



**Cabinet**  
12<sup>th</sup> January 2021

**Report from the Strategic Director  
of Children and Young People**

**Establishing an Onside Youth Zone in Brent**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b>	Open
<b>No. of Appendices:</b>	One: Appendix 1: Onside Youth Zones: Project Services
<b>Background Papers:</b>	None
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**1.0 Purpose of the Report**

- 1.1 To provide details regarding the potential to support the development of an Onside Youth Zone (OYZ) in the borough.
- 1.2 To set out the background work that has been completed to date, including the latest position in securing a suitable site for an OYZ.
- 1.3 The report is set within the context of a proposed bid to the Department of Culture Media and Sport's (DCMS) Youth Investment Fund (YIF) by Onside Youth Zones that, if successful, would fund approximately half of the capital costs of building an OYZ in the borough.
- 1.4 The estimated capital costs of building an OYZ are £8.6m. Should there be a successful YIF bid the Local Authority's capital contribution would be £2.15m, OYZ would provide £2.15m with the balance met through the YIF. The OYZ request to the Local Authority regarding annual revenue contributions would be c£400k pa over a minimum 3-year period. Opportunities for the capital and revenue funding methods available to the Local Authority to fund an OYZ are set out in section 5 below.

## **2.0 Recommendation(s)**

- 2.1 That Cabinet confirms agreement to the proposed financial solution to enable the establishment of an OYZ in the borough, as set out in section 5.4 of this report.
- 2.2 Should 2.1 (above) be agreed, that Cabinet gives permission for officers to progress with a YIF bid, via Onside Youth Zones, setting out the Local Authority's agreement in principle to the establishment of an OYZ, subject to finding a suitable site in the borough.

## **3.0 Detail**

### **3.1 About Onside Youth Zones**

The Council has been working with national charity OnSide to explore opportunities to develop a Youth Zone in Brent since initial discussions were held in early 2018. Youth Zones provide "somewhere to go, something to do and someone to talk to" and aim to be safe, supportive and affordable places where young people can spend their free time constructively. Targeting young people aged 8-19, and up to 25 with additional needs, Youth Zones provide large-scale multi-activity facilities which typically include multi-use 3G pitches, indoor sports hall, climbing wall, gym, music, dance and performing arts facilities and café, along with flexible spaces that can respond to young people's changing needs and preferences. Local young people are involved in the naming, branding and interior design of each new Youth Zone. Appendix 1 provides further detail of the offer and how an OYZ could be established.

- 3.2 OnSide work in partnership with local authorities, charitable trusts and local businesses to provide both capital and revenue funding for each facility. Founded initially in the North West, OnSide now operates a national network of Youth Zones with fourteen in operation and a number of others in the development pipeline. Three centres were opened in London in 2019 (Barnet, Barking and Dagenham and Croydon) with a further site due to open in Hammersmith and Fulham in 2022.
- 3.3 Several existing Youth Zones have more than 3,500 members. An external evaluation commissioned by OnSide in 2015 indicated that every £1 invested in Youth Zones by local authorities achieved a social return on investment of £6.66. The evaluation identified benefits for young people including health and wellbeing improvements, improved school attendance and reductions in crime and anti-social behaviour by Youth Zone members. More recent research has identified the reduction rate of ASB in areas surrounding Youth Zones as being between 50-70%. The centres also provide opportunities to enhance local skills of young people to support them in becoming more work-ready through employability programmes, and offer volunteering and training opportunities for the wider community too. The provision of a Youth Zone aims to inspire young people to lead healthier and more positive lives, raising their aspirations so they grow up to become happy, caring and responsible citizens. Young people aged between 8-19 (or 25 with additional needs) must contribute 50p per session in order to access the activities. They open weekday evenings, all through the weekend and all day every school holiday.

- 3.4 Each Youth Zone is established as an independent local charity and company limited by guarantee with a local Board of Directors and an independent Chair. The Council would be invited to nominate one Board Director. Each Youth Zone is also a member of the national OnSide network which brings benefits including operational support, funding, training, development and progression opportunities, and national recognition.
- 3.5 Onside's established revenue funding model estimates annual revenue costs, once fully operational, in the region of £1.3m. This is met through fundraising via OnSide's founder patron scheme, specifically targeting corporate support through the local business community (£800,000 p.a.); membership fees (£100,000 p.a.) with the balance made up of the Local Authority contribution.
- 3.6 Covid-19 has adjusted the funding landscape available to Onside Youth Zones to some extent. They have reported that, due to economic circumstances, a small number of small to medium sized business owners (Patrons of Youth Zones across the Network) have had to pause their funding for part of the current year, and in rare instances have been unable to fulfil their pledged support. However, the vast majority of Patron support has continued unaffected. Indeed, many businesses/individuals have either increased their wealth during lockdown or hold the view that now is the time that their philanthropy is needed more than ever. Onside Youth Zones report that these donors have either increased their regular giving; made additional donations (including >£100k gifts); or brought forward the payments of their gifts to support their Youth Zones.
- 3.7 The Local Authority's Borough Plan highlights the need for this type of multi-agency partnership response for our most vulnerable adolescents, to ensure early identification of concerns and to help provide the right interventions at the right time. Services such as those proposed through an OYZ would help realise the outcomes within this corporate strategic priority. They would support targeted action for priority groups who are disproportionately impacted by health inequalities, improve access to emotional health and wellbeing support as well as enable young people to fulfil their ambitions and aspirations
- 3.8 The Brent Poverty Commission made a recommendation (number 36), *'that the Council brings together a statutory-led "Youth and Community Strategy for Young People" in Brent and develops an outreach model with the voluntary and community sector to engage with young people in addressing the impacts of poverty and social exclusion'*.
- 3.9 Youth Investment Funding (YIF)**  
The Chancellor announced a £500m Youth Investment Fund in September 2019. This investment is intended to help build 60 new youth centres across the country, refurbish around 360 existing youth facilities and provide 100 mobile facilities for harder to reach areas. The fund will also support the provision and coordination of high-quality services for young people, and an investment in the youth workforce. The YIF is open only to bids from the voluntary and community sectors.
- 3.10 The announcement from central government of the opening of the funding window was expected in August 2020 but has been delayed. OYZ was a signatory, amongst more than 100 organisations and individuals, to an open

letter to government on 17<sup>th</sup> November 2020, calling for the immediate release of the YIF, drawing attention to the concern that youth services are being denied the promised valuable resource at a time when it is most needed.

- 3.11 OnSide is currently lining up those projects they anticipate applying for YIF funding. Given the delayed announcement it is not clear how much funding will be allocated to capital projects in the first round.
- 3.12 Although the precise bidding criteria for the YIF have not been published, OnSide's aim for every Youth Zone project is that they are sufficiently advanced, with relevant political approval. If the bid was successful, it is expected that the Council's capital contribution would reduce to £2.15m and it would also reduce the capital fundraising target for OnSide to £2.15m.
- 3.13 The total capital project cost will also allow full cost recovery for OnSide through a project fee of £1.1m. OnSide's strategy to date (as the overall umbrella charity which works to create each new Youth Zone and set them up for the future) has been to rely on donations from their supporter base, to off-set the majority of development and set-up costs. YIF provides an opportunity to both reduce the capital funding requirement for OnSide and the Council, and also provide a full contribution towards OnSide's own costs to ensure their organisational sustainability.
- 3.14 Onside have stated that the likelihood of securing capital funding via the YIF is contingent upon Cabinet approval to proceed, ideally with a site identified or subject to a suitable site being secured.

### **3.15 Site Implications**

Onside Youth Zones have carried out their own independent assessment of site suitability across the borough over the last two years. Few options have been pursued due to challenges in meeting the location criteria set by Onside Youth Zones as well as the difficulties in the general availability of suitable land.

- 3.16 A site option on open space in Blackbird Hill was initially considered suitable but was later discounted due to surveyor reports and flooding risks.
- 3.17 The option currently considered as most viable by OYZ is the York House site in Wembley. This is in the ownership of the Department for Education (DfE), who purchased the site from Quintain to build a 2FE primary free school. Due to falling demand for primary places, the DfE has now cancelled the project. The DfE has been considering alternative priority use of the site with officers, such as for children with Special Educational Needs and Disabilities. DfE have considered the site inappropriate for this use. According to Quintain, the DfE is restricted to using the site for the first 25 years for the provision of educational services and recreational purposes ancillary to educational use. After 25 years, the DfE may alter use with the consent of Chesterfield (a wholly owned company of Quintain).

In relation to securing the site, the following considerations would need to be determined:

- If access to the site would require it to be purchased or leased with those related costs
- If the proposed use would fall within current permitted use of the site.

- 3.18 Decisions regarding the York House site are further contingent on decisions by the DfE regarding two other sites in Wembley identified for development; land to the East of Cecil Avenue and London Road, linked to the need for special school provision.
- 3.19 It has been confirmed to the DfE that the Council has identified potential options for the use of York House car park as a youth provision for positive educational activities. The DfE confirmed on 19<sup>th</sup> November that as the York House car park site is no longer required for a primary school in the next four years, the DfE will ask Quintain to vary the Section 106 agreement to withdraw this obligation. They would then seek to dispose of the site (either on the open market or direct to LB Brent) for alternative use.

#### 4.0 **Alternative Options Considered**

- 4.1 The current development of the Roundwood Alternative Provision Free School with wraparound youth offer is due to be completed and open in January 2021 and will provide young people, primarily in the south of the borough, with access to a wide range of youth activities from the site, building on the existing model.
- 4.2 Ongoing partnership work with the Young Brent Foundation seeks to identify funding streams through which local voluntary and community sector organisations, with Council support, can increase activities across the borough.

#### 5.0 **Financial Implications**

- 5.1 Following a series of discussions with representatives from the Council and Onside Youth Zones, officers are now in a position to propose funding arrangements for the establishment of a new OYZ in the borough.

The capital and revenue implications are as follows:

##### **Capital**

- 5.2 The construction of a new Youth Zone is estimated to cost £8.6m in total, with 50% of the costs split equally between Brent Council and sums raised by OnSide and its partners. The remaining 50% is to be match funded from a Youth Investment Fund capital grant.

TABLE 1

Share of capital costs	£M	% build cost
Brent council capital contribution	2.15	50%
OnSide and partners	2.15	
Youth Investment Fund (TBC)*	4.30	50%
<b>Total</b>	<b>8.60</b>	<b>100%</b>

## Revenue

- 5.3 The funding required to meet annual running costs includes a contribution from young people (in the form of a small entry fee for each visit) alongside funding from the Council of £0.4m over 3 years, with the remainder raised from local businesses and philanthropic donations.

The total committed capital will be £2.15m and revenue contributions from reserves of £0.6m and MTFS growth contribution over 4 years of £0.1m per annum. This is shown in table 2 below.

### Brent financial support to onside youth zone

TABLE 2

Years	Capital (SCIL)	Reserves	Cumulative MTFS Growth	Total	Funding Source
	£m	£m	£m	£m	
<b>2021-22</b>	2.15	-		<b>2.15</b>	CIL
<b>2022-23</b>	-	0.3	0.1	<b>0.4</b>	Reserves & Growth
<b>2023-24</b>	-	0.2	0.2	<b>0.4</b>	Reserves & Growth
<b>2024-25</b>	-	0.1	0.3	<b>0.4</b>	Reserves & Growth
<b>2025-26</b>	-	-	0.4	<b>0.4</b>	Recurring MTFS Growth at the end of Year 4
<b>Total</b>	<b>2.15</b>	<b>0.6</b>			

- 5.4 In summary, it is recommended:

- That the Brent capital contribution of £2.15m is added to the capital pipeline and promoted to the main programme once all outstanding conditions are met.
- That the £2.15m Council capital contribution is funded from strategic CIL.
- Cabinet approval is sought to fund the annual revenue contribution by drawing down £0.6m spread over 3 years from corporate earmarked reserves as reflected in Table 2.
- Note that an additional line item will be incorporated into the Medium Term Financial Strategy (MTFS) to include an additional growth element for “youth provision” of £0.1m in order to incrementally build up a c£0.4m revenue budget over a period of 4 years
- Note that the proposals above are subject to satisfactory resolution of the outstanding conditions set out below:

### 5.5 Conditions

- a) Securing permission from DfE to utilise the York House site for youth provision.

- b) That the York House site is released for use as youth provision without the need for significant additional capital outlay.
- c) That grant funding is obtained from the Department of Culture Media and Sport's (DCMS) Youth Investment Fund (YIF) of £4.3m capital match funding for the project.

## **6.0 Legal Implications**

- 6.1 The Recommendation is that Cabinet approval is sought to submit a YIF bid via OYZ. Inherent to such recommendation is agreement to waive Contract Standing Orders in the selection of OYZ.
- 6.2 Should YIF funding be secured and a suitable property identified, the Council will need to enter into agreement with OYZ to develop and fund the Youth Zone. Suitable terms of the agreement with OYZ will need to be agreed. Section 1 of the Localism Act 2011 provides a very broad based power that allows local authorities to do anything that an individual may do and would provide a statutory basis for entry into such agreement.
- 6.3 Where the Council is providing funding to a third party, such funding must comply with State Aid rules. Funding under any proposed arrangement with OYZ is likely to fall under the General Block Exemption Regulation on the basis of the proposed provision of sport and multifunctional recreational infrastructures.

## **7.0 Equality Implications**

- 7.1 As described in paragraphs 3.7 and 3.8 above, this project would support the Council's objectives of reducing inequalities by providing greater access to youth opportunities, particularly disadvantaged groups. Further detailed work on the equality implications will be considered should funding be obtained and the project progresses.

## **8.0 Consultation with Ward Members and Stakeholders**

- 8.1 The Lead Member for Children's Safeguarding, Early Help and Social Care has been consulted regarding these developments. Should a site be identified the relevant Ward Members will be consulted. Children and young people through established participation channels will be involved in the design and implementation of this project as part of its development. This is the model of practice established in other areas that have set up youth zones.

## **9.0 Human Resources/Property Implications (if appropriate)**

- 9.1 These will be considered in detail should funding be obtained and the project progresses.

**Report sign off:**

**Gail Tolley**  
Strategic Director, Children and Young People.