

Staffing Committee

Dorset County Council



Date of Meeting	9 April 2018
Officer	Head of Organisational Development
Subject of Report	Head Count and FTE and Non-Directly Employed Workforce – Quarter 3 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 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 3 2017/18 (31 December 2017).</p> <p>The Council has seen a small reduction in directly employed staff overall (25 FTE) between January 2017 and December 2017.</p> <p>Spending on consultants has fallen by 42% in the 12 months up to 31 December 2017 compared with the same period in the previous year (see fig 1 in Appendix A). Spending on agency workers has decreased by 29% in the 12 months up to 31 December 2017 compared with the same period in the previous year. (See fig 1 in Appendix A).</p> <p>Appendix A shows a summary of the spend and trend in terms of use of agency and consultancy workers and the areas of the business where agency 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 workers or consultants comes from delegated staffing budgets, income, fees, grants or through funding allocated on an invest-to-save basis.</p> <p>Following the Chief Accountant's attendance at the last Staffing Committee, further work has been done to ensure that information on overall spend and forecast spend on resourcing (direct employees, agency workers, consultants and freelancers) is made available and regularly updated for Group Finance Managers and Senior Leaders as part of the ongoing arrangements for robust budget and performance management. The key information from this work as at February 2018 is that against a current budget of £115.2m, we are forecasting an underspend of £874k. This is an improvement of £65k since last month. This is taking account of spend on direct staff costs, agency staff costs, and costs for consultancy and freelancers.</p>
Impact Assessment:	Equalities Impact Assessment: Not applicable.
	<p>Use of Evidence:</p> <p>Staffing and financial data extracted from DES for the period 1 October 2017 to 31 December 2017 (Quarter 3) and data for 2014 to 2018.</p> <p>Agency spend information provided by Comensura.</p>
	Budget: Not applicable.
	<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 staff resources.

Appendices	A. Graphs and tables showing trends in expenditure on consultants and agency workers and usage in different areas of the business up to the end of Quarter 3 (31 December 2017)
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 can sometimes be more cost-effective than paying direct employment and/or termination costs, and sometimes these skills are very specialist or scarce and we cannot therefore recruit directly. Funding for specific work can come from specific grant or joint funding, and sometimes the Council acts merely as the host commissioner for work which takes place across a range of partners (e.g. use of an independent consultant to work across all the Better Care Fund Partners in Adults). In addition, consultants may be used where there is a business case for investment to drive out longer-term savings and efficiencies.
- 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.

1.4 Following the Chief Accountant's attendance at the last Staffing Committee, further work has been done to ensure that information on overall spend and forecast spend on resourcing (direct employees, agency, consultants and freelancers) is made available and regularly updated for senior leaders as part of the ongoing arrangements for effective budget and performance management. The key information from this work as at February 2018 is that against a current budget of £115.2m, we are forecasting an underspend of £874k. This is an improvement of £65k since last month. This is taking account of spend on direct staff costs, agency staff costs, and costs for consultancy and freelancers.

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

2.1 Spend on consultancy overall is up in Quarter 3 compared to Quarters 1 and 2 with an increase between Quarter 2 and 3 in Adult and Community Services. The additional expenditure on consultants in Adult and Community Services relates to areas where additional capacity and skills are being used to support transformation work to develop services and reduce costs in line with the Forward Together Programme.

2.2 Overall spend on agency workers fell across the Council in Quarter 3 compared with Quarters 1 and 2 with significant drops in spend on agency within Dorset Waste Partnership and Children's Services.

2.3 The number of directly employed staff (full time equivalents/FTE) has remained steady over the year with an overall drop of 25 FTE. Direct employees (FTEs) increased by 5 between September and December 2017.

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.

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 the quarter (£23k).

2.6 **Adult and Community Services**

In Adult and Community Services there has been an increase in consultancy spend. This reflects decisions to source skills externally to deliver the changes required for the Forward Together Delivery Programme. This includes the engagement of Transformation leadership capacity.

In Adult and Communities, spend on agency workers is associated with the engagement of subject matter experts and programme leadership for the Forward Together Transformation Programme. In addition, there were 20 Social Worker and 1 Occupational Therapist assignment over the quarter to provide capacity in front line Social Work Teams. In November 2017, Cabinet agreed to the recruitment of more front line Social Worker posts funded through better care fund monies to support front line teams. The directorate is making progress with recruitment, although agency workers are still used to cover hard-to-recruit vacancies or where additional capacity is required over and above business as usual capacity to support the transformation programme deliverables (e.g. additional Care Act Assessments and reviews). In business support roles, the directorate continues to recruit and uses a bank of trained administrative casual staff to reduce the use of agency workers where possible, although there was some use of agency workers to cover gaps in capacity around financial assessment and brokerage of care.

2.7 **Children's Services**

The directly employed FTE for Quarter 3 2017-18 has slightly decreased by 6 FTE since Quarter 2. This is due to the holding of some vacancies.

Agency workers continue to be used in all parts of Children's Services, and some usage of agency spend is budgeted for each year. However, the majority of agency spend remains within Care & Protection. This is due to the continuing 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 several agency social workers to meet safeguarding requirements.

In the last quarter, there has been a decrease in agency spend of £35.14K. This is down from £599.42K in quarter 2 to £564.28K in quarter 3 2017-18. This has been due to some ongoing successes with the monthly recruitment drive. There continues to be a significant number of vulnerable families that Children's Services are working with, the need for social workers to work with these families, and a continually difficult recruitment market. The sustained recruitment difficulties have meant that agency workers have remained part of the social work teams. As with other LAs, it remains difficult to recruit experienced (L2/3) social workers, and our main recruitment intake

continues to be made up of newly qualified (ASYE) social workers. In addition, the high number of ASYE social workers has a knock-on effect upon the caseloads within the teams. This contributes to the continuing agency spend as we are buying in experienced social worker expertise. However, there has been some encouraging interest in recent posts that have been advertised, and it is anticipated that this downward trend for agency workers will continue.

The most recent data shows that there were 28 FTE agency social workers during February 2018, all 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.

A range of strategies continues to be used to combat the 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 last financial year. In addition to this, Children's Services is continuing to participate in the Department for Education's 'Step Up to Social Work' campaign which fast-tracks the development of qualified social workers.

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. 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 because of staff becoming part of this newly formed Reinvigorating Social Work team. It is anticipated that this will help in improving retention of social workers and was launched in September with the first cohort having gone 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 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.

Children's Services consultancy costs have decreased from £101.88K from quarter 2 to £86.23K for quarter 3 of 2017/18. This is a decrease of £15.65K.

The directorate currently has an Assistant Director vacancy. Some of the work is being covered by a consultant, and this accounts for a significant part of the consultancy costs. Additional consultancy costs have been incurred using a consultant to carry out auditing within Care & Protection. This work is being used to help deliver service improvements.

2.8 Chief Executive's Department

Within the Chief Executive's Department, spend on agency staff was similar over Quarters 1, 2 and 3.

2.9 Environment and the Economy

In Environment and the Economy, spend on agency workers has been necessary to cover vacancies and peak workload in Dorset Passenger Transport, to provide project support for building and construction projects (property surveying and clerk of works) to provide temporary capacity in grounds maintenance, highways network development and to cover workload peaks on the ICT helpdesk.

Spend on consultancy costs has reduced, and for this quarter the spend relates to road and mineral surveying and Highways projects.

2.10 Dorset Waste Partnership

In the Dorset Waste Partnership, the use of 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. There has been an increase of 9 FTE directly employed staff over the quarter and ongoing work to reduce the buying in of additional agency workers where possible.

3. Recommendation

3.1 Staffing Committee is asked to note the report.

Jonathan Mair
Head of Organisational Development
March 2018

Appendix A

Figure 1

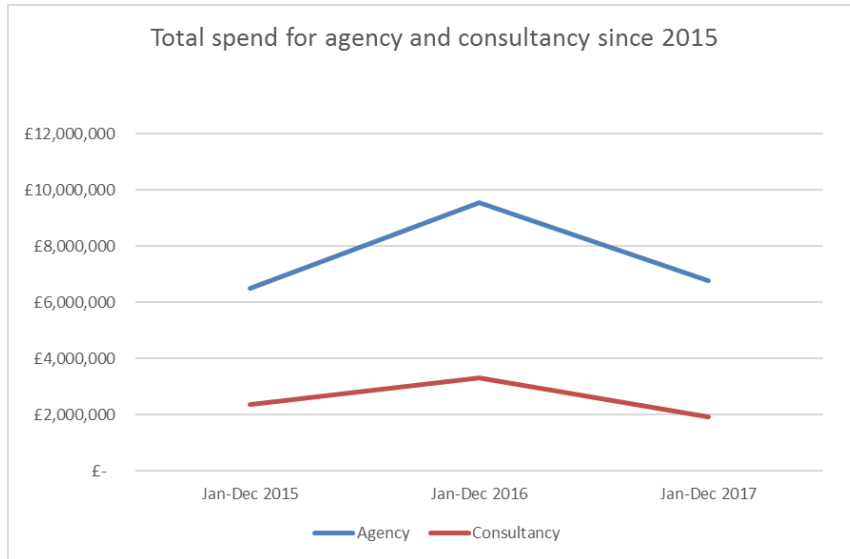


Figure 2

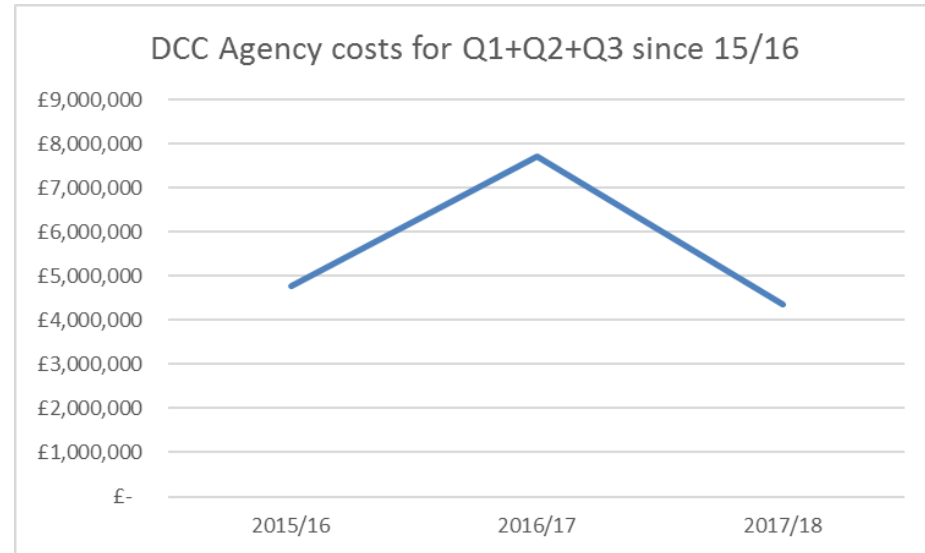
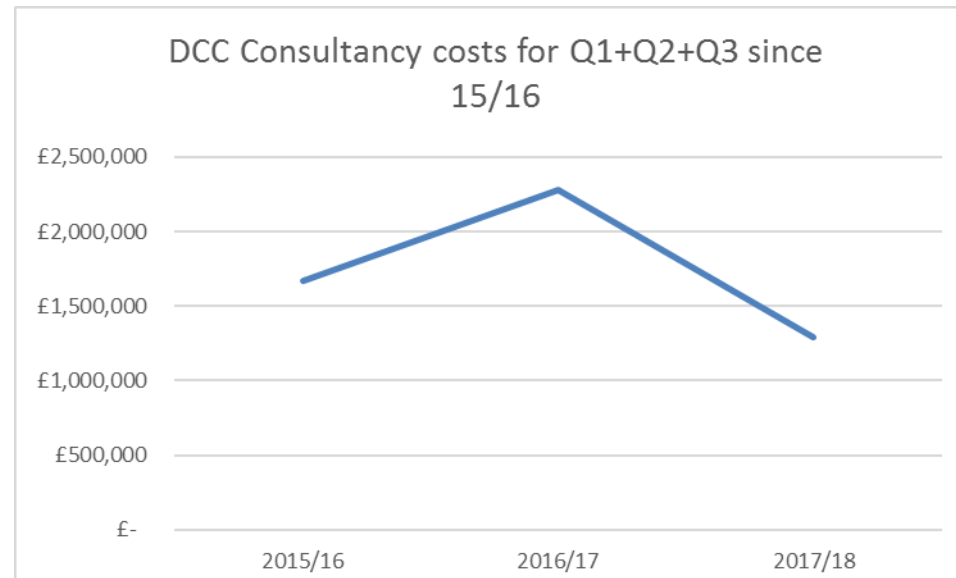


Figure 3



Quarter 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

Q3 - 2017/18	Agency	Consultancy
Adults & Community Services	£261,150	£366,330
Chief Executives & Cabinet	£61,390	£18,000
Children's Services (non-schools)	£564,280	£86,230
Environment & the Economy	£71,580	£41,580
Dorset Waste Partnership	£333,350	£0
Public Health	£0	£23,010
Total	£1,291,750	£696,140

Figure 5

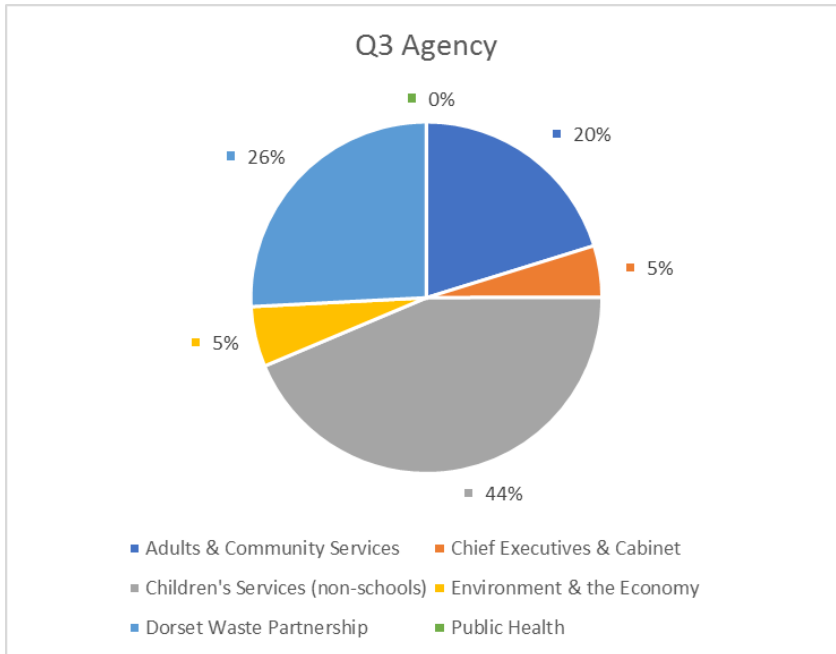


Figure 6

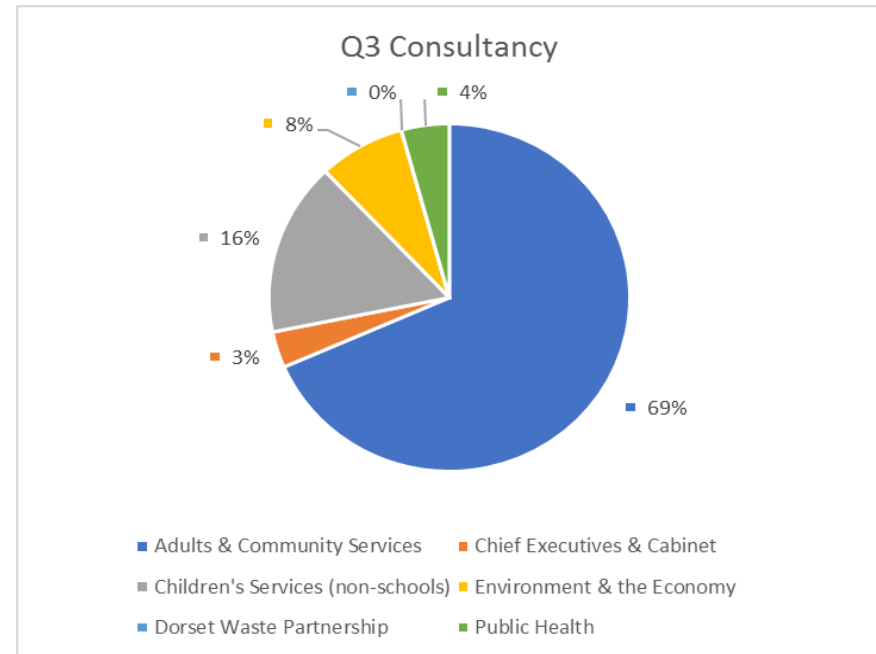
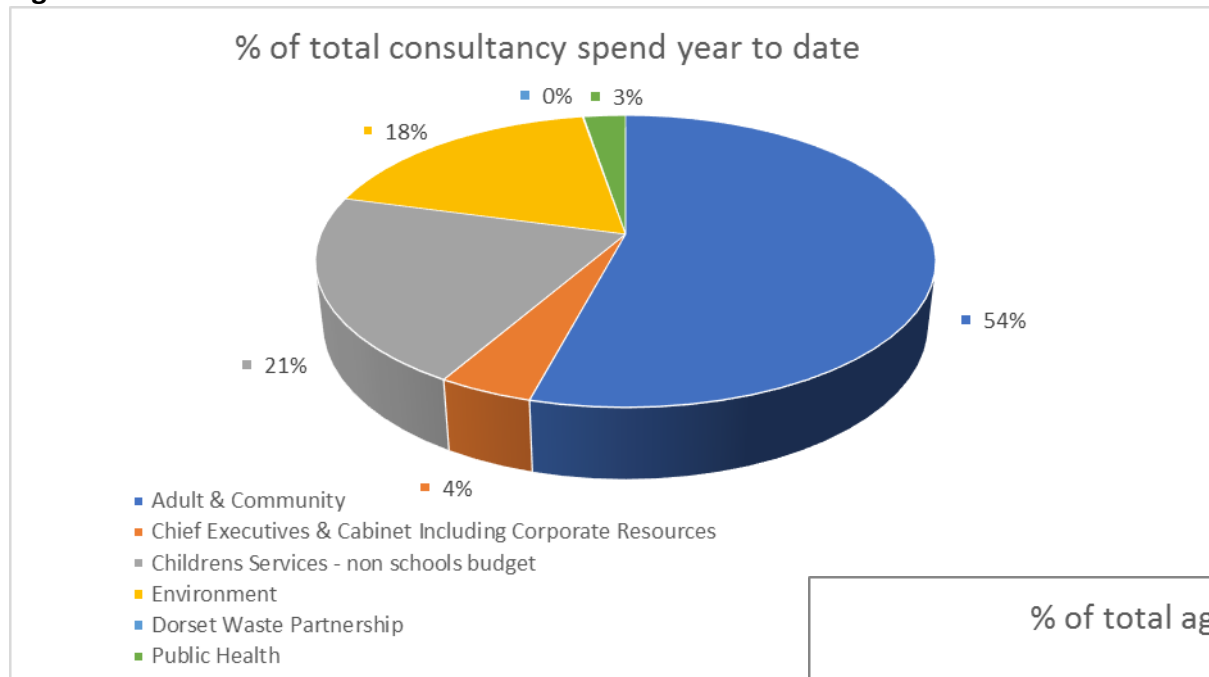


Figure 7



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

Figure 8

