

Staffing Committee

Agenda Item:

Insert
Item
No.

Dorset County Council



Date of Meeting	22 November 2016
Officer	Chief Executive
Subject of Report	Head Count and FTE and Non-Directly Employed Workforce – Quarter 2 2016/17
Executive Summary	<p>The Council has a flexible approach to ensuring it has people with the right skills, in the right place at the right time to deliver services effectively. Operational needs are delivered using a combination of directly employed staff, casual workers, agency staff and specialist workers.</p> <p>Agency workers or external advisors (consultants) are used when there are work peaks or capacity issues, where there is a short term funded need or to provide specific expertise or skills which are not available within the directly employed workforce.</p> <p>The Council has seen a continuing reduction in directly employed staff with a reduction of 1,450.74 FTE (excluding schools) since June 2010. It should be noted that this reduction includes 743.5 FTE transferred to Tricuro in July 2015.</p> <p>As requested by Staffing Committee Appendix 1 shows infographics which illustrate headcount (full time equivalents) and spend on agency and consultancy workers within different Directorates over the past year (using Quarter 2 2015/16 as a comparator)</p> <p>Overall spend within the Council in Quarter 2 has been £2,09M on agency staff. The Council's annual spend on direct employees in 2015/16 was £105M (including on costs such as national</p>

	<p>insurance). Agency staff costs over the last full year represent around 6.61% of these annual direct staffing costs. The areas of greatest spend on agency staff remain in Dorset Waste Partnership and Children’s Services to meet operational needs and to cover vacancies.</p> <p>Spend in Quarter 2 consultancy fees has been £569.2K The areas of greatest spend in this area are within the Directorate for the Economy and Environment and the Chief Executives Department. However £186.5K of the spend in this area attributed to the Chief Executives Department this quarter is in relation to spend on behalf of all Dorset Local Authorities to support provided the local government reform programme. These costs are incurred on behalf of all Dorset Councils and are recovered by the County Council through grant funding in support of the programme of work. In the Directorate for Environment and the Economy much of the spend on external advisors is funded by income, fees or grants and relates to specific skills bought in to support capital project delivery or specialist expert advice.</p> <p>There has been an increase in agency spend in Quarter 2 when compared to Quarter 1 2016/17. In relation to consultancy, the net spend (excluding the spend on behalf of all Dorset authorities) has reduced since Quarter 1.</p>
Impact Assessment:	<p>Equalities Impact Assessment: Not applicable.</p> <p>Use of Evidence:</p> <p>Staffing and financial data extracted from DES for the period 1 July to 30 September 2016.</p> <p>Agency spend information provided by Comensura.</p> <p>Budget: Not applicable.</p> <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> <p>Other Implications: None</p>
Recommendation	<p>1. It is recommended that the Staffing Committee consider the headcount and FTE figures and overview of agency and consultancy spend for the period 1 July 2016 to 30 September 2016.</p>

	<ol style="list-style-type: none"> 2. Staffing Committee are asked to consider the infographics in Appendix 1 and confirm the information to be included in this format in future Staffing Committee reports 3. Staffing Committee is asked to consider the use of Headcount figures from the Managers Performance Dashboard for Quarter 3 onwards. (The Manager Performance Dashboard will be demonstrated at Staffing Committee)
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 staff resources.
Appendices	<ol style="list-style-type: none"> 1. Infographics showing numbers of Headcount (FTE) and costs of agency and consultancy workers within Directorates over the last 12 months (and trends compared with Quarter 2 2015/16) 2. Head Count and FTE Figures 30 June 2016 to 30 September 2016 3. Summary of Agency and Consultancy Spend by Directorate since Quarter 1, 2013/14 up to Quarter 2, 2016/17
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 and Background

- 1.1. The Council has a flexible approach to people resourcing and uses a combination of resourcing models to meet business needs.
- 1.2. Continuing reductions in the Council's directly employed workforce and a need to work differently, prepare for and implement change has an impact on the council's spend on agency and consultancy workers who may be engaged for a number of reasons including;
 - To 'buy in' short term technical or specialist skills rather than directly employing staff with these skills. 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.
 - 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 a part of a strategy to reduce staff redundancies and to limit the associated costs of redundancy.
- 1.3 Detailed Headcount and FTE figures are currently produced on a quarterly basis by Human Resources- Systems Team (See Appendix 2). It is proposed to demonstrate the Manager Performance Dashboard at November Staffing Committee from which these figures could be reported in future to save time and resources.

2. Analysis of the Trend Data for Headcount, FTE and Agency and Consultancy Spend

- 2.1 Appendix 1 shows directly employed staff numbers (FTE) across the Council and the costs of agency and consultancy workers from Quarter 2 2015/16 to Quarter 2 2016/17.
- 2.2 Appendix 2 shows the Headcount and full time equivalent figures of directly employed staff for Quarter 2 compared to Quarter 1 2016/17. This shows a reduction in directly employed headcount in all areas except for the Directorate for Environment and the Economy which has seen a small increase in directly employed staff in the quarter. This is due to a decision to increase directly employed skilled Road Workers to deliver capital funded projects in the most efficient and cost effective way.
- 2.3 Since 2010, the County Council's FTE (Full time equivalent) count has reduced by 1,450,74 FTE (excluding schools). It should be noted that this reduction includes 743.5 FTE transferred to Tricuro in July 2015.
- 2.4 Appendix 3 shows an increase in agency costs across all Directorates since Quarter 1. Overall spend within the Council on agency staff in Quarter 2 was £2,09M. The Directorate commentary in paragraphs 3 to 8 shows that this has been to cover vacancies and to provide temporary resources to cover sickness, to deliver specific project work or to avoid redundancies and the associated costs by temporarily covering vacancies in areas which are being restructured
- 2.5 Appendix 3 also shows an increase in consultancy costs overall in Quarter 2

compared to Quarter 1. Spend in Quarter 2 on external advisors has been £569.2K. This rise between quarters is predominantly due to a significant increase in spend on external advisors in the Chief Executives Department. The commentary shows that this is due to the support being provided to the local government reform programme. These costs of £186.5K are incurred on behalf of all Dorset Councils and are recovered by the County Council through grant funding in support of this programme of work. In the Directorate for Environment and the Economy spending is related to project delivery or specialist advice. Examples are in respect of studies on surface water management, strategic routing and cross boundary studies, topographical studies and support to projects such as the Weymouth Town Centre Masterplan and Western Growth Corridor Partnership.

- 2.6 The Council's annual spend on Staffing in 2015/16 was £105M (including on costs E.g. national insurance). Spending on agency from Quarter 2 over the past full year represents 6.61% of these annual staffing costs. The areas of greatest spend within the Council remain in Dorset Waste Partnership (DWP) and Children's Services. Agency costs in DWP are incurred to meet operational needs arising through vacancies and staff absence for leave and sickness. In Children's Services the commentary explains that agency workers are being used predominantly in Children's Social Work where there are a large number of vacancies and to cover staff absence. The commentary describes the work underway to respond to national recruitment difficulties in this area.

Headcount & FTE Figures, Agency and Consultancy Spend, Quarter 1 2016/17 Directorate Summary

3. Public Health

- 3.1 Public Health is a merged service, hosted by the County Council on behalf of the three local authorities - Bournemouth, Poole and Dorset.
- 3.2 Quarter 2 shows a minor fluctuation in headcount. The increase in spend within public health on agency staff reflects the employment of an agency worker to lead on the development of public health data and intelligence using ring fenced resources for this purpose. Spend on consultancy work reflects the use of short term and temporary specialist skills and capacity where required to deliver agreed work plans and projects.

4. Adult and Community Services Directorate

- 4.1 Quarter 1 shows a slight decrease in headcount overall which reflects the active management of vacancies following significant restructuring in adult care services.
- 4.2 There has been an increase in overall spend on agency staff compared to Quarter 2. Agency staff have been used from April through to the end of October to cover temporary Social Work vacancies in locality and hospital teams (planned spend to provide short term capacity during the transition to a new structure). Agency workers have also been used to provide operational cover where there are hard to fill front line posts pending recruitment. Examples of hard to recruit posts are Social Worker, Area Practice Manager, and Continuing Health Care Advisor (to manage funding decisions for service users with both health and social care needs). Agency staff have also been used to cover front line critical business support roles (local social care team based Case Support Co-ordinator roles) pending recruitment.

The Directorate also has some agency placements in senior leadership and commissioning roles, to lead strategic commissioning for Support at Home, Residential and Nursing Care Home services, Reablement Services, Prevention and Community Development work and oversight for the Better Care Fund. These placements are funded by not filling permanent vacancies. The decision not to recruit permanently into these roles ensures we have the right skills for the current work priorities whilst retaining flexibility as staffing structures are reviewed as part of local government reorganisation and whilst work continues to deliver a more integrated health and social care system.

There has been an increase in external advisor costs to £20.2K for the quarter. £10k of this is in relation to a sports project funded from the Olympic Legacy fund managed by the Health & Wellbeing Boards. Other spend relates to the use of temporary specialist expertise in Trading standards including the use of expert witnesses as part of case prosecutions.

5. Chief Executives Department

5.1 The number of FTE employed by the Department has decreased since Quarter 2. Agency spend has increased slightly since last quarter to cover operationally important vacancies pending restructuring, recruitment and maternity leave and to support the smarter computing project which enables staff to use technology to support greater work efficiencies.

5.2 Spend on consultancy fees is significantly higher than Quarter 1 at £261,000. This increase is due to the support being provided to the local government reform programme. These costs of £186.5K are incurred on behalf of all Dorset Councils and are recovered by the County Council through grant funding in support of the programme of work. Other spend includes external advisor support to a whole council Outcomes Based Accountability programme and Joint Scrutiny review.

6. Directorate for Environment and the Economy

6.1 Quarter 2 shows an increase in headcount (FTE) Quarter 1 This is due to a decision to increase directly employed skilled Road Workers in order to deliver capital funded projects in the most efficient and cost effective way.

6.2 An increase in Agency spend relates to support for the new Dorset Travel IT system and to the need to cover peaks in workload in operationally vital services such as Special Educational Needs Transport. Specialist agency staff are also used in buildings and construction where there are sometimes project related peaks in demand for specialist skills and more capacity is needed or where there is difficulty in recruiting to specialist engineering roles. Many of these costs are offset by fees and income.

6.3 Spend on external advisors has been in relation to specific expert advice. Examples are in respect of studies on surface water management, strategic routing and cross boundary studies, topographical studies and consultancy to support projects such as the Weymouth Town Centre Masterplan and Western Growth Corridor Partnership.

7. Children's Services

7.1 The number of directly employed staff has decreased in Quarter 2 compared to Quarter 1 from 1364 to 1115. This is largely due to the restructuring of services which came into effect on 1 September 2016. Spend on agency staff has increased

by 45% compared to Quarter 1 and spend on consultancy has fallen by 13% over the same period.

- 7.2 Agency staff continue to be used in all parts of Children's Services. A small amount of agency spend is budgeted for each year. The majority of agency spend still remains within family support, now called Care & Protection. This is due to the on-going difficulty to recruit to some social worker posts. This continues to be a national issue and Dorset, along with other authorities, has been affected. Children's Services continues to employ a number of agency social workers to meet safeguarding requirements.
- 7.3 In the last quarter there has been an increase in agency spend of £294.3K to £938.5K for Quarter 2. There continues to be a significant number of vulnerable families that Children's Services are working with and a need for social workers to work with these families. The on-going difficult recruitment market issues have meant that agency workers have remained part of the social work teams.
- 7.4 At the end of September there were 45 agency workers engaged by the Children's Field Social Worker team. They are being used to cover vacancies, maternity leave, longer term sickness and to help manage and reduce caseload numbers.
- 7.5 A new Family Support delivery model was implemented on 1 September 2016; the service is now called Care and Protection. A number of recruitment phases were used to recruit to the new structure and it was anticipated that there would be some vacancies left at the end of the process. This has proved the case now that the new structure is in place and explains the rise in agency staff in order to cover the remaining vacancies.
- 7.6 A range of strategies continue to be used to combat the on-going challenges with recruiting social workers. Children's Services is continuing to use the dedicated recruitment site for Social Workers for Adults and Children's Services which was set up earlier in the year. In addition to this, Children's Services are participating in the first Department for Education's Step Up to Social Work campaign which fast tracks the development of qualified social workers. Work is continuing on the development of a Pan-Dorset Health & Social Work and Health Care Academy with Bournemouth & Poole to help develop further social workers. Children's Services has also had a presence at key events to promote working and living in Dorset such as the recent Community Care Roadshow in London This has led to one confirmed application and several leads which are still being followed up. An open day was held for potential candidates during the last week of October with 15 attendees including step up students from Bournemouth University.
- 7.7 Agency staff 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 senior managers.
- 7.8 The use of agency staff and agency spend is regularly monitored by the Children's Services Leadership Team.
- 7.9 Consultancy costs have decreased as expected by £12.2k in the previous quarter for Children's Services to £81.4K for quarter 2.
- 7.10 The Directorate's key change management programme continues to be Forward Together for Children and it is this programme which is supported by consultants.

The level of spend is expected to reduce further as we move through the 2016-17 financial year as the phase of the Forward Together for Children that required consultancy support comes to an end. The programme is now working on multiple work streams. This continues to be very much on an 'invest to save' basis. The programme is aimed at improving practice whilst realising efficiencies; to achieve this it is necessary to get an external view and the consultants continue have a role in helping to drive the programme forward. This includes adopting an outcomes based approach focussing on the best outcomes for children and young people which is now being rolled out across the directorate and the council as a whole.

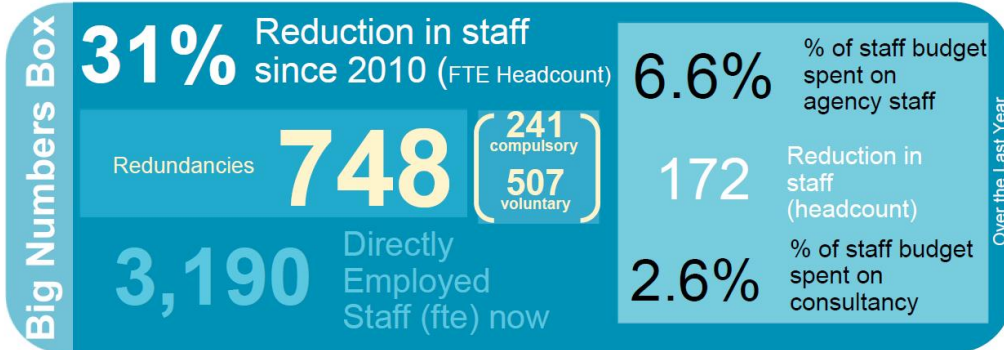
8. Dorset Waste Partnership

- 8.1 There has been a slight decrease in directly employed staff between Quarter 2 and Quarter 1. Agency spend has increased by 10.8% compared to Quarter 1 due to an increased need to cover operational vacancies and absence including sickness absence. There has been a significant decrease in spend on external advisors within the Partnership.
- 8.2 Agency staff in DWP cover posts deliberately held vacant as the service reorganisations settle down and efficiencies of operation are realised. Some spend is to cover holiday and sickness absence. Whilst there are benefits in maintaining a permanent establishment, calculations show that the costs of an agency operative are no more than the direct cost of employing an operative in this area.
- 8.3 Along with Children's services DWP has the highest spend on agency staff in the Council. The services DWP run are labour intensive, and there is a need to ensure adequate numbers of skilled front line staff are available every day to run the service.

Debbie Ward
Chief Executive

November 2016

DCC Staffing SNAPSHOT



Spent on direct employees, agency staff and consultancy over the last year

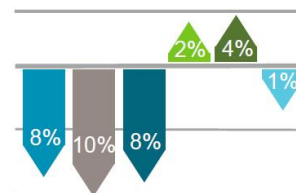


Source: 2015/16 for direct employees Agency and Consultancy Q3 & Q4 2015 and Q1 & Q2 2016.



Source: Headcount Q2 2016/17 by directorate.

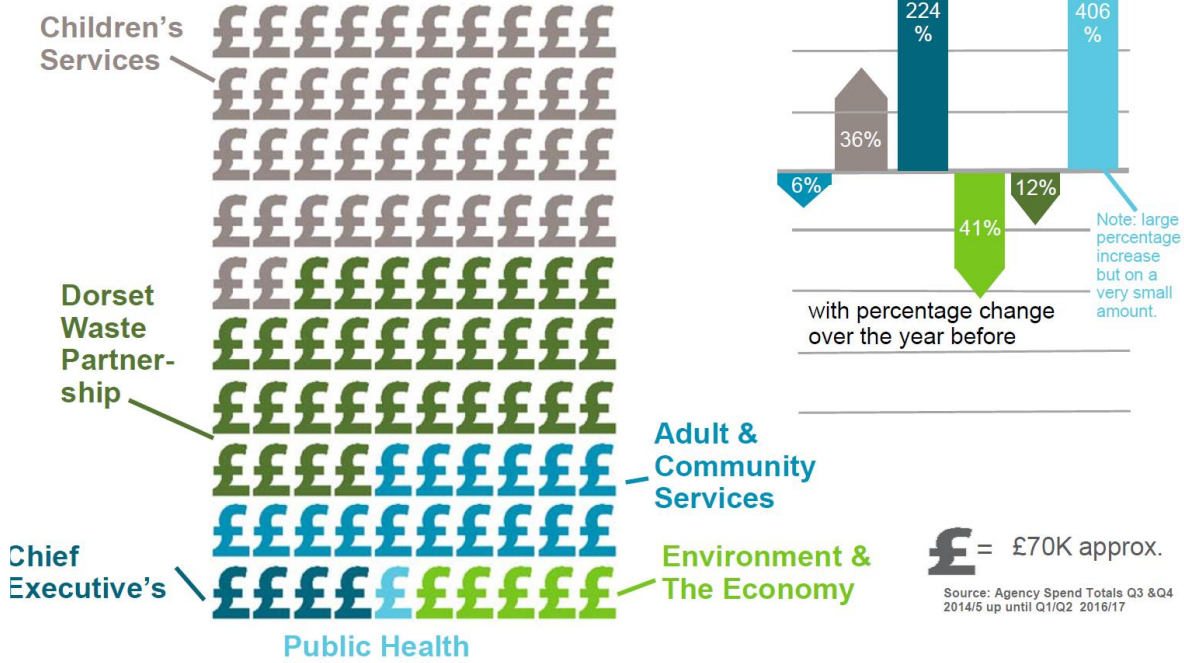
Numbers of Directly Employed Staff by Directorate (fte's)



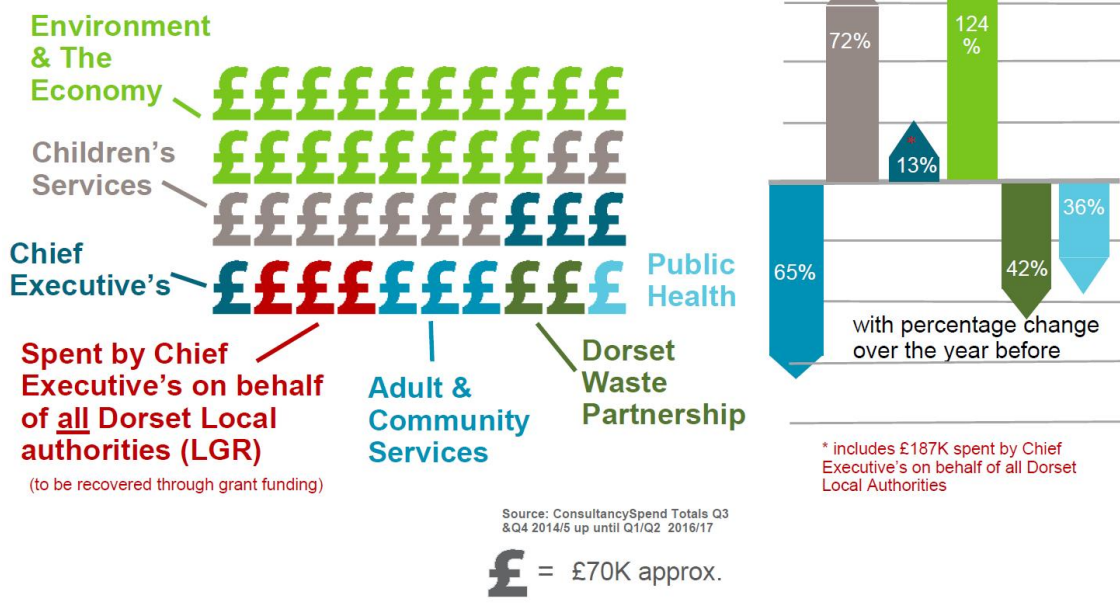
with percentage change over the last year

Source: Headcount Q2 2016/17 compared to Q2 2015/16 by directorate. (rounded)

Current **AGENCY** spend over the last year—by directorate
£6.9 Million



Current **CONSULTANCY** spend over the last year—by directorate
£2.7 Million



Appendix 2

DCC - Monthly Figures Headcount & FTE - Q2 2016/17

Figures exclude elected members, casual workers, contractors, agency and freelance workers.

Directorate	Service	30 Jun 2016		31 Jul 2016		31 Aug 2016		30 Sep 2016	
		Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
Adult & Community Services	Adult & Community Services Management Team	2	2.00	1	1.00	1	1.00	1	1.00
	Adult Care	424	357.92	427	358.76	441	372.43	439	368.15
	Early Help & Community Services	365	166.75	364	168.06	421	219.96	414	218.74
	Partnerships and Performance	160	141.18	156	135.46	0	0.00	0	0.00
	Business Development and Performance	0	0.00	0	0.00	36	27.09	39	30.09
	Care Act Programme	0	0.00	0	0.00	0	0.00	5	5.00
	Commissioning - Adult Care and Carers	0	0.00	0	0.00	10	10.00	9	9.00
	Commissioning - LD, MH, Housing & Prevention	0	0.00	0	0.00	6	5.43	6	5.43
	Safeguarding and Quality	0	0.00	0	0.00	36	30.28	34	28.44
Adult & Community Services Total		950	666.85	948	663.28	951	666.19	947	665.85
Children's Services	Children's Services Director and PA	1	1.00	1	1.00	1	1.00	1	1.00
	Learning & Inclusion	447	322.68	446	321.69	447	319.61	0	0.00
	Strategy, Partnerships & Performance	310	234.65	309	236.76	306	234.54	0	0.00
	Family Support	593	327	582	316	568	305	0	0.00
	Care and Protection	0	0	0	0	0	0	491	343.82
	Design & Development	0	0	0	0	0	0	209	155.04
	Partnerships & Prevention	0	0	0	0	0	0	414	321.75
Children's Services Total		1,351	885.24	1,338	875.01	1,322	859.77	1,115	821.61
Chief Executive's Department	Chief Executive's Management Team	4	3.76	4	3.76	4	3.76	3	2.76
	Emergency Planning	4	4.00	4	4.00	4	4.00	4	4.00
	Financial Services	120	104.52	115	99.59	115	99.83	114	98.83
	Human Resources & Organisational Development	132	109.57	132	108.95	130	107.95	131	109.35
	ICT and Customer Services	226	208.11	219	201.36	220	202.26	221	204.66
	Legal & Democratic Services	47	42.22	47	42.22	46	41.34	45	40.74
	Corporate Development	81	71.92	79	69.92	78	68.92	79	69.97
Chief Executive's Department Total		614	544.10	600	529.80	597	528.06	597	530.31
Environment & the Economy	Environment & the Economy Services Management Team	2	2.00	2	2.00	2	2.00	2	2.00
	Business Change	4	3.09	5	4.09	5	4.09	5	4.09
	Economy	494	292.60	490	289.63	489	289.87	488	290.71
	Environment	228	209.62	225	206.76	226	207.76	230	211.33
	Highways	275	268.32	282	274.97	278	270.97	284	277.97
Environment & the Economy Total		1,003	775.63	1,004	777.45	1,000	774.69	1,009	786.10
DCC TOTAL (Excluding Dorset Waste Partnership & Public Health)		3,918	2,871.82	3,890	2,845.54	3,870	2,829	3,668	2,804
Dorset Waste Partnership*		373	366.09	365	358.09	361	354.14	360	353.19
Public Health*		40	35.44	41	36.44	40	35.44	40	35.57
DCC TOTAL (Including Dorset Waste Partnership & Public Health)		4,331	3,273.35	4,296	3,240.07	4,271	3,218	4,068	3,193

*Support capacity for the Dorset Waste Partnership & Public Health in areas such as HR/Payroll appears on the main service establishments.
Further information regarding changes to headcount and FTE figures can be found in the 'Commentary' worksheet.

Schools - Teaching	2,207	1,872.70	2,200	1,864.58	2,199	1,863.78	2,191	1,869.04
Schools - Support	4,311	1,830.76	4,151	1,776.67	4,129	1,771.38	4,254	1,825.45
SCHOOLS TOTAL	6,518	3,703.46	6,351	3,641.25	6,328	3,635.16	6,445	3,694.49
DCC & SCHOOLS TOTAL	10,849	6,976.81	10,647	6,881.32	10,599	6,853.45	10,513	6,887

Appendix 3

Directorate	Consultancy										Agency									
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	2014/15	2014/15	2014-15	2014-15	2015-16	2015-16	2015-16	2015-16	2016-17	2016-17	2014-15	2014-15	2014-15	2014-15	2015-16	2015-16	2015-16	2015-16	2016-17	2016-17
	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k	£k
Adult & Community	11.7	99.1	89.3	147.1	150.4	208.2	91.2	98.4	0.6	20.2	185.50	268.9	289.5	367.9	273.8	226.1	189.8	309.2	264.2	325.9
Chief Executives & Cabinet Including Corporate Resources	57.6	67.4	132.7	125.1	11.9	96.6	241.3	53.6	73.8	261.5	21.80	15.5	28.5	32.4	15.5	26.7	63.6	95.3	40.2	67.7
Childrens Services - non schools budget	68	94.8	106.1	162.8	89.2	54.6	100.5	192.1	93.6	81.4	56.30	279.4	344.6	592.8	522.5	713.2	597.1	794.2	644.2	938.5
Environment	61.3	309.6	108.4	142.0	57.1	239.3	142.1	612.3	279.5	192.3	144.60	170.9	170.4	157.2	106.2	143.0	86.2	57.7	89.4	106.6
Sub total	198.6	570.9	436.5	577.0	308.6	598.7	575.1	956.4	447.5	555.4	408.20	734.7	833.0	1,150.3	918.0	1,109.0	936.6	1,256.5	1,038.0	1,438.7
Dorset Waste Partnership	41.6	34.5	39.4	83.1	67.0	17.6	52.5	55.3	8.5	4.8	631.30	814.2	646.7	568.8	582.4	752.4	481.5	574.5	563.6	624.5
Public Health	0	58.8	40.9	26.4	2.3	31.7	14.4	12.1	29.4	9.0	0.00	0.0	0.0	0.0	5.8	0.0	0.0	1.8	1.0	27.6
Total	240.2	664.2	516.8	686.5	377.9	648.0	642.0	1,023.8	485.4	569.2	1039.50	1,548.9	1,479.7	1,719.1	1,506.2	1,861.4	1,418.1	1,832.7	1,602.6	2,090.8