



Children & Education Select Committee
10 July 2014

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Creating opportunities for Young People: Recommissioning for 2015 - 2020

Purpose of the report: Policy development

To inform the Committee of the changes proposed to the commissioning model for Creating Opportunities for Young People in Surrey, in advance of the report to Cabinet on 23 September 2014.

Introduction:

1. This report sets out a proposed new model and commissions for Services for Young People for 2015-2020. This model is designed to deliver the outcomes for young people agreed by Cabinet on 22 April 2014 and set out in Annexe 1.

Commissioning approach in Services for Young People

2. Services for Young People transformed the offer to young people and the outcomes achieved through a commissioning approach, designed in the Public Value Review in 2010-11 and launched in 2012.
3. Services for Young People's success has been achieved through using an outcomes based commissioning approach. This first sets a clear overall goal then identifies outcomes which would result in the achievement of that goal. Thereafter, outputs are developed which would achieve those outcomes. Commissioning intentions are developed which then in turn shape future commissioning.
4. Services for Young People has worked closely with partners, particularly the Voluntary, Community and Faith Sector in securing the achievements highlighted in section one below.

ACHIEVEMENTS 2012—2014

5. Services for Young People has secured significant achievements since the launch of the new commissioning model:

- 59% reduction in young people who were NEET (Not in Education, Employment or Training) between January 2009 and January 2014.
- Surrey has the joint lowest numbers in England of young people who are NEET based on national data between November 2013 and January 2014, when last year Surrey ranked joint-25th.
- 90% reduction in first time entrants of young people to the criminal justice system from 2009 to 2013, when we had the lowest rate of first time entrants in England.
- Seventh out of 152 local authorities for rate of youth custody per 1000 population in England.
- 4% increase in young people aged 16-18 starting apprenticeships since 2011 – in contrast to a decrease of 14% in England during the same period. 622 apprenticeships generated for 16-19 year olds from April 2013 to end February 2014.
- 124 fewer NEET young people in 2012-13 compared to 2011-12, resulting in a £7 million saving to public purse based on research analysis by York University.
- Demonstrable positive impact on school attendance and fixed term exclusions for young people taking part in Centre Based Youth Work and Local Prevention Framework activity – and in particular for those with SEND.
- High proportion of young people engaged in youth centre activities are in higher need groups – of the 7,017 in 2012/13, 37% had SEND, 20% were NEET or re-engaging, 17% were identified at risk of NEET, 16% were Children in Need, and 200 were young people who had offended.
- 89.8% successful progression to education, training or employment from young people at risk of becoming NEET who received support from the Year 11/12 Transition commission.
- Twenty six youth centres have achieved the NYA (National Youth Agency) Quality Mark Level 1, demonstrating a standard equivalent to Ofsted rating of good.
- Reduction in out-county placements in Independent Specialist Colleges from 126 to 90 in 3 years with reduced costs, equivalent to a £2million saving, and improved outcomes.
- Over £250K of additional provision generated from the Voluntary, Community and Faith sector in Surrey.

- 290 young people who presented as homeless have been placed in safe accommodation since November 2012.

CHANGES PROPOSED FOR NEXT COMMISSIONING CYCLE

6. The Transformation of Services for Young People achieved significant success through the outcomes-focused approach to commissioning. Therefore, the changes proposed are not for a radical re-shaping of the current model, but rather adaptations to respond to changes in need, policy context, young people's perspectives and learning from the evaluation of performance.

Changing needs

7. A comprehensive needs assessment has been conducted, linked to the Joint Strategic Needs Assessment (JSNA). This assessment, One in Ten 2014, highlighted the following key issues in relation to the needs of young people, and will inform future commissioning for 2015 to 2020.
 - Growth in demand from increase in the population of young people by 5% over the commissioning period.
 - Need for young people to have the skills and experience sought by employers so they are ready for work.
 - Need for young people to be able to make informed choices on education, training and employment options.
 - Increasing need and changing patterns of need, such as increasing Autistic Spectrum Disorder (ASD), for young people with SEND.
 - Growth in emotional and mental health needs of young people.
 - Barriers to participation, in particular transport, lack of income and homelessness.
 - Young people are experiencing discrimination, alienation and bullying, often leading to their needs being less evident.
 - Many young people have negative experiences during teenage years, which then have a significant impact on their later lives.
 - Many young people experience multiple and complex barriers to participation, often involving family relationship breakdown and other challenges in the neighbourhoods in which they live.

Young people's involvement

8. Young people have been closely involved in the review of current commissions and developing the proposed new outcomes. They have highlighted the value they place on current services, and identified gaps which directly relate to the outputs and outcomes that Services for Young People are seeking to achieve. In particular, young people highlighted: a need for more information, advice and guidance on opportunities in education, training and employment; a broader range of courses; challenges in relation to mental health and emotional well-being; challenges in relation to peer pressure and bullying; family difficulties and

breakdown of relationships; money and transport; and a need to have someone to talk to who understands.

Financial context

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9. The re-commissioning for 2015-2020 needs to address the challenging financial context for Surrey County Council and the wider public sector. Although the economy has started to improve, with increasing employment opportunities, further budget reductions are forecast for the County Council and partners, including providers of education and training. The Transformation of Services for Young People achieved a reduction in gross expenditure of £4.6m in 2011-12 whilst achieving significantly improved outcomes. The scope for significant further savings is therefore limited, but the model is designed to be flexible, either to take on additional functions, generate income or to respond to budget reductions.

National and local policy context

10. Services for Young People deliver key outcomes to improve young people's quality of life and fulfil a range of statutory duties for Surrey County Council: the duty to commission education and training provision for young people aged 16 to 19 and then up to age 25 for young people with Special Educational Needs and Disabilities (SEND); the duty to prevent young people's involvement in crime and anti-social behaviour; the duty to ensure adequate opportunities for young people through youth work; and to promote effective participation of young people in education, training or employment up to age 18 by 2015 as required by Raising the Participation Age.
11. The Surrey Young People's Employability Plan 2012-17 sets out the local policy, strategy and action plan to achieve full participation by 2015 and to sustain participation through demographic growth and other changes in needs. There are also clear policy drivers locally for more integrated approaches with partners, as demonstrated in the recent work on the Public Service Transformation Network (PSTN) Skills for the Future and a policy drive for localism.

Key themes

12. As result of the above, some key themes emerge:
 - Wider integrated commissioning with key partners such as Districts, Boroughs, Public Health, Surrey Police and Active Surrey.
 - Increased local delegation, enabling local decision making and local involvement of young people.
 - More targeted early help to reduce demand on statutory services.
 - Improved quality, co-production and focus on outcomes.
 - Increased value for money and evidence of impact achieved.
13. The paper sets out proposed changes to the commissioning model for a five year period, from 2015 to 2020. Additionally, the paper proposes the Young People's Employability Plan 2012-17 is simultaneously revised, to reflect these

changes, as well as to strengthen its breadth across Surrey County Council and with partners.

STRATEGY AND COMMISSIONING INTENTIONS 2015- 20

Strategy

14. In December 2010, Cabinet agreed the strategic goal for Services for Young People as employability to secure full participation for young people to age 19 in education, training or employment. On 24 July 2012, Cabinet agreed the Young People's Employability Plan 2012-17, which set out the vision for young people's employability. It is proposed to retain that vision, with the addition of a definition of employability. This will enable greater clarity, and reflect the breadth of integrated approaches needed to achieve improved outcomes for young people.

Goal

15. Our goal is for all Surrey young people to be employable.

Definition of employability

16. Employability is the development of health, wellbeing, skills, abilities, and personal attributes that enhance young people's capability to secure rewarding and satisfying outcomes in their economic, social and community lives. Our key measure of success will be full youth participation in education, training or employment with training to age 19 by 2018.

Commissioning intentions

17. The commissioning intentions for the re-commissioning of Services for Young People for 2015-2020 are –
 - Pathways to employment for all.
 - Early help for young people in need.
 - Integrated specialist youth support.
 - New Economy

Re-commissioning for 2015-2020

18. The outcomes framework to enable employability of young people has been refreshed, drawing on the needs analysis, evaluation of the service, young people's perspectives and work with staff and partners. The revised framework is attached at **annexe 1**. This framework was agreed by Cabinet on the 22 April 2014.
19. Previously, services were typically commissioned for a three year period, from 2012 to 2015. However, providers have fed back that a longer period of commissioning would encourage greater innovation, as well as achieve better outcomes and improved value for money. The Voluntary Community and Faith Sector line also sought simpler procurement processes. It is therefore proposed

that the next commissioning cycle is for a five year period, from 2015 to 2020 and that procurement process will be further simplified.

20. The achievements to date have highlighted a significant return on investment on resources invested in Service for Young People. The benefits have been demonstrated to accrue for not just Surrey County Council, but also significantly for national government such as in reduced benefits payments, increased taxation receipts once young people are in employment and reduced costs to other services such as Health, Police and even the Prison Service.
21. An external evaluation has been conducted by the Institute of Local Government Studies at the University of Birmingham. The evaluation has informed the development of the new operating models. The final report will be sent to Select Committee members after its publication in early July 2014.
22. Surrey Outdoor Learning and Development (SOLD) is exploring alternative options for its future operations. This work is included within 'Pathways to Employment for All'. A further update will be taken to Cabinet in September 2014.

Project Board

23. The recommissioning is being overseen by a Project Board, chaired by the Cabinet Associate for Children, Schools and Families and with representation from the Children & Education Select Committee, Local Committees and young people. The Project Board is being expanded to include other public agencies with an interest in jointly commissioning better outcomes for young people.

24. Pathways to employment for all

Model description

This model proposes to strengthen the range of opportunities for young people in education, training and employment opportunities in Surrey. These opportunities will be informed by the needs of employers, linked to the aspirations of young people and supported by high quality impartial careers information, advice and guidance. The model brings together opportunities offered by schools, colleges and training providers with alternative provision. The model proposes the Your Next Move Guarantee which guarantees all young people in Surrey the opportunity to participate in education, training or employment up to age 18. This would be complemented by support for key transition points for targeted groups, building on the Year 11/12 Transition, but extending that to Years 12/13.

The model includes development of local provision for young people with SEND, with integrated support across education, health and social care, as part of integrated arrangements from birth to age 25.

Key benefits

- More integrated education, training and employment pathways.
- Surrey Your Next Move Guarantee of the offer to all young people in education, training or employment up to age 18.
- More external funding for provision and engagement.

25. Local Early Help for Young People

Model description

This model proposes an integrated approach with partners to commission outcomes for young people which are identified as local priorities. Agreements will be sought with key partners to align commissioning resources.

Priorities would be drawn from the Young People's Outcomes Framework (Annexe 1) and shaped by expanded local Youth Task Groups, working with partners. This would include at least the current Local Prevention Framework, and potentially Centre Based Youth Work. This process could vary the allocation of resources between communities, within a fixed overall allocation (currently, for example, centre based youth work is a fixed 2 FTE per centre). Options would be explored for resources to be deployed from centres to other locations, through a 'hub and spoke' approach. The model includes Youth Engagement which aims to equip all young people to make informed decisions, to be advocates and agents for change.

Four approaches will be explored, particularly in relation to Centre Based Youth Work: staff secondment (current model); staff transfer; direct management in Surrey County Council; new organisation developed with staff – e.g. Trust, Mutual, Community Interest Company or a combination of these.

Key benefits

- Greater local ownership with flexibility to respond to local need and priorities.
- Joint commissioning with partners to reduce demand.
- Voluntary sector involvement, use of community assets and income generation.

26. Integrated Youth Support

Model description

This model delivers a range of key outcomes and develops employability skills for some of the most vulnerable young people in Surrey. It is delivered in-house by the successful Surrey Youth Support Service, which provides integrated support for young people who are NEET, children in need and those who have offended or are at risk of homelessness. The model employs a casework approach to supporting young people, developing positive relationships and addressing young people's barriers to participation. This often involves working closely with other partners to provide holistic support.

Options for income generation would be explored, with a key focus on European Social Fund, Education Funding Agency and Social Enterprises. Alternative delivery models would also be explored, alongside exploration of alternative models for SOLD and Centre Based Youth Work.

Key benefits

- Strengthen integration with the local early help offer and external partners.
- Opportunities for greater income generation.
- Opportunity to explore options for the development of an alternative vehicle.

27. New Economy

Model description

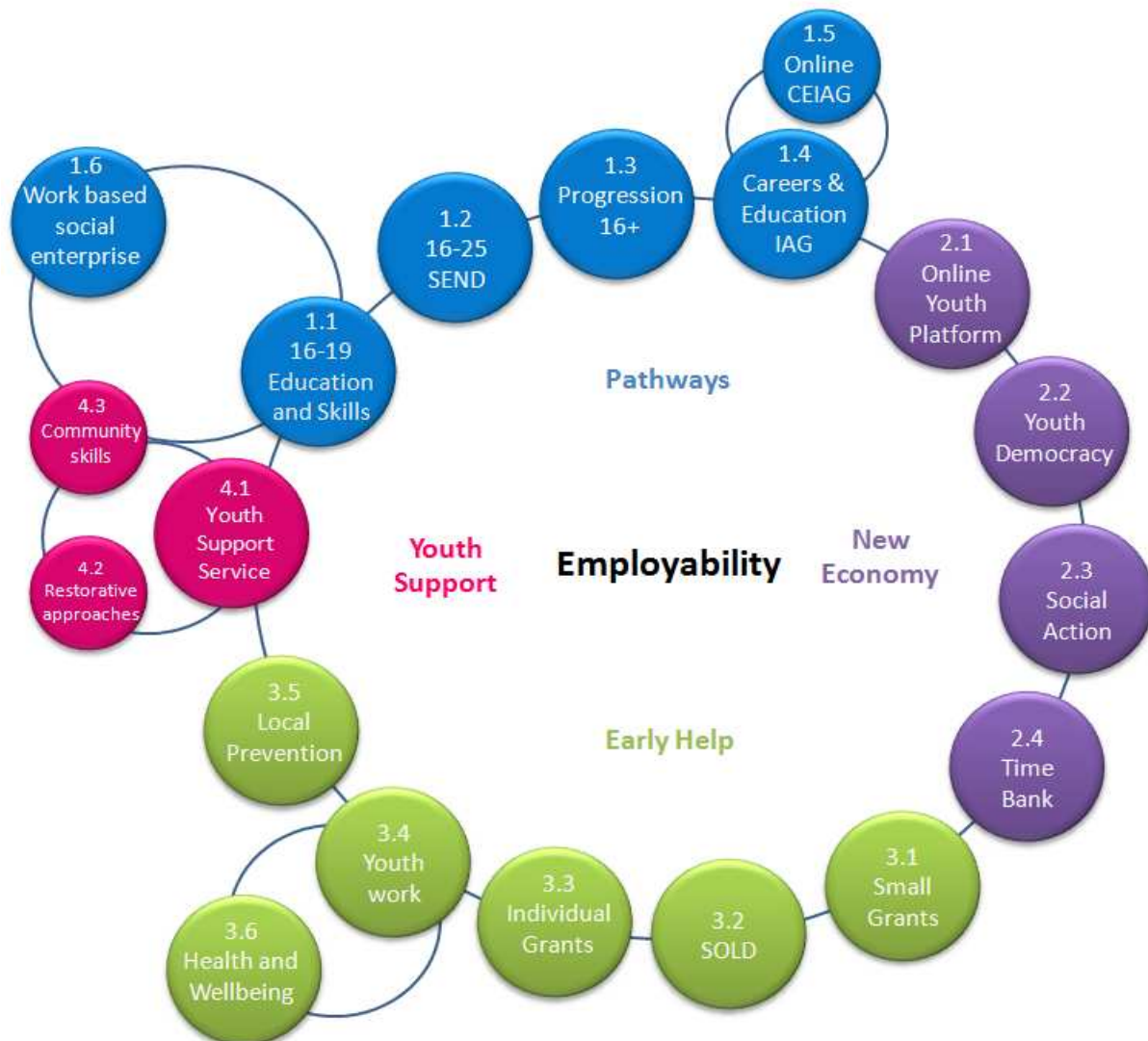
We will enable young people to be at the forefront of creating growth in the new economy which values our personal, social, environmental and economic wellbeing as a whole. We will stimulate the new economy so that young people are able to create their own outcomes, supported by small amounts of start up capital and infrastructure including pro-social digital technologies. Links will be made with Youth Work, Skills for the Future and other progressive education programmes to equip young people with the skills to lead in this transition.

Key benefits

- Secure contribution from young people, families and communities.

Proposed new model

28. The proposed new model is set out below and further details will be outlined at Select Committee.



Mechanisms of Delivery

29. The following mechanisms of delivery have been considered and recommended options will be presented to Select Committee.

- In-house provision by Surrey County Council
- Outcomes based contract let to provider (possibly with some payment by results)
- Joint venture
- 'Spin out' as new legal entity e.g. Charitable Trust, Mutual, Community Interest Company
- Strategic Partnership with Voluntary, Community, Faith Sector, Private Sector or other Public Sector organisation(s)
- Traded models where services are bought in at full or part cost
- Hybrid models (drawing together different aspects of the above) potentially with Social Impact Bonds and/or Public Sector Transformation.

Resources

Review and evaluation

30. The re-commissioned model will be subject to robust monitoring, review and evaluation through reports on each commission, linked through to reporting of key outcomes and other performance measures to Cabinet, Corporate Leadership Team, Children, Schools and Families Leadership Team, Children & Education Select Committee and the 14-19 Partnership. Quality will be assured through the extension of the National Youth Agency Quality Framework and links to Ofsted inspection frameworks.

Consultation:

31. The development of the outcomes recommended in this report have involved wide engagement with young people, partners including the Voluntary Community and Faith Sector, schools, colleges, training providers, Health and Police and Employers.

What happens next:

32. Further engagement through July with partners, other services in Surrey County Council, staff and young people will inform the development of the business case. In particular, areas of aligned commissioning and joint delivery are being explored with Boroughs/Districts, Active Surrey, Public Health, Surrey Police and representative organisations of the Voluntary, Community and Faith sector. Views are being sought from Local Committees on the proposals to increase delegation at Borough/District level in relation to early help for young people.

33. The Project Board will thereafter oversee the development of the proposed model and business case, with Children Schools and Families Directorate Leadership Team. The proposed model, commissions and business case will be presented to Cabinet on 23 September 2014. Thereafter, proposals will be sought from the market through procurement for the new models and additionally any service changes implemented.
34. Local commissioning would commence in September 2014, so that procurement processes are completed through Local Committee award of contracts by June 2015 giving three months lead in before new services are required from September 2015.
35. Further awards will be sought in December 2014 for county-wide contracts starting in April 2015. This timeframe will be reviewed and confirmed after the final selection of options.
36. Within the Pathways to Employability model, the commission which supports young people's progression from Year 11 to Year 12 concludes each December, with a new cohort of young people identified for a start in January. Therefore this commission will run through to December 2015, with new provider(s) taking on delivery from January 2016.

Recommendations:

The Select Committee make recommendations for the development of the model and proposed options to be taken to Cabinet on 23 September 2014.

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Consulted:

The development of this report has involved wide engagement of young people, partners including the voluntary, community and faith sector, schools, colleges, training providers, health organisations and employers.

Annexes:

Annexe 1: Surrey Young People's Outcomes Framework

Sources/background papers:

- Reports to Cabinet on Services for Young People Transformation on 20 December 2011 and 18 December 2012.
- Select Committee 27 March 2014.

Annexe 1: Young People's Outcomes Framework

Goal	Ref	Outcomes	Ref	Outputs
Employability for young people	1	Young people are equipped with the skills and attitudes to join the workforce	1.1	Sufficient, quality education and training post-16 provided
			1.2	Successful transition made to post-16 education, training and employment
			1.3	Employability skills, attitudes and behaviours developed
			1.4	Numeracy and literacy improved
			1.5	Increased experience of the workplace
	2	Young people are resilient	2.1	Physical wellbeing improved
			2.2	Emotional wellbeing improved
			2.3	Mental wellbeing improved
			2.4	Social wellbeing improved
	3	Young people are safe	3.1	Offending and anti-social behaviour prevented
			3.2	Reduced impact of offending
			3.3	Young people's safety in communities is improved
	4	Young people overcome barriers to employability	4.1	Young people prevented from becoming NEET
			4.2	Reduced number of young people who are NEET
			4.3	Homelessness prevented
			4.4	Entry to the care system prevented
			4.5	Transport for young people is improved
	5	Young people make informed decisions	5.1	Informed decisions made about education, training and careers
			5.2	Informed decisions made about leading a healthy lifestyle
			5.3	Informed decisions made about use of free time
			5.4	Informed decisions made about accessing services and support
	6	Young people are active members of their communities	6.1	Young people have positive role models
			6.2	Participation in social action increased
			6.3	Decision-making influenced by young people
6.4			Involvement in local democracy increased	

Target groups

Informed by our needs assessment, there are groups of young people for whom we particularly want to improve these outcomes and reduce inequalities.

These include:

- Young people with Special Educational Needs and Disabilities
- Young people who are looked after or care leavers
- Young people who are on child protection plans and children in need
- Young people who are identified as at risk of becoming NEET
- Young people who are parents
- Young people who have caring responsibilities
- Young people from the Gypsy, Roma and Traveller communities
- Young people who have offended
- Other young people who have protected characteristics (sexual orientation, age, gender, gender reassignment, race, and religion or belief) where this leads to them facing barriers to participation

Ways of working

In working towards these outcomes we will ensure:

- all services for young people are co-produced in an equal and reciprocal relationship between young people, their families, their communities and professionals;
- the strengths of young people, their families and communities are a part of the solution;
- we commission solutions locally wherever possible to meet local need across the county; and
- we take an early help approach, engaging as early as possible to prevent and remove barriers to employability before they have a significant impact on young people's lives