

**THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
FAMILY AND CHILDREN'S SERVICES SCRUTINY COMMITTEE –
10 SEPTEMBER 2012**

**NOTES OF THE THIRD MEETING OF THE EARLY HELP
AND TARGETED SERVICES STRATEGY SUB-GROUP
(6 SEPTEMBER 2012)**

Present:

Members of the Sub-Group: Councillors Professor Sir Anthony Coates (Chairman), Robert Atkinson, Victoria Borwick; Tim Jones; Dez O'Neill. Co-opted Members - Dr Samar Al-Zaher and Mr John O'Donnell.

Officers in attendance:

Ms Karen Tyerman, Tri-borough Director for Commissioning (Children's Services).

Mr Mike Potter, Head of Commissioning (Early Intervention and Workforce Development).

Mr Brendan O'Keefe, Head of Services for Young People

Ms Vicky Wilkinson, Commissioning Manager

Mr Paul Williamson, Head of Extended Services

Ivor Quinn, Principal Governance Administrator

AGENDA ITEM AND DECISION	ACTION BY
1. APOLOGIES FOR ABSENCE	
From Mrs Williams and Cllr. Elizabeth Campbell.	
2. NOTES OF FIRST MEETING	
The notes were agreed.	
3. EMPLOYEE LED MUTUAL – YOUTH SERVICES	
The sub-group at its first meeting considered the Early Help and Targeted Services Strategy; at the second meeting, the group considered how the proposals for children's centres fitted in with that strategy; at this meeting youth services were considered - in particular, the proposal for an employee-led mutual. The fourth and final meeting on 30 October will consider the results of the consultation on children's centres.	

The sub-group discussed the report – Remodelling the Youth Service to create an employee-led mutual (ELM) – which had been considered by the Cabinet on 19 July 2012.

The main points made were:

1. Financial context. 27% reduction in grant with all FCS services making a contribution. Youth Support and Development (YSDS) at the start of 2012/13 had made savings of £1.5m from an operating budget of £5m. There will be no capital savings from the ELM, but an initial revenue savings target of £400,000 has been identified for 2013/14 and 2014/15.
2. The Council has a statutory duty to secure sufficient education and leisure activities for young people. What constitutes 'sufficient' is not defined and is at the discretion of the local authority. Councils vary widely in the levels of service provided under this duty.
3. YSDS has a deserved reputation for providing high quality services to young people. The Council spends significant sums on those services, but recognises that it will become increasingly difficult to sustain the direct provision of youth services at the current level, as resources diminish. Fundamental to the ELM proposal is the recognition that to maintain this level of service, a radical remodelling is needed.
4. It is important that the Council should continue to commission services from the voluntary sector as well as from the ELM and that links are maintained with school-based schemes which target young people most at risk.
5. The Council has joined the Cabinet Office Employee Mutuals Pathfinder Programme and is working with an experienced business mentor – the managing director of Greenwich Leisure (Mr Mark Sesnan). It was agreed that it would be helpful for the committee or a smaller group of members to meet the managing director.
6. The ELM will have three non-executive directors with business experience. Officers have studied the Chelsea Care case and have spoken to those involved to learn lessons and avoid mistakes.
7. The Council's commissioning and remodelling teams will have oversight of the legal interface between the Council and the ELM. It was agreed that the scrutiny committee should see the contract documentation or at least a synopsis. The Council

should use the business and financial knowledge of Councillors to ensure that obvious pitfalls and weaknesses are avoided.

8. A viable business case has been made and the project is now in its implementation stage, with a view to begin operations in April 2013, subject to the final approval of the Cabinet to award the contract to the ELM. Staff are in support of the proposal.
9. It will be important to get the finances right from the beginning and to have people involved who have business experience. This will help to sustain the initial momentum and to cope with the inevitable financial ups and downs in the first few years.
10. It was agreed that the position in respect of part lottery funded centres should be double-checked to ensure that the funding did not have to be returned if the centre became part of the ELM.
11. In respect of the liabilities to the Council, the report to Cabinet in July stated that 'The Council will not act as a guarantor and as such will have no contractual liability for the workings of the YSDS-ELM'. The sub-group thinks this is too harsh. There should be at least a three year, or perhaps five year, period of support to sustain and cushion the ELM whilst it is establishing itself.

Recommendations to the scrutiny committee:

1. The scrutiny committee should see the proposed contracts and heads of agreement, either in full or in summary.
2. The committee or a smaller group of members should meet the managing director of Greenwich Leisure.
3. Members who wish to should visit the four Council-owned buildings from which YSDS currently operates youth services: Lancaster Youth Centre; Golborne Youth Centre; Canalside Activity Centre; Cremorne Kayaking Centre.
4. Consideration should be given to providing the ELM with a guarantee of support for at least three years but possibly up to five.

4. AOB

No other matters were considered.

The meeting ended at 6.10pm.

Ivor Quinn
Governance Services