

MINUTES OF THE MEETING OF THE CABINET MEMBER SIGNING HELD ON FRIDAY, 6TH APRIL, 2018, 10.00am

PRESENT:

Councillor: Claire Kober – Leader of the Council

Also in attendance: Councillors: Brabazon, Wright, Ibrahim, Carter and Hare

53. FILMING AT MEETINGS

The Leader referred to the notice about filming and recording at meetings and the meeting participants noted this information.

54. DECLARATIONS OF INTEREST

There were no declarations of interest put forward.

55. MATTERS REFERRED TO THE LEADER BY OVERVIEW AND SCRUTINY COMMITTEE - DECISION OF THE OVERVIEW AND SCRUTINY COMMITTEE HELD ON 29 MARCH 2018 REGARDING MINUTE 44 - CONFIRMATION OF THE SITE PROPOSED FOR A YOUTH ZONE AND APPROVAL OF CAPITAL AND REVENUE FUNDING TOWARDS THE PROJECT

The Leader referred to the agenda, which set out that this, was a Leader's Signing convened, within the constitutionally required timescale of 5 working days, to re-consider the 19th of March Decision on the Confirmation of the site proposed for a Youth Zone and approval of capital and revenue funding towards the project. This was following the outcome of the Overview and Scrutiny Committee meeting, held on the 29th of March to consider the call in of this key decision.

Councillor Wright, Chair of Overview and Scrutiny, introduced his report, which advised that the Overview and Scrutiny Committee did not find that the key decision reached, fell outside the Budget or Policy Framework.

There were 4 Scrutiny recommendations arising from the call in meeting which focused on the following areas: the capital funding allocation and sources of revenue funding allocation for the Youth Zone project at a time when there was a budget forecast overspend in Children's service, the suitability of the chosen site, concern about the impact of the budget revenue decision on existing youth provision in the borough, lack of needs assessment with assurance needed that a full and thorough

consultation was being undertaken with young people. Also concerns about potential future TUPE implications arising from the revenue allocation to this youth project.

The Leader responded to the Overview and Scrutiny recommendations and the following was noted:

That there is significant clarification on the sources of funding for the Early Help and Prevention budget to provide assurance that the allocation of revenue funding for the Youth Zone, which begins in 2021, will not have a detrimental impact on statutory services and will not be at the expense of other Children's related services. [Scrutiny Recommendation A]

With regard to the £3.5m Council capital funding allocation, it was important to note that there would be additional match funding from OnSide of £3m to provide the Youth Zone facility. OnSide would be able to use their experience and leverage to provide this additional funding. This was evidenced in their work on Youth Zones in other boroughs. The source of funding for the Early Help and Prevention budget was the General Fund. The annual funding, £596k, in the budget for youth services would be used to meet the required allocation of £250k per annum to the Youth Zone, from 2021. Both the March 2018 Cabinet and the March 2018 OSC reports had made clear that there may be financial implications arising from entering into contractual arrangements to create the Youth Zone, dependent upon what would have to be foregone to meet this commitment.

There was no planned use of other budget lines in Children and Young People's Services to fund the Youth Zone.

The Leader clarified that youth services, and their management, were funded through the Early Help and Prevention budget. This included Bruce Grove Youth Service and wider youth provision. However, these were not statutory apart from the NEET (Not in Education, Employment or Training) service which does have statutory requirements. The budget does not fund Targeted Response or Youth Justice Services nor does it fund wider children's related services. Therefore, there would be no detrimental impact on the delivery of statutory services.

It was also important to note that, through its £250k annual revenue funding for the Youth Zone, the Council would be leveraging in £920k annual funding from OnSide. The Council's commitment was less than that of other authorities, at only 21% of the total revenue cost of the provision, and would significantly expand the capacity of the Council's funding for services for young people in the borough.

That comment be provided on the reasons for the lack of needs assessment being undertaken and assurance provided that there will be a full and thorough consultation with young people on the Youth Zone 'offer' and their views taken into consideration. Scrutiny Recommendation B]

The Leader agreed with the Scrutiny recommendation of a full and through consultation with young people. The March 2018 OSC report made clear that there would now be extensive engagement with young people to develop and shape the Youth Zone and to ensure that it addresses identified needs. The Leader had met with

OnSide recently about the involvement of young people and OnSide were seeking funding to take forward a programme of young ambassadors in Haringey who will have a lead role in the development of the new Youth Zone and shaping the local offer.

That the land at Woodside School, proposed for the Youth Zone site, be surveyed to understand if fit for development and that Planning requirements are likely to be met, before agreement is reached with OnSide for use of this site. *[Scrutiny Recommendation c]*

In response to this recommendation, the Leader advised that issues regarding the site were matters for the Planning Committee to consider.

That clarification be provided of the impact on Youth Service provision in the borough, following the commencement of revenue funding for the Youth Zone in 2021. This response should include potential implications relating to TUPE of staff. *[Scrutiny Recommendation D]*

The Leader referred to the response provided to recommendation A on youth provision and outlined that any implications arising, including any issues with regard to TUPE, will guide future decisions on the use of the remainder of the £596k budget. These decisions would be taken in a measured way in light of the priorities for and the presenting needs of young people in the borough.

The Leader evaluated, that the OSC recommendations supported the need to ensure best practice in moving forward with the proposal to establish a Youth Zone in Haringey, including ensuring the proposal was funded, meets identified needs, is co-designed with young people and meets all statutory requirements, including those set by planning. These recommendations were welcomed but they did not cause the decision to be overturned or changed as such considerations were already woven into the development of the Youth Zone in Haringey.

There were no questions taken from Members attending the meeting as this was a reconsideration of a key decision, and Members had asked questions at the Leader's signing of the 19th of March. Opportunity was further provided for questions at the Overview and Scrutiny Committee meeting on the 29th of March, which had lasted over 3 hours.

The representative of the Monitoring Officer and Committee's Manager confirmed that questions/statements from Members at the signing were at the discretion/invitation of the Leader. This was in accordance with Cabinet Procedure rules set out at Part 4 Section F paragraph 2.7 of the Constitution.

In accordance with the Call in procedure, the Leader having responded to the scrutiny recommendations, referred to the Key Decision, which was contained in the minutes, and the resolutions listed at page 24 and 25 of the agenda pack.

After re-considering the matter, the Leader agreed to confirm the original decisions subject to the further commitments made in the above responses to the Scrutiny recommendations.

RESOLVED

1. To approve the proposed location of the Youth Zone at Woodside High School as set out in the indicative plan in Appendix A subject to the Woodside Academy Trust, who hold for site on leasehold, obtaining the necessary consent of the Secretary of State for Education for the sublease to OnSide.
2. To agree to the Council providing consent (as Landlord) to Woodside Academy Trust for a lease to OnSide for the site to run alongside the Head Lease already in place between the Council and the trust, subject to the final terms and documentation being agreed with OnSide.
3. To approve £3m of Capital funding from the Council's Capital Programme to be put forward towards the project subject to final terms and documentation to be agreed with OnSide.
4. To agree to the virement of £3m from the Responsiveness Fund to a new capital scheme in Priority 1, Haringey Youth Zone.
5. To approve the revenue funding contribution of £250,000 per annum for the first three years that the facility is operated by OnSide, the purposes of which will be agreed and are subject to final terms and documentation.
6. To amend the Paragraph 2 of the Cabinet decision of 14th March 2017 to give delegated authority to the Director of Children & Young People Services after consultation with the Strategic Director Regeneration, Planning and Development, the Section 151 Officer and Cabinet Member for Corporate Resources to approve the final details of the project and the terms in respect of the grant funding agreement, lease, facility mix, and connection to other site specific regeneration proposals and operational detail and any further related agreements.
7. To approve the waiver of Contract Standing Order (CSO) 9.01.1 (contracts with an estimated value of £500,000 or above must be let following publication of an appropriate (tender) advertisement) as allowed under CSO 10.01.2 d) (the value of the contract is below the applicable threshold pursuant to the Regulations)

Reasons for decision

The proposed Youth Zone development will engage young people across the Borough in the creation of a unique facility that genuinely responds to their views and provides sustainable, 21st century Youth provision significantly beyond the scale that the Council alone can deliver, which will make a positive difference to the experience of being a young person in Haringey. The proposed Council capital contribution of £3m

towards the Youth Zone development will lever in external funding of a further £3.5m capital and ongoing revenue investment of £950,000 per annum for the first three years of operation.

This project would also make a significant contribution to making the Borough's vision– to work with communities to make Haringey an even better place to live through encouraging investment and creating opportunities for all to share in - a reality. Additionally, it will contribute significantly to each of our five corporate objectives enabling our young people to achieve their aspirations and growing our community assets to further demonstrate our ambition, innovation and collaborative approach.

One of the fundamental principles and attractions of OnSide's operation is the establishment of a standalone, locally reflective, charitable trust within the host borough, which is responsible for the operational delivery and financial viability of the venture. Under the guidance and direction of a high profile chairperson and private sector, locally-led membership, these boards have the professional and financial connections to attract investment into the 'not for profit' operation and critically, the future of local young people. This model offers a sustainable, long-term funding model and a four-way partnership between the private sector, the authority, young people and the community – cementing future Youth provision at a time of diminishing authority resources.

OnSide can evidence clearly the significant social impact that Youth Zones have by addressing disengagement, reducing school exclusions and unhealthy lifestyles and shows a positive economic benefit for local and national government. On average, Youth Zones generate £2.03 of social value for every £1 spent on running these facilities, or £6.66 for every £1 invested by the local authority. As Haringey has negotiated a lower revenue contribution than other authorities, this return on investment would be closer to £11 for every £1 of Local Authority money spent to achieve a similar level of outcomes.

The benefits of Youth Zone extend beyond the financial and affect positively on education and employment outcomes for young people and improving health and wellbeing. In 2015, 92% of young people who complete the Youth Zone "Get a Job" programme, which focuses on giving young people the tools, motivation and aspiration to succeed in the future, progressed into paid employment or further study. 79% of parents surveyed reported that their child's involvement in Youth Zone had made family life more positive and 89% of young people reported feeling more self-confident because of their joining Youth Zones. Communities also benefit from the presence of Youth Zones, such as a reduction in anti-social behaviour since Youth Zones opened – in Manchester, this dropped 13% in year 1 and 51% in year 2 of opening and in Oldham, and police reported a 40% reduction in anti-social behaviour involving young people.

Options (as considered by Cabinet, 14th March 2017)

The options in this instance were limited. The Council had not considered developing a major purpose built Youth facility in the borough before being approached by

OnSide; therefore, considering the proposal as presented, the options were limited as indicated below.

Option 1 - Do nothing. Reject the proposal and do not offer Council support. The impact of this would result in OnSide withdrawing its £3m investment offer into the borough and looking towards an alternative host authority. The opportunity to create sustainable Youth provision in the borough would be lost. This option was not recommended.

Option 2 - Support the proposal. Once a site has been identified and agreed by all parties, this required the scheduled transfer of £3m capital grant from the Council to OnSide (50% of the capital build) as approved by Cabinet as part of the Capital Programme, in June 2016. A further £250,000 per annum revenue contribution (25% of annual revenue costs) would be required from the Council for the first three years of operation. OnSide have committed to deliver 50% of the capital cost and 75% of revenue costs for the first three years. This option was recommended and approved at Cabinet in March 2017

Since the approved Cabinet decision, OnSide have advised that their Capital contribution will now be £3.5m to reflect increased development costs, whilst Haringey's contribution remains the same at £3m (46%). Additionally, the ongoing revenue from OnSide will be increased to £950,000 per annum for the first three years of operation, during which time the Haringey contribution remains £250,000 per annum (21%).

It should be noted that there were considered to be three key risks to the recommended option:

(i) OnSide declining any site offered and withdrawing their capital funding offer to develop the project. This was considered to be a medium risk and has since been mitigated, with OnSide having approved the site as appropriate for a Youth Zone development, the risk to the delivery of the Youth Zone now relates to the necessary planning consents being secured.

(ii) Revenue shortfall in from Year 4. This is considered to be a moderate risk; however, the Haringey Youth Zone Board would be charged with securing on-going revenue support exploiting its network of supporters and potential funders.

(iii) If the project failed at some point in the future and the local Trust dissolved, the lease would be nullified and the building would become a Council asset/liability. The success of OnSide's Youth Zones elsewhere in the country suggests this is a low risk.

CHAIR: Councillor Claire Kober

Signed by Chair

Date

