Divestment of the Devon Youth Service: Progress Report

Report of the Head of Services for Communities

Please note that the following recommendation is subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council’s Constitution) before taking effect.

Recommendation: It is recommended the youth service be divested to an independent entity by September 2016 and that the next steps set out in section 5 of this report be approved.

1. Introduction

At its meeting on 8 April 2015, the Cabinet approved the divestment of the Devon Youth Service (DYS) to an employee-led public service mutual or other social enterprise (report SC/15/7 and minute 324(b)(i) refer).

2. Devon Youth Service

The DYS provides:
- Open access to young people across the county using eight hubs as agreed by Cabinet in June 2014.
- Targeted support to vulnerable young people within the County through one-to-one work or group work as part of the early help pathway, and leading or attending team around the child, child in need, child protection and other key meetings as required.
- Specific sessions, some in partnership, for young people in care, young people with disabilities and LGBT young people.
- A range of direct and indirect support, including funding to voluntary and community youth organisations.
- Specific provision and services such as the Duke of Edinburgh Award; “Chances” education support services; professional support to the Reducing Exploitation and Absence from Care or Home (REACH) youth workers, participation workers and also the Young Farmers County Officer.

The eight youth hubs are the primary bases for community activity and curriculum delivery. These are located in Tiverton, Barnstaple, Exeter, Totnes, Okehampton, Newton Abbot, Bideford and Exmouth. Each hub is equipped to deliver positive activities, information, advice and guidance in a safe environment. Youth hubs are also used as a base for targeted work and workers develop outreach work in line with local needs assessments, demand and capacity. The service is provided by about 50 full time equivalent staff and has a budget of £1.675m (excluding the REACH and participation services) for 2015/16.

3. Background

There is a market, albeit limited, for the provision of youth services by employee-led public service mutuals or other social enterprises. Youth services are subject to a "light touch regime" under the Public Contracts Regulations 2015.
One option available to the Council is to restrict any initial procurement exercise to organisations meeting the mutual or social enterprise criteria provided that the service contract awarded was for a maximum period of three years. Thereafter, the service contract would have to be retendered to the entire market.

4. Progress Update

After the Cabinet’s April 2015 decision, the Cabinet Member for Children, Schools and Skills reflected on whether the divestment of the service was the best way to improve the quality, coordination and impact of early help services for children and families in Devon. He asked the Strategic Director: People and the Head of Services for Communities to examine the various options for achieving the integration of, or alignment between, the youth service and other early help services.

The Strategic Director: People and the Head of Services for Communities undertook that work and discussed the results with the Cabinet Member. The conclusion was that there will be benefits to Devon’s young people by divesting the youth service to an employee-led public service mutual or other social enterprise in accordance with Cabinet’s April decision.

5. Next Steps

Two separate pieces of work will now be undertaken:

(1) Preparation of a service specification and conducting a procurement exercise over the period to September 2016. The contract between the Council and the successful bidder will start on 1 October 2016. This work will require the Council to address a number of issues including support services, contracts with third party providers, premises and assets, transfer of staff, pensions, VAT and any further financial issues including timescales, costs and savings. The procurement procedure will be conducted in conformity with information set out in an advertisement concerning the conditions for participation, time limits for contacting the Council and the features of the award procedure.

(2) Supporting the DCC DYS team to secure legal and financial advice to prepare a business plan, establish a new organisation and submit a bid in response to the invitation to tender.

In order to facilitate both pieces of work, it is suggested that the DYS becomes the responsibility of the Cabinet Member for Performance and Engagement and managed as part of the Council’s Services for Communities.

The People’s Scrutiny Committee will have opportunity to consider this matter at its meeting on Wednesday 18 November 2015.


An Impact Assessment was undertaken during 2014 as part of the review of the Devon youth service and the accompanying public consultation (see https://new.devon.gov.uk/youthreview/files/2014/01/Youth-Offer-Impact-Assessment.pdf?3e795a). That Assessment will be reviewed as necessary as work moves forward.

This Report has no specific sustainability, legal or public health implications that have not already been assessed and appropriate safeguards and/or actions taken to safeguard the
Council's position and which were taken into account in previous considerations of this matter by Cabinet.

7. **Reason for Recommendation/Conclusion**

The proposals in the report will enable the Devon youth service to be divested to an independent entity by September 2016.

John Smith  
Head of Services for Communities

**Electoral Divisions: All**

Cabinet Member for Children, Schools and Skills: Councillor James McInnes  
Cabinet Member for Performance and Engagement: Councillor Barry Parsons

*Strategic Director, Place: Heather Barnes*

**Local Government Act 1972: List of Background Papers**

Contact for enquiries: Roland Pyle  
Room No. County Hall, Exeter. EX2 4QD  
Tel No: (01392) 383000

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