

CHESHIRE EAST COUNCIL

REPORT TO: C&F Scrutiny

Date of Meeting: 23rd April 2012
Report of: C&F Scrutiny
Subject/Title: Cheshire Youth Offending Service
Portfolio Holder: Hilda Gaddum

1.0 Report Summary

1.1 The report is in regard to the Cheshire Youth Offending Service. Cheshire East currently manages a Shared Service with Cheshire West and Chester (CWAC) for the delivery of youth justice services. The report identifies recent discussions in regard to developing services across a wider Cheshire footprint.

2.0 Decision Requested

2.1 n/a

3.0 Reasons for Recommendations

3.1 n/a

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications including - Carbon reduction - Health

6.1 n/a

7.0 Financial Implications (Director of Finance and Business Services)

7.1 n/a

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 n/a

9.0 Risk Management

9.1 n/a

10.0 Background and options

- 10.1 Section 38 of the Crime & Disorder Act 1998, places a statutory duty on local authorities to secure as appropriate all youth justice services in their area.
- 10.2 A shared service agreement with CWAC is in place for the delivery of a Cheshire Youth Offending Service (YOS). A similar arrangement is in place in Halton and Warrington (H&W) and in broad terms H&W Youth Offending team is half the size of the Cheshire YOS. Services are delivered to some of the most dangerous and vulnerable young people in Cheshire.
- 10.3 In this time the arrangement in Cheshire has contributed to a YOS which consistently delivers performance in the top quartile nationally and has the reputation of a forward thinking, high performing service.
- 10.4 Cheshire YOS has improved performance whilst realising cashable efficiency savings, in excess of 10%. An example of this would be a reduction of £272,941, which was achieved for 2010/2011.
- 10.5 In January 2011 the Youth Justice Board was commissioned to appraise the potential of widening the footprint into a pan Cheshire YOS to include Halton & Warrington. The YJB reported in March 2011 with the overwhelming recommendation being that there is a strong argument to do nothing at this stage. The rationale for this argument is as follows:
- Amalgamation is not absolutely necessary and would have associated costs in the immediate term.
 - YJ services works well with 2 services serving 4 authorities
 - Savings already achieved in both YOTS in line with expectations
 - Quality and performance is very good.
 - There is no compelling argument either political or financial to amalgamate services.
- 10.6 In the summer of 2011 Cheshire East was invited to join a project group looking at an options appraisal regarding improved collaboration across Cheshire.
- 10.7 The group quickly focussed upon the development of a 'One YOT' across the Cheshire footprint and the opportunity to have a more considered debate regarding a range of collaborative options was lost.

10.8 In summary the potential development of a One YOT would provide analysis of how a single entity would

- Improve performances
- Increase efficiencies
- Sustain localism

10.9 In summary the proposal for a pan Cheshire YOT argued that it would assist with issues of sustainability for Youth Offending Services. Also identified were potential savings of £249,510 over a 2 year period. The savings would be shared proportionally between Halton, Warrington, Cheshire East, CWAC Police and Probation.

10.10 Efficiencies would be realised by a reduction of 3 senior management posts and further reduction in back office and performance functions.

10.11 Following careful consideration, including taking the advice of Cabinet and taking into account the evidence presented by the project board including associated partners and discussions with other colleagues Cheshire East Council shared its preferred position, this being:

- **A continuation of the present shared service arrangement with CWAC with a proposal to explore more formal shared services arrangements with Halton & Warrington in regard to court work.**

The preferred position was reached based on a number of factors.

10.12 Performance

Sadly the project board lost sight of the issue of improvement in performance. Discussion and focus upon performance was scant. This lack of emphasis is highlighted in that the sum total of improving performance results in:

- “A single set of performance measures” will be agreed.
- Collaboration working and joint initiatives will enable the One YOS to be more effective”.
- “A number of small specialist teams will be brought together in order to deliver effective work across the footprint.

10.13 There is no sophisticated or mature evidence that identifies that One YOT would improve performance on the contrary issues of loss of management capacity where we manage the most complex and high risks could seriously impact on performance.

10.14 In reality collaborative work already takes place depending upon the needs of the young person. Cheshire YOS works collaboratively in specialist areas such as sex offenders and violent offenders. Furthermore Cheshire YOS has been committed to collaboration with other YOT's in the region and with other partners, beyond the statutory requirement. Recent examples of collaborating with other YOT's include:

- Developing a virtual Court Team with Halton and Warrington- planning is well advanced with plans to launch in May 2012.
- Developing a joint approach to the new Management Information System
- Accommodation developments with Manchester YOT
- Central Training Group- joint commissioning of training with all Merseyside YOT's.
- Collaboration on auditing and serious incident report writing to encourage objectivity and learning- Stoke, Halton and Warrington YOT's.

10.15 Efficiency Savings

10.16 Whilst efficiencies are always at the forefront of discussions the ability to realise savings which may have to be assigned across 4 x LA areas and the potential need for redundancy payments meant that savings in the next 2 years could well be minimal and complicated to achieve.

10.17 Further work identified and agreed for legal advice to be sought regarding the implementation of a shared management structure.

- In compiling a set of job descriptions across a single management structure, it was clear that working practice in each area is fundamentally different.
- There were 3 sets of terms and conditions and gradings were different.
- Any potential merger raises the risk of equal pay claims.
- The process of recruitment and selection could be open to challenge
- The payment of redundancy costs could leave one area more liable financially.
- A comprehensive process for consultation and negotiation would need to take place across 3 locally agreed protocols

10.18 When you add in a proposed management fee to a host authority of £15,000 per annum and the fact that due to the timing of selection processes and subsequent notice periods there could well be **no saving in the financial year 2012/13.**

10.19 This would result in needing to realise savings in year 2 in excess of £250K needing to be achieved. Again this would more than likely have other associated costs regarding the likes of redundancy.

10.20 Partners/Regional Developments

10.21 A full discussion has taken place with the Youth Justice Board regarding their change of position from March 2011 as they now support a One YOT. This centred upon the sustainability issues for Halton and Warrington being the reason they favour a One YOT development in Cheshire. However it is clear that national policy guidance is still being formed. A new national 'Positive for Youth' strategy identifies the need for local integration of services based on the local needs for young people. Also conflicting reports regarding potential funding streams for the new Police and Crime Commissioners provide further

uncertainty. Following the discussion the Youth Justice Board were happy with the Cheshire East approach and understood fully the reasons for wanting to stay part of a shared service arrangement with CWAC.

10.22 Furthermore recent announcements in regard to all local authority areas having a community budget in the next two years again highlights the emphasis on local solution approaches. Therefore we consider the proposal of a **One YOT premature in the current policy landscape.**

10.23 In considering other similar developments regionally or nationally we have made informal enquiries through a network of contacts. On the evidence found we know of no plans for the likes of Pan Merseyside or Pan Manchester YOS. Therefore at this time we do not see a move to this type of arrangement either regionally or nationally.

10.24 The Cheshire YOS Board met on 2nd Feb and the Board was split on the proposal for a One YOT. CWAC indicated they are in favour but wanted a more thorough options appraisal before a key decision was made. In light of this the current shared service agreement was extended until October 2012 to allow CWAC time to deliberate.

10.25 **Maintaining our Statutory Responsibility**

As identified in 1.2 of this report the work undertaken by the Cheshire YOS involves some of the most complex & risky situations for our young people. With this in mind the idea that we in effect “**commission**” **this service to a neighbouring local authority to manage on our behalf represents inherent risks.**

10.26 In summary the recommendation to continue the present shared services arrangements with CWAC is based on the fact that the proposal for a One YOT across Cheshire.

- **Shows no evidence that performance would improve**
- **Increases potential risks in the proposal of a single management structure.**
- **Is premature in the current policy landscape regarding the likes of youth developments.**
- **Could result in the loss of control of services in Cheshire East regarding some of our most dangerous and vulnerable young people.**
- **Presents potential savings which may negatively affect Cheshire East disproportionately and will be hard to realise.**

10.27 Cheshire East is currently developing a new plan to deliver services of young people. Whilst the preferred approach is to continue a shared service arrangement with CWAC plans will take into account the potential cessation of the formal arrangement with CWAC. The alternative would be a more joined up local approach by incorporating the YOS work into a range of other services delivered on a community basis.

11.0 Access to information

The background papers relating to this report can be inspected by contacting the report writer:

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