

Youth Service in Wales

Management Issues for the 1990s

# **Youth Service in Wales : Management Issues**

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## **Management Summary**

1 There is justifiable pride in the contribution of the youth service to educational provision in Wales through the work of clubs and projects both in the maintained and voluntary sectors. However a number of developments have given rise to debate as to how services might best be delivered in the future.

2 Coopers & Lybrand Deloitte were commissioned by the Welsh Office to consider the implications of recent developments - and particularly the Education Reform Act (ERA) - for the management of the youth service in Wales in the 1990s. We focused on four main issues:

- the structural location of the maintained youth service within local education authorities (LEAs);
- the strategic planning of the service;
- resource allocation and management delegation;
- monitoring, evaluation and quality assurance.

3 To carry out the study we undertook fieldwork in three contrasting LEAs - Clwyd, Gwynedd and South Glamorgan - and invited written submissions from other LEAs in Wales and from all national voluntary bodies. We also received helpful advice from a Steering Committee convened by the Welsh Office and with a membership drawn from the maintained and voluntary sectors.

4 The study was undertaken just after we had completed a similar exercise in England. Where there were similarities between the two countries (eg approaches to monitoring and evaluation and the use of performance indicators) we made use of material from the English study on a selective basis. However, this is a separate report approached with the context and needs of Wales to the fore.

### **Structural location**

5 All LEAs in Wales currently locate their youth service within the Education department (although this has not always been the case). We consider two possible alternative locations - within a Leisure Services department and within a cross-authority unit - but conclude that the Education department is the correct location.

6 We also consider the possibility of the service being provided through one or more bodies at arms length from the LEA on a contractual basis. The Education department would act as client and determine the provision it required in curricular, coverage and quality terms and the price it was willing to pay: the youth service body (or bodies) would act as contractor to deliver the service. We conclude that there could be advantages to the LEA, the youth service and young people in taking this innovative model further although we recognise that considerable preparatory work and consultation would be required to develop a practical proposal.

7 ERA is causing LEAs to reassess the internal structure of Education departments. In Wales, few have embarked on fundamental restructuring but some are planning changes. We consider two options for locating the youth service within a restructured Education department - in an "institutional services" division with schools and colleges, or in an "individual client services" division with services like careers and student awards. We conclude that the youth service should be grouped in a division with services orientated towards the individual as client rather than with schools and colleges.

8 We consider the trend in Wales for youth work to be delivered within an integrated community education framework and conclude that this is still an appropriate model in a restructured Education department. This is because the non youth work aspects of community education are also orientated in general towards individual clients rather than institutions. However, we think that it may be difficult to pursue an innovative model of providing services through an arms length arrangement unless the youth work aspects of community education are disentangled from the non youth work aspects, or the arrangement is taken to cover all of the community education service.

### **Strategic planning**

9 There is widespread support for the notion that strategic planning of the youth service should cover maintained and voluntary sector provision and be undertaken in partnership at the county level by representatives of both sectors. But there are also doubts about the commitment of both sides to achieve it. We therefore put forward an approach to joint planning which encourages both sectors to share ownership of the plan, which respects and encourages different values and traditions, and which targets limited resources to meet agreed objectives.

10 At the heart of our approach is a county forum with a balanced representation from the maintained and voluntary sector and a clear advisory line to the Education Committee. Its prime responsibility would be to define the framework for youth provision in each county, assess the needs of different groups, and produce a medium term strategic plan with annual targets. Once the county framework had been defined the various member groups would be able to plan the details of their programme locally without the need for further county level meetings.

11 The forum should also advise the Education Committee on the distribution of LEA resources between the maintained and voluntary sectors, and of the criteria for the allocation of support to the voluntary sector. This would encourage active membership, link resource allocation to the agreed strategic plan and remove some of the mystique which surrounds current allocations.

12 The forum should develop joint training and joint action strategies across the sectors too. The current GEST restrictions on support for the training of volunteers is a divisive anomaly in this respect and we suggest that the Welsh Office and LEAs should consider imaginative solutions to the problem (we put forward a possible solution in an appendix) or making up the funding shortfall from other sources.

13 Participation by young people in the planning of youth provision is desirable. There is no single model for achieving this - although we are sympathetic to the ideas put forward by the Wales Youth Forum which may be suitable in some LEAs. We think that formal approaches based on representatives of young people participating at the club, area or county level need to be supplemented by more informal approaches and market research to gauge the views of young people. The two approaches are not mutually exclusive.

14 We found little evidence of any involvement with employers which is at odds with the general trend towards partnership between education and industry. We think there could be mutual advantage in forging constructive links and suggest that the County forums pursue this with the newly established Training and Enterprise Councils (TECs).

### **Resource allocation and delegation**

15 Local management of schools (LMS) offers a model of resource allocation by means of a formula and management delegation to the unit (school) level which may be applicable to other service areas. For the youth service, we examine resource allocation:

- from the Welsh Office and LEAs to voluntary organisations;
- from LEAs to areas or neighbourhoods within them;
- from LEAs (whether at county or area level) to clubs and projects.

16 We conclude that greater coherence between allocations of grants to voluntary organisations at both the national and county level is required. The possibility of an integrated model should be explored, and the feasibility of longer term contracts to voluntary organisations tested.

17 We also conclude that LEAs should move towards allocating budgets to areas on the basis of needs based formulae (building on the NACYS model where appropriate), although we recognise that the transition from historical patterns of spending may be slow. Individual club and project budgets should not be formula funded but should be decided on a contractual basis at the area level. This may or may not involve an element of competitive bidding.

18 In terms of management delegation we consider three levels of delegation:

- to the youth service as a whole at county level;
- to the area level;
- to the individual club and project.

19 We think that full management delegation of the service at county level is the minimum desirable. In cases where youth work is part of an integrated community education service this may mean that the whole service needs to be treated in the same way.

20 We also think that the area is the right level for operational planning and should have considerable autonomy to develop youth work in the way most suited to local needs. This implies a high degree of management delegation. We put forward an area committee structure which would take decisions on local provision and to which area managers would be accountable for the use of resources. The technique of business planning may be helpful to develop operational plans.

21 Individual clubs and projects are too small to experience a large degree of freedom from full delegation, given that so many of their costs are fixed, and that it might be perceived as merely increasing the administrative burden on local staff. We think a better solution is to allow clubs and projects virement of expenditure between budget headings other than full-time staffing. This would create small but significant freedoms and bring maintained clubs and projects into line with those in the voluntary sector.

### **Monitoring and Evaluation**

22 As in England, current *monitoring and evaluation* of youth work is insufficiently robust. A more rigorous model is required with, we think, a base in self-evaluation at the club or project (and area) level. Clubs and projects in both the maintained and voluntary sectors will need support in moving towards this.

23 Youth service managers should expect to take on greater responsibilities for inspection and advice. This will result in a change to some posts and will need to be supported by central advice and in-service training.

24 The service needs to develop performance indicators at all levels. Experiments in the schools sector provide a useful parallel and we suggest that the Welsh Office and the proposed Wales Youth Agency organise a series of pilot projects in LEAs from which experience can be disseminated. Given the similarity of the issues in Wales and England, this may be best carried out across the two countries and with the involvement of the DES.

# 1 Introduction

## Background

101 In Wales there is justifiable pride in the contribution of the youth service to educational provision. This applies as much to programmes offered by voluntary organisations as it does to those in the maintained sector. We use the term "maintained" to mean clubs and projects whose staff are employees of the Local Education Authority (LEA) and whose running costs are wholly or mainly supported by the authority. The term "statutory" was also widely used in our fieldwork but in our view can be misleading since it gives the impression that the provision is in some sense mandatory.

102 In contrast we use the term "voluntary" to characterise clubs and projects who rely wholly or predominantly on part-time unpaid volunteers, although larger organisations are likely to employ a small number of paid staff. The voluntary sector is strong in Wales, particularly in meeting the cultural and linguistic needs of young people. Most organisations have a national structure with local units grouped either within the eight county LEAs or in smaller areas which often mirror the pre-1974 local authority boundaries. Both the Welsh Office and the LEAs make grants available although the money actually received by the different organisations varies substantially. All LEAs offer some assistance in kind, such as free or subsidised use of premises; in a minority of cases staff are also seconded to the voluntary sector.

103 There are a number of recent developments which have given rise to debate as to how the youth service might most effectively be delivered in the changing environment of the 1990s. These include:

- discussion on a "core curriculum" and the terms in which it might be expressed most positively, particularly as it seems likely that there will be a separate statement of curriculum for the youth service in Wales in recognition of the different emphases, especially of the voluntary sector, in Wales;



- moves towards "programme funding" in which financial support for service providers is linked to delivery of specified curricular programmes and/or defined outputs;
- major change in the management of local authorities eg moves towards competition, marketing and service level agreements;
- **major change in the education service following the Education Reform Act (ERA).**

104 The direct effect of ERA on the youth service may appear slight. For example, the only reference to the service in ERA is in Section 120 in the context of Further Education. It states that local authorities have a duty to secure adequate facilities for social, physical and recreational training and for organised leisure time occupation. This effectively retains the force of the provisions set out in Sections 41 (b) and 53 (i) of the 1944 Education Act.

105 However, the indirect effect of ERA for the youth service is substantial. Its influence extends across:

- the structure of LEAs, where increased delegation to institutions is giving rise to questions on how the residual services at the centre should be organised. Clearly the maintained youth service is affected by any changes;
- the secondary curriculum, through the definition of subjects to be studied and levels to be attained. This suggests that curricular debates should include dialogue between the secondary sector and youth service (both maintained and voluntary);
- resource allocation, since increasingly budgets are being calculated on the basis of defined need rather than historical convention;

- delegation from the centre, since increasingly decision making powers (including those in the financial arena) are being transferred to the units of service delivery (eg the school), albeit within a defined policy framework.

The net effect is that the maintained youth service is now one of the most significant educational services to remain under direct local authority management.

## **Purpose**

106 The purpose of this report is to consider the implications of recent developments - particularly the ERA - for management of the youth service in Wales during the 1990s. Although the primary focus is intended to be on the maintained sector we believe it would be wholly inappropriate to consider the issue without substantial reference to the contribution (both current and potential) of the voluntary sector.

107 The four aspects on which we have concentrated are:

- **structure.** Where should the maintained youth service be located within the local authority?
- **strategic planning.** How can it be carried out effectively in the new environment?
- **resource allocation.** Is there an advantage in applying new techniques (eg use of formulae)?
- **management arrangements.** What are the implications for processes such as delegation and monitoring?

108 It is important to stress the boundaries of this report. First, whilst we were given much valuable information about current practice in the field, our purpose was to look to the future. We have not sought to provide comprehensive commentary on the effectiveness of current provision: this is properly the province of HMI, LEA advisers and leaders from the maintained and voluntary sectors. And second, the report is specifically about management issues, rather than the totality of the youth service. Whilst absolute boundaries cannot be drawn between managerial and curricular aspects, we have sought to comment on the latter only where they impinge directly on the former.

## **Approach**

109 The study was commissioned formally by the Welsh Office and benefitted from advice from a Steering Committee with a membership drawn from the maintained and voluntary sectors, HMI and Wales Youth Work Partnership. Details are given in Appendix A.

110 Following initial guidance on the issues and the approach from the Steering Committee we carried out fieldwork in three contrasting local authorities, namely Clwyd, Gwynedd and South Glamorgan. During these visits we interviewed staff at all levels with responsibilities for youth work. These included full and part-time youth service staff, senior LEA officers and local representatives from voluntary organisations. We are grateful to all those who gave time to help with the study.

111 During the same period invitations to contribute views and suggestions were extended to all LEAs and national voluntary bodies in Wales. Many helpful submissions were received and a full list of respondents is given in Appendix B. For the second meeting of the Steering Committee a paper was prepared based on discussions within the consultancy team which highlighted issues on which we sought further comment and advice. Following this meeting a draft final report was produced which was discussed with the Steering Committee and amended in the light of comments received.

112 Whilst we have benefitted from a large number of helpful suggestions, responsibility for the recommendations of this report rests solely with Coopers & Lybrand Deloitte (C&LD).

### **English study**

113 The study in Wales was undertaken just after we had completed a similar exercise in England but prior to the publication of the report. In so far as some issues are similar in the two countries (eg approaches to monitoring) we have made use on a selective basis of material from the English study. It should be stressed however, that this is a separate report which has been approached with the very different context and needs of Wales to the fore.

114 The youth service in Wales, and in particular the voluntary sector, puts different emphases on its work from the youth service in England. The high profile and importance given to work with young people during their transition to adulthood in the areas of language and culture (eg dance, drama, music and art) is not found to the same level in England. This emphasis is not limited to the work of Urdd Gobaith Cymru alone but is a theme common to the work of other organisations and LEAs.

### **Structure of report**

115 The remainder of this report is structured as follows:

- chapter 2 discusses the structural location of the maintained youth service;
- chapter 3 considers the strategic planning issues, with special reference to partnership with the voluntary sector;
- chapter 4 discusses resource allocation (including formula funding) and models for delegation;

- chapter 5 considers quality assurance and the emerging use of performance indicators.

## **2 Structural Issues**

### **Introduction**

201 This chapter is concerned with the structural location of the maintained youth service in Wales. The following questions are addressed:

- is the Education department the best base for the youth service?
- what impact is ERA likely to have on departmental structures and what are the implications for the youth service?
- what structural link should the youth service have with closely related services (eg schools, FE, community education)?

### **Departmental base**

202 Before assessing the right niche for the youth service within an education base it is right to take stock and consider whether there are any viable alternatives to location within the Education Department. One Welsh authority, for example, located the service in a "Leisure Services" Department for a period in the 1980s. We also noted in our English report that arguments could be put forward for locating the service in a cross-authority unit. There is the possibility too that the service could be delivered at arms length from the authority on a contractual basis. In this latter case the significance of the 'host' department is of secondary importance. We consider each of these three alternatives.

## **Leisure and Recreation**

203 In Wales the overwhelming consensus was that youth work was philosophically part of the education service and that the current debate on curriculum strongly implied such a base. The reasons cited were mostly about culture and values. The concern was that the objectives in a Leisure and Recreation context would be more about maximising attendance and enhancing facilities than developing the educational purpose of the youth service.

204 In our judgement these points are well made, particularly at a time when a separate statement of curriculum for the youth service in Wales is likely to emphasise the educational purpose of the service. But the explanations given by those who have contemplated moving outside the Education department are almost invariably negative rather than positive. In other words it is typically frustration with experience within the Education department that places such a move on the agenda rather than a positive preference for an alternative location.

205 The frustrations take two main forms:

- financial, the feeling that schools and colleges are the first priority for resources and that the youth service is significantly under-resourced;
- status, the feeling that senior youth service officers have relatively low status within the department and are unlikely to be, for example, members of the management team.

206 These frustrations did not seem critical in Wales although they were discernible nonetheless in some authorities. Our impression was that the youth service was generally well regarded and had not suffered disproportionately in terms of resource allocation given the general context of cut backs in public sector spending. One particularly positive aspect was the interest and support of elected members, some of whom had contacts with youth work in a voluntary capacity.

207 The fact that all LEAs in Wales are county authorities also supports the retention of the youth service within Education departments. Many of the English authorities with youth services located elsewhere are in fact metropolitan boroughs which have the main responsibility for leisure as well as education services on a unitary basis. The leisure responsibilities of the Welsh counties are relatively modest (compared with the district authorities) and in any case tend to be education related (eg museums, arts, libraries).

208 We conclude that there are no strong arguments for moving the maintained youth service to a leisure and recreation base in Wales at present.

#### **Cross-authority unit**

209 We note in passing that another possible model would be for the youth service to be located in a cross-authority unit in which all services targeted directly at the youth age range would be grouped together. These could include other services from the education department (eg Careers) as well as from other departments (eg Social Services). In a radical model - which no LEA to our knowledge has ever attempted - these services would literally be removed from their current location and delivered from the new unit. It would at least have the benefit of ensuring coherence between services targeted at the same client group.

210 We conclude that such an arrangement would only be logical if such a client (as opposed to service) oriented approach were applied across the full range of council services. We detect no enthusiasm for this in Wales at present. A less extreme version of the model would involve setting up a co-ordinating team of officers representing the various services (but provided in the different departments) to ensure a degree of collaboration across the authority. We can see merit in this, provided that the team is able to operate effectively with minimal resources. The danger is that such groups can generate a momentum of their own and become an expensive overhead.



## **Arms length arrangement**

211 It would be possible for the LEA to secure the provision of a youth service without directly managing it as part of any existing department. There is a range of possibilities from which we outline three. First, the maintained youth service could be constituted as a single unit with a delegated budget. The Head of Service would report to a Board comprising a small number of representatives nominated by the LEA; these might be LEA members or officers or a mixture of the two, and there could also be places for voluntary sector representatives. The level of service to be provided and the budget required would be negotiated annually with the LEA, and the staff of the service would remain LEA employees. The model would be similar to that of the Direct Service Organisations (DSOs) which have been set up in many local authorities for certain services (eg catering and cleaning but also, increasingly, professional services). In this arrangement, the LEA is the "client" and the youth service the "contractor". Another comparison - and one which may be more meaningful to youth service staff - would be with a LMS school enjoying considerable local autonomy.

212 A second possibility would be for the LEA to set out its requirements for youth provision in curricular, coverage and quality terms and negotiate a contract with a number of operators for service delivery. These operators could include the LEA's own maintained service, neighbouring authorities' maintained services and the voluntary sector. As an extension to this model the LEA could invite competitive bids from any potential operator rather than just negotiating with established operators. Although it would be important to ensure that it was the quality of the services outlined in the bids, rather than the quality of the bids' presentation, that determine the outcome.

213 A third possibility is that a new sort of body could be created, perhaps involving a consortium of operators in the maintained, voluntary and private sectors to deliver the service in a particular area. This body would effectively be the sole contractor, although in practice it would be likely to sub contract with other operators. It could take a number of forms; for example a non-profit making company either wholly or part owned by the LEA, the paid staff of which would be employees of the company not the LEA.

214 It will be apparent that issues of departmental location become rather incidental when discussing such innovative models. We think it likely, however, that even if an arms length model were selected, the "client" role on behalf of the authority would be taken by the Education department.

215 Whilst there may be advantages for the youth service (eg higher profile, financial delegation, greater autonomy) in some of these models the questions to be addressed will be:

- would there be any advantage to the LEA, whose interests are clearly not identical with those of the youth service?
- would there be any advantage to the clients (ie the young people)?

216 We think that there are grounds for thinking that there might be. For example, if we take the second innovative model we outlined above (ie the one in which the LEA determines its overall requirements for youth provision and contracts with interested parties through a process of negotiation or through open bidding) the advantages to the authority might include:

- clarity. The model forces the LEA to think through its requirements from first principles;
- quality. The standards required would be written into the contract. Any providers not meeting these standards would not have their contract renewed.

It is also entirely consistent with the notion of the "enabling authority" in which the LEA role is deemed to be more about policy determination, resource allocation and quality assurance than direct service delivery.

217 At the same time, there is every reason to suppose that the clients of the service (ie the young people themselves) would benefit from a greater emphasis on clarity and quality. It might lead to a more coherent service in which there was greater understanding of the range of provision on offer and the need to meet quality standards. There might also be advantages to the voluntary sector in that there would be greater equality with the maintained section in terms of access to LEA support and funding.

218 In putting forward these models for consideration, we do not underestimate the amount of further work that would be necessary to develop a practical proposal, not least in developing adequate definitions of the curriculum to be offered and the methods by which quality would be measured. Such a change would also require active consultation with all parties affected. However, we think that the tradition of collaboration in Wales, not only between the maintained and voluntary sectors but also in this context between leaders and members, could provide fertile ground for testing such models.

219 Our general conclusion therefore is that if the youth service is to continue to be provided within a traditional LEA base then the Education department is the right location. But we leave open the possibility of more innovative models.

### **Impact of ERA**

220 The ERA will have an impact on Education department structures which may have implications for the location of the youth service. In this section and subsequently we assume that the youth service has an education base.

221 In general terms we see the emerging role of LEAs following ERA as:

- strategic planning and resource allocation;
- monitoring and evaluation;
- provision of a range of support services to institutions;
- provision of direct services to pupils, families and the community.

222 This is leading to some reassessment as to the structures most appropriate to Education departments in the new environment. The model increasingly finding favour - and one which we recommend for serious consideration - is to group services by client. Typically there are three groups, as follows:-

| <u>primary client</u>                                   | <u>examples of services delivered</u>                             |
|---|---|
| local authority   | policy development<br>resource allocation<br>monitoring and audit |
| schools and colleges<br>("institution support")         | curriculum advice<br>payroll and IT services<br>INSET             |
| students and families<br>("individual client services") | careers service<br>education social work<br>student awards        |

223 We noted that relatively few authorities in Wales had restructured their Education departments in any fundamental way although we understand several are currently planning changes. We consider the current structures in the next section when we discuss links with other services but, for the purpose of this section, the key issue is where the maintained youth service should be located in a restructured department.

224 There are two main options. The first would be to place the service in an "institution support" division. This enables close links with schools and colleges to be demonstrated in a visible way. But there are drawbacks, including:

- the danger of the youth service being seen as a buildings-based service. This would run rather contrary to the philosophy of community education embraced by many LEAs in Wales;
- the fact that the division will inevitably be fairly large and the youth service might suffer from being seen as a minor component.

225 The other option would be to locate the service in an "individual client services" division. This has the major attraction of emphasizing that the young person is the *raison d'être* of the service. Within this division, youth work would be likely to have a higher profile: this would reflect the priority attached to the service in Wales. It would, however, require managers of the maintained service to attach a high priority to the maintenance of positive working relationships with schools and colleges.

226 In this respect they would be in a similar position to managers from the voluntary sector. This has both a curricular and financial dimension. In the latter context, it should be emphasized that, post LMS, the full costs arising from usage of school/college premises by the youth service (whether maintained or voluntary) will need to be identified and charged to the appropriate budget. Whilst LEAs are able to subsidise from central budgets if they so choose, costs must not fall on the delegated school/college budgets. Although we found few instances in Wales where youth service access to school/college premises was not being fully protected by LEAs there could be pressures for change in the future. We offer a possible model for LEA funding of lettings for youth groups in Appendix C.

227 The fact that few LEAs in Wales have determined their longer term departmental structure is to the advantage of youth service managers since it will enable them to think through the issues in advance and make a full contribution to the debate. The status quo for most maintained youth services is location within a community education context. Indeed many have experienced restructuring within recent years specifically to reach this position. We now discuss the appropriateness of such a base in the post ERA environment.

### **Links with related services**

228 Currently most maintained youth services in Wales are located in FE divisions within the Education Department. This formal link to Further Education can be somewhat misleading since in practice the trend has been increasingly to place youth work in a community education framework whose client coverage extends from the very young to the retired.

229 The two key questions are:

- where should an integrated community education service be located in a restructured department?
- is youth work better located in an integrated community education service or given a separate identity through a discrete maintained youth service?

It follows from discussion in the previous section that the preferable (although not inevitable) new base for a community education service should be in an "individual client services" context.

230 The risk with a base in an institutional services division is that, subconsciously at least, community education might be viewed as being akin to the other institutions in the division (ie schools and colleges offering a building-based and formal programme). This gives an unhelpful signal about the philosophical base for the service since:

- many clients of the service are attracted to community education precisely because it is not part of the statutory sector with its different culture;
- in a rural area many services are better delivered on an outreach model (ie as opposed to being delivered on authority premises in a central location).

231 We conclude therefore that both the maintained youth service and community education generally are more orientated towards individual clients than institutions. The remaining question is whether youth work should be "integrated" or delivered separately. There is much to be said for integration, and not only on the philosophical level. In more practical terms, it:

- enables joint planning with other components of community education especially at the local area;
- facilitates joint working and sharing of resources.

232 There are two caveats we would note, however. First there is a danger that in an integrated model the youth work element could be accorded a lower priority over time. At least where there is a discrete youth service with a nominated head of service, there is a built in influential lobby for youth work. The same arguments can also be made for adult education and other components of the integrated service, of course. The views of any one professional group need to be reconciled with the views of others within an integrated framework.

233 The second caveat concerns possible moves to more radical models described earlier. Clearly it would be more difficult to let contracts for youth work externally if the provision was just one element in an integrated community education service. The problem would not arise, of course, if the contract were deemed to cover community education in toto rather than youth work specifically. For the "DSO" model at least, this might be quite attractive.

## Conclusion

234 In this chapter we have concluded that:

- the youth service is correctly located within Education departments;
- there are some more innovative models for delivery of youth work which could bring benefit to the youth service and its clients;
- in a restructured Education department the maintained youth service should be grouped with services orientated towards the individual as client rather than with schools and colleges;

- integration within community education would still be an appropriate model (although not the only one) within a restructured department.



### **3 Strategic Planning**

#### **Introduction**

301 The management process under discussion in this chapter is strategic planning - but the major theme is partnership. By strategic planning of the youth service we mean higher level decision-making which:

- defines the overall framework for youth provision;
- assesses the need for different types of provision;
- establishes priorities and objectives given resource limitations;
- allocates resources for different types of provision in accordance with priorities;
- monitors and evaluates the overall effectiveness of the use of resources.

This is to be contrasted with operational planning which is lower level decision-making concerned with how resources allocated might best be used to maximise the effectiveness of local delivery.

302 By partnership we mean co-operation by different parties to achieve mutually agreed ends. We focus particularly on the links between the maintained and voluntary sectors but we also make reference to the possible contribution of young people and of employers.

303 The issues discussed in this chapter are:

- problems with joint planning;
- a new framework;

- involvement of young people;
- involvement of employers.

### **Problems with joint planning**

304 It was widely accepted in Wales that joint planning between the maintained and voluntary sectors was the right model for the youth service. We detected some lack of clarity however as to what this actually meant and some scepticism as to the commitment of both sides to achieve it. We were also aware of sensitivities which were not being addressed.

305 In our view a philosophy of joint planning implies joint ownership of the eventual output from the process. In practice it appeared that the maintained sector initiated their plans in-house and then subsequently consulted with the voluntary sector. The success of this consultation process varied widely but was often far from effective. The result was that voluntary organisations felt no ownership of what was seen as the maintained sector's county strategy. This is very similar to the situation we found in England.

306 A philosophy of joint planning should, in theory, apply in both directions: thus the maintained sector should make an input to the planning of voluntary organisations' programmes. In practice this raises a number of problems. The voluntary organisations have their own agenda, derived (rightly) from their statement of aims and objectives. These may - or may not - coincide with the LEA's objectives. In any case the voluntary sector is understandably sensitive about (what might be interpreted as) "interference" from those outside their movement.

307 These sensitivities arise in other areas too. The current curriculum debate has focused attention on the extent to which the youth service should be addressing the needs of those clients most at risk. Some voluntary organisations in Wales feel that they have only a marginal contribution to make in these areas since their client group

tends to be drawn from other sectors of the community. They therefore perceive little scope for joint initiatives and are resentful that they are denied access to funds specifically directed towards work with the "at risk" client group.

308 Another sensitivity surrounds the allocation of funds by LEAs to voluntary organisations. Increasingly authorities expect these grants to be related to the delivery of specified programmes or outputs which are compatible with the county's strategy. Whilst the voluntary sector is conversant with this move towards programme funding (eg it is also used by the Welsh Office), some organisations are concerned lest this approach might compromise their overall aims and objectives. Should a direct conflict arise they would have little option but to withdraw their grant submissions. Clearly this would not be a climate in which joint planning would flourish.

### **A new framework**

309 We believe that for genuine partnership in strategic planning to be achieved, a fresh approach is required. This is an approach in which:

- both sectors share ownership and value the contribution of the other;
- different values and traditions are encouraged;
- the limited grant finance available is targeted specifically at the agreed joint plan.

310 For the approach to be effective it is essential that each county has a forum for joint working between the maintained and voluntary sectors. The details would be a matter for each county to determine and indeed several already have a body of this type in existence. However, it should be made absolutely clear that the forum has a practical role to perform: it should not be a passive consultative group. Its primary task each year would be to define the framework for youth provision in each county, based on the assessed needs of the various client groups. It would also formulate some general priorities and targets for the year to which all member groups would contribute. This would not seek to supplant or compromise the core objectives of

each participating organisation. It would recognise however that all members were working within an agreed framework.

311 The forum might have some of the following characteristics to accord with best practice:

- a clear advisory line to the Education Committee on policy, priorities and resource allocation;
- membership to include relevant elected LEA members, as well as managers in the maintained and voluntary sectors. The post of chairman to be held by an individual for a fixed period and to be open to representatives from the voluntary as well as the maintained sector;
- a prime responsibility to produce a medium term (ie 3-5 year) strategic plan with annual targets. The plan would cover maintained and voluntary sector provision, be within recognised resource constraints and include realistic (rather than over-ambitious) targets;
- monitoring of performance against targets and review (and amendment) of some parts of the plan annually;
- assessment of changing need and provision based on reports from individual organisations and local areas;
- the plan would contain strategies for joint training and joint action across the maintained and voluntary sectors.

312 This last point on joint training raises the question of access to high quality training for volunteer workers which is one of the main benefits in kind provided by LEAs. The present restriction on GEST funding for unpaid staff is a divisive anomaly which undermines the notion of partnership between voluntary groups which rely on volunteers and the LEA, as well as dissuading volunteer workers in maintained clubs. This was a point that was made to us frequently both in both England and Wales. We

think it is best resolved by the Welsh Office and LEAs considering imaginative solutions or making up the shortfall in funding from other sources. One such solution is for the Welsh Office to agree to offer a higher percentage of grant aid where LEAs have made a commitment to fund a defined level of training for unpaid staff. This would allow an LEA to offer training to volunteers as well as paid staff without adverse financial consequences. A full example is set out in Appendix D.

313 We think it would add greatly to the effectiveness of the forum if the LA asked it to develop recommendations as to how support to the voluntary organisations (eg grants, secondment, assistance in kind) should be allocated. The resulting recommendations would be advisory and so would not infringe on the powers of the LEA to make final decisions. The advantages of this approach could be significant and include:

- linking grants to delivery of a strategic plan that has been drawn up collaboratively;
- giving real influence to the forum, thus encouraging active membership;
- removing some of the mystique which surrounds current allocations;
- reinforcing joint ownership of the county plan.

314 Once the county framework has been defined each year, the various member groups would be able to plan the details of their programmes without the need for regular joint meetings: the broad shape of the programme and allocation of resources (including the division between the voluntary and maintained sectors) would already have been agreed. This takes account of a very important point, namely that the staff resources of most youth organisations are limited. Setting up a mechanism that demanded regular joint meeting at county level would be impractical. Moreover the proportion of each organisation's total activities which had any relevance to the county youth strategy would vary considerably.

315 Because they would have access to support facilities, it might be sensible for the maintained service to provide the secretariat for meetings. However, the basis for conducting business would be for the forum itself to determine. The forum would not be responsible for working up the details of local operational plans: these would be drawn up within each local area, again with input from the voluntary sector. We discuss this further in Chapter 4.

316 In summary, therefore, from the perspective of the voluntary sector, there would be a necessary input at county level to the development of the overall county youth plan and - depending on LEA views - to the formulation of criteria for allocation of grants. This would be a relatively modest time commitment on an annual basis. The other main contribution would be to operational planning at area level. This gives a demonstrable relevance to voluntary sector attendance at all meetings.

### **Participation by young people**

317 The participation of young people in the planning of youth provision was recognised to be desirable. In the voluntary sector there are different traditions in different organisations. The Wales Young Farmers' Clubs are notable for involving young people at all levels of decision-making. At the national level the Wales Youth Forum is making a valuable contribution. At the local level too, there was evidence of good practice in many clubs and projects in the maintained and voluntary sectors. The only reservation we have about the latter is that participation by senior members in management committees is often seen as the bridge between involvement as a member and as a junior leader; this carries the risk that what is, in effect, informal leadership training, is confused with a wider representational role.

318 How might participation by young people in planning be incorporated into the model outlined above? There is no obvious answer as to how young people should be represented on the high level county planning forum, or at the area (operational) planning level. One approach would be to extend the Wales Youth Forum model to each of the eight counties. We are aware of some moves in the direction. Indeed such County Youth Forums could have "feeder" area groups as well, effectively giving a fully integrated structure.

319 This is attractive as a theoretical model but in practice it may be too rigid. We are aware of a number of different approaches to the representation of young people on neighbourhood or area committees at present, some of which work well in the specific circumstances. In some of the more remote rural areas in Wales, it may be more practicable to canvass views periodically in a more direct manner by visiting clubs and gauging the views of all those present. We see advantage in using both a market research approach such as this and a more traditional representational model; they are not mutually exclusive.

### **Involvement of employers**

320 We found little evidence of genuine partnership with employers. Local firms were seen as useful sources of sponsorship and support in kind but not as potential contributors to programme delivery. Even some contacts which had been made as a result of the youth service's contribution to (the former) YTS had waned following the decline of non employer based schemes.

321 This seemed at odds with the general moves towards partnerships between education and industry/commerce. We think that there would be benefit in pursuing this further. For example, employers could:

- sit on management committees at club, area and/or county level, bringing their expertise in planning, finance, personnel and related areas;
- provide inputs to club programmes on topical issues (eg training credits schemes);
- give access to an entirely new grapevine of contacts and potential support (eg through Chambers of Commerce).

322 At the county level there would be merit in the joint planning forum making contact with the Training and Enterprise Council (TEC). There would be advantage to both parties:

- the TEC would be able to offer constructive comments on the embryonic county youth work plan from its knowledge of the local employment and training scene;
- the county joint planning forum would be able to feed in to the TEC the concerns, aspirations and views of their membership concerning the local economy.

323 There appeared to be very little contact at any level between the youth service and local private sector providers (eg commercial leisure facilities). Whilst we sense the reservations about establishing too close a link we think there are possible areas for development. For example managers of local commercial facilities may be willing to make a small base available for use by outreach workers. It would be an innovative way of generating interest among a different client group.

## Conclusion

324 In conclusion we summarise the key features of the partnership model for strategic planning which we would recommend in the Welsh context. It would involve:

- establishing county joint planning forums which would have a balanced membership across the two sectors;
- setting very specific tasks for the joint forums of direct relevance to all members, namely:-
  - setting the framework for youth provision in the county;
  - defining objectives for the joint plan;



- recommending the basis for LEA funding, linked to the joint plan (depending on LEA agreement);
- keeping all other county meetings to a minimum but seeking more active involvement at the area (operational) level;
- building in mechanisms at county and area level to ensure participation by young people, perhaps along the lines of the Wales Youth Forum, but also encouraging greater market research;
- exploring new avenues for joint working with employers and specifically forging a constructive link with TECs.

We explore operational matters at the area level in the next chapter.

## **4 Resource Allocation and Delegation**

### **Introduction**

401 This chapter discusses two processes which have been much discussed in the education service as a result of Local Management of Schools (LMS), namely resource allocation (especially formula approaches) and management delegation. Increasingly they are seen as two components of a single process. This is not necessarily the case, however. Indeed in the context of the youth service it would be possible to envisage a budget being allocated on a historical/incremental basis but being managed locally with considerable autonomy. Alternatively a budget could be determined on a formula basis but be subject to control from the centre. We therefore consider the two aspects separately.

### **Resource Allocation**

402 There are many resource allocation processes that impinge on the youth service in Wales. These include:

- from the Welsh Office to national voluntary organisations;
- from LEAs to voluntary organisations at the county level;
- from the LEA to areas or neighbourhoods;
- from the LEA (whether county or area) to clubs and projects.

We now discuss these processes and include comments on formula funding, contract funding and open bidding approaches.

## **Grants to voluntary organisations**

403 Grants are allocated both nationally by the Welsh Office and at county level by the LEAs. There were substantial differences in the total size of grants received by the various voluntary organisations. This was a reflection in part of the wide variations in amounts of grant paid by the eight county authorities. In fact the total value of grants to voluntary organisations is understated in the published figures in view of the substantial contributions made 'in kind', most regularly through subsidised use of premises.

404 This issue is at the margins of our terms of reference and we do not develop it in detail. Nevertheless we note in passing our view that a more effective model might be explored in which:

- some consistency in approach to the funding of voluntary organisations is developed between the Welsh Office and the LEAs generally;
- some consistency in approach is discussed between the eight individual LEAs;
- the feasibility of longer term contracts is tested nationally and/or at county level;
- the possibility of an integrated national/local model for voluntary sector funding is explored.

405. We are under no illusions as to the complexity of achieving even one of the above goals. We would only see this proceeding on a voluntary basis. Any model involving rerouting of LEA monies through the Welsh Office would trigger the wrong sort of response. It would also tend to penalise the more generous authorities although we suspect that, de facto, cross subsidies are already being introduced by voluntary bodies in order to support their work in counties where little grant is forthcoming.

## **LEAs to areas or neighbourhoods**

406 The size of LEAs in Wales means that area or neighbourhood tiers of management are helpful if genuine responsiveness to local needs is to be achieved. We discuss the managerial aspects of delegation in the second half of this chapter. In the present context the issues are whether clubs and projects should be resourced from the centre or from the area tier and the basis on which actual budgets are determined.

407 We argue below that if area structures are to have any credibility they will need to have their own budgets. How should the respective size of area budgets be determined? There are several possibilities:

- simple division of the available budget by the number of areas. This would take no account of need and might be ruled out as simplistic;
- historical spend in each area. This would be attractive in the short term since there would be no "losers". But this approach does not take need into account and would not be seen as a step forward;
- assessment of need. This would command respect but would be more complex to calculate and would be resented by "losers".

408 What factors might be used to define need? The main possibilities are:

- numbers (presumably of young people in the target age range, and probably weighted in some way);
- geographical size (possibly with weightings for rural areas and areas with particularly difficult transport and communications patterns);
- socio economic factors;
- language and culture (with weighting for areas with significant demand for dual language or specialist provision);

- premises (by size and/or condition).

It could be argued that current membership of clubs is the best proxy for demand: but this is different from need and in practice this approach would simply confirm the historical approach.

409 We think allocation to areas by a needs based formula is a sound approach although the move away from historic budgets would need to be carefully managed and may only be achievable over a very long period. In some LEAs it may only make sense in terms of determining the allocation of additional resources and highlighting mismatches between existing provision and need. We know of at least one authority which is exploring this formula issue at present

410 The move towards formula allocation has been given an impetus by the publication of the resourcing model developed by the former National Advisory Council for the Youth Service (NACYS) - although it was not developed specifically for this purpose. The model was designed to meet the deficiency identified by the Thompson report that the youth service had no reliable method of estimating the total resources required to deliver an adequate programme to young people. It is a formula which computes the staffing sessions required to deliver the programme once values have been assigned to a number of critical factors (eg the proportion of young people to be contacted in a year, the average group size. etc).

411 The conclusion of those youth service managers who have tried to use the model is that, even on modest assumptions, their service is either over-ambitious in its stated aims or under-resourced to achieve them. However, a further assumption must be made before funding requirements can be deduced as, although the model computes the number of staffing sessions required for a given area, it leaves open the question of how those sessions should be delivered - ie whether by paid workers or by unpaid volunteers. The model can also be turned around and used to demonstrate how much youth work can be delivered from a given staffing complement.

412 The NACYS formula therefore operates on a basis quite different from that of the LMS formula for schools. It calculates the size of the staffing resources required to offer a particular programme, or alternatively, the amount of work that can be delivered through a particular staffing complement. Unlike the LMS formula, it is not designed to allocate a fixed budget between different areas or operational units (clubs and projects in the case of the youth service).

#### **From LEAs to clubs and projects**

413 In theory it would be possible not only to allocate budgets from the centre to areas by a formula but also from areas to individual clubs and projects. With such an approach; there would then be little point in routing funds through the areas unless:

- the design and content of the two formulae were substantially different;
- or - some of the budget was top sliced at area level for special projects;
- or - there was a wish to reinforce the area role for another reason.

414 What factors would be relevant to allocation of resources to clubs and projects?  
Criteria might include:

- numbers of young people using the club or project;
- weightings for type of activity and type of young person (eg particular age ranges or priority groups might receive higher funding);
- type of premises (eg floor area, type of heating) to compensate for above-average running costs.

It is likely that the formula would also need to include a lump sum element to cover some fixed costs (eg administration) which do not vary significantly with attendance numbers.

415 Such an arrangement would be the purest example of the transfer of the resource allocation principles of LMS to the youth service. It would have the advantage of creating a seemingly objective and simple (although not necessarily fair) way of funding the service. It would also create real incentives for clubs to improve attendance numbers as the relationship between funding and attendance is very clear.

416 Despite these advantages, a number of arguments have been raised against formula funding. It is claimed that unless weightings are very sensitive then clubs and projects will be pushed into a 'numbers game' at the local level, at the expense of the more qualitative work that the service has been moving towards in recent years. It is also claimed that the categorisation and recording of clients in a voluntary service is difficult, and that wide fluctuations in attendance numbers within and between periods is a common and accepted feature of the service which would be penalised heavily by a formula.

417 We accept that there are real practical problems in developing a formula that is sensitive to these criticisms but do not believe that the task is impossible - albeit requiring the creation of a fairly complex formula. However, the youth service has two further characteristics which, in our view, make formula funding to the club level inappropriate. They are:

- the very low coverage of the potential client base;
- the small size of the operating unit.

418 Typically, the youth service makes contact with only a very small percentage of the young people eligible to use it. This is in direct contrast with the school system where coverage of the eligible age group is close to 100%. This means that the school system is a relatively closed system in which an increase in pupil numbers at one school is balanced by declining numbers at another. The LMS formula acknowledges this flow by moving resources between schools and creating incentives for schools to attract pupils.

419 In the youth service, the voluntary nature of attendance and the low coverage of the potential client base means that attendance numbers across all clubs and projects can rise simultaneously. Unless an open-ended commitment is made to funding the service - which is unlikely - the formula could only acknowledge this by reducing the basic allocation per young person attending. This means that clubs and projects could increase their attendance numbers but receive no increase in funding (and possibly a reduction) because of the actions of other clubs and projects. In other words, the open system in which the youth service operates makes each club/project's funding overly dependent on its relative performance against other clubs and projects.

420 The second characteristic relates to the very small size of the operating unit. The typical maintained club or project may have a staff of only one or two full-time posts and a number of part-time hours. This is tiny when compared with most schools; indeed the entire youth service budget in an LEA can be smaller than the budget of an individual secondary school. The analogy with LMS therefore breaks down as, in cash terms at least, formula funding clubs becomes akin to formula funding individual classrooms in schools.

421 The very small unit size also makes the fixed costs of a club or project very high compared with its marginal costs (ie the costs of dealing with an extra young person). The formula can only compensate for this by including a very large lump sum for the fixed cost of a club or project. This reduces the incentives the formula creates for attracting extra young people. Alternatively, if fixed costs are not guaranteed, and funding is made more dependent on attendance numbers, then small fluctuations in numbers can have dramatic effects. For example, a club or project could be forced to close if numbers fell slightly and its full-time staffing costs were not covered. The formula therefore becomes a very blunt instrument in responding to short-term fluctuations. We therefore conclude against formula funding of individual clubs and projects.



### **Funding by means of a contract**

422 Allocating resources by formula is not the only alternative to historical/incremental methods. One which is gaining increasing momentum in Wales is programme funding in which grants (typically to the voluntary sector) are made available on the basis of agreed curricular programmes and/or defined outputs. This is a form of contractual funding which we think has a number of benefits:

- the contractual process can be iterative between the LEA and clubs or projects to arrive at mutually acceptable programmes and targets;
- the LEA - either at authority or area level - retains the ability to act flexibly in its dealings with each club and project (unlike under formula funding where the system is discredited if too many adjustments are made to the formula determined budgets);
- real incentives can be created at the club or project level to meet targets, as future funding is seen to be linked to present performance;
- the maintained and voluntary sectors can be treated on an equitable basis.

423 This approach can be used to refine the status quo through the development of negotiated contracts between LEAs and clubs or projects. However, it is also a step towards the more radical model suggested in Chapter 2 of a process of tender specification by the LEA with bidding by all interested parties. Such a scenario would lead to the present differences in funding arrangements for the maintained and voluntary sectors becoming less apparent. Modes of delivery and programme content become the more meaningful variables.

424 Experience from other service areas subject to competitive tendering suggests that a considerable amount of preliminary work is necessary before the process should be set in motion. For example, precise tender specifications and clear criteria for evaluating tenders and monitoring contracts must be developed. There are additional costs involved in monitoring contracts, and enforcing standards once contracts have been let has been a particular problem in many service areas. Contracts normally run for at least three years, subject to a satisfactory performance.

425 In our opinion, this more radical approach is only likely to be successful in LEAs where a negotiated contractual funding approach is well established and commands the support of individual clubs and projects. Even then, it may well be the case that only parts of the service are suitable for open bidding (eg it may not be sensible to invest in specialist provision without a longer term commitment). Wherever this approach is introduced, it will have profound implications for staff in the voluntary and (particularly) the maintained sectors. It may well require safeguards to protect staff and programmes during the transition between one provider and another should a contract change hands.

## **Delegation**

426 The other main process discussed in this chapter is delegation. The basic management principle is that decision making should be pushed down to the lowest sensible level within the system on the grounds that the most informed and effective decisions are likely to be taken by those most directly involved. In youth service terms the three possible tiers of delegation are to:

- the service as a whole;
- an area structure;
- the club or project.

427 In Wales the discussion needs to take two further elements specifically into account, namely partnership with the voluntary sector and integration with community education. Rather than consider these separately we include them in our discussion of each tier of delegation.

### **Delegation to the service as a whole**

428 We argued in Chapter 3 for a county joint forum which would set out the high level planning framework within which the various contributions would be developed. But this would be a strategic planning function, not detailed management. Each youth work provider (maintained service and voluntary organisations) needs their own decision making mechanism. We think that the maintained service should have considerable autonomy to determine how it should deliver its county provision within the framework agreed by the county joint forum. It should enjoy powers of virement for example similar to those enjoyed by schools and colleges. For some of the more radical models this level of autonomy would be substantial.

429 This two tier approach to planning, namely:

- strategic planning at county level; and
- operational planning at area level

would be simpler to operate in a situation where the maintained youth service was seen as a discrete service. In authorities where youth work is integrated with community education it would be preferable for the entire community provision to be planned using this two tier planning approach. However, if community education was planned in a more traditional local government way it would be essential to forge links between the two planning teams, including some joint membership.

### **Delegation to areas**

430 We think that the area or neighbourhood level will be critical to the success of youth service delivery in Wales. The broad parameters and objectives for the service would have been set by the LEA in the light of advice from the county joint forum. Within this framework, areas would need to develop operational plans. For the area to operate in the way envisaged it should have a budget delegated from the "centre" with considerable flexibility for developing youth work in the way most suited to local needs. Such autonomy in no way minimises the importance of the "centre" in developing policy, providing adequate support to local managers and monitoring and evaluating provision. A strengthening of support systems similar to that which has

occurred for head teachers as a result of LMS might be necessary, although this would be balanced by a decline in a responsibility for direct service delivery.

431 To whom should the area budget be delegated? We think that it may need to be to a professional member of the LEA staff at area level to meet legislative obligations. A post such as Area Youth (or Community Education) Manager is envisaged. This would be at a senior level, with the main responsibility for service delivery (including joint planning with voluntary organisations). It should be accountable to (and service) an area committee with membership from the maintained sector, voluntary organisations active in the area, young people, employers, schools and colleges; the membership of an integrated community education area committee would obviously be slightly different.

432 Although it will be for each area committee to decide on the best approach to organising its affairs we suggest that it may find it useful to adopt the techniques of business planning. The origins of this approach lie in the private sector but it is increasingly being used to good effect in areas of the public sector. Common steps in business planning for the youth service might be:

- deciding local aims and objectives in the light of the County plan;
- analysing the local environment in which the service operates and any changes taking place (eg in terms of demography, legislation, preferences of young people);
- assessing the strengths and weaknesses of the service;
- assessing the performance to date of present providers;
- estimating the resources (both human and financial) available from various sources;
- deciding the local plans for the service in the light of the above and then identifying the actions to be carried out (and who does what, by when), including the training required;

- determining the results required, the targets to be set and the ways in which progress will be monitored and evaluated.

433 Such operational planning will complement and inform the County level strategic planning described in chapter 3; indeed there is no reason why the same planning techniques should not be used at the County level. Thus market research and needs assessment (for example through surveys of the views of young people and youth workers) will probably be initiated at the area level but will help to shape County level planning. It is difficult to draw precise lines between the decision-making powers of the area committees and the county forum. This will be a proper matter of debate in each LEA and will depend on the characteristics and size of local areas, as well as different local traditions. However, we envisage that in most LEAs a high degree of local area autonomy would emerge over time.

434 We have already indicated our preference for the area budget to be allocated on a formula basis of some kind. Allocating resources to clubs and projects in the area could be achieved in a variety of ways but we concluded earlier in this chapter that a contractual funding arrangement might be preferable on the basis of an agreed local plan drawn up by means of the approach outlined above. This mechanism can apply equally to clubs and projects in the maintained and voluntary sectors. There is therefore a clear and practical incentive for the voluntary sector to participate actively in area, operational planning.

#### **Delegation to club and project level**

435 There is a wide variety in the degree of decision making enjoyed by clubs and projects within and between different youth services. The major distinction is between the voluntary and maintained sectors. In the voluntary sector, management committees enjoy considerable freedom to appoint staff and deploy resources. This is mainly because a high proportion of their income comes from non-LEA sources (whilst grant-aid from LEAs is often earmarked and limits freedom). In maintained clubs and projects, management committees (where they exist) have much less freedom to take budgetary decisions, except where they have been pushed towards income generation.

436 In general, we think that the distinction between maintained and voluntary provision should be minimised. This implies giving greater freedom to maintained clubs and projects to manage their own affairs. However, we do not think this requires a high level of delegation of resources to the club/project level. This is because the typical club or project is too small to experience a large degree of freedom from full delegation, given that so many of its costs are fixed. Thus the rise in administration at this level might outweigh the perceived benefits in the eyes of youth workers and management committees and could cause serious problems in maintaining commitment.

437 A better solution, in our opinion, would be to allow maintained clubs and projects virement of resources between budget headings other than full-time staffing. Thus they could move resources between part-time staff hours (professional and administrative), equipment and minor repairs budget headings. They could also be allowed to carry forward resources between financial years and to use self-generated income for any purpose other than the appointment of full-time staffing (which would require LEA approval). These changes would give clubs and projects small but significant freedoms and create greater incentives for income generation.

438 The same freedoms could be allowed to voluntary sector clubs and projects receiving LEA funding for items other than full-time staffing, thus creating equality between the two sectors. If a system of contractual funding exists, the uses to which funds are put would be monitored through the contract between the authority and the individual club or project. Future funding would be dependent on adequate performance against targets.

## **Conclusion**

439 In this chapter we have argued that:

- greater coherence is required between allocations of grants to voluntary organisations at both national and county levels;
- area budgets should be allocated through use of needs based formulae;

- club and project budgets should be negotiated on a contractual basis at the area level;
- the county youth service should enjoy delegated powers as extensive as LMS schools;
- the area is the right level for operational planning;
- these strategies are applicable to an integrated community education service but are difficult to implement unless other components adopt the same model.

## **5 Monitoring and Evaluation**

### **Introduction**

501 There is a growing emphasis on the role of monitoring and evaluation and quality assurance in local authorities across all service areas. Within the education service, this pressure is being felt most acutely in the school and college sectors but it is beginning to affect other services, including the youth service.

502 At root a fundamental re-examination is taking place of the ways by which LEAs can be assured that the services they are providing (directly or indirectly) are of a high quality and being delivered in an efficient and effective manner. There is also a greater emphasis on outputs (and value for money) rather than on inputs as a measure of quality, thus reversing a previous bias. In future, services will need to demonstrate more clearly the effectiveness and accountability of their management, and the results they are achieving, to be sure of maintaining a secure base of resources.

503 For the youth service, this focus of attention presents a serious challenge as the service has traditionally found difficulty in demonstrating achievements in an unequivocal fashion. In this section we examine some of the ways in which the service is monitored and evaluated at present and how it might be in the future. We then consider the use of performance indicators. These issues are common across the youth service in Wales and England, and we did not find any significant differences in Wales from our earlier fieldwork in England. The arguments in this section are therefore substantially the same as in our English study.

### **Current practice**

504 Although there is a variety of monitoring and evaluation practices in different LEAs, a number of general features can be discerned:



- there is an emphasis on staff supervision procedures as the key method by which clubs and projects are monitored;
- monitoring and evaluation is seen primarily as a responsibility of senior managers rather than of staff at all levels (ie it is a "top down" model);
- although monitoring information is collected on a regular basis it is **sometimes of a poor quality and rarely comprehensive;**
- monitoring within the maintained sector is generally more highly developed than in the voluntary sector.

505 This kind of practice is unlikely to prove robust enough to provide a positive base for the service into the future. This is particularly the case if increased delegation results in greater freedom of action at the area and club/project levels.

### **Future Practice**

506 We think that the future monitoring and evaluation of the service should be characterised by the following features:

- a move towards self-evaluation at the club/project (and area) level as the cornerstone for quality assurance (ie a "bottom up" process);
- the development of a more comprehensive information base on the clients of the service and provision offered;
- a distinction between the monitoring and evaluation of provision and the appraisal of staff (eg staff may be working conscientiously but the output may not be satisfactory. This would raise questions on the strategies being adopted);
- a greater role for managers as advisers and facilitators to self-evaluation processes;

- compatible approaches across the voluntary and maintained sectors;
- the development and use of performance indicators at all levels of the service.

507 The main change in emphasis would be to create a climate in which monitoring and evaluation becomes an integral part of each club and project. This will take time and many local managers will require support in developing internal processes to set and monitor targets on a regular basis. The emphasis should always be on the benefits of the process to the clubs and projects themselves, in terms of better management of resources to meet the aims and objectives which they have set themselves (or agreed jointly with the LEA). This is equally true for voluntary and maintained sector activity.

508 Within that part of their work which relates to the self-evaluation process, the role of youth service managers in the maintained sector above the club/project level becomes part inspection (on behalf of the LEA) and part advice (to support and facilitate processes within clubs and projects). At the lower levels of management, the balance will be towards the advisory role, at the higher levels towards inspection. This will result in a change to some middle management posts which some postholders will find more satisfying than others. It certainly reinforces the need for central support and advice to assist the change and for inservice training.

509 Managers at all levels will experience an increased emphasis on the management of diverse local services rather than the delivery of centrally determined services. This will be particularly the case if effective partnership with the voluntary sector leads to increased levels of voluntary activity and support for it. Paid staff would then increasingly become facilitators and organisers of others, rather than direct face-to-face providers themselves.

## **Performance Indicators**

510 The development of performance indicators for different sectors of education is a high priority at the present time. Attention is now being directed towards the youth service following the decision of the National Ministerial Conference for the youth service to highlight performance indicators as a key issue. We found that several LEAs in Wales had begun to address this issue (eg through establishing working parties) ~~but that work was~~ at an early stage. The rest of this section therefore offers a possible approach and way forward.

511 Performance indicators can have a number of important uses. For example, they can;

- assist local managers in self-evaluation;
- provide information to clients and prospective clients;
- demonstrate accountability to the LEA and external bodies.

512 In the schools sector, the aim is for a range of indicators to be developed for schools by schools themselves, in consultation with their LEAs. Out of this, it is hoped that a core of common indicators will emerge across schools which the LEA is able to use to assist its own monitoring process. At some future stage, it is possible that the Welsh Office and DES may require a smaller common core of indicators to be used by all LEAs in Wales and England. As a result, a hierarchy of indicators serving bodies at different levels would be created, but all built upon a foundation of self-evaluation.

513 We think a similar approach is appropriate for the youth service in that it is not prescriptive and is based on self-evaluation. The first task will be to build consensus within the youth service as to what indicators are and are not. We found ambiguity amongst some managers in the use of such terms as performance indicators, performance measures, targets and objectives. This is not just a matter of semantics as it affects the expectation managers have of indicators.

514 The second task will be to convince managers at all levels of the need for indicators and to demonstrate their usefulness at the local level. They should then be allowed to experiment with them within a framework approved by the LEA. Advice and support from the Welsh Office, HMI and the proposed Wales Youth Agency would be helpful in the same way that it has been given to schools (eg checklists of possible indicators were circulated to schools and LEAs in England following a DES pilot study). A short pilot project across a number of LEAs could help the youth service in identifying, developing and using appropriate performance indicators. It could also usefully be across LEAs in Wales and England, although the possibility of a separate statement of curriculum for the youth service in Wales suggests some additional and distinctive indicators for Wales. The results of such a pilot should not be prescriptive.

515 In formulating sets of indicators, we think managers should be encouraged to think in terms of the "input", "process", and "output" classification recommended to schools and used in most other service areas outside education. We consider each in turn.

#### **Input Indicators**

516 Input indicators relate primarily to the physical and human resources which are available to clubs and projects, and the economy and efficiency with which they are used. The main resources are staff, buildings and equipment. In many areas it is relatively easy to quantify these into financial ratios (eg as total cost per young person, staff costs per young person, etc). However, these ratios can be misleading because of the widespread use of unpaid staff in the voluntary and maintained sectors. Physical ratios (eg staff sessions per week) may therefore be more relevant when discussing staff inputs.

517 Indicators can be given a more qualitative dimension by grading resource inputs in some way. For example, premises can be assessed in terms of their standard of maintenance and suitability for different activities.

518 Although input indicators are the easiest to formulate, and are common across many service areas, they are the least useful in terms of assessing performance. This is because they say little about the learning process for which inputs are used and nothing about the results (or outputs) of the process.

#### **Process indicators**

519 Process indicators concern the way in which resources are combined within clubs and projects to create a learning experience for young people. The key questions here relate to the quality of that experience. Indicators will therefore focus on curriculum issues such as the breadth of activities open to young people and characteristics of activities (in terms of group size, duration, etc). Examples might include the amount of one-to-one and small group work carried out with young people, and the amount of work on specific priority issues as opposed to more general provision. Given the informal and participative nature of social education, indicators will also seek to gauge the level of interaction that takes place with young people within activities.

#### **Output indicators**

520 Output indicators are the most important indicators for any service as they provide signals about achievements and therefore the real effectiveness with which resources have been used. As with schools, this will be the most difficult area on which to reach a consensus for the youth service.

521 In our opinion, attendance by young people is the most basic output indicator. In a school this might be considered as an input indicator but, in the youth service, the entirely voluntary nature of attendance means that the ability to attract and retain young people over a period is a measure of success or output. The more important output indicators, however, will relate to the social and personal development that young people have enjoyed as a result of their contact with the youth service. This is sometimes described as the "value added" by the learning process.

522 One of the problems for the youth service is the timescale over which changes may need to be measured to become discernable. The distinction between intermediate and final outputs (or outcomes) may be useful. Thus an intermediate output indicator of success in achieving more responsible behaviour by young people might be less graffiti inside club buildings. Clubs and projects may find it easier to specify a range of intermediate output indicators (eg short term achievements such as numbers of young people successfully completing various club activities, higher levels of participation in representative bodies, etc) than final output indicators (eg higher levels of participation in wider democratic processes, more general long term aims such as fewer referrals to social services, lower levels of petty offence).

523 It is likely that some LEAs and voluntary bodies will wish to develop their own distinctive output indicators. Urdd Gobaith Cymru, for example, wish to quantify the development and spread of the Welsh language and culture as a result of its work with young people.

#### Using indicators

524 Youth service managers should be encouraged to use the smallest number of indicators that is consistent with coverage of their main objectives. In contrast, we think that many schools are trying to use too many indicators and the collection and analysis of information can be time-consuming and undermine the exercise. There can also be a tendency (which some of the above examples illustrate) for indicators to assess the easily measurable rather than the truly important. It is therefore a useful discipline to seek to define one indicator for each stated objective. This serves to limit the danger of most indicators assessing only a small area of service delivery (eg working with clients at risk). Quantitative material should be mixed with qualitative judgements (ie hard and soft information) to gain the best pictures of performance.

## **Conclusion**

525 Current monitoring and evaluation of youth work is insufficiently robust. A more rigorous model is required based on self-evaluation at the club and area level. Clubs and projects in both the maintained and voluntary sector will need support to move towards this model.

526 Youth service managers should expect to take on greater responsibilities for inspection and advice. This will result in a change to some posts and will need to be supported by central advice and in-service training.

527 Whilst recognising their limitations, performance indicators can play a useful role within the youth service at all levels. As important as the evidence they reveal is the process they engender - of concentrating on aims and objectives and outputs (or achievements) as well as resource inputs. Experiments in the school sector provide useful parallels and a short pilot project across a number of Welsh and English authorities should be organised to stimulate and disseminate experience in identifying, developing and using indicators for the youth service.

**Steering Committee convened by Welsh Office**

|                 |                                |
|-----------------|--------------------------------|
| Jim Rooney      | Wales Youth Partnership        |
| Alwyn Williams  | Urdd Gobaith Cymru             |
| Doug Jones      | Mid Glamorgan County Council   |
| Sandra Skinner  | Duke of Edinburgh Award Scheme |
| Alan Higgins    | HMI                            |
| Russell Dobbins | Welsh Office                   |

**Study team for Coopers and Lybrand Deloitte**

Quentin Thompson  
Mike Nichol  
Andrew Watson  
John Lakin



**Organisations providing information and comments**

**County Councils visited**

Clwyd

Gwynedd

South Glamorgan

**County Councils supplying written submissions**

Dyfed

Gwent

Mid Glamorgan

Powys

West Glamorgan

**Other organisations supplying written submissions**

The Board of Mission - Church in Wales Centre

Council for Wales of Voluntary Youth Services

Order of St John - Priory for Wales

Urdd Gobaith Cymru

Wales Young Farmers' Clubs

Wales Youth Forum

Welsh Association of Youth Clubs

Welsh Girl Guides Association

Welsh Scout Council

**Possible Model for LEA Funding of a Letting System for Youth Groups**

- 1 The LEA works out the cost of the use of a single room in a school for, say, a 3 hour weekday evening letting. It chooses a typical school and assumes that the caretaker will be paid at the overtime rate and the heating will be on, probably for a larger area of the school, during the heating season. In other words it calculates a cost as the Head of the school might calculate it, realistically but not ungenerous in its assumptions. This amount becomes the LEA's standard unit.
- 2 The LEA works out the number of lettings of school premises it gave free to voluntary youth groups, together with the number of similar uses by maintained youth groups, in the last financial year. The LEA converts these uses into sessions and then into standard units to give it a total notional cost.
- 3 The LEA deducts this total notional cost from the General Schools Budget and allocates the units in the appropriate number to allow each youth group to continue with its same number of school uses as in the previous year.
- 4 If a youth group wishes to use the same school as before, on the same nights and for the same number of occasions, all it has to do is to agree this with the school. The LEA will then allocate the appropriate sum arising out of the number of standard units involved to the school as reimbursement of the notional costs of the usage.
- 5 If the youth group wishes to go to another school it can negotiate this and the receiving Head knows that the school cannot lose money since the standard unit will cover the full costs of the usage, even if there are no other lettings that night.
- 6 Schools which have other lettings already, or the potential for other lettings, therefore have an incentive to 'collect' lettings because in that way they raise income for their school or subsidise their own use of other parts of the premises on the same evening.
- 7 The result is a freeing up of the system, the growth of a new attitude by schools towards the youth groups, and the understanding by the youth groups of the cost of the choices they make.
- 8 The whole proposal rests on the cost calculation of the standard unit. This could be graded for a small hall or classroom at one level and for a large hall or sports hall at a higher level. The number of levels should be limited or the simplicity of the system is lost.
- 9 If the LEA wishes in future to increase the overall number of such uses, the amount of new money which must be added into the system is readily quantifiable.

10 This model could allow a voluntary group to go to commercial premises and have the actual money (and not the notional money) if the LEA is satisfied it can still deliver on its contract. It could also allow a maintained group to have the cash if it went elsewhere. And finally, it could allow a large secondary school to share savings with a youth group by negotiating with the group to use its premises on a certain night when the costs are already being met by another user.

**GEST and Voluntary Workers**

1 At present the Welsh Office determines the level of grant support it will provide from the GEST (Grants for Education and the Support of Training) Programme for each LEA to secure a specified level of training.

2 In relation to youth workers the current level of grant is 60% of the level of expenditure, or 'indicative allocation', determined by the Welsh Office. There is no bar to the LEA spending above this figure but the additional expenditure does not attract additional grant.

3 The LEA may only spend any part of the indicative allocation on its employees; voluntary youth workers are excluded from the arrangements.

4 Under present arrangements, if in any year the Welsh Office were to fix an LEA's indicative allocation in this area as £10,000, it would be agreeing to pay the LEA £6,000 if the LEA were to spend £4,000 from its own resources. This expenditure is monitored, in particular through the end of year monitoring return submitted to the Welsh Office in July.

5 We believe that it would be possible to overcome the technical barrier to the inclusion of voluntary youth workers in training supported through the GEST arrangements as follows:

- if, in the case of an LEA with an indicative allocation of £10,000, the Welsh Office were to agree to reduce the indicative allocation from £10,000 to £8,000 but to increase the percentage grant to, say, 75%, which is the highest percentage allowed by regulation, then the Welsh Office contribution would remain at £6,000 as before. The LEA's contribution to the indicative allocation would then reduce to £2,000. This would only be done, however, on the understanding that the LEA was prepared to spend the balance up to the original £10,000, namely £2,000, on training for voluntary youth workers;
- the LEA would have to agree to the arrangement in advance and to include its own expenditure on training voluntary youth workers from money outside the indicative allocation in its GEST end of year monitoring return.

6 This proposal would not alter the overall expenditure on training nor would it strengthen or weaken the case for the size of the overall "indicative allocation" in this area. It would assist LEAs who wish to use part of the indicative allocation figure for the training of volunteers as a recognition of the partnership between the LEA and the voluntary sector in the delivery of the youth service.