

Subject: Youth Investment Fund Update

Date of meeting: 13th June 2022

Report of: Executive Director Families, Children & Learning

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

To update this Committee of the Youth Investment Fund (YIF), and revised proposal to bid for funding in partnership with Brighton Youth Centre (BYC) and neighbourhood, commissioned youth providers in the East, West, and North of the city.

2. Recommendations

- 2.1 That the Committee notes the imminent launch of the Department of Culture, Media, and Sports (DCMS) Phase 2 of the Youth Investment Fund.
- 2.2 That the Committee agrees to the Council forming a partnership with BYC and neighbourhood, commissioned youth providers in the East, West, and North of the city, to consult and agree a submission to bid for Phase 2 YIF funding.

3. Context and background information

- 3.1 In September 2019 the Government announced a £500m YIF to help build new youth centres and refurbish existing centres; as well to support the provision and coordination of high-quality youth provision.
- 3.2 There has been significant delays in launching the YIF, however this has recently progressed, with the DCMS announcing that the application process for £368 million is expected to launch summer 2022.
- 3.3 Phase 1 of the YIF was launched on 31st January 2022 and was closed by 25th February. This initial phase allocated of £12m for youth provision in left-behind areas of England, and was for funding for small-scale capital projects, including capital equipment, small redevelopments and other capital projects and was required to be delivered by 31 March 2022. This was not considered to be a viable option for the council or youth providers.
- 3.4 The DCMS are currently finalising their recruitment of an intermediary grant maker for the Youth Investment Fund Phase 2.

- 3.5 The Youth Investment Fund Phase 2 will be launched later in the Year (July – September 2022). £368 million of funding is required to be delivered by the end of the 2024/25 financial year, delivering up to 300 facilities that represent positive value for money, are environmentally sustainable and enable positive activities for young people aged 11 to 18 (up to 25 for young people with Special Educational Needs and Disabilities) in eligible places across England, by 2024/25.
- 3.6 The DCMS’s initial objectives for the YIF Phase 2 are as follows:
1. Increase the number of regular positive activities undertaken by young people in the targeted areas by 45,000 per year, by 2026/27.
 2. Provide new and redeveloped facilities delivering positive activities to young people, funded through self-reliant funding models.
 3. Improve the environmental sustainability of the youth sector estate in target areas through energy efficiencies and/or low carbon heating.
 4. Reduce the environmental impact of construction activities across the programme, by funding facilities with the lowest reasonable carbon footprint across their lifetime.
 5. Reduce build and ongoing running costs, by supporting new or redeveloped youth facilities that demonstrate 20% reduced annual running costs by 2025/26, compared to ageing youth facilities.
- 3.7 There are no other details regarding the application process available at this time, however, the DCMS have stated that they estimate that the majority of capital grants awarded will be between £300,000 and £8.7 million.
- 3.8 The Brighton and Hove City Council 2020 to 2023 Corporate Plan outlines its commitment to deliver high quality youth services, including:
- Identify Council owned premises suitable for partners to offer youth services.
 - Protect funding and review youth services across the city to improve coordination, establish a central youth hub and deliver services directly where possible.
- 3.9 A review of youth services was completed, and the report presented to this Committee on 14th September 2020 where it was agreed that Brighton Youth Centre is recognised as one of the key youth providers in the city and for the Council to decide how to support with its refurbishment or rebuild.
- 3.10 The Youth Review considered the development of a central Youth Hub in the city, working in partnership with OnSide and BYC to develop their site as a Youth Zone.
- 3.11 In March 2021 this Committee agreed the proposal to form a partnership with BYC and OnSide to bid for funding from the impending YIF to develop a Youth Zone in the centre of Brighton, with the suggested site being the current BYC site in Queens Park ward.
- 3.12 The Committee noted that if the partnership YIF bid was successful it consisted of a financial capital commitment from the Council of £2.7million

and £200k per annum contribution for three consecutive years towards revenue costs.

- 3.13 Following recent discussions with representatives from OnSide, the partnership between them, BYC and the Council is now not an option. This was due to the significant differences that emerged between BYC's vision and OnSide's prescriptive building and business model.
- 3.14 As the YIF provides a significant opportunity to support the rebuilding/ expansion of the BYC offer, it is proposed that the Council continue to work on a partnership with BYC to bid for funding.
- 3.15 With a successful bid and investment, BYC would operate as a central youth hub, a city wide, 7 day a week programme (minimum of 40 hours week of activity including school holidays), working with partners to provide multiple activities at any one time, with open access youth groups, sports programme, specialist groups (e.g. for young people previously in care, young people with SEND, unaccompanied asylum seeker, etc.) and a 'surgery' for young people to gain advice on a range of issues.
- 3.16 The partnership would assist in improving the co-ordination of general youth provision and specialist services that support young people, particularly around mental health, including Council provided services. Health and Well-being was voted for by young people in Brighton & Hove in the recent Make Your Mark campaign, as their top issue.
- 3.17 The 2020 Youth Review highlighted the significant value young people place on neighbourhood youth provision and data indicates that these projects work with young people from a significantly higher percentage of young people from areas of deprivation and their provision is targeted at more disadvantaged young people. In September 2020, the Committee agreed that neighbourhood provision should remain and not be impacted on if any future investment towards a central youth hub is agreed
- 3.18 Given the value placed on neighbourhood projects and the lack of youth focused venues in some of these deprived areas; it is proposed that any bid submitted to the YIF when launched should include the commissioned neighbourhood youth providers.
- 3.19 A partnership bid with the Council, BYC and neighbourhood youth providers would enable a proposal that considered the views and needs of young people (highlighted in the Youth Review), including the lack of youth focused venues in the city's more deprived area.
- 3.20 This approach would give precedence to the full refurbishment/ extension of BYC (costed at approximately £6m) as a central youth hub, however, could include boosting the connecting network of youth provision in our most deprived areas. An example is a modern method of construction, built offsite and assembled on a site that would become an instant local youth venue in an area of deprivation, or a smaller scale (than BYC) refurbishment/ extension of a current site, such as the Knoll Pavilion.

3.21 An agreed partnership to bid for funding via the YIF would be subject to consultation with young people and commissioned youth providers.

4. Analysis and consideration of alternative options

4.1 Alternative options have been explored. For example:

1. The Council bidding as a partnership with BYC

This option would not take into consideration the current provision and needs of the neighbourhood youth projects in the East, West, and North of the city.

2. Council bidding alone to secure council owned youth buildings

This option would not engage the wider commissioned youth providers and the council does not provide inhouse traditional youth services. In addition, there is a well-used BYC owned building in the centre of Brighton in need of refurbishment and options to extend other youth venues in the neighbourhood areas.

3. BYC or other neighbourhood youth providers bidding alone

This Council values youth work and has committed to supporting the development of a Central Youth Hub and neighbourhood youth provision. In addition, as a commissioner of youth services across the city, the Council play a key role in coordinating services and monitoring standards and performance of those services.

4.2 The Council bidding as a partnership with BYC and neighbourhood youth Providers in the East, West, and North of the city (targeting areas of deprivation), if successful, will result in having the widest reach and positive impact on young people living in the city.

5. Community engagement and consultation

5.1 Any bid to the YIF would consider the views of young people and all commissioned youth providers.

5.2 An initial consultation event would be organised for all commissioned youth providers, followed by workshops to establish the detail, and the writing of the bid would be in collaboration with providers.

5.3 Youth providers would consult with young people attending their facilities and a city-wide consultation would be organised, with the views of young people informing the YIF bid.

5.4 The bid would also take into consideration the recommendations of the 2020 Youth Review where young people and community groups were widely consulted.

6. Conclusion

6.1 Phase 2 YIF bids are expected to be up to the value of £8.7m. This funding if successful, alongside the Council's proposed contribution of £2.7m

provides the city with a significant opportunity to invest in, not only a central youth hub, but a wider network of, highly valued, neighbourhood youth projects.

- 6.2 The Parameters of the YIF bids are unknown at this stage. Once the application process is clarified, detailed financial reports will be prepared. Discussions will be held with Brighton Youth Centre and other youth providers to agree delivery plans and costings.

7. Financial implications

- 7.1 The 20/21 budget proposals included an agreement to set aside £0.150m to cover match funding for both the capital financing and operational running costs of the Youth Zone project. The basis of the bid to the Youth Investment Fund requires a commitment from the Council of £2.700m capital investment and £0.200m ongoing annual revenue funding. The annual cost of financing the borrowing required to raise £2.700m capital (repaid over 50 years) is currently estimated to be £0.105m. This leaves just £0.045m per annum to fund the ongoing annual operational running costs.
- 7.2 With regard to operational running costs, the original estimate for the project required a minimum of £0.200m revenue funding per annum. Detailed service delivery plans and costings have yet to be finalised and this figure may vary depending on the outcome of these discussions. However in the best-case scenario, assuming operation running costs for the service are £0.200m per annum, there will be an ongoing shortfall each year of £0.155m. If the recommendations of this report are agreed, consideration should be given by Policy & Resource Committee to setting aside resources to increase the funding available to meet this commitment as far as possible.

Name of finance officer consulted: Davis Ellis Date consulted: 26/05/22

8. Legal implications

- 8.1 The purpose of the bid will assist the Council in fulfilling its legal obligations to provide youth services.
- 8.2 If the committee agrees in principle to the Council forming a partnership With BYC and neighbourhood commissioned youth providers, in due course a partnership agreement will be needed, which will be the subject of tailored legal advice. Policy and Resources Committee will need to approve any legally binding agreements which have budgetary implications.
- 8.3 In the event that a successful bid places the Council in a position where the total investment for the Council exceeds the threshold for Public Contracts Regulations 2015 (currently in excess of £4m) the Council will be Required to engage in a compliant procurement process.

Name of lawyer consulted: Natasha Watson Date consulted: 27/05/22

9. Equalities implications

- 9.1 The three Equality Youth Providers will be consulted and invited to form a partnership with the Council and neighbourhood commissioned youth providers to bid for YIF funding with their needs being fully considered.
- 9.2 All commissioned youth providers are required to have equality, diversity and inclusion embedded in their activities, governance, and management arrangements with plans on how they will promote inclusion within their service. This is reviewed regularly via the Youth Service Grant Programme (2021-25) monitoring agreement.
- 9.3 In addition, providers promote a culture of collaboration and joint working with all youth provision and specialist services that support young people, particularly around mental health, including council provided services.
- 9.4 In the 2020 Youth Review it was acknowledged that youth workers have a significant role to play in supporting young people with their mental health. If successful with a partnership YIF bid, a wider youth offer, would result in more preventative support for mental health.

10. Sustainability implications

- 10.1 Any partnership bid to the YIF would need to include the following:
- Improve the environmental sustainability of the youth sector estate in target areas through energy efficiencies and/or low carbon heating.
 - Reduce the environmental impact of construction activities across the programme, by funding facilities with the lowest reasonable carbon footprint across their lifetime.
 - Reduce build and ongoing running costs, by supporting new or redeveloped youth facilities that demonstrate 20% reduced annual running costs by 2025/26, compared to ageing youth facilities.

SUPPORTING DOCUMENTATION

Appendices:

Documents in Members' Rooms: None **Background Documents:** None