

Staffing Committee

Dorset County Council



Date of Meeting	29 January 2018
Officer	Head of Organisational Development
Subject of Report	Head Count and FTE and Non-Directly Employed Workforce – Quarter 2 2017/18
Executive Summary	<p>The Council has a flexible model for resourcing a workforce to deliver business as usual, service development, project and transformation work. The Council uses a combination of directly employed staff, casual workers, agency staff 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 2 2017/18 (30 September 2017).</p> <p>The Council has seen a small reduction in directly employed staff overall between October 2016 and September 2017 (10 FTE).</p> <p>Spending on consultants has fallen by 4% in the 12 months up to 30 September 2017 compared with the same period in the previous year. (See fig 1 in Appendix A).</p> <p>Spending on agency staff has increased by 37% in the 12 months up to 30 September 2017 compared with the same period in the previous year. (See fig 1 in Appendix A).</p> <p>If we consider trends in relation to spending in these areas comparing Quarters 1 and 2 across three years the trend is that spending on agency staff rose between 2015/16 and 2016/17 by 9.5% and fell by 17% in Quarters 1 and 2 2017/18 compared with the same period in 2016/17 (see fig 2 in Appendix A)</p>

	<p>Looking at trends over the same period in relation to spend on consultants, it appears that spend increased by 2.8% between 2015/16 and 2016/17 and fell by 28.5% in Quarters 1 and 2 2017/18 compared with the same period in 2016/17 (See fig 3 in Appendix A).</p> <p>The cost of agency staff in Quarter 1 and Quarter 2 (see fig 4 in Appendix A) has been £3.06M which equates to 5.6% of the overall spend on direct employees. The cost of consultants has been £754K which equates to 1.4% of the overall spend on direct employees. A request has been made to other authorities in the South West for comparable data in order that we can benchmark with similar employers. If this data becomes available in time it will be verbally reported at the meeting.</p> <p>Appendix A shows a summary of the spend and trend in terms of use of agency and consultancy staff and the areas of the business where agency staff 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.</p> <p>Funding for agency staff or consultants comes from delegated staffing budgets, income, fees, grants or through funding allocated on an invest to save basis.</p> <p>The Chief Accountant will attend Staffing Committee to discuss the ongoing monitoring of budgets in relation to workforce resourcing and the arrangements for further reporting to the Committee in this area.</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 2017 to 30 September 2017 (Quarter 2) and data for 2014 to 2018.</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	Staffing Committee are asked to note the report and to confirm requirements for ongoing information and data presentation on workforce resourcing.
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 staff 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 has a flexible approach to workforce resourcing and uses a combination of resourcing models to meet business needs.
 - 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.
 - 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 staff and consultants is kept under review by Directorate Management Teams.
- 1.3 Funding for agency staff or consultants comes from delegated staffing budgets, income, fees, grants or through funding allocated on an invest to save basis.
- 1.4 The Chief Accountant will attend Staffing Committee to discuss the ongoing monitoring of budgets in relation to workforce resourcing and the arrangements for further reporting to the Committee in this area.

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

- 2.1. Overall spend on consultancy staff is up in Quarter 2 compared with Quarter 1: £286.09k rising to £467.7k (see fig 4 in Appendix A). However, there is a 18% reduction in spend in this area when compared to Quarter 2 2016/17 and a 28% reduction compared to the same period in 2015/16.
- 2.2. Overall spend on agency staff rose in Quarter 2 compared to Quarter 1 i.e. £1.509M to £1.557M (see fig 4 in Appendix A). Looking back at previous data, this is a 25.5% reduction in agency spend compared to the same time last year.
- 2.3. The number of directly employed staff (full time equivalents/FTE) has fallen by 10 FTE across the Council in the year up to September 2017. During this period, there have been increases in directly employed staff in Dorset Waste Partnership (27 FTE) and Children's Services (24 FTE); there have been campaigns in these areas to recruit directly employed staff. Reductions in directly employed staff have taken place in Environment and Economy (42 FTE), Adult and Community Services (16 FTE) and Chief Executive's Department (2 FTE).
- 2.4. The table in Appendix A (fig 4) and figs 5-8 show the variance in spend across different Directorates and the following sections provide commentary on the reasons for spending in these areas

2.5. **Public Health**

There has been no spend on agency staff by Public Health in this financial year and only minimal spend on consultants in this period (£10k).

2.6. **Adult and Community Services**

In Adult and Community Services there has been an increase from £96k to £236k in consultancy spend between Quarter 1 and Quarter 2 in 2017/18. This is reflective of the need to source skills externally to deliver the changes required for the Forward Together Delivery Programme (FTDP). This includes the engagement of the Transformation lead. Some of the funding for this consultancy spend comes from vacancies and other funding comes from the Transformation fund or from joint monies pooled to achieve system changes to support delivery of the Sustainable Transformation Plan (STP).

In Adult and Communities, spend on agency staff has increased to £263,460 in Quarter 2. Some of these costs are associated with the engagement of Project Management Support for the Transformation Programme (following failure to recruit directly). Agency costs are also associated with engaging professional social work staff in front line Social Work Teams. In November 2017, Cabinet agreed to the recruitment of more front line Social Work posts funded through better care fund monies to support front line teams and priorities such as hospital discharges. Whilst there are ongoing, active recruitment campaigns, there is a need to support front line teams which have ongoing 'hard-to-fill' vacancies and sickness to deliver services effectively to vulnerable adults who require assessment and support. In business support roles, the directorate continues to recruit to and use a bank of trained administrative casual staff to reduce reliance on agency staff where possible.

2.6 **Children's Services**

In Children's Services, agency spend has reduced by £56K from Quarter 1 to Quarter 2; spend was £599.4K for Quarter 2 (38.5% of total spend on agency staff by the Council in this period). The reduction in agency spend is reflective of some success in recruitment. To combat the continuous challenge of recruiting Social Workers, in the last financial year, a dedicated recruitment site for these roles both within Children's Services and Adult and Community Services was set up; Children's Services continues to participate in the Department for Education's Step Up to Social Work campaign, which fast tracks the development of qualified social workers.

Vulnerable families in Dorset require Social Work intervention and we need to ensure safeguarding requirements are met. The difficult recruitment market means the need for agency workers remains strong. Additional measures to reduce this are being looked at through various means, including a Key Skills Retention Bonus proposal. Dorset continues to struggle in recruiting experienced social workers. This impacts on the case-loads of more experienced members of the team. Current recruitment campaigns and the interest generated show a positive trend in the continued reduction of spend on agency staff.

Additional cover is also required to fill vacancies that have originated from implementing a development programme funded through a Department for Education Innovation Fund called Reinvigorating Social Work; the aim of which is to improve the practice and retention of Social Workers by ensuring an outcome based approach which focuses on achieving the best outcomes for children and young people. The

first cohort is currently going through the programme having started in September 2017.

Dorset is continuing to work with neighbouring colleagues as part of the 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 and there are plans to attend further events such as career fairs at universities.

The use of agency staff and agency 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.

Spend on consultants in Children's Services in the same period rose from £81K to £101k due to the need to bring in skills and capacity including the engagement of a consultant to run the Reinvigorating Social Work programme.

2.7 Chief Executive's Department

Within the Chief Executive's Department, spend on agency staff was similar in Quarter 1 and Quarter 2 at £67k. Spend on consultants in this area in Quarter 2 was £11.5k, a reduction of 96% when compared to Quarter 2 of 2016/17.

2.8 Environment and the Economy

In Environment and the Economy spend on agency staff was £75.5k in Quarter 2, this indicates a 29.1% reduction in spend compared to Quarter 2 2016/17. Agency workers have been used to provide capacity for new projects as well as providing cover for vacancies within the Directorate. Spend on Consultants in Quarter 2 was £107.9k. There has been a 44% reduction in spend in this area compared to Quarter 2 2016/17. Consultancy costs relate to areas such as legal costs to support a public enquiry, specialist modelling and mapping, Dorchester BID and integrated transport planning.

2.9 Dorset Waste Partnership

In the Dorset Waste Partnership, spend on agency staff was £552.5k in Quarter 2 which equates to 35% of the overall agency spend. Using agency staff 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.

3.0 Recommendation

- 3.1 Staffing Committee are asked to note the report and to confirm their requirements for ongoing information and data presentation in this area.

Jonathan Mair
Head of Organisational Development
January 2018

Appendix A

Figure 1 Total spend for agency and consultancy staff since October 2014

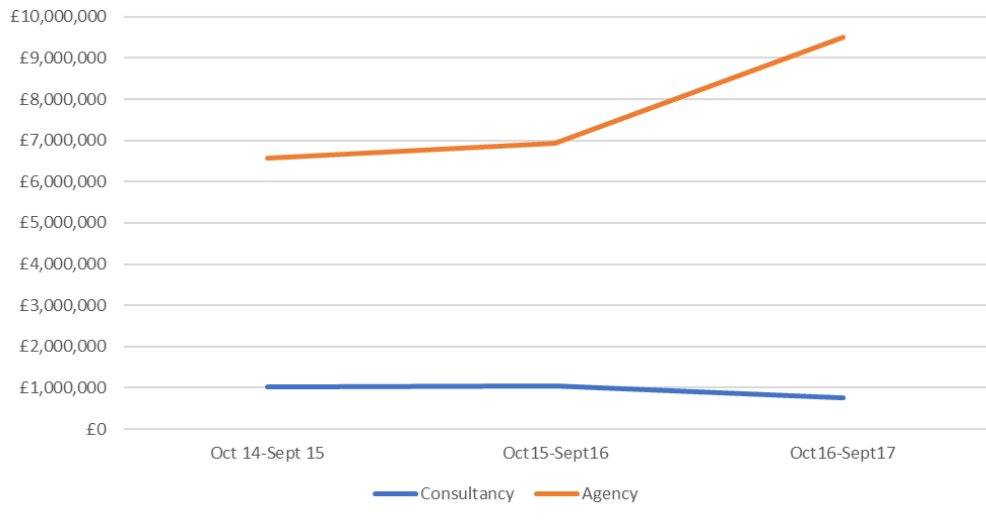


Figure 2 DCC Agency costs for Q1+Q2 since 15/16

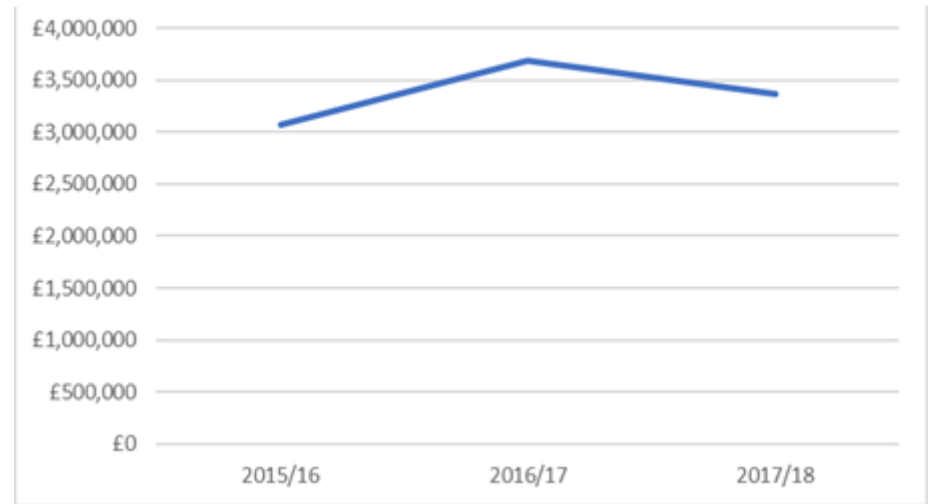
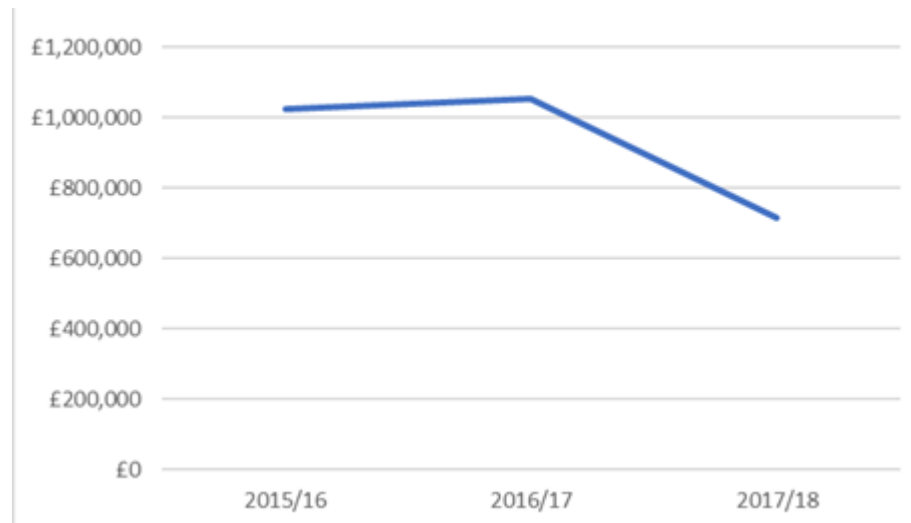


Figure 3 DCC Consultancy costs for Q1+Q2 since 15/16



Quarter 2 split of spend by Directorate on Non-Directly Employed Workforce

Figure 4

Q1 - 2017/18	Agency	Consultancy
Adults & Community Services	£219,840	£95,840
Chief Executives & Cabinet	£59,830	£24,520
Children's Services (non-schools)	£655,940	£81,380
Environment & the Economy	£54,540	£83,430
Dorset Waste Partnership	£518,970	£920
Public Health	£0	£0
Total	£1,509,120	£286,090

Q2 - 2017/18	Agency	Consultancy
Adults & Community Services	£263,460	£235,960
Chief Executives & Cabinet	£67,070	£11,370
Children's Services (non-schools)	£599,420	£101,880
Environment & the Economy	£75,510	£107,980
Dorset Waste Partnership	£552,470	£10
Public Health	£0	£10,570
Total	£1,557,930	£467,770

Figure 5

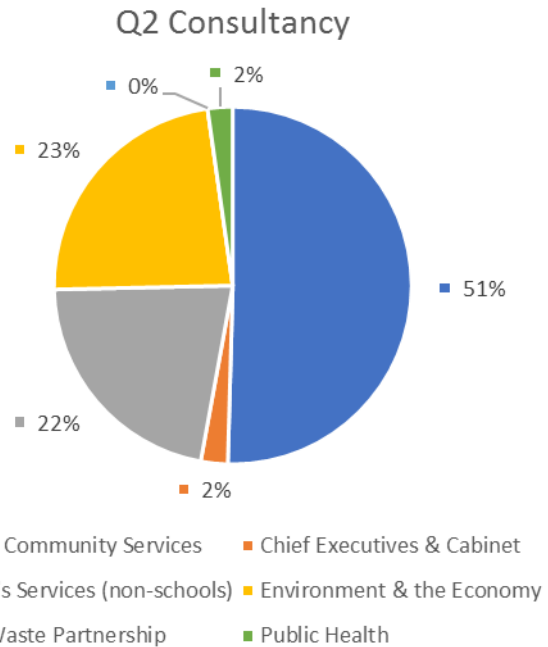


Figure 6

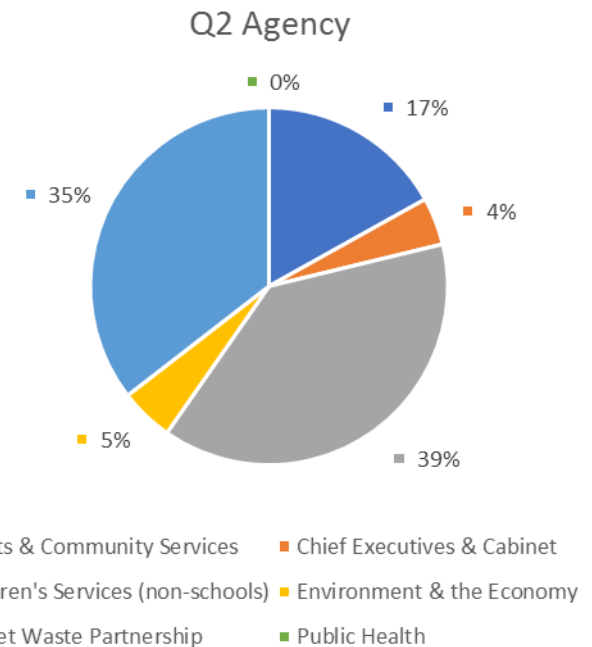
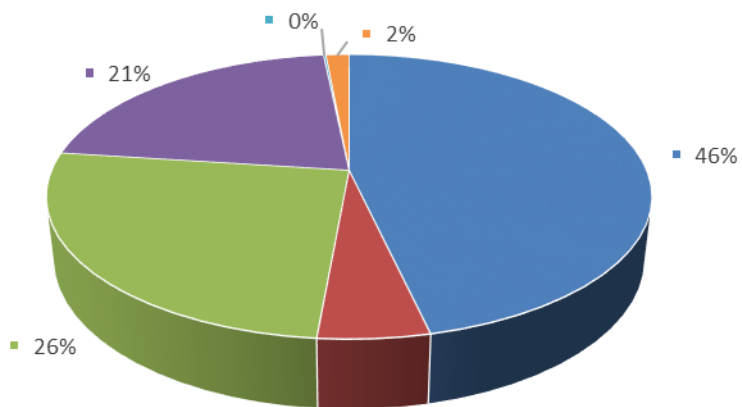


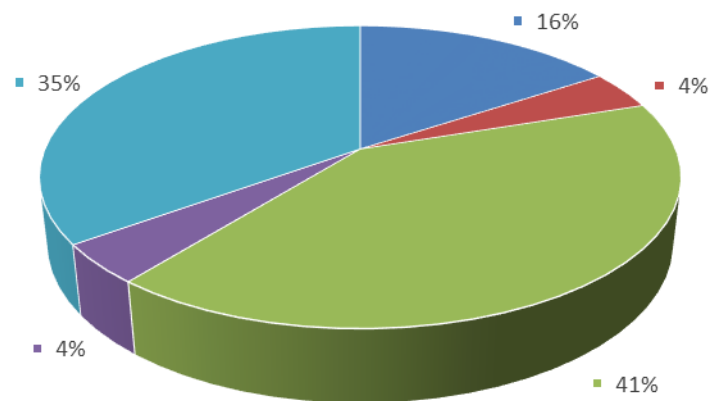
Figure 7 % of total consultancy spend Year To Date



- Adult & Community
- Chief Executives & Cabinet Including Corporate Resources
- Childrens Services - non schools budget
- Environment
- Dorset Waste Partnership
- Public Health

% by Directorate of spend on Non-Directly Employed Workforce within Q1 & Q2 2017/18

Figure 8 % of total agency spend Year To Date



- Adult & Community
- Chief Executives & Cabinet Including Corporate Resources
- Childrens Services - non schools budget
- Environment
- Dorset Waste Partnership
- Public Health