

Devon Youth Service: invitation to tender and authority to award a contract
Report of the Chief Officer for Communities, Public Health, Environment and Prosperity

Recommendations

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

It is recommended that:

(a) The Chief Officer for Communities, Public Health, Environment and Prosperity, in consultation with the Cabinet Member for Communities, Public Health, Environment and Prosperity be given delegated authority to launch an invitation to tender in accordance with recommendation (b) below for youth services in Devon from 1st April 2020 and subsequently to award a contract following a competitive bidding process.

(b) The invitation to tender reflects the requirements, budget and term outlined here:

a) Requirements

- **A universal offer based on open access via 8 youth hubs**
- **Outreach and targeted support for more vulnerable young people**
- **Advice, guidance and support to voluntary and community groups across the county**
- **Focussed support to young people at risk of permanent exclusion from mainstream education**
- **Duke of Edinburgh Award Scheme (if eligibility criteria met)**

b) Budget

- **The budget for the core service will be £1.788 million in 2020/21.**

c) Term

- **5 years (3+2)**

1. Introduction

- 1.1 Devon County Council's contract with DYS Space Ltd for youth services for Devon was due to expire on 31 January 2020. The current contract was awarded following a tender restricted to mutuals.
- 1.2 Representations were made at a "market warming" event with potential bidders on 15th May to extend the current contract by 2 months in order to allow more time for small providers to explore banding together to bid.
- 1.3 DYS Space is willing to continue to provide the service in line with the existing arrangements until 31 March 2020 so there is a fixed deadline of 1 April 2020 to conclude the Council's retender. Preparations are being made to extend the current contract with DYS Space so that it expires on 31 March 2020.
- 1.4 This report therefore seeks delegated authority from Cabinet for the Chief Officer of Communities, Public Health, Environment and Prosperity to launch an invitation to tender for a youth service from 1 April 2020.

2. Background

- 2.1 In 2014, the (in-house) youth service was very significantly revised:
 - Number of youth and community centres reduced from 32 to 8
 - Budget reduced from £3M to £1.65M
 - Staff resource reduced from 114FTE to 50 FTE
- 2.2 Following a procurement exercise in 2016, DYS Space was established as a staff mutual and was awarded a three-year contract by DCC to provide a youth service in Devon beginning in February 2017 at a cost of £1.738m fixed for 3 years.
- 2.3 DYS Space has nine buildings in its portfolio. There are eight Youth and Community Centres (in Barnstaple, Bideford, Exeter, Exmouth, Newton Abbot, Okehampton, Tiverton, and Totnes) which are bases for open access youth work. These centres are also used as a base for the targeted and outreach youth work which takes place in other places (to best suit the needs of young people).
- 2.4 As well as these buildings, DYS Space has a building in Dawlish to support its work with young people in mainstream schools who are at risk of permanent exclusion.
- 2.5 There is a sense nationally and locally that young people face increasingly complex challenges (including, but not limited to county lines drug trafficking, knife crime and sexual exploitation) and that a compelling youth service offer is important.
- 2.6 Devon can be proud of having retained significant investment in an infrastructure that supports both a universal and targeted offer and there are some signs that, after a period of time out of the policy limelight, Government might be contemplating new

requirements for Local Authorities in terms of a youth offer that would contain both a universal and targeted element.

3. Requirements for the future

3.1 Fundamental change to the current model of youth service provision across the county is **not** recommended at this stage. This approach is supported by recent feedback.

3.2 Rather, Cabinet is requested to agree that the core offer to be made available from 1st April should consist of the same key components:

- A universal offer based on open access via 8 youth hubs
- Outreach and targeted support for more vulnerable young people
- Advice, guidance and support to voluntary and community groups across the county
- Focussed support to young people at risk of permanent exclusion from mainstream education
- Duke of Edinburgh Award Scheme (if eligibility criteria met¹)

3.3 To ensure continuity of service provision it is recommended that the successful provider(s) be required to continue to operate out of the existing eight youth hubs:

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| <ul style="list-style-type: none">- Georgies - 21 St George's Street, Barnstaple, EX32 7AU- 100 Club - Wear Barton Road, Exeter, EX2 7EH- Rushbrook Centre - Station Road, Totnes, TQ95HW- The Hive – 61 Imperial Road, Exmouth, EX81AX- Room 13 – St James Street, Okehampton, EX20 1DW- Bideford YC - Kingsley Road, Bideford, EX39 2PF- Tiverton YC - Bolham Road, Tiverton, EX16 6SG- The Junction – Wain Lane, Newton Abbot TQ12 2SH |
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3.4 However, it is further recommended that a requirement is built into the specification and contract for the provider(s) to work with the Council to continuously review the location of the eight youth hubs against the needs of young people in Devon.

3.5 In addition to the buildings listed above, Red Rock (Sandy Lane, Dawlish EX7 0AF) will continue to be made available to support an offer to young people who are at risk of permanent exclusion from mainstream education.

3.6 It is also expected that there will be a (temporary) presence in both Cranbook and Sherford until a permanent facility is built and handed over to the respective town

¹ Only voluntary and charitable sector organisations are able to offer the Duke of Edinburgh so depending on the outcome of the procurement, alternative arrangements might need to be sought for this element

councils (funded from time-limited S106 contributions). As new developments will emerge across the County over the lifetime of the new contract the same flexibility to vary the contract should be retained.

3.7 The table below summarises the procurement timeline:

Finalisation of specification and ITT	July 2019
Tender Launches	Aug 2019
Tender Closes	Oct 2019
Evaluation and Approval	Nov – Dec 2019
Contract Award	Jan 2020
Mobilisation including TUPE	Jan 2020 – March 2020
Contract Starts	1 st April 2020

3.8 The timetable is tight and does not allow for a “root and branch” review of youth services across Devon before going to the market. Instead, it is recommended that such a review take place once we have a provider confirmed to inform the future development of the service.

3.9 The review should use a refreshed needs analysis, allowing the Council to consider if it has the right configuration of buildings and networks of organisations delivering the right services in the right places. Children’s scrutiny committee has indicated that they would be keen to work with commissioners on such a review.

3.10 In the meantime, to maximise the likelihood of our being able to appoint a provider with the values and experience that we think our young people should have access to and be supported by, it is recommended building into the evaluation a requirement for bidders to set out their approach to providing excellent services for all young people and tailored services for young people needing more help.

3.11 Informed by helpful comments from a wide range of colleagues within and beyond the Council, as well as members of Children’s Scrutiny Committee (8 May 2019) and from potential suppliers (15 May 2019) commissioners will develop an evaluation framework to ensure DCC awards a contract in line with the following principles:

- 3.12 We want to work with a provider who is able to demonstrate they can and will:
- Listen to young people
 - Build trust and understanding
 - Start with what’s interesting to and what matters to young people
 - Reach out to those young people furthest away from statutory services
 - Engage with all young people and is equipped to work with young people with a variety of difficult or challenging life situations
 - Create opportunities for young people to learn about and develop skills, knowledge and resilience to improve their mental health and wellbeing
 - Understand issues facing and needs of young people and have the flexibility to respond to changing local needs
 - Innovate
 - Collaborate
 - Deliver

- i) There will be a continuing need for the provider to engage with, support and fund the many voluntary and community sector organisations who offer valuable services to young people in areas of the county not supported by a hub;
 - ii) There will be a continuing need for the provider to provide effective interventions for young people who are at risk of being permanently excluded from mainstream education;
 - iii) There is a valuable contribution to be made in supporting young people to access the Duke of Edinburgh scheme
- 3.13 A budget of £1.788m has been identified to support the tender. Current intentions are to award the contract on a rising fixed-fee², guaranteeing income to the provider to enable them to plan and acknowledging the likelihood that some costs will increase, with the onus on the provider to absorb increases greater than the fixed fee.
- 3.14 The budget identified will cover the costs of the core specification. However, we do know that the pressures faced by young people are significant, and that there are areas of the county where a provider could target more resource on building the capacity and capability of the voluntary and community sector. Simply put, with more money we would be able to do more good – and youth work that is both universal and targeted in its nature is a prime example of a cost-effective approach to both prevention (the universal offer) and early intervention (the outreach / targeted work).
- 3.15 To allow the provider a good chance of successfully planning for, mobilising, and delivering the service, it is recommended the Council awards a 5 year contract (on a 3 + 2 basis). A 3+2 contract will allow commissioners to take into account (a) any changes to the policy landscape (b) future funding and (c) provider performance.
- 3.16 If Cabinet is content with the approach described above officers will develop an Invitation to Tender (ITT) pack, incorporating a specification and evaluation framework reflecting this approach and budget.

4. Options/Alternatives

- 4.1 In 2017, the Council restricted the procurement exercise to mutuals under Regulation 77 of the Public Contracts Regulations 2015. Contracts awarded under Regulation 77 are limited to 3 years in length. Consequently, there has not been sufficient time to undertake a root-and-branch review of the youth service – and introduce any significant changes as a result – if the Council is to appoint and mobilise a provider by early 2020.
- 4.2 The intention is to award a new contract from 1 April 2020 for up to 5 years, in order to secure a continuous youth service offer in the short-term and to create the time and space for a more in-depth review, taking account of local issues and national policy changes, after a provider has been appointed.

² A rising fixed fee for the first three years, and the final 2 years to be increased by RPI

- 4.3 Not retendering at all was considered. However, there was a strongly expressed view that a vibrant youth service offer is something that the Council should commission on behalf of all young people.
- 4.4 In addition, although there is potentially a small saving to the Authority from not retendering, withdrawing any commissioning responsibilities for a youth offer would:
- i. create additional pressures on other Council services; and
 - ii. create operational challenges and incur significant financial costs in relation to both people and buildings.
- 4.5 Commissioners have also explored whether there is scope to enhance the existing offer subject to identifying additional resource. The developments at Cranbrook and Sherford have highlighted gaps in our service offer – gaps that are likely to be in further evidence as more developments emerge in the county over coming years – and there are other areas in the county where additional youth work capacity would be helpful.
- 4.6 The contract could usefully invite the provider to deploy both additional staff and additional resource to help local communities grow their own capacity and capability to commission and / or provide youth services.

5. Consultation

- 5.1 This note has been informed by a wide range of colleagues, from across the Communities, Public Health and Economy Teams, as well as children’s services, and finance, legal, estates and procurement colleagues. In addition we have had discussions with colleagues outside the council (e.g. from the health and criminal justice sectors).
- 5.2 Officers ran a very constructive and productive workshop for members of the Children’s Scrutiny Committee on Wednesday 8th May. A note of the points discussed is attached at Appendix A but it is worth highlighting here that members:
- Endorsed the intention to recommission a youth service and welcomed the focus on prevention and early intervention;
 - Advocated that we build in a requirement for the successful bidder to be an “innovative” provider given (a) how quickly the issues facing young people evolve and (b) how quickly the world is changing for young people;
 - Accepted that the constraints on the timetable for the procurement meant that we should build in a clear expectation of evolving arrangements in partnership with the provider post-award of contract; and
 - Underlined the importance of ensuring that the successful bidder be required to seek the views of young people who are using (and who are not using) the service as part of a refreshed set of outcome-focussed key performance indicators.

- 5.3 Officers held a market warming event with potential suppliers on Wednesday May 15th. There was:
- Support for the intention to retender;
 - Support for the model described;
 - Representation made that more money should be found given the importance of community-based youth work.
- 5.4 There was a lively debate about whether a youth service needs to employ only trained youth workers. If there was a consensus view to emerge, it was perhaps that youth work training is very important but that the Council should seek to commission a service that has and will seek to retain a good mix of skills so as not to completely rule out different staffing models.
- 5.5 Finally, and crucially, the Council's Participation Team are facilitating focus group sessions with young people in each of the four localities plus engagement with Devon's Members of Youth Parliament to ensure their views can be included in the draft specification.

6. Financial Considerations

- 6.1 A base budget (£1.788m) has been identified and, in response to comments made at the market warming event, officers recommend awarding the contract on a rising fixed-fee basis.
- 6.2 Potential suppliers felt strongly that a flat-cash contract award would only result in reductions in front-line services given that inflationary pressure alone could well exceed any potential efficiency gains.
- 6.3 A rising fixed-fee acknowledges this concern. It is likely some costs will rise, but at the same time the Authority should require the successful bidder to cover increases above the amounts specified.
- 6.4 As stated in 4.5, commissioners are also exploring whether additional funding could be made available to support this contract. There is a good case for strengthening the capacity and capability of voluntary and community sector-led provision within communities not served by one of the eight hubs and the successful bidder could be tasked with doing exactly that.
- 6.5 The specification being developed reflects a budget of £1.788m, which is enough to require a geographically-constrained universal offer, a targeted / outreach offer, on-going support for voluntary and community groups, and an offer to young people at risk of exclusion from mainstream education along the lines of the current service.
- 6.6 Residual liabilities relating to premises and pensions will be reviewed once a preferred bidder is identified.

- 6.7 If Cabinet were minded to support additional investment in the preventative, early intervention and community-safety focussed nature of a youth service, it is recommended that further strengthening the provider's ability to grow the capacity and capability of voluntary and community-sector led provision for young people in areas of the county not within easy reach of one of the hubs would be of significant benefit.

7. Legal Considerations

- 7.1 The lawful implications of the recommendations have been considered and taken into account in the preparation of this report and formulation of the recommendations.

8. Environmental Impact Considerations

- 8.1 None of significance.

9. Equality Considerations

- 9.1 Where relevant to the decision, the Equality Act 2010 Public Sector Equality Duty requires decision makers to give due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
 - advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
 - foster good relations between people by tackling prejudice and promoting understanding.
- 9.2 Taking account of age, disability, race/ethnicity (includes Gypsies and Travellers), gender and gender identity, religion and belief, sexual orientation, pregnant women / new and breastfeeding mothers, marriage / civil partnership status in coming to a decision, a decision maker may also consider other relevant factors such as caring responsibilities, rural isolation or socio-economic disadvantage.
- 9.3 This may be achieved, for example, through completing a full Equality Impact Needs Assessment / Impact Assessment or other form of options/project management appraisal that achieves the same objective.
- 9.4 In progressing this particular proposal, an Impact Assessment has been prepared (attached at Appendix B and available alongside this Report on the Council's website at: <https://new.devon.gov.uk/impact/published/>) which Members will need to consider for the purposes of this item.

10. Risk Management Considerations

- 10.1 The recommendations in this report have been assessed and all necessary action taken to safeguard the Council's position.

11. Public Health Impact

- 11.1 A vibrant youth service makes a positive contribution to prevention (through the universal offer) and early intervention (through outreach and targeted work).
- 11.2 Developing the capacity and capability of community organisations to provide services in areas beyond the reach of the hubs is consistent with public health's support for building strong and supportive communities. The successful youth service provider will need to form effective relationships with other important commissioned services supporting, for example, young people's emotional and sexual health.

12. Reasons for Recommendations

- 12.1 Over the course of the current contract, the landscape has continued to shift for young people. Across Devon the Council and our partners have seen changes in issues, behaviours, and adolescent risk with emerging themes around gangs and knife crime and the links to County Lines and Child Exploitation.
- 12.2 There is a continuing need for a service that can help build the resilience of young people by identifying and responding quickly to the needs and / or issues facing young people. There is strong support for a universal offer and anecdotal evidence tells us young people form trusting relationships with the youth service because it is open to everyone. The approach suggested is also consistent with the principles underpinning the development of the new Children and Young People's Plan.
- 12.3 One of the most important aspects young people value through effective quality youth work is the honest and non-judgemental space it creates – it is somewhere they feel safe to talk and feel listened to.
- 12.4 At a national level, concerns about young people being exploited by adults, knife crime, school exclusion and poor mental health have dominated the youth agenda.
- 12.5 Government recently announced that they are reviewing the guidance that sets out local authorities' duty to provide appropriate local youth services³. In addition to this a new Youth Charter will be developed to set out a vision for young people over the next generation and beyond. In October 2018, the Home Secretary announced a £200m Youth Endowment Fund⁴. Delivered over 10 years, the Fund will deliver transformative change by focussing on those most at risk of involvement in serious violence, diverting young people away from becoming serious offenders.
- 12.6 The 'All-Party Parliamentary Group on Youth Affairs (APPG), Youth Work Inquiry, Final Report, April 2019⁵ described the 'ideal form' of youth work as:

³ <https://www.gov.uk/government/news/new-youth-charter-to-support-young-people-across-the-country>

⁴ Home Office Youth Endowment Fund Prospectus Dec 2018
<https://www.gov.uk/government/publications/youth-endowment-fund-call-for-proposals>

⁵ 'All-Party Parliamentary Group on Youth Affairs (APPG), Youth Work Inquiry, Final Report, April 2019'

- Universal open access for all young people regardless of any defined needs or deficits
- More formal 1:1 and/or group sessions to explore issues and challenges
- Specific and tailored support for identified or complex needs⁶

12.7 The invitation to tender pack will invite bidders to say how they will respond positively to all of these issues and, in addition, work in effective partnerships to build the capacity and capability of voluntary sector organisations supporting young people across the county (in areas not within easy reach of one of the eight youth hubs).

12.8 Rather than run the risk of jeopardising continuity of provision at this point, and because of the short window to conclude the tender exercise, it is recommended that the sensible course of action is to require the successful bidder to use all of the existing buildings and to discuss with us the case for any change(s) during the lifetime of the contract.

Dr Virginia Pearson
Chief Officer for Communities, Public Health, Environment and Prosperity

Electoral Divisions: All

Cabinet Member for Communities, Public Health, Environment and Prosperity, Councillor Roger Croad

Local Government Act 1972: List of Background Papers

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Background Paper	Date	File Reference
Impact Assessment	29 May 2019	Attached as Appendix B

⁶ The approach recommended to this tender exercise means the Council will be well placed to respond to future national challenges and any changes in policy

Appendix A: Children's Scrutiny Workshop Wednesday 8th May 2019

Key points from the discussion with Children's Scrutiny Committee.

- Members noted the national context around youth work and the growing recognition and value of this work across national policy makers.
- Devon's comparative funding and commitment to Youth Services far exceeded that of most peer Local Authorities
- Members support the proposed commissioning intentions and acknowledge the rationale for not recommissioning a different model due to current timescales and constraints
- Members would welcome a wider review of youth provision once a new provider has been appointed and a commitment over time to review the locations and remit of the eight youth hubs
- Members discussed their concerns around the historic cuts to youth service budgets and noted the implications of moving from universal open access to targeted provision. Members were keen that the service focuses on early-intervention and preventative work and that a significant commitment to open access is maintained.

Members would wish to continue to see ongoing development and a commitment from the future provider which: -

- Improved links with education e.g. the development of educational outreach programme with schools to reduce the numbers of pupils likely to off-roll
- Helped to join with other agencies focussed on career opportunities and apprenticeships
- Reaches out to hard to reach groups e.g. young people living in deprivation and within food poverty
- Supports sector sustainability – ideally in extending the voluntary network to cover the whole of Devon
- Provides flexibility over where support is provided e.g. hubs, outreach, pop-up, mobile
- Supports an increase in referrals from key partners e.g. police and youth justice
- Ensures the service is place-based, innovative and experimental
- Can reflect recent learning from Cranbrook and Sherford – Members are keen to ensure that new developments are future-proofed for youth provision
- Reviews KPIs aligned to the new contract to ensure the outcomes for Young People are understood.