

# Staffing Committee

**Dorset County Council**



Date of Meeting	12 September 2018
Officer	Service Director for Organisational Development
<b>Subject of Report</b>	Head-count, FTE and Non-Directly Employed Workforce – Quarter 1 2018/19
Executive Summary	<p>The Council has a flexible approach to ensuring its workforce can deliver services to Dorset communities. It uses a combination of directly employed staff, casual workers, agency workers and specialist workers to cover services or provide or to deliver service developments.</p> <p>Temporary workers enable the council to cover short-term workload peaks, provide cover for vacancies or provide specific expertise, skills or capacity short-term which are not required permanently, or which are not readily available within the directly employed workforce. This report covers these aspects of workforce resourcing in the period up to the end of Quarter 1, 2018/19 (ending 30 June 2018).</p> <p>There was a small increase (of 22.2 FTE) overall in directly employed staff between 31 March 2018 and 30 June 2018. Most of this was due to a TUPE transfer into the Council of Live Well staff into Public Health, coupled with additional recruitment of employees into the Dorset Waste Partnership and into the LGR Programme Team.</p> <p>Spending on agency workers has decreased in Quarter 1 compared to Quarter 4 in all areas except in Dorset Waste Partnership, which saw an increase in agency spend of £36K between Quarter 4 and Quarter 1. Spending on consultancy has decreased in Quarter 1 in all service areas compared to Quarter 4.</p>

	<p>There was a significant fall in spending on both agency workers (by 37%) and consultancy (by 23%) in the period 1 July 2017 to 30 June 2018 when compared to the previous 12-month period (1 July 2016 to 30 June 2017). However, spend in both these areas in Quarter 1 is higher than in 2017/18. There is no established pattern of Q1 spending being lower each year than in other quarters, so no immediately obvious explanation for this, nor any obvious cause for concern.</p> <p>Some shift into more temporary resourcing may be expected as we enter a period prior to Local Government Reorganisation. Vacancies may be covered temporarily to provide flexible support to changes required in staffing, budgets and service delivery following a move to new Councils from 1 April 2019.</p> <p>The costs of agency and consultancy resourcing over time and the trends are shown in the graphs in Appendix A.</p> <p>1.7% of the overall staffing budget was used to pay consultants and 5.3% of the overall staffing budget was used to pay agency workers in the period 1 July 2017 to 30 June 2018.</p> <p>Appendix A (figs 4 and 5) outlines a summary of the spending on agency and consultancy workers in different parts of the Council. 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 transformation work and service development 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>
<p>Impact Assessment:</p>	<p>Equalities Impact Assessment: Not applicable.</p> <hr/> <p>Use of Evidence:</p> <p>Staffing and financial data extracted from DES. Agency spend information provided by Comensura.</p> <hr/> <p>Budget: Not applicable.</p>

	<p>Risk Assessment: Having considered the risks associated with this approach 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>
<p>Recommendation</p>	<p>Staffing Committee is asked to note the report and the continuing overall trend of reducing spend on agency workers and consultants alongside the long-term reduction of headcount. The Committee is also asked to note, however, that some changes may arise over the rest of 2018/19 in the numbers of direct employees and spend on agency and consultancy workers as the Council moves more closely into the implementation phase of Local Government Reorganisation.</p>
<p>Reason for Recommendation</p>	<p>To ensure the Committee is kept apprised of changes in the number of DCC's employees and workers in the context of budget reductions, the Forward Together Programme and impending LGR, and to ensure there is full transparency about the Council's use of direct and non-direct staffing resources.</p>
<p>Appendices</p>	<p>Graphs and tables showing trends in expenditure on consultants and agency staff and usage in different areas of the business.</p>
<p>Background Papers</p>	<p>Not applicable.</p>
<p>Report Originator and Contact</p>	<p>Name: Sara Collinson, HR Business Partner Tel: 01305 221507 Email: <a href="mailto:s.collinson@dorsetcc.gov.uk">s.collinson@dorsetcc.gov.uk</a></p>

## **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, etc. 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 Against a current budget of £118.6M, the Council is forecasting a slight underspend overall. This forecast assumes a level of vacancies and allows for some compensating agency costs where there are gaps in essential capacity. 1.7% of the overall staffing budget was used to pay consultants and 5.3% of the overall staffing budget was used to pay agency workers in the period from 1 July 2017 to 30 June 2018.
- 2.2 Overall spend on consultancy workers and agency workers fell in Quarter 1 compared with the previous quarter (see fig 3 in Appendix A). Spend on agency workers over the whole of the year before, from 1 July 2016 to 30 June 2017, was £10 million. Over the same period in the current year, 2017/18, this reduced to £6.3 million, a 37% reduction. Spend on consultants over the whole year, from 1 July 2016 to 30 June 2017, was £2.71 million. Over the same period in 2017/18, this has reduced to £2.09 million, a 23% reduction.
- 2.3 The number of directly employed staff (full time equivalents) rose by 22.2 FTE across the Council between 31 March 2018 and 30 June 2018. During this period, however, there was a TUPE transfer into the Council of 15.5 FTE 'Live Well Dorset' staff who transferred into DCC Public Health. Other increases relate to an increase in directly employed staff in Dorset Waste Partnership (9 FTE) as part of an ongoing strategy to boost the directly employed workforce in that area, and in the Shaping Dorset programme office (2.4 FTE) to support LGR programme activity.

- 2.4 There have been significant shifts in Headcount and FTE numbers between directorates, with reductions in directly employed staff in Children's Services and Adult & Community Services. Most of this shift has been due to staff moving from these directorates into centralised functions, such as Finance and Procurement, ICT and Communications. There was also one transfer of 6 FTE from a centralised function (the transfer of the Adults Learning and Development function from HR into the Adult and Community Services Directorate). These shifts in line management arrangements will enable consistency and maximise economies of scale and development of a more flexible workforce to cover priorities.
- 2.5 Staffing Committee is asked to note that some changes may arise over the rest of 2018/19 in the numbers of direct employees and spend on agency and consultancy workers as the Council moves more closely into the implementation phase of Local Government Reorganisation. Dorset Councils have adopted an agreed vacancy management protocol which seeks to encourage the secondment of staff between our various organisations in the lead-up to LGR. This may reduce the direct recruitment of new permanent staff, prior to April 2019, supporting the delivery of workforce and budget adjustments in the future.

### **3. Commentary from Directorates / Departments**

#### **3.1 Public Health**

- 3.1.1 There has been minimal spend on agency or consultancy workers by Public Health, with a small spend in Quarter 1 on agency workers to support temporary capacity gaps.

#### **3.2 Adult and Community Services**

- 3.2.1 In terms of headcount, Adult and Community Services saw a fall of 37 FTE in directly employed staff. This fall was primarily due to a transfer of functions into central teams (financial assessment, information and engagement, and Business intelligence and performance and Mosaic Support).
- 3.2.2 During Quarter 1, the Directorate saw a decrease in costs of agency assignments compared to Quarter 4. The number of active assignments increased to 36.
- 3.2.3 Roles undertaken by agency staff in Quarter 1 have been:
- 2 Heads of Service and one Strategic Commissioning role
  - 27 Social and Health-care qualified (Locality and Hospital teams), 23 Social Workers, 3 Occupational Therapists and one Team Manager to support capacity gaps or project work in Dorchester, Bridport, Purbeck, Wimborne, Weymouth, North Dorset and Hospitals East
  - 5 Business Support assignments - to support capacity gaps in Hospitals East and the Brokerage and Financial Assessment teams
- 3.2.4 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).

- 3.2.5 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 27 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. 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.
- 3.2.6 The total spend for consultancy and specialist services for Adult and Community Services has reduced from £296k in Quarter 4 to £196k reported in Quarter 1.
- 3.2.7 For service areas, the provision of specialists and consultants (i.e. industry experts) is sometimes needed to provide an independent assessment and assurance to DCC – leading to credible evidence for technical investigations and subsequent court cases.
- 3.2.8 Based on the indicative figures above, the Forward Together Delivery Programme for Adult and Community Services committed approximately 80% (was 91.5% in Quarter 4 and 96.5% in Quarter 3) of the overall consultancy spend for the directorate during Quarter 1. The expertise, skills and advice are funded by transformation monies to deliver the transformation programme priorities at pace, with individual consultant performance carefully monitored and tracked against key milestones before payment is released.

### **3.3 Children's Services**

- 3.3.1 The headcount for Quarter 1 2018-19 has reduced slightly to 1053 as at 31 July 2018 from 1072 on 31 March 2018, a reduction of 11.45 FTE, much of which is related to the transfer of staff into corporate functions in Quarter 1.
- 3.3.2 Agency workers continue to be used in all parts of Children's Services, and a small number 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 most other authorities, has been affected by it. Children's Services continues to employ several agency social workers to meet safeguarding requirements.
- 3.3.3 In the last quarter there has been a decrease in agency spend of £183.88K. This is down from £770.15K in Quarter 4 2017-18 to £586.27K in Quarter 1 2018-19. 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 continuing difficult recruitment market. The recruitment issues 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, although our recent recruitment drive has focused upon securing experienced staff, and this is reflected in the reduction in agency spend. There has been some good interest in recent posts that have been advertised, and this has helped in reducing the number of agency workers. Care & Protection have also restructured into two area teams; this should also help with recruitment to social work positions.

- 3.3.4 There have been 22.0 FTE agency workers within the Help & Protection, Care & Support and Children with a Disability Teams during July 2018. There have been 2.0 workers covering Team Manager vacancies. There are currently 20.0 FTE agency social workers to cover vacancies, long term sickness and maternity leave.
- 3.3.5 A range of strategies continue to be used to combat the continuing challenges with recruiting social workers. Children's Services is continuing to use the dedicated recruitment site for Social Workers which was set up 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. Staff have now been identified and progressed through this process.
- 3.3.6 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 staff are being used to cover posts vacated because of staff moving across into the Reinvigorating Social Work team. It is anticipated that this will help in improving retention of social workers, and was launched in September 2017 with several cohorts having already gone or going through the programme.
- 3.3.7 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 senior officers within Care & Protection.
- 3.3.8 The use of agency workers and the size of agency spend is regularly monitored by the Children's Services Leadership Team, with approval for these extending to requests for both new agency cover and the continuation and extension of existing assignments. Children's Services consultancy costs have decreased from £125.13K from Quarter 4 2017-18 to £105.81K for Quarter 1 of 2018-19. This is a decrease of £19.32K.

### **3.4 Chief Executive's Department including Cabinet and Corporate Resources**

- 3.4.1 In Quarter 1 there were increases in the number of directly employed staff, mainly to reflect the resourcing of transformation and LGR programmes and the transfer of staff from service directorates into corporate functions. There were increases by 24 FTE in Finance and Procurement alongside a reduction of 6 FTE in Human Resources as Learning and Development staff transferred into the Adult and Community Services Directorate.
- 3.4.2 During Quarter 1, the Department saw a decrease in the costs of agency assignments and consultants compared to Quarter 4. Consultants have been used to support transformation work and to support the implementation of changes in data protection legislation across the Council.

### **3.5 Environment and the Economy**

- 3.5.1 In terms of headcount, the Directorate saw a small increase in directly employed staff, mainly in ICT as staff transferred from service areas, and in Corporate Development to support Transformation and LGR work. The Directorate reduced its spend slightly on agency assignments between Quarter 4 and Quarter 1. The Directorate uses agency workers to cover project work in both Dorset Highways and

Dorset Property, and to cover peaks in workload within Dorset Travel, ICT and Dorset Direct.

- 3.5.2 Over the same period, consultancy spend appears to have reduced, but there is a £65,000 credit which relates to 2017-18 accruals and where not all costs have yet been accounted for. Q2 will reflect this spend. Actual spend in the first quarter relates to the Bikeability Freelancer Trainers. These trainers specialise in training pupils how to ride bikes safely within their environment. Grant funding is received from the Department for Transport to cover most of these costs.

### **3.6 Dorset Waste Partnership**

- 3.6.1 In the Dorset Waste Partnership, spend on agency workers increased between Quarter 4 and Quarter 1 of £36K, and there has been an increase of 9 FTE in directly employed staff. 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. Recommendation**

- 4.1 Staffing Committee is asked to note the report and the overall trend of reducing spend on agency workers and consultants alongside reducing directly employed headcount.
- 4.2 Staffing Committee is also asked to note that this position may change in the months to come, with potentially increasing spend on agency and consultancy workers as the Council advances into the implementation phase of Local Government Reorganisation.

**Jonathan Mair**

Service Director for Organisational Development

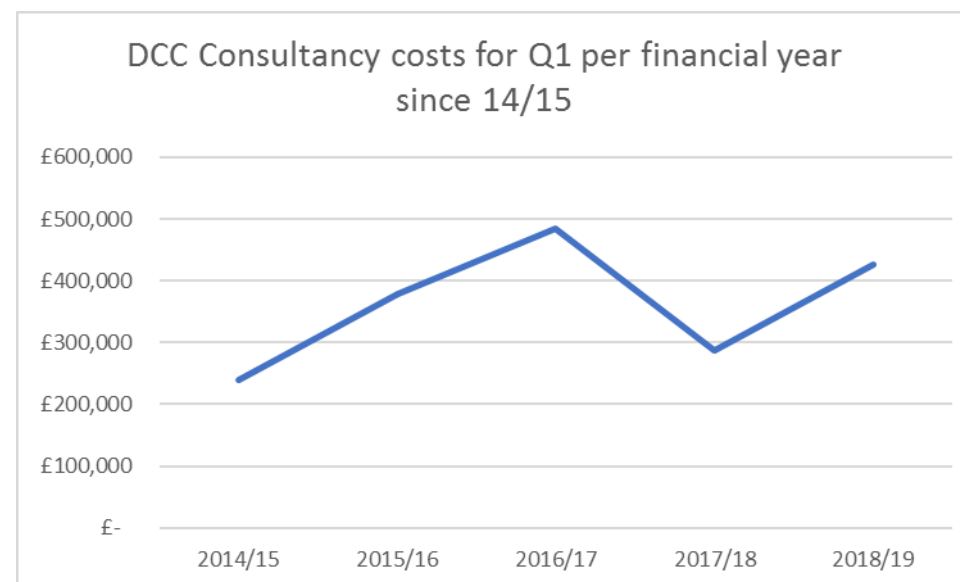
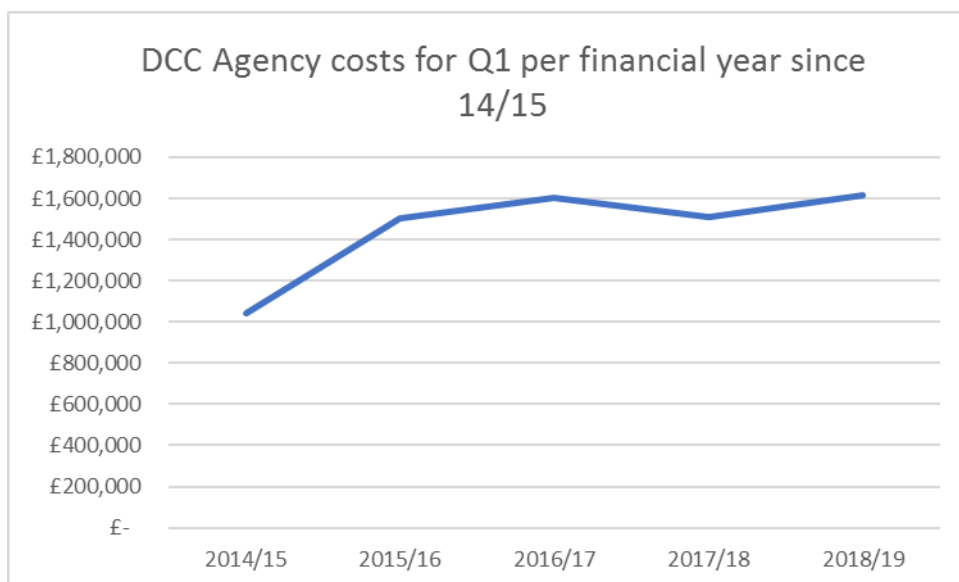
August 2018



**Appendix**

**Fig 1.**

**Fig. 2**

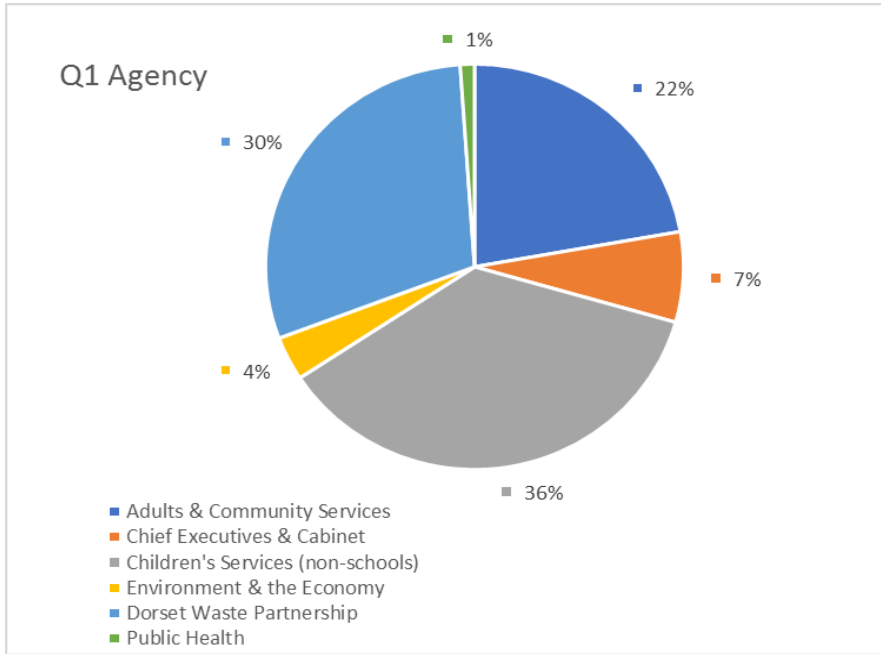


**Fig. 3**

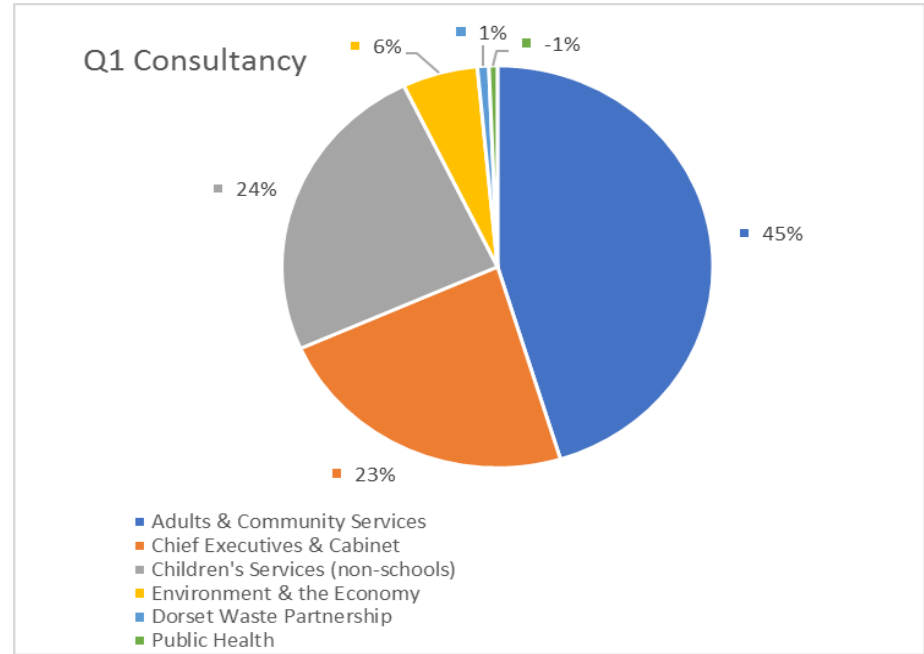
Q1 - 2018/19	Agency	Consultancy
Adults & Community Services	£ 358,310	£ 195,560
Chief Executives & Cabinet	£ 115,900	£ 99,610
Children's Services (non-schools)	£ 586,270	£ 105,810
Environment & the Economy	£ 56,520	£ 24,420
Dorset Waste Partnership	£ 477,590	£ 3,720
Public Health	£ 17,820	-£ 2,750
<b>Total</b>	<b>£ 1,612,410</b>	<b>£ 426,370</b>

Head-count, FTE and Non-Directly Employed Workforce – Quarter 1 2018/19

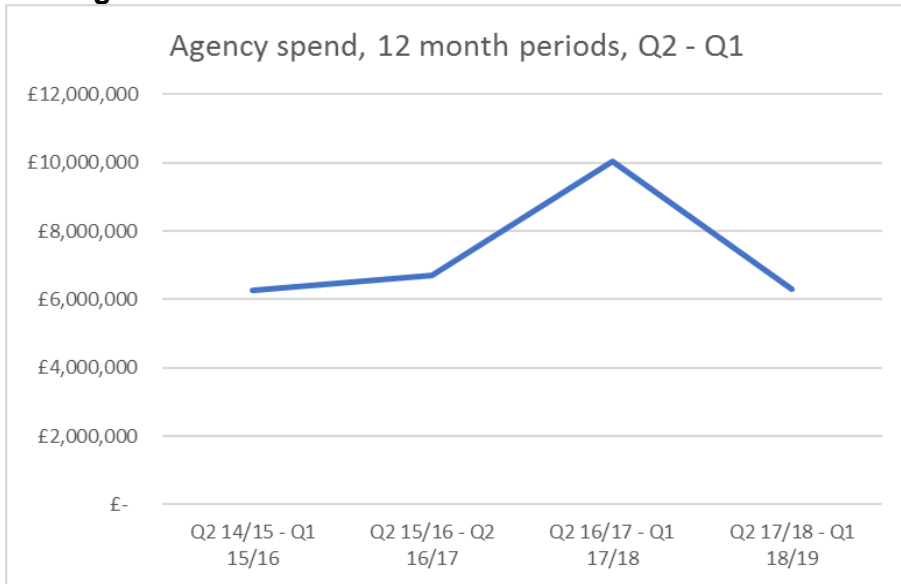
**Fig. 4**



**Fig. 5**



**Fig. 6**



**Fig. 7**

