

ES/001/11

Executive Scrutiny Committee
Date: 25 January 2011

Report of outcome of any call-ins made since the last meeting

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There has been one call - in made since the last meeting:

Reconfiguring Integrated Youth Services in Essex

A copy of the original decision, call – in form and note of the informal meeting are attached. Whilst this call-in was resolved at the formal stage, Councillor Castle, Cabinet Member for Education and 2012 Games offered to attend the next meeting of the Executive Scrutiny Committee on 25 January to outline how the ‘Early Intervention Grant’ will be utilised, the future support for NEETs, and respond to the other points made by Councillor Smith-Hughes in his original call-in.

Cabinet	CAB/031/10
Date: 7 th December 2010	

Reconfiguring Integrated Youth Services in Essex

Report by Councillor Stephen Castle, Cabinet Member for Education and the 2012 Games

Enquiries to Officer Terry Reynolds, Director for Learning

1. Purpose of report

1.1 Earlier this year the Government announced a 2010/11 in-year reduction to the Area Based Grant (ABG) allocation for Essex County Council. This grant funded the whole of the Connexions Service, which is part of the wider Integrated Youth Service within Schools, Children and Families (SCF). This report proposes a significant restructuring of the Integrated Youth Service to enable the Council to achieve the ABG reduction.

2. Decision Areas

2.1 Cabinet is asked to approve the recommendations for achieving the £7 million reduction as a result of a reduction in the Area Based Grant (ABG).

3. Recommendations

- (1) To restructure the Integrated Youth Service to make the required savings of £7 million. These reductions will predominantly come from the Connexions arm of the service.
- (2) To fund the estimated redundancy costs of £4m by way of withdrawal from the Waste Reserve, and to incorporate the replenishment of the Reserve in the future budget proposals,
- (3) To retain a core team (6 posts) within the new Employability and Skills Unit and the existing SEN posts located within the Adult Transitions Service.
- (4) To redesign the remaining youth service resource as a more targeted service that will support both local integrated working and be aligned with the Council's Transformation Programme.

The Integrated Youth Service

4.1 The Connexions Service has been in operation across the county since 2003 and replaced all local careers guidance services. It covers all 13-19 year olds across Essex and has a large field force of Universal Personal Advisors (PAs) providing impartial, advice and guidance services to young people in schools, colleges, in the community, to young people who are Not in Education, Employment or Training (NEET) and vulnerable young people. It provides alternative education provision for young people, employability support and guidance, a recruitment service for employers and web based services for schools, young people and parents. The service also delivers bespoke training provision for NEET young people.

4.2 The Integrated Youth Service will be disaggregated into a reduced stand-alone Youth Service and the remaining Connexions service integrated into the new Single Employability and Skills Unit.

4.3. The Connexions Service will provide a core team within the Single Employability and Skills Unit. This team will focus on tracking NEET young people and delivery of the September Guarantee. In addition, the Service will provide an information, advice and guidance subject expert to maintain the website.

This model will:

- retain the ability to track NEET young people in an integrated team that provide more effective Labour Market Intelligence and coordination of activity to tackle NEET numbers;
- ensure that ECC and schools are up to date with information and
- keep current the main route of information for schools, colleges, young people and their parents.

5. Relevance to Corporate Objectives and other Strategic Plans

5.1 Our *EssexWorks* vision sets out a clear aspiration to deliver the best quality of life in Britain by 2012. 'EssexWorks: Customers First' is the transformation programme which will allow us to achieve this vision.

1. Improving our core services, especially to our most vulnerable
2. Meeting difficult budget pressures in challenging times
3. Delivering better customer service

5.2 The reduction and reconfiguration of the Connexions Service is in line with the transformation project to create a single Employability and Skills Unit within ECC.

6. Legal Implications

6.1 Section 507B of the Education Act 1996 requires that a local authority in England must, so far as reasonably practicable, secure for qualifying young persons in the authority's area access to:

- (a). sufficient educational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities; and
- (b). sufficient recreational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities.

6.2 Failure to comply with this responsibility can result in an intervention or direction from secretary of state, including a notice to comply.

The Connexions Service:

6.3 A number of statutory duties were placed on local authorities within the Education and Skills Act 2008 which were recently restated in the consultation paper, *Information, Advice and Guidance Services for Young People – Directions and Statutory Guidance for Local Authorities – March 2010*. These include:

6.4 Under section 69 of the Education and Skills Act 2008, the Secretary of State may make directions relating a local authority's duty (under section 68 of that Act) to provide such services as they consider appropriate to encourage, enable or assist young people and relevant young adults to engage and remain in education and training. Local authorities must comply with these elements. The remainder of the document is statutory guidance, to which local authorities must have regard.

6.5 The Apprenticeship, Skills Children and Learning Act 2009, further outlines the duty for local authorities to promote participation in further education and training amongst all young people so they fulfil their potential, including vulnerable young people.

7. Finance and Resources Implications

7.1 These proposals will make savings in a full year of approximately £7 Million.

7.2 In year one there will also be the costs of redundancy payments which are anticipated to be in the region of £4m. Redundancy payments will be funded from the Waste Reserve which will be replenished at a future date.

7.3 In addition, there are implications in the following areas:

a) Property and leases

The restructuring and reduction in the service will release several properties. Legal advice is currently being sought on a site by site basis on how best to manage these arrangements. In addition Essex County Council manage a number of youth centres and other youth service facilities and consideration will need to be given as to how best to use these sites to provide services in partnership with other partners.

b) Business Support:

There will be a commensurate reduction in the amount of business support required to underpin the Integrated Youth Services and savings associated with that. This is being separately delivered under the New Ways of Working review of Business Support and those savings are not quantified herein. We will seek wherever possible to redeploy permanent business support staff. The Directorate retains a number of business support posts as agency workers or short term contractors which will limit our redundancy costs liability

8. Corporate Governance

S151 Comments

This report outlines proposals to reconfigure integrated youth services in Essex as set out in Section 4. The report identified annual savings of £7m and potential redundancy costs of £4m. It also identified further areas for savings although these are not quantified at this stage. The savings figure will be incorporated into the draft 2011/12 budget.

Monitoring Officer Comments

This proposal sees the dissolution of the Connexions Service connected with a restructure of the Integrated Youth Service. If it is to take this step, the Council will need to have regard to the impact of the change on the discharge of its statutory obligations and to follow necessary due process in relation to redundancy of staff affected.

For one statutory obligation, the Learning and Skills Act 2000 was amended earlier this year to give local authorities a duty to arrange the carrying out of learning difficulty assessments on children who have statements of special educational need, who are leaving school and moving on to post 16 educational training. These assessments are currently carried out by Connexions staff and provision will need to be made to ensure that the Council can continue to discharge its statutory duty under this provision.

9. Human Resources Implications

9.1. Currently there are 323 FTE establishment posts in the service. We have a number of vacancies. The removal of £7m will result in staff redundancies in the region of 180 FTE. The saving of £7m will in the main form part of the reductions made to the Connexions arm of the service but will also be considered as part of the redesign of the youth service to a more targeted service.

10. Risk Implications

10.1 Schools, Colleges, and parents will need reassurance that the redesigned service can make an effective contribution.

11. Information Services Implications

11.1 A full communication and public relations strategy will need to be developed prior to any decisions being announced and a number of concerns may be received as a result of any decisions being taken.

12. Congestion Impact

12.1 This is not applicable to the proposals for consideration, other than a reduction in the number of journeys undertaken by ECC staff as a result of the reduction of the service.

13. Area of County Affected

13.1 The proposals and recommendations in this report will impact on service delivery across the whole county.

14. Options/Proposals

14.1 A number of options for change have been considered prior to the recommendations being made in this paper. The ABG is used to fund the Connexions Service and therefore this service has been the focus of consideration. A number of options have been considered in response to the in-year cut. These are:

- **Option 1** - To maintain the service as is but within the new proposed Employability and Skills Unit. This option was rejected as non-viable due to the cut to the Area based Grant (ABG). .
- **Option 2** – To dissolve the entire service. This option was rejected as it would mean Essex would not be able to fulfil its statutory duties.
- **Option 3** – To retain a larger core of the team including some Personal Advisor functions for schools and the community and the Employer Liaison team. This option was rejected as non-viable as it would cost approximately £1m to retain. This would need to be found from other budgets that are already under strain and also face the prospect of future cuts.
- **Option 4** – To retain the minimum core to enable the statutory functions to be delivered and to track NEET young people. It is this option that has been presented for consideration by Members.

15. Consultation with other relevant Portfolio Holder(s)

15.1 All options have been presented to the Cabinet Member for Education and the 2012 Games and it is his recommendation and proposals that are presented in this paper. The Deputy Leader has also been consulted.

16. Consultation with Policy Development Groups

16.1 This is not applicable to the proposals for consideration.

17. Consultation with Local Member

17.1 As this decision has a county-wide impact, it has been presented to the Cabinet Member for Education and the 2012 Games, as well as to the Leader, Deputy Leader, and the full Cabinet Office.

18. Background papers

N/a

Notification of Call-in	
Decision title and reference number	CAB/031/10
Reconfiguring Integrated Youth Services in Essex	
	Date decision published 07 December 2010
Last day of call in period 10 December 2010	Last day of 10-day period to resolve the call-in
Reasons for Making the Call in <p>I am calling in the decision because - on all the evidence I have seen so far – I believe it to be misguided, short-sighted and damaging :</p> <ol style="list-style-type: none"> 1. Whilst there has been a reduction by Government in the Area Based Grant, which helps fund the Connexions career guidance and advice service for young people aged 13-19, the response by the County Council to, in effect, disband the service is disproportionate. I understand most other councils, while making some reductions in their Connexions service, are still maintaining a significant part of the service. The Department for Education and Ministers have made it clear that local authorities still have responsibility for the full Connexions service until March 2012, with the Government planning to introduce a new all-age career service, which becomes fully operational in April 2012 [phasing in from September 2011], and that they do not expect cuts should fall disproportionately on Connexions services over others. 2. It does not make sense for the Council to spend £4million on redundancy payments for 180 staff, many of them very experienced and highly qualified, who may be ideal candidates for this new all-age career service, but who may have found alternative employment by then. 3. To remove a career advice and guidance service, particularly at a time of high youth unemployment, is inconsistent with the County Council's policy objective of improving our core services, especially to the most vulnerable. The effect on the life choices of young people will be very damaging. A web-based service and the team of 6 left who will track the NEET Group [Not in Education Employment or Training] is not an appropriate response to these young people's needs. 4. It is not clear that the changes proposed will ensure that the County Council will be able to maintain specific statutory responsibilities, including having sufficient qualified staff to undertake thousands of Learning Difficulty Assessments on children who have statements of special educational need. <p>I would ask the Cabinet Member to reconsider accepting option 3 – “To retain a larger core of the team, including some Personal Advisor functions for schools and the community and the Employer Liaison Team”, rather than his option 4 proposal. High quality and independent advice and guidance provision must remain a key policy priority and should not so easily be junked.</p>	
<u>Signed:</u>	<u>Dated:</u>
Tom Smith-Hughes	10 December 2010
For completion by the Governance Officer:	
Date call in Notice Received:	Date of informal meeting:
10 December 2010	
Does the call in relate to a Schools issue:	If yes, date when Parent Governor Reps and Diocesan Reps invited to the meeting:
	8
Date of Executive Scrutiny Committee Meeting (if applicable):	Date call in withdrawn / resolved:

Call in of the decision to Reconfigure the Integrated Youth Service in Essex Councillor Tom Smith-Hughes

Note of an Informal Meeting held at County Hall, Chelmsford on Tuesday, 21 December 2010

Present:

Councillor Stephen Castle, Cabinet Member for Education and 2012 Games
Councillor Tom Smith-Hughes

Nicoli Thompson, Cabinet Advisor
Clare Kershaw, Head of 14-19 Improvement
Hannah Cleary, Governance Officer

Councillor Smith-Hughes expanded on his reasons for the call in, the wording of which is set out below:

I am calling in the decision because - on all the evidence I have seen so far – I believe it to be misguided, short-sighted and damaging:

1. Whilst there has been a reduction by Government in the Area Based Grant, which helps fund the Connexions career guidance and advice service for young people aged 13-19, the response by the County Council to, in effect, disband the service is disproportionate. I understand most other councils, while making some reductions in their Connexions service, are still maintaining a significant part of the service. The Department for Education and Ministers have made it clear that local authorities still have responsibility for the full Connexions service until March 2012, with the Government planning to introduce a new all-age career service, which becomes fully operational in April 2012 [phasing in from September 2011], and that they do not expect cuts should fall disproportionately on Connexions services over others.
2. It does not make sense for the Council to spend £4million on redundancy payments for 180 staff, many of them very experienced and highly qualified, who may be ideal candidates for this new all-age career service, but who may have found alternative employment by then.
3. To remove a career advice and guidance service, particularly at a time of high youth unemployment, is inconsistent with the County Council's policy objective of improving our core services, especially to the most vulnerable. The effect on the life choices of young people will be very damaging. A web-based service and the team of 6 left who will track the NEET Group [Not in Education Employment or Training] is not an appropriate response to these young people's needs.
4. It is not clear that the changes proposed will ensure that the County Council will be able to maintain specific statutory responsibilities, including having sufficient qualified staff to undertake thousands of Learning Difficulty Assessments on children who have statements of special educational need.

I would ask the Cabinet Member to reconsider accepting option 3 – “To retain a larger core of the team, including some Personal Advisor functions for schools and the community and the Employer Liaison Team”, rather than his option 4 proposal. High quality and independent advice and guidance provision must remain a key policy priority and should not so easily be junked.

Since the call-in had been made on 10 December, an announcement was given on 13 December by Michael Gove MP, Secretary for Education, of the intention to establish an 'Early Intervention Grant' to fund (in part) an impartial careers guidance service in the interim transition period before the 'all age career service' is fully operational to ensure continuity of service to young people.

It was also important to ensure that there was sufficient support for NEETs, and that statutory responsibilities to carry out Learning Disability Assessments would continue to be met.

Councillor Smith-Hughes asked about the potential gap in service between July and September and how continuity would be ensured. Some staff may be made redundant only to be required for the 'all age career service' in the near future and how the approach to this would be joined up.

Councillor Castle agreed to consider the new 'Early Intervention Grant' to see if there were any opportunities to develop interim services to bridge the gap before the 'all age career service' was established.

The level of support for NEETs had also been raised by other Members, and he was committed to addressing this issue. Support for NEETs is delivered through partners and not only by the Connexions Service and this approach would continue in the future.

The Council had a duty to carry out Learning Disability Assessments for children that had a Statement of Special Educational Need and power to undertake them for children on School Action and School Action Plus. The Transitions Pathway Service has responsibility for carrying out assessments for young people with Statements of Special Education Needs in special schools and would be responsible for undertaking all Learning Difficulty Assessments. The current capacity of this service was under consideration to ensure it could cope with demand.

With regard to potential redundancies, some posts within the Employability and Skills Unit would be ring-fenced to Connexions staff, and it may be possible to offer alternative redeployment opportunities.

Councillor Castle offered to attend the next meeting of the Executive Scrutiny Committee on 25 January 2011 to outline how the 'Early Intervention Grant' will be utilised, the future support for NEETs, and respond to the other points made by Councillor Smith-Hughes in his original call-in.

At the end of the meeting Councillor Smith-Hughes confirmed his intention to withdraw the call in on the basis of the assurances given by Councillor Castle that he would examine the utilisation of the 'Early Intervention Grant' and future support for NEETs.

My Ref: HC 211210

Date: 21 December 2010

Extn: 20526

