risks

- 2.1 In this option, PCC would TUPE in the dedicated staff currently employed by Motiv8. Whilst doing this PCC would write to all affected staff and confirm that an organisational review will need to take place. Once the transfer has taken place PCC would then be in a position to commence an organisational change process. PCC would be able to devise a selection process and reduce the staff in scope to populate the 3 area based teams.
- 2.2 Once the review is finished PCC can assign staff to work streams or geographical locations and at this stage there can be consideration of tendering out one, two or all three of the area based teams to an external provider/s. PCC would then be in a strong position in terms of confirming who TUPE applies to during the tendering process. This also helps to meet the long term goal of supporting the voluntary sector.
- 2.3 This approach has the least legal risks for PCC in terms of unfair dismissal claims. It also allows PCC to be open and honest with all affected staff, allows all staff to compete for positions within the new teams and allows PCC to select staff who meet the requirements of the new service and area based teams. This option allows PCC to protect all staff who currently provide services and allows them all equal opportunity to apply for the roles.
- 2.4 This option was favoured by the 14-19 Partnership Board. A key reason given was the process of being able to pick the best available staff in an equitable way, whichever organisation they currently work in, which in turn will help provide the best possible service for young people.

2.5 In addition, it was considered important that there is a consistent quality of service being delivered both during this change period but also in the critical first phase of the implementation of the new service. Having all practitioners in the same organisation, applying the same processes, systems and quality assurance, in the first phase will help achieve that consistency. Given that Option 2 assumes that part (or potentially all) of the service could be tendered in due course, this still allows for an external provider to deliver all or part of the new service (the working assumption is by April or September 2013).

2.6 However, the key risks of this option are:

- That by bringing in Motiv8 staff into PCC, these staff will attract PCC staff pay and conditions (including pensions entitlements) which would make these staff more costly when the service is eventually tendered out. In addition, PCC would incur the redundancy costs of any Motiv8 staff TUPEd in to PCC who subsequently are made redundant. Assuming a worst case of 9 staff and an average of £2.5k per staff member (i.e. in line with similar staff delivering the service in PCC) this would involve a one-off cost of approximately £22.5k (in reality it would be unlikely that all 9 staff would be made redundant). In addition, for the period of time that the Motiv8 staff are working within PCC there would be additional salary and pension costs estimated at approximately £2-3k per month.
- Until part of the service is eventually put out to tender there would be no externally provided targeted youth support adviser-based provision in the city (i.e. Motiv8's targeted youth support services in Portsmouth would cease to exist) and all of the benefits which Motiv8 currently brings to the City (for example, leveraging in additional grants to fund targeted youth support services) will be lost.

Summary of advantages and key risks associate with Option 2: Phased Introduction Model	
Advantages	Risks
<ul style="list-style-type: none"> • Least legal risks to PCC in terms of unfair dismissal claims • Allows all staff in scope to compete for positions within the three area based teams on a equitable basis • Allows for the selection of the staff best equipped for the new roles • Supports consistency across all three teams • Leaves open the opportunity for an external provider to deliver all or part of the service 	<ul style="list-style-type: none"> • Until the service is eventually put out to tender there would be no externally provided targeted youth support service in the City • Motiv8's targeted youth support service in the City would cease to exist • All of the benefits which Motiv8 brings (for example, leveraging in additional grants to fund targeted youth support services) will be lost. • Only large external providers would be able to bid for one or more of the area based teams due to the fact that staff will be on PCC terms and conditions with associated pension liabilities • Could lead to widespread dissatisfaction from the local voluntary sector about the

	<p>lack of opportunity to deliver targeted youth services</p> <ul style="list-style-type: none"> • PCC would incur the redundancy costs of any Motiv8 staff TUPEd into PCC
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3. Option 3 – The Hybrid Model: summary description, key advantages and risks

- 3.1 In this option, the 2012/13 year would be treated as a transition year. The largest part of the service would remain with PCC and PCC would manage a process of reducing staffing levels through a structured consultation and selection process to a size reflecting the budget available. Simultaneously, Motiv 8 would be offered a one year extension to their current contract, but at a lower level funding level in line with the percentage level of service reduction taking place in PCC (i.e. the pain of funding cuts shared appropriately and more equitably across the two organisations). During 2012/13 a tendering process would then take place putting out the reduced-sized service, either in full or in part (for example, one area team), to tender, with a contract start date of April or September 2013. There could be no guarantees that a voluntary sector provider would win this contract, as the sector would have to compete on a level playing field with the private sector and any other forms of entity (for example, Employee Led Mutuals).
- 3.2 The main advantages of this option are the opposite of the disadvantages to Option 2; that is, this option does not build-in costs and liabilities to PCC and any subsequent provider from the Motiv8 staff who might have otherwise been TUPEd into PCC under Option 2. In addition, it builds in all the advantages of voluntary sector delivery of targeted youth support services for at least one year, and potentially for longer.
- 3.3 The main risk/disadvantage of this option (which has been emphasized clearly and strongly by PCC’s Human Resources department) is that it leaves PCC open to risks of unfair dismissal by staff not successful in gaining a role in the new downsized service. These risks are predicated on the assumption that all PCC and Motiv8 staff have the same employment position as they are delivering one service, and therefore PCC staff could contend that they have been denied an opportunity to compete fairly for all available roles. In essence, it is contrary to TUPE legislation whereby employees are assigned to an organised grouping with a common principal purpose. Whilst the grounds for employee claims could be open to dispute it is difficult at this stage to quantify the level of risk as this would depend on individual and group responses made by employees. Moreover, their propensity to pursue such claims could vary depending on the strength of the communication and support PCC offers through such a process. It will also be influenced by the wider PCC employee relations climate within PCC during this period of service restructuring. Finally, the specific risks of individual or group employee unfair dismissal claims could also lead to wider reputational risks to the Council and staff morale issues for those staff chosen to deliver the service.

Summary of advantages and key risks associate with Option 3: Hybrid Model	
Advantages	Risks
<ul style="list-style-type: none"> • Ensures that part of the targeted youth support service continues to be 	<ul style="list-style-type: none"> • Leaves PCC open to risks of unfair dismissal by PCC staff who are not successful in gaining a role in the new

<p>delivered by the voluntary sector</p> <ul style="list-style-type: none"> • Makes it more attractive to local voluntary sector providers to bid for the service in 2013 and beyond due to the fact that a proportion of the staff will not be on PCC terms and conditions (i.e. those currently employed by Motiv8) 	<p>downsized service</p> <ul style="list-style-type: none"> • May lead to wider reputational risks to the Council and staff morale issues for those staff chosen to deliver the service • May affect the consistency of the service given there will be two separate processes operating to downsize existing teams
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