



Transforming youth services: Unlocking value through co-production

Can youth services be transformed at a time of severe austerity throughout the public sector? With the help and expertise of young people themselves, we think so. This briefing explores how co-production has helped local authorities in Lambeth and Cornwall to commission services of real value to the young people they support. It also looks at what other authorities can do to adopt the same approach.

Over the past three years, UK youth provision has been cut dramatically. Meanwhile the New Economics Foundation (NEF) has been working with two local authority youth service teams – Cornwall and Lambeth – to explore new approaches to commissioning and delivering support for young people.

Working with these boroughs we have developed a new approach that:

- focuses on commissioning for social, environmental and economic outcomes
- promotes co-production, which enables commissioners and providers to work in equal partnership with young people to design, commission and deliver the local youth offer
- supports well-being, prevention and real value for money.

Our approach redirects resources to where young people most value them. It maximises local government investment by bringing about social, economic and environmental change. And it ensures services are co-produced, so that they benefit from the skills, time, experience and expertise of young people.

NEF's approach has inspired innovations in commissioning and new insights into how to implement co-production. This briefing brings together the key learnings from the programme.

A changing landscape

The fundamentals of youth services are changing. The new landscape of provision reflects policy shifts, reductions in staffing, and budget cuts. Research by the National Youth Agency (NYA) has highlighted some of these changes, including:

- a move from universal to more targeted services
- increased use of volunteers
- greater outsourcing of services to the voluntary and private sectors
- a focus on measurement and data collection
- greater integration with other services (e.g. children's services and troubled families initiatives)
- more locally-based support and community-led commissioning.¹

Most local authorities are making cuts, in some way, to youth services. This may be through a combination of direct funding cuts, reducing management posts, bringing in more volunteers and shrinking contract sizes.

In the East of England region for example, 9 out of 11 local authorities have cut spending on youth services. The overall budget for the region has fallen from £103.9 million in 2010-11 to £84.2 million in 2011-12.² Nationally, a NYA survey showed that in 2011, 80% of heads of young people's services were facing cuts, while two thirds of voluntary sector youth providers experienced a drop in income.³ Some local authorities, such as Norfolk, cut sharply and suddenly in the two years following the 2010 general election.

Political indecision over re-commissioning was one of the main features. Many contracts with existing providers have been extended every 6 or 12 months; others extended with in-contract cuts to funding but also with the expectation that services be maintained.

The teams we worked with had experienced staff cuts within their authorities, reducing capacity for proactive transformation. Innovations – however radical – cannot escape cuts or their impact, but much *can* be done to make more effective use of existing resources.

Download our resources for practitioners

If you are a commissioner or practitioner wishing to put co-production into practice, we have resources to help you. Visit www.neweconomics.org/publications/entry/transforming-youth-services to download presentations that communicate the fundamentals of co-production to new audiences, and activity sheets on its most common methods, such as:

- using peer research to develop insight with service users
- developing a theory of change for a project or organisation that puts outcomes first and helps articulate how specific activities meet these outcomes
- using the ladder of co-production to stimulate new thinking
- developing indicators against outcomes.

An even wider range of resources on outcomes, co-production, well-being and social value is included in NEF's full outcomes-based commissioning guide at www.neweconomics.org/commissioning

NEF's approach to commissioning for social, environmental and economic outcomes and co-production

Over the past three years we have worked with Lambeth and Cornwall to implement an approach to commissioning for outcomes and co-production. This builds on work NEF has been developing with commissioners for almost a decade.

Our commissioning approach involves working with local people and providers to maximise the value created by public spending across **social, environmental and economic outcomes**. This is the 'triple bottom line' and **co-production** is a central feature. Commissioners and providers work with service users to design and deliver local support.

Changes to the commissioning process are designed to promote well-being and innovation from providers, and to highlight how value for money can be achieved. Our approach does not favour competitive tendering; we have applied it to grant making, in-house services and externally commissioned services.

The table below contrasts a worst-case conventional approach to commissioning with NEF's approach. Most local authorities' commissioning practices are in fact somewhere in between.

This table shows where changes are needed across the commissioning cycle to support a focus on 'triple bottom line' outcomes and co-production. Our work involves taking each part of the commissioning cycle and changing processes and paperwork, training staff and providers, and engaging councillors and people who use services to radically transform the whole process.

Table 1. Conventional commissioning and NEF's approach

Conventional commissioning	NEF's approach to commissioning
Focused on buying very tightly defined services and activities that are specific to the service: for example CV writing classes for young people.	Focused on commissioning for social, environmental and economic outcomes – within the 'service' and for the wider community.
Focused on unit costs and short-term efficiencies which encourage a race to the bottom and often represent a false economy. Social or environmental value seldom assessed or scored during procurement.	Promotes long-term value creation across social, environmental and economic costs and benefits and emphasises the importance of prevention, and awareness of false economies.
A poor level of insight into what works and what doesn't. Data requirements are led by needs and deficits, and only ask what is wrong with an area/group.	Explores needs and assets to build a picture of what works and current strengths, as well as what support is needed. Uses a range of methods to develop insight and apply this during the commissioning process.
Hierarchical and paternalistic: service users are not part of commissioning or delivery, and power is held by professionals.	Has co-production at its heart: the commissioning process is co-produced, and it is expected that providers will begin to co-produce their services with those intended to benefit from them.
Closes down space for innovation because commissioning is highly prescriptive, specifying which activities and outputs should be delivered and what the service should 'look' like.	Promotes innovation by moving away from over-specified services and asking providers and service users to come up with ideas and activities to achieve outcomes.
Rigid and inflexible: bids for services form the basis of contracts with set targets and outputs. Deviation from these is often considered a breach of contract. Very little flexibility exists to adapt to changing local circumstances or ideas.	Iterative and adaptive: requires continuous reflection and evaluation, and flexibility for services to adapt to the interests, needs and assets of local people.
Competitive and in silos: providers are in competition with each other and have little incentive to co-operate or work in partnership.	Collaborative: promotes strong relationships across and between local authorities, other statutory agencies, providers, user-led organisations, the voluntary and community sector, civic groups and local people.

The case study below shows how Cornwall's Youth Commissioners changed their approach to develop a deeper insight into local needs and assets.

Peer research in Cornwall

"I now have better social skills, met loads of new people and am more confident and able to talk to different people. It has changed me, as I am more confident to talk about who I am."

Young peer researcher

To engage young people more creatively in developing the youth outcomes framework, Cornwall's youth services team trained a group of young 'peer researchers' to interview friends and contemporaries. The peer researchers explored:

- **outcomes:** how do young people see their future in Cornwall and what are their priorities?
- **assets:** what do young people think they bring to their communities and each other? And what assets do they identify in their communities?
- **rewards and incentives:** what would make young people get involved locally and volunteer?
- **communication:** how can young people feed back to the council? And how can the council communicate better with young people about its services?

Twenty-five young people took part in a residential training weekend and a core group was established. This group was then expanded to include local schools, training a further 80 young people. Peer research took place in schools and in youth and specialist groups, such as the young carers' group.

The research highlighted things young people valued, including:

- involvement in positive activities, especially sports and music
- personal qualities, rights and skills for life
- supportive family relationships and safety at home
- jobs, careers and employment
- the importance of friends and peers.

Recommendations were made following the research, for example a 'curriculum for life', planned with young people to develop the skills, knowledge and values they considered important. Another idea was to encourage local sports organisations to prioritise young people's participation and offer under-18 provision where possible.

Very few of the recommendations required a specific service to be procured. Instead, they showed how the local authority could use its networks and influence to maximise opportunities for young people. The research also informed the core outcomes within the outcomes framework.

This example shows how just one activity can re-focus commissioning so that it is

- based on assets, aspirations and values as well as needs
- integrates the insight and experience of people who use services.

The case study below describes how Lambeth changed its commissioning approach over a longer time period. Lambeth used small pilots on local estates and in the youth offending service to test out the approach before applying it to a re-tendering round for its youth services.

Lambeth's commissioning approach for youth services

NEF started working with Lambeth's youth services team in March 2012, shortly after the borough announced plans to become a co-operative council. It was expected that the youth offer would be re-tendered within the year. The team wanted the contract to be based on intensive co-production with young people and focused on outcomes.

We worked with the commissioning team to:

- get them sufficiently confident about the core concepts of co-production and outcomes
- teach them how to work creatively with young people and so open up the commissioning process to their insight and expertise.

The training was complemented with opportunities to apply learning through pilot projects and small grants schemes. This provided test sites to experiment with new skills and make changes to the procurement paperwork before applying the approach to a full re-tender.

This combination of training and application significantly affected the team's confidence and enthusiasm for co-production. It also laid the foundations for a more extensive phase of work with young people in the borough, which included asset-mapping, appreciative enquiry and the development of Lambeth's outcomes framework.

Lambeth's outcomes framework and quality characteristics

Lambeth incorporated social, environmental and economic outcomes into its framework. Initially taken from the council's and team's strategies, outcomes were developed and reprioritised with over 500 young people in the borough. They were then grouped using NEF's

'dynamic model of well-being' to highlight areas where the framework would be stronger or weaker at promoting young people's well-being across different areas.

A set of **quality characteristics** was devised to outline how contracted providers should work. This set out qualities that commissioners wanted to encourage, such as:

1. co-producing services with young people
2. developing financially sustainable CYP provision that will ensure high quality and continuous service now and in the future
3. including the support system around the child or young person
4. encouraging collaboration between providers, local employers, community and the council to make the most of local resources and enhance the youth provision
5. making services inclusive and open to all
6. promoting cross-territory peer collaboration and cohesion
7. taking a preventative approach to avoid future problems for supported young people.

The outcomes framework and quality characteristics formed the basis of the re-tendering round. A series of capacity-building workshops were run for providers to raise awareness of co-production, outcomes and theories of change.

Lambeth's commissioning team has achieved an impressive level of co-production. Youth insight made a substantial contribution to the outcomes framework and commissioning approach. In a radical departure from the usual commissioning approach, the team applied new skills in various settings, such as estates, schools and pupil residential units.

Regular small-scale pilots and testing helped develop the team’s skills and paved the way for greater buy-in across other departments, such as the youth offending service. The re-rendering exercise stopped short of awarding contracts due to budget constraints. The lead member agreed to extend existing contracts

for another 15 months before they are re-commissioned by the Young Lambeth Co-operative. Existing contracts are nonetheless expected to demonstrate how they will work towards the outcomes framework, and embed co-production within their services.

Figure 1: Lambeth’s outcomes framework for children and young people (CYP), based on NEF’s dynamic model of well-being



Reflections and learning

In this section we set out the key lessons from our work, specifically:

- critical success factors
- embedding co-production
- reflections on the youth sector.

Critical success factors

Get political buy-in early on

It is vital to engage councillors early and keep them involved throughout. Co-production strengthens direct accountability. If councillors and service users are not *fully engaged*, there is a risk this will be undermined.

Test approaches

Piloting new approaches on a small scale or within a specific locality helps test innovations. Piloting can enable you to develop templates for new processes (such as procurement); raise awareness of the new approach; and demonstrate how to apply the approach on a bigger scale.

Collaboration or competition?

Consider carefully how procurement can support outcomes, well-being and co-production. A competitive tender is not always the best approach, particularly when trying to build partnership working and co-production. Commissioners have used other approaches – such as explicitly encouraging consortia bids and running ‘meet and greet’ events – to encourage greater collaboration among providers. NEF’s approach has also been applied to in-house services and grant-funded projects. The values and methods are what matter, and they can be applied to different procurement processes.

Promote social, environmental and economic outcomes

Most local authorities still commission on the basis of departments that fall into social, environmental and economic silos. To promote best value in commissioning, outcomes across the ‘triple bottom line’ must be incorporated, assessed and scored in procurement activities. Otherwise, providers are unlikely to address unfamiliar outcomes in their bids or subsequent

work. For example, social care providers may not consider how their work affects the local environment unless the local authority makes this an explicit feature of their procurement and contracting arrangements.

Embedding co-production

Involve people from the start

It is essential to develop partnerships with people who use services from the start. You can read more about the many ways to do this in our Guide to [Commissioning for Social Value](#). The most important thing is to keep opportunities for involvement open, and discuss how, when and where people want to be involved.

Challenge colleagues’ pre-conceptions of ‘risk’

We met many colleagues who felt co-production with certain groups of young people was too risky, or who were nervous about involving people who use services in decision making. They usually became more supportive when given success stories and examples of how the process could work. This kind of risk aversion is easier to challenge when service users have been involved from the start, so it is vital to make this a priority.

Promote relationship-based approaches

Peer networks, coaching, deliberative discussion and peer research all support co-production. They open up decision-making, promote a more equal balance of power, and value different types of experience and expertise.

Understand the impact of the process, not just the outcomes

Conducting evaluations of the commissioning process could help demonstrate its benefits. Young people involved in the Lambeth youth offending service pilot spoke of having greater confidence, a more positive outlook, and a greater awareness of their own skills as a result of their work with commissioners.

Develop co-production as a long-term strategy

Co-production requires support for commissioners and providers to continue promoting the core values and principles at its heart. Some of the commissioners we worked with are looking at a five to ten-year period for embedding co-production across provision.

Reflections for commissioners and providers of youth services

Work with young people to decide on the right incentives for involvement

Reciprocity is a central feature of co-production. Most of the commissioners we worked with wanted to ensure contributions of people who use services were valued. For example, they used cafés for planning meetings, organised meals and activities, offered accreditation for training, and developed local time-banks to reward contributions with time credits.

You don't need to be a youth worker to relate to young people

Some commissioners, particularly those who did not come from a youth work background, were wary about engaging with people who use services. Once they'd had training however, they became more confident about working with young people in new and creative ways throughout the commissioning process.

Use the range of young people's networks

The commissioners we worked with used a variety of networks to build relationships with different groups of young people. These included schools and pupil residential units; specific groups of young people, such as carers and people with disabilities; faith groups and local community groups; and providers. These networks are central to developing strong co-production with young people and partner organisations.

Draw on learning from across the sector

The youth sector has experienced a lot of innovative pilots and projects in recent years. Many of the methods we used in the implementation, such as peer research and appreciative enquiry, were familiar to commissioners and providers. However, we found they were not being applied in commissioning or provision.

What next for youth services?

While the youth sector is clearly in a state of flux, there is a compelling case for sustained investment in activities and support for young people. Our work has revealed three main areas where innovation could be part of the solution for a more positive future for youth services.

Make an evidence-based case for investing in young people

Many of the local authorities we worked with want to draw on evidence that shows investment in young people brings longer-term benefits at local and national levels. Initiatives such as 'Positive for Youth' offer useful learning. Providers could benefit from support to develop a more rigorous approach to monitoring the outcomes they achieve and demonstrating their impact.

Think creatively about resources

Though budgets for youth work are decreasing in most local authorities, there is still a role for commissioners and providers to reconsider the resources at their disposal.

For example, Lambeth youth services team is about to embark on a zero-budget commissioning round to explore how the team can link up youth providers and civil society organisations in the borough. Islington Council has also been considering whether an external (arm's-length) youth commissioning organisation could bring in external funding and resources from local charities, businesses and citizens, to sustain the youth offer over the medium to long term.

Co-production offers a way of re-thinking money and resources, including the time, skills, experience and resources of local people and organisations. It does not negate the case for sustaining well-funded, high-quality public services. But it can open up new ways of working that are rooted in people's lived experience, tap into an abundance of resources, and strengthen local participation in democratic decision-making.

Putting support for young people on the agenda for other departments and agencies

All of the youth service teams we worked with have been using their outcomes frameworks to influence other departments and agencies, such as public health, clinical commissioning groups and schools. In doing so, they can demonstrate how young people's outcomes link to other groups and can benefit the local area.

NEF's approach to commissioning cannot conjure new money out of thin air to support existing service arrangements. But it can help authorities tap into human and social resources, and build new approaches to improving the lives of young people. It can provide a framework, a set of principles, and practical guidance to re-assess how services are currently provided. It can help re-focus services on outcomes that really matter to those who are intended to benefit from them. The potential impact and value is huge.

Further resources

To learn more about NEF's work on transforming commissioning and the work of others on youth service innovation, download these documents:

'Commissioning for outcomes and co-production: A practical guide for local authorities', NEF (2014)
www.neweconomics.org/commissioning

This practical guide details how NEF's approach to commissioning has been put into practice in different settings, and includes examples and templates from several locations and service areas.

'Framework of outcomes for young people',
 The Young Foundation, (2012)

<http://youngfoundation.org/publications/framework-of-outcomes-for-young-people/>

This project provides resources on the evidence for investing in youth services, and a matrix of measurement and evaluation tools for providers.

Endnotes

1. National Youth Agency and Local Government Association. (2011). Youth services in England: The state of the nation. Retrieved from http://www.nya.org.uk/wp-content/uploads/2014/06/Youth-Services-in-England_-The-State-of-the-Nation.pdf p.19.
2. Barton, T. (2013, 17 November). Eastern region youth services spend cut by £20m in two years. BBC. Retrieved from <http://www.bbc.co.uk/news/uk-england-24980262>
3. National Youth Agency and Local Government Association. (2011). Youth services in England: The state of the nation. Retrieved from http://www.nya.org.uk/wp-content/uploads/2014/06/Youth-Services-in-England_-The-State-of-the-Nation.pdf p.5.

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