

Staffing Committee

Dorset County Council



Date of Meeting	9 July 2018
Officer	Service Director for Organisational Development
Subject of Report	Head-count, FTE and Non-directly Employed Workforce – Quarter 4 2017/18
Executive Summary	<p>The Council has a flexible model for resourcing the workforce it needs to deliver business as usual, service development, project and transformation work. The Council uses a combination of directly employed staff, casual workers, agency workers and specialist workers.</p> <p>Agency workers or consultants are used to cover workload peaks and short-term capacity needs or to bring in specific expertise, skills or capacity which are not readily available within the directly employed workforce or wider local workforce.</p> <p>This report covers these aspects of workforce resourcing in the period up to Quarter 4 2017/18 (ending 31 March 2018).</p> <p>The Council has seen a small reduction (of 32.4 FTE) in directly employed staff overall between March 2017 and March 2018.</p> <p>Spending on agency workers has increased in Quarter 4 compared to Quarter 3 in Chief Executives, Children's Services, Adult and Community Services and Dorset Waste Partnership. But overall these levels remain lower than a year ago. Consultancy costs have risen over the same period in Children's Services and Environment and the Economy. These short-term increases have arisen from a variety of reasons outlined in the commentary at section 3 of this report.</p>

	<p>To put this rise between Quarter 3 and Quarter 4 into a wider perspective, spending on agency staff has fallen by 23.5% in the 12 months up to 31 March 2018 compared with the 12 months to March 2017; spending on consultants has fallen by 6% in the same period (see Appendix A fig 1 and 2).</p> <p>The cost of agency staff in the financial year 2017/18 (see Appendix A fig 3) has been £6.1m, which equates to 5.4% of the overall spend on direct employees. The cost of consultants has been £2.1m, equating to 1.9% of the overall spend on direct employees.</p> <p>Appendix A (figs 4 to 7) shows a summary of the spending and trend in the use of agency and consultancy workers and the areas of the business where agency workers and consultants are used. The commentary in the report highlights the key reasons for using this flexibility in different areas of the Council's business. The highest use of agency workers is in Children's Services, where there is a long-standing recruitment problem with Children's Social Work (reflecting a national shortage in this field), and in Dorset Waste Partnership where use of agency workers is part of the normal operating model. The highest area of consultancy use is within Adult and Community Services Directorate, where additional skills and capacity are providing support for the transformation work across commissioning and operations.</p> <p>Funding for agency workers or consultants comes from delegated staffing budgets, income, fees, grants or through funding allocated on an invest to save basis. The Chief Accountant ensures that budget monitoring information is made available regularly to enable monitoring of overall spend against available budgets. This enables all spend to be monitored and adjusted by the responsible budget holders.</p>
Impact Assessment:	<p>Equalities Impact Assessment: Not applicable.</p> <hr/> <p>Use of Evidence:</p> <p>Staffing and financial data extracted from DES for the period 1 January 2018 to 31 March 2018 (Quarter 4) and data for 2017/18.</p> <p>Agency spend information provided by Comensura.</p> <hr/> <p>Budget: Not applicable.</p> <hr/> <p>Risk Assessment: Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:</p> <p>Current Risk: LOW Residual Risk LOW</p>

	Other Implications: None
Recommendation	Staffing Committee is asked to note the report.
Reason for Recommendation	To ensure the Committee is kept apprised of changes in the number of staff employed by the County Council in the context of budget reductions and the Forward Together Programme, and to ensure there is full transparency about the Council's use of direct and non-direct staffing resources.
Appendices	A. Graphs and tables showing trends in expenditure on consultants and agency staff and usage in different areas of the business.
Background Papers	Not applicable.
Report Originator and Contact	Name: Sara Collinson, HR Business Partner Tel: 01305 221507 Email: s.collinson@dorsetcc.gov.uk

1. Introduction

- 1.1. The Council is maintaining a flexible approach to workforce resourcing, and uses a combination of resourcing models to meet its changing business needs.
- To 'buy in' short-term technical or specialist skills rather than directly employing staff with these skills, where it makes sense to do this. This is often more cost-effective than paying direct employment and/or termination costs. Often, funding for specific work is available through grants from the Government or other National or European organisations. The Council has a role in securing and administering grants and in commissioning work to ensure that the community benefits from available funding.
 - From time to time, specific skills are bought in to deliver expertise and capacity to deliver transformation and associated longer-term savings on an invest-to-save basis.
 - To cover short-term vacancies or absences in front-line areas, either to manage peaks in workload or, in some cases, where service and personnel changes are planned, as part of a strategy to reduce staff redundancies and to limit the associated costs of redundancy.
- 1.2 Detailed analysis of numbers of direct employees and spend on agency workers and consultants is kept under review by Directorate Management Teams.
- 1.3 Funding for agency workers or consultants comes from delegated staffing budgets, income, fees, grants or through funding allocated on an invest-to-save basis. The Chief Accountant ensures that budget monitoring information is made available regularly to enable overall spend against available budgets. This enables all spend to be monitored and adjusted by the responsible budget-holders.

2. Summary overview of data and commentary relating to numbers of directly employed staff and spend on agency workers and consultants

- 2.1 Overall spend on consultancy workers rose in Quarter 4 compared with Quarter 3 (see fig 3 in Appendix A). Over the longer term, however, there remains a 6% reduction in spend here in the 2017/18 financial year when compared to 2016/17.
- 2.2 Overall spend on agency workers rose in Quarter 4 compared to Quarter 3 (see fig 3 in Appendix A). However, there is a 23.5% reduction in the 2017/18 financial year when compared to 2016/17.
- 2.3 The number of directly employed staff (full time equivalents, or FTE) has fallen by 32.4 across the Council in the year up to 31 March 2018. During this period, there have been increases in directly employed staff in Dorset Waste Partnership (27 FTE) and Finance procurement (54 FTE – some staff were transferred from other Directorates). Reductions have been seen in Adult and Community Services (7.5 FTE), Organisational Development (43 FTE) and Environment and Economy (50 FTE).

3.0 Commentary from Directorates/Departments

3.1 Public Health

There has been minimal spend on agency or consultancy workers by Public Health in this financial year.

3.2 Adult and Community Services

In terms of headcount, Adult and Community services saw a minor fluctuation between Quarter 3 and Quarter 4. Over the financial year there has been a decrease in direct employees of around 7 FTE. This will reduce further following restructuring which took effect in April 2018.

During Quarter 4, the Directorate saw an increase in costs on agency assignments compared to Quarter 3. The number of active assignments increased from 31 in Quarter 3 to 35 in Quarter 4, with a noticeable increase for qualified social workers and occupational therapists (and with a minor reduction for business support assignments).

Roles undertaken by agency staff in quarter 4 have been:

- 1 Project Manager (temporary, unable to recruit)
- 27 Social and Health-care qualified (Locality and Hospital teams); the agency worker assignments are funded using the staffing base budget held by the recruiting manager, and some have been funded to support transformation work, e.g. to support additional assessment to enable outcomes-based commissioning approaches as well as to cover vacancies and sickness
- 7 Business Support assignments – reduced by 2 from the previous quarter most of these assignments are to support capacity gaps in the Brokerage and Financial Support teams

The use of agency workers in adult care front-line operational services is monitored and regularly reviewed. Activity to support recruitment continues through use of a dedicated micro-site, a new contract with the Guardian and Community Care. There have been features during May to promote working in Dorset, and there is a focus on retaining and developing our staff and 'growing our own' in the workforce plan (including looking forward to new national frameworks for apprenticeships in Social Work and Occupational Therapy planned for 2019).

The Directorate uses some bank staff for business support functions, rather than agency as they are cheaper, DBS-cleared and trained in the Directorate's policies and processes. There are currently 22 bank staff, and the scheme has supported centralised services at County Hall (Financial Assessment Team, Brokerage, MCA/DoLS team, Programme Office and the Service User Financial Affairs Team), Dorset History Centre, Local Offices and Hospitals. Further recruitment is planned during May and June, and the membership of the casual bank scheme is expected to continue to expand to approximately 28 individuals. The feedback from managers who routinely use the casual bank scheme is very positive, as they are often able to call upon skilled, experienced and knowledgeable resources very quickly and at a competitive rate. All bank work is funded from the base budget of the hosting team.

During the period 1 January to 31 March 2018, over 1,600 hours of support (approximately 217 working days) have been delivered through this scheme.

The total spend for consultancy by Adult and Community Services has reduced from Quarter 3 to Quarter 4. Consultancy spend has been focused on buying in skills and capacity required to support the transformation programme as well as some spend in Archives, specialist support for Trading Standards and Continuing Health Care Services.

3.3 Children's Services

The headcount for Quarter 4 2017-18 has reduced since Quarter 3 from 1110 as at 31 December 2017 to 1072 as at 31 March 2018. This includes a small number of both compulsory and voluntary redundancies. The highest proportion of leavers have been in Administrative roles.

Agency workers continue to be used in all parts of Children's Services. A small number of agency spend is budgeted for each year. However, the majority of agency spend still remains within Care & Protection. This is due to the continuing difficulty to recruit to some social worker posts. This is well-documented as being a national issue, especially with social workers in Children's Services. Dorset, along with most other authorities across the South-West, and further afield, has been affected by this. Children's Services continues to employ a number of agency social workers to meet safeguarding requirements.

In the last quarter, there has been an increase in agency spend of £205.87K. This is up from £564.28K in Quarter 3 to £770.15K in Quarter 4 2017-18. There continues to be a variable but significant number of vulnerable families that Children's Services are working with, the need for social workers to work with these families, and a continuingly difficult recruitment market. The sustained recruitment issues have meant that agency workers have, of necessity, remained part of the social work teams. As with other LAs, it remains difficult to recruit experienced (Level 2/3) social workers, despite our recent recruitment drive specifically focusing on trying to attract experienced staff. There has been some good interest in recent posts that have been advertised, and this is helping to reduce the number of agency workers needed in the short term. Care & Protection is also in the process of restructuring into two area teams; this is also expected to help with recruitment into social work positions.

The most recent data shows that there were 27 FTE agency social workers during March 2018. They are being used to cover vacancies, maternity leave, longer-term sickness and to help manage and reduce caseload numbers.

A range of strategies continue to be used to combat the continuing challenges with recruiting social workers. Children's Services is continuing to collaborate regionally with other upper-tier councils in the South-West, and to use the dedicated recruitment site for Social Workers for Adults and Children's Services which was set up in the last financial year. In addition to this, Children's Services have developed a 'grow your own' strategy whereby existing staff interested in becoming social workers can be supported in achieving the relevant qualifications.

Dorset is continuing to work with neighbouring colleagues in Bournemouth & Poole around training and development. Children's Services has also successfully secured a major bid from the Department for Education Innovation Fund called Reinvigorating Social Work. Some agency workers are being used to cover posts vacated as a result of staff becoming part of the Reinvigorating Social Work team. It is anticipated that this will help in improving retention of social workers and was launched in September 2018 with a number of cohorts currently going through the programme.

Agency workers are only sourced on a critical needs basis. For Children's Services, this includes ensuring adequate resources for safeguarding children and meeting statutory requirements. Budget is identified and monitored and agency requests and orders are subject to approval by the Assistant Director for Care & Protection. The use of agency workers and associated spend is regularly monitored by the Children's Services Leadership Team, and the Assistant Director approval extends to requests

for both new agency cover and the continuation and extension of existing assignments.

Children's Services consultancy costs have increased from £86.23K for Quarter 3 to £125.13K for Quarter 4 of 2017/18. This is an increase of £38.9K. However, this is in the context of an overall reduction of 23.5% in consultancy costs in the 2017/18 financial year compared to 2016/17.

The directorate had an Assistant Director vacancy. This post was being filled by a consultant and accounts for a significant part of the consultancy costs. A salaried appointment has now been successfully made into this post, and the previously associated consultancy costs have now ceased.

3.4 Chief Executive's Department

In terms of headcount, the Department saw a minor fluctuation between Quarter 3 and Quarter 4.

During Quarter 4, the Department saw an increase in costs on agency assignments compared to Quarter 3. The increase in agency spend in Q4 over Q3 is related to:

- A specific project covering Better Care Fund procurement activity where external support was sourced in the absence of available internal procurement resource due to timing of the project
- The set-up of the LGR programme office and the associated activity and staffing requirements
- A structural change resulted in a net effect of £28k being captured in Quarter 4 due to miscoding in Quarter 3.

Consultancy costs reduced between Quarter 3 and Quarter 4 costs include Adult and Community Services financial assessment work following transfer of this function into central finance. Other costs relate to a Council Tax review (costs shared between the District and County Councils) and election costs.

3.5 Environment and the Economy

In terms of headcount, the Directorate saw an increase in directly employed staff. However, there was a move of corporate development staff into the Directorate and without this there would have been an overall reduction.

During the period 1 January to 31 March 2018, the Directorate reduced spend on agency assignments to cover capacity gaps and workload peaks. There has been use of agency workers in Highways, Buildings and Construction, Dorset Travel and ICT.

Over the same period, consultancy spend increased in this area related to survey and review costs, data processing, specialist advice (e.g. from the Wildlife Trust), transport studies, and on administration of the concessionary travel scheme.

3.6 Dorset Waste Partnership

In the Dorset Waste Partnership, spend on agency staff increased between Quarter 3 and Quarter 4, but it continues to be below levels in Quarters 1 and 2, and amounts to a 36% reduction in spend in 2017/18 compared to 2016/17.

There has been a decrease in the number of directly employed staff in the service (7FTE) between Quarter 3 and Quarter 4.

Using agency workers is part of a funded resourcing model and this enables flexible capacity and provision of capacity for short-term or urgent cover for operational gaps including cover for leave, vacant positions and sickness.

4.0 Recommendation

- 4.1** Staffing Committee is asked to note the report. As was reported to the previous meeting of Staffing Committee, it represents an unusually strong performance that the County Council has proven itself able (a) to reduce the directly-employed staffing headcount, (b) reduce spending on agency workers and (c) reduce its spending on consultants, especially at a time when so much gathering effort is being channelled into preparations for Local Government Reorganisation.

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June 2018

Appendix 1

Fig. 1

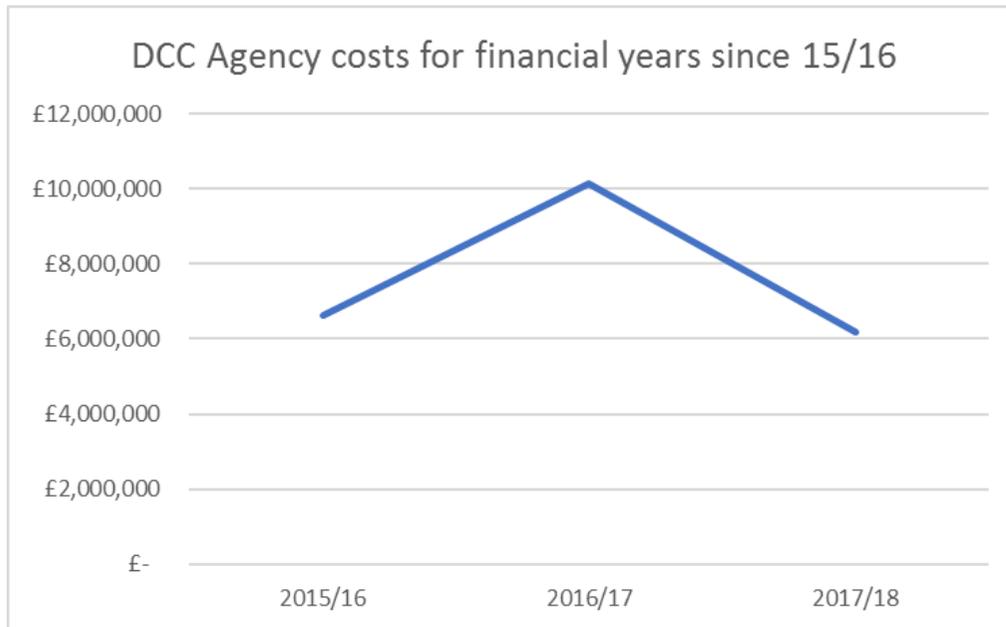


Fig. 2



Fig. 3

Q1 - 2017/18	Agency	Consultancy	Q2 - 2017/18	Agency	Consultancy
Adults & Community Services	£219,840	£95,840	Adults & Community Services	£263,460	£235,960
Chief Executives & Cabinet	£59,830	£24,520	Chief Executives & Cabinet	£67,070	£11,370
Children's Services (non-school)	£655,940	£81,380	Children's Services (non-school)	£599,420	£101,880
Environment & the Economy	£54,540	£83,430	Environment & the Economy	£75,510	£107,980
Dorset Waste Partnership	£518,970	£920	Dorset Waste Partnership	£552,470	£10
Public Health	£0	£0	Public Health	£0	£10,570
Total	£1,509,120	£286,090	Total	£1,557,930	£467,770

Q3 - 2017/18	Agency	Consultancy	Q4 - 2017/18	Agency	Consultancy
Adults & Community Services	£261,150	£366,330	Adults & Community Services	£402,610	£296,230
Chief Executives & Cabinet	£61,390	£178,990	Chief Executives & Cabinet	£162,980	£120,700
Children's Services (non-schs)	£564,280	£86,230	Children's Services (non-schs)	£770,150	£125,130
Environment & the Economy	£71,580	£41,580	Environment & the Economy	£59,800	£129,690
Dorset Waste Partnership	£333,350	£0	Dorset Waste Partnership	£441,310	£13,160
Public Health	£0	£23,010	Public Health	£1,010	-£15,980
Total	£1,291,750	£696,140	Total	£1,837,860	£668,940

Fig. 4

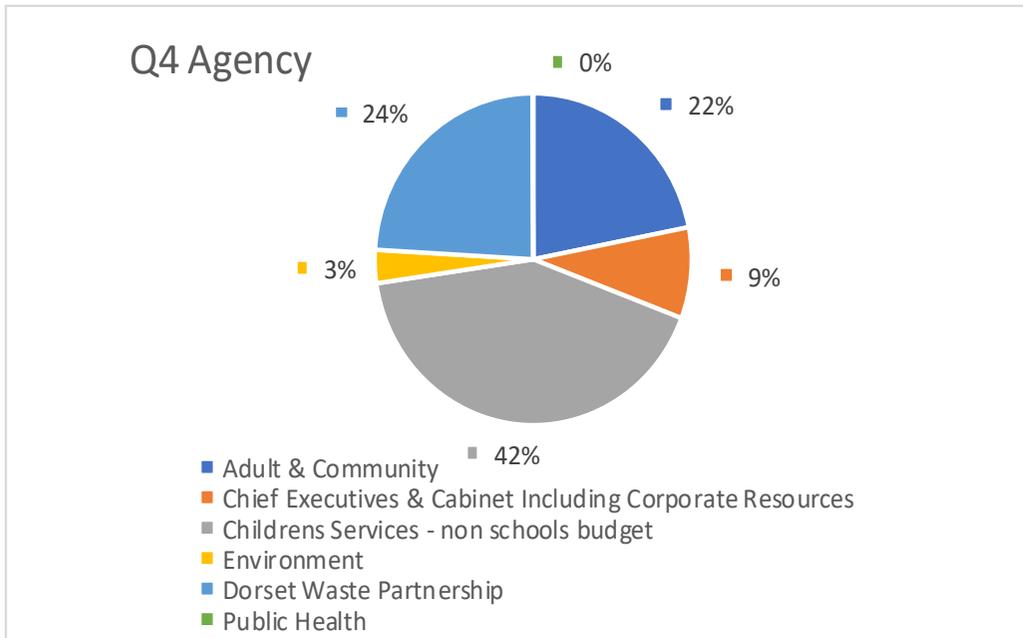


Fig. 5

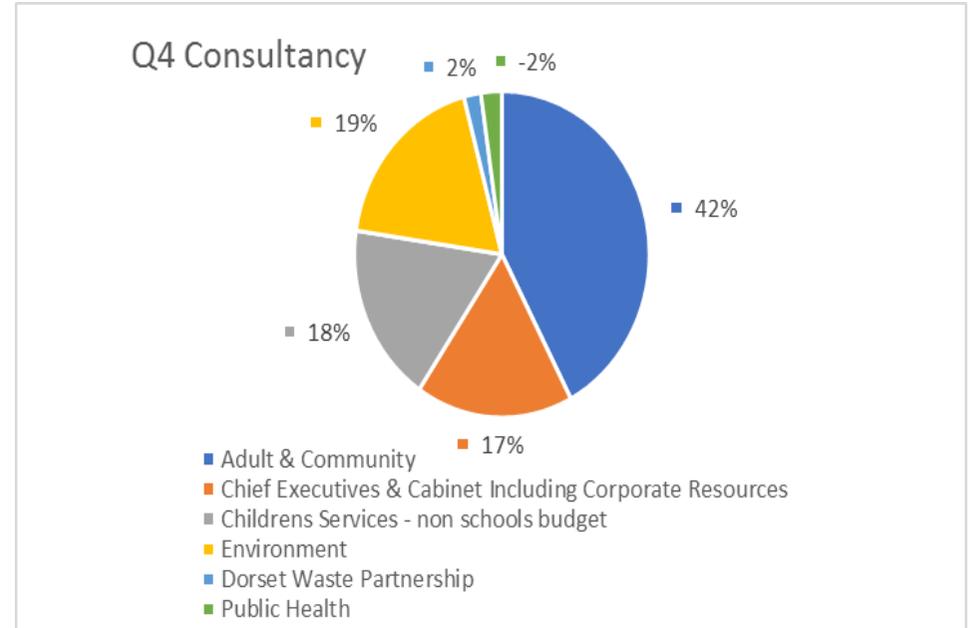


Fig. 6

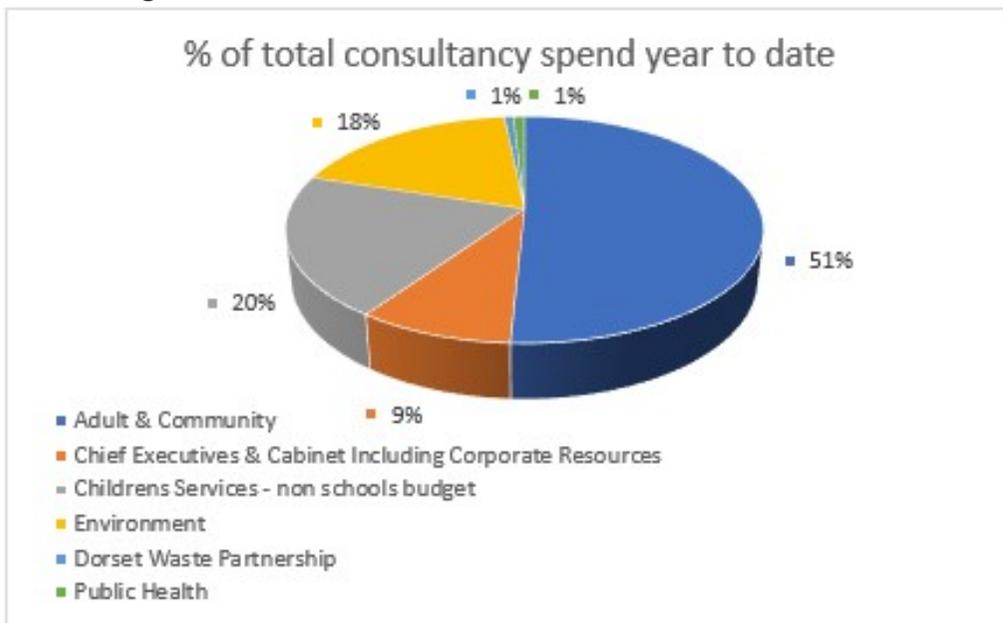


Fig. 7

