

SHEFFIELD CITY COUNCIL

Children, Young People and Family Support Scrutiny and Policy Development Committee

Meeting held 26 June 2020

(NOTE: This meeting was held as a remote meeting in accordance with the provisions of The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.)

PRESENT: Councillors Mick Rooney (Chair), Mike Levery (Deputy Chair), Mike Chaplin, Julie Grcutt, Alan Law, Joe Otten, Kevin Oxley, Colin Ross, Jim Steinke, Sophie Wilson and Cliff Woodcraft

Non-Council Members in attendance:-

Sam Evans, (Diocese Representative - Non-Council Voting Member)

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1. APOLOGIES FOR ABSENCE

- 1.1 Apologies for absence were received from Councillor Alison Teal, and from Alice Riddell (HealthWatch Sheffield) and Alison Warner (School Governor Representative – Non-Council Non-Voting Member).

2. EXCLUSION OF PUBLIC AND PRESS

- 2.1 No items were identified where resolutions may be moved to exclude the public and press.

3. DECLARATIONS OF INTEREST

- 3.1 In relation to Agenda Item 7 (Request by the Scrutiny Committee for Further Information Following the Call-in of the Decision on Investing in Young People), Sam Evans declared a personal interest as the Project Manager for Forge Youth, which has been involved in early intervention work, similar to some of the work of the Child and Adolescent Mental Health Service (CAMHS).

4. MINUTES OF PREVIOUS MEETING

- 4.1 The minutes of the meeting of the Committee held on 2nd March 2020, were approved as a correct record, subject to the amendment of (a) Item 4 – Declarations of Interest, by the substitution of the following words after the words ‘Forge Youth’ in paragraph 4.1(b) – ‘which had been involved in early intervention work, similar to some of the work of the Child and Adolescent Mental Health

Service (CAMHS), and (b) Item 8 – Children and Young People’s Mental Health Transformation Programme – Update, by the substitution of the word ‘strong’ for the word ‘strongly’ in the 5th bullet point in paragraph 8.5.

4.2 Arising therefrom:-

- (a) the Policy and Improvement Officer (Alice Nicholson) reported that due to the current position regarding the Covid-19 pandemic, there had been no progress following the completion of the work of the Scrutiny Committee Task and Finish Group on the Voice and Influence of Young People; Ms Nicholson reported that she would look into this and see how this issue could be progressed;
- (b) the Chair reported that, in the light of the current situation regarding the Covid-19 pandemic, he would meet with the Deputy Chair of the Committee (Councillor Mike Levery) and Ms Nicholson, to review the minutes of previous meetings in order to identify any issues that require action; and
- (c) further to a query raised by Councillor Julie Grocott with regard to the levels of service being provided by the Child and Adolescent Mental Health Service (CAMHS) during the Covid-19 pandemic, Ms Nicholson reported that she would discuss this with her colleague, Emily Standbrook-Shaw (Policy and Improvement Officer for the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee), to check the scope of the Mental Health item programmed for that Committee. Councillor Jackie Drayton reported that the Council had invested additional funding into the CAMHS, which had included the funding of the Kooth Project, an online, anonymous and free telephone service for use by young people. Councillor Drayton suggested that this Committee could hold a joint meeting with the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee, or request a Task and Finish Group, to look at the issue of mental health on young people during the Covid-19 pandemic.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Helen Thompson, on behalf of the Sheffield Futures Board of Trustees, raised the following questions:-

- (1) How does the Council propose to manage the £10 million pension deficit it has underwritten?
- (2) What is the rationale for the withdrawal of the contract extension in respect of Covid-19 restrictions when all the contracts have had extensions in this period?
- (3) Is the Council confident that it has adequately qualified people in-house to ensure a smooth transition within the tight timescale?
- (4) Is the Council certain that the timescale offers sufficient time for the

consultation period? (Unions have written to the Council concerned that there is not enough time to adequately consult with their members during the current Covid-19 period.)

- (5) Can the Council offer reassurance that the transition will not have any impact on the young people's services?
- (6) What assurances can the Council give that the additional well-respected services of Sheffield Futures are going to be able to be maintained?

5.2 John Macilwraith (Executive Director, People Services) provided brief responses to the questions raised, as follows, and indicated that he would send more detailed, written responses to Ms Thompson:-

- (1) With regard to the pension deficit, initial conversations had been held with South Yorkshire Pensions on the expiry date of the contract, which had included discussions on the treatment of any pension deficit. These preliminary discussions had not raised any particular concerns at this stage. A final, agreed position would be reached as part of the due diligence process, as the Council engages more formally with Sheffield Futures.
- (2) & (3) Whilst it was not necessarily the case for all Council contracts, as they were all considered on a case by case basis, it was appreciated that there was a high level of uncertainty regarding the provision of services for young people over the last few years, given the announcement of the review two years ago. In order to try and reduce such levels of uncertainty for both the young people and the staff of Sheffield Futures, every effort would be made to progress the transition of the service in line with the end of the contract as at 30th September 2020.
- (4) It was believed that the timescale of 30th September 2020, in terms of the transition, could be achieved. The primary objective was to ensure the smooth transition of the services as they currently operated to ensure that the Council continued to maintain a focus on the young people. Every effort would be made to ensure that all young people, particularly the more vulnerable, continued to receive the same level of support they currently received.
- (5) As part of the due-diligence process, the Council would be working very closely with Sheffield Futures to understand those contracts in more detail, which would include working to mitigate any challenges. The Council would also like to confirm ongoing engagement from other agencies on the basis that it wouldn't want there to be a reduction in the provision of services for young people. Discussions would therefore continue with Sheffield Futures and the other agencies to ensure that there was continued support.

6. REQUEST BY THE SCRUTINY COMMITTEE FOR FURTHER INFORMATION FOLLOWING THE CALL-IN OF THE DECISION ON INVESTING IN YOUNG

PEOPLE

- 6.1 The Committee received a report of the Policy and Improvement Officer (Alice Nicholson) setting out the position with regard to the decision on ‘Investing in Young People’. The report indicated that the Committee had called-in the decision made by the Cabinet on 18th March 2020, at its meeting held on 21st May 2020, and at that meeting, the Committee agreed that the Cabinet be asked that the decision be deferred until the Committee had considered relevant issues and made recommendations to the Cabinet. The Cabinet gave further consideration to the issue on 17th June 2020, and a report was submitted to that meeting titled ‘The Future Delivery of Youth Services’. The purpose of this meeting was to consider that report as the further information requested, and make recommendations to the Cabinet thereon.
- 6.2 John Macilwraith (Executive Director, People) introduced the report on the Future Delivery of Youth Services which had been submitted to, and considered by, the Cabinet at its meeting on 17th June 2020. The report set out the background, indicating that since 2002, youth and careers support services funded by the Council had been delivered through a contract with Sheffield Futures. The contract was due to end on 30th September 2020, having previously been extended to allow a strategic review to be undertaken. On 18th March 2020, a report was submitted to the Cabinet proposing a new strategic approach to services to support young people in the City, with the aim that such services would be more inclusive, ambitious and collaborative. Other proposals included the investment of an additional £2 million into the service; ensuring that there were trusted adults or mentors and/or youth workers to provide consistent, professional guidance, advice and wraparound support; connecting support across a wide range of provision depending on the needs of young people; focusing resources on the specific needs of teenagers (age 14+) supporting their journey into successful young adulthood and the rest of their lives; and developing this into a City-wide approach through partnerships with key stakeholders, including young people themselves, and the City’s voluntary and community faith partners and statutory partners, such as the NHS and South Yorkshire Police. It had been identified that there was a greater need for a new approach due to the current situation with regard to the Covid-19 pandemic, and reference was made to the fact that some of the services may be insourced. In order to manage the transition, a Project Board, currently chaired by the Head of Communities, and shortly to be chaired by Mr Macilwraith, had been established to manage this process. It was hoped that throughout the process, any mitigations would be identified at an early stage, and it was hoped that, by engagement with Sheffield Futures, the transition of the service would be completed by 30th September 2020. The process also provided an opportunity to integrate more widely with other Council services, and drive forward the ambition with regard to a more integrated approach regarding improving services and achieving better outcomes for young people across all the Council services.
- 6.3 Councillor Jackie Drayton (Cabinet Member for Children and Families) reported that the Council was aware of the fact that when the contract was due to end, on 30th September 2020, it was not legally able to extend it for a further period, therefore, the service had to go out to retender. The Council had undertaken a

considerable amount of work in terms of the contract, including bringing some elements in-house. In-depth discussions had been held with Sheffield Futures staff, and had involved the unions, prior to the Leader of the Council's review of the service. With the additional £2 million, and the fact that the contract had to end, the Council had taken the opportunity to review how to go forward. Councillor Drayton made it clear that the proposals did not adversely reflect on the work of Sheffield Futures in any way, but the Council simply had to retender the service. The Council wanted to work with Sheffield Futures going forward, and had every confidence in Council officers providing the service. She made reference to Mr Macilwraith's background in youth work, indicating that as Chair of the Project Board, such experience would be invaluable. Councillor Drayton stressed that the most important thing was to focus on all young people in the City achieving their full potential. The Council had been aware of the adverse effects of the Covid-19 pandemic, with regard to youth unemployment and mental health issues, and stressed that there was a need for the Council to work together with all partner agencies to ensure that all young people had a positive future.

6.4 Members of the Committee raised questions, and the following responses were provided:-

- The Council acknowledged the views with regard to relationships between young people and youth workers being of primary importance, and this was why the Council was clear about its wish to ensure a smooth transition. It was difficult to provide any detail at this stage with regard to any potential financial risks to Sheffield Futures on the basis that there had not been any detailed negotiations. Sheffield Futures were a well-established provider of youth services, and able to attract external funding. The plan was for the Council to continue working closely with them to help them attract such additional funding, but also to understand any potential risks. The Council would not want to see a reduction in services to young people by the loss of such a well-established provider. There was a need to get a better understanding of the levels of external funding outside of the Council's contract with Sheffield Futures, including details of the timeline of contracts and their primary function, in order to try and work through the process in a co-ordinated way. This was very difficult as the level of detail was not known at this stage, and would only come to light as part of the due-diligence process. If there were any financial risks, this would be reported back to the Cabinet. The Council would not want any organisation to fail, and there were several other organisations in the City working with young people, many of whom were struggling financially at this time.
- It was hoped that once the recommendations from this meeting had been sent to the Leader of the Council, she would then determine the final position. Only at that stage could the Council commence the detailed due-diligence work with Sheffield Futures, including the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations arrangements.
- There had been informal discussions with Sheffield Futures with regard to the transition, and it was accepted that the decision would have an impact on the

Organisation.

- The Project Board would shortly be chaired by John Macilwraith and comprised other officers, including the Head of Communities (Dawn Shaw) and Project Officers representing Legal and Governance, Human Resources, Finance and Equalities. The Board had first met on 23rd June 2020, and had agreed broad terms of reference. A Project Implementation Group had also been established, chaired by Dawn Shaw, to lead on the more detailed operational activity, and report to the Project Board. It was hoped that there would be a positive and co-operative relationship with Sheffield Futures. The terms of reference for the Project Board would be circulated to Members of the Committee, when agreed.
- It was hoped that the proposals with regard to ensuring that there were trusted adults or Members and/or youth workers to provide consistent professional guidance, advice and wraparound support for young people, would be developed as part of the new service. This would not only be relevant for Council services, but also with regard to supporting young people to manage independently in terms of interacting with other organisations. It was planned that there would be detailed discussions on the transformational elements of services after the transition had been completed.
- Due to the decision to transfer the service in-house by 30th September 2020, the transformation of what the service would look like going forward was secondary to receiving the service in-house. The Cabinet paper referred to a more integrated and community-based approach, with more youth workers/trusted adults, and would give the Council scope to be more ambitious and collaborative. Youth workers would join up better with other Council services, and the unique services provided by youth workers would be able to be used better across the Council. The details of the service going forward would be discussed in detail towards the end of September 2020. A report on the proposals would be submitted to this Committee to seek its views. The priority at the moment was to ensure the smooth transition of the service, and ensuring that no young person was forgotten about. The Council wanted to build on the services that Sheffield Futures had established over the years. The job of the Project Board was to ensure that the transition went smoothly. The vision as to the service had been set out in the Cabinet paper on 18th March 2020, with the details to be worked up afterwards.
- It was accepted that the timescale would be a challenge. A detailed plan was currently being developed, and would include discussion with regard to accommodation costs with Sheffield Futures, and it was hoped that they would be able to remain in Star House. There were no details at the present time with regard to any potential financial implications which would underpin this model.
- All the buildings and assets used by Sheffield Futures were formerly under the ownership of the Council, when the service was transferred to the Organisation, therefore the Council was aware of the details of the

accommodation.

- Further discussions would be held with Sheffield Futures with regard to the safeguarding of young people.
- The service, when transferred back in-house, would be a similar service. The key was how the service would be developed in the future, and it was hoped that there would be an opportunity to enhance the service. A similar number of staff would be transferred, therefore the service was likely to be very similar. It was likely that there would be a number of improvements in the service, particularly with the use of the additional £2 million. Whilst the scrutiny process was appreciated, the process would have been much further on if the decision had not been called-in. There had also been delays due to the Covid-19 pandemic.
- Sheffield Futures have an excellent reputation, as do a number of other youth providers across the City, who don't receive any funding from the Council. The Council was aware that Sheffield Futures was undertaking excellent work with regard to their contract with the Clinical Commissioning Group, as well as contracts with other organisations. The Council would continue to work closely with Sheffield Futures as it wanted them to survive and succeed. It was the plan to use the additional £2 million to recruit more staff, including trusted adults/advocates and to develop more activities for young people.
- There were a number of strategic objectives around a more community-based/more integrated approach. There were plans to discuss how the services would look beyond 30th September 2020. However, due to the timescale, the primary objective was to ensure the smooth transition of the service, as it stands, back to the Council. The Cabinet paper of 18th March 2020 set out a vision and details of the general overall service required. It was always the plan to work up the final detail once the service had been transferred in-house. The TUPE transfer was a formal process, and would include a formal assessment of every member of staff's contracts currently held with Sheffield Futures. Officers will work through this detail as and when provided. Frontline staff currently undertaking work contracted by the Council would transfer to the Council under the TUPE process. There will be some staff who have variable contract arrangements, as in they could be funded by more than one source, therefore these needed to be worked through individually. It was difficult to elaborate on cases where staff were likely to suffer a reduction in their salary on the basis that they were being paid under different contracts. This would need to be discussed with the other organisations.
- It was accepted that there could be potential redundancies and that the TUPE arrangements would apply to frontline staff as well as support staff. These issues would be considered by the staff from Legal and Governance and Human Resources on the Project Boards.
- It was believed that Sheffield Futures Board would have undertaken an

assessment as to how losing the contract would impact on how they could attract external funding, as well as the impact on staff and services for young people. Sheffield Futures would need to share this with the Council.

- It was accepted that completing the transfer by the deadline of 30th September 2020, would represent a challenge, and there was a need to engage with Sheffield Futures and work through the various issues. If any issues came to light as part of such discussions, advice would be sought from colleagues from Legal and Governance and Human Resources and if necessary, be reported back to the Cabinet. The issue of the timescale had been raised at the Cabinet meeting on 17th June 2020, at which officers gave assurances that the target date would be met.

6.5 Members of the Committee also made the following comments:-

- It was believed that significantly more than 50% of Sheffield Futures' business would be affected, and would result in major implications in terms of cashflow/liability that cannot divest, which were not clearly understood prior to the decision being made. There are major concerns that this analysis had not been undertaken.
- Frustration at the lack of a detailed plan, despite the Council having two years to undertake this work.
- Concerns with regard to the timescales, particularly as there were only 68 working days until the target date of 30th September 2020, to undertake a considerable amount of work.
- The Council simply wanted what was best for the young people in the City.
- There was a need for a detailed benchmarking exercise in order to assess what services would be better provided in-house.
- There was a need to safeguard the future of Sheffield Futures.
- It was considered that the process being adopted by the Council was the wrong way round, in that the service was being transferred in-house, then decisions made in terms of what services were required, as opposed to deciding exactly what the Council wanted first, and re-tendering on that basis.
- No staff should be made redundant as part of the transfer of staff under the TUPE arrangements.
- The transfer of staff from Sheffield Futures to the Council would be a complicated process, as it would include a number of support staff who cross various elements. If the majority of their work involved youth work, they would be transferred. It was believed that there would be more than the expected 90 out of 180 staff affected by the proposals, which had been highlighted

following the receipt of the letter from Unison.

- An assessment should be undertaken by the Council, or external consultants, as to the impact upon the ability of Sheffield Futures to raise funds or provide youth work in the City that otherwise couldn't have existed through Sheffield Futures' additional fund-raising or by being brought into the City.
- It was unreasonable if there's no set deadline, as it was not fair on the staff affected. There is a need for a definitive date.
- The process was avoidably messy and confusing, and should have included clearer proposals regarding the long-term future of Sheffield Futures and the in-sourcing arrangements. Such detail should have been provided earlier.

6.6 RESOLVED: That the Committee:-

- (a) notes the contents of the report now submitted, together with the comments now made and the responses to the questions raised; and
- (b) on the basis that it has been clearly demonstrated, by both the current provider and the predominant trade union representing its affected members, and the outstanding decisions still to be made in the report, that the timescale is inadequate for implementing the new arrangements, requests the Leader, should it be legally possible, to agree and implement the original extension of six months offered to the current provider.

NOTE 1: The votes on the resolution were ordered to be recorded and were as follows:-

For the resolution (11) - Councillors Mike Chaplin, Julie Grocott, Alan Law, Mike Levery, Joe Otten, Kevin Oxley, Mick Rooney, Colin Ross, Jim Steinke, Sophie Wilson and Cliff Woodcraft.

Against the resolution (0) - None

NOTE 2: Prior to the passing of the above resolution, an alternative motion, moved by Councillor Mike Levery and seconded by Councillor Joe Otten, as follows, was put to the vote and negatived:-

- "(a) notes the contents of the report now submitted, together with the comments now made and the responses to the questions raised; and
- (b) (i) on the basis that the Council is under a general duty of best value to 'make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness'; under the duty of best value the Council must therefore consider overall value including economic, environmental and social value when reviewing service provision before selecting the option it

believes does deliver Best Value; the Council also has a number of statutory duties relevant to youth and young people services; in order to deliver best value, recommends a re-tendering exercise which will include an internal submission so that the duty of best value has clearly been exercised; and

- (b) (ii) on the basis that it has been clearly demonstrated, by both the current provider and the predominant trade union representing its affected members, and the outstanding decisions still to be made in the report, that the timescale is inadequate for implementing the new arrangements, requests the Leader, should it be legally possible, to agree and implement the original extension of six months offered to the current provider."

The votes on the alternative motion were ordered to be recorded and were as follows:-

For the alternative motion - Councillors Mike Levery, Joe Otten, Kevin Oxley, (5) Colin Ross and Cliff Woodcraft

Against the alternative motion (6) - Councillors Mike Chaplin, Julie Grocott, Alan Law, Mick Rooney, Jim Steinke and Sophie Wilson

7. DATE OF NEXT MEETING

- 7.1 It was noted that the date of the next meeting will be on a date to be arranged.