

Meeting:	Cabinet
Date:	10 th November 2005
Subject:	Children's Services Workforce Strategy
Responsible Officer:	Lorraine O'Reilly
Contact Officer:	Paul Clark
Portfolio Holder:	Councillor Margaret Davine Councillor Marie-Louise Nolan
Key Decision:	No
Status:	Part 1

Section 1: Summary

Decision Required

To recommend to Cabinet the adoption of the new workforce strategy for improved services in Children's Services Social Services department.

Reason for report

To fully implement a major change programme to the structural, financial and managerial relationship of social workers in the Children's Services department of People First enabling a more sustainable workforce providing better services at considerably reduced cost to the Council.

Benefits

- The approval of the implementation plan will provide a workforce strategy able to meet the changing demands on Local Authorities by Central Government and to provide a permanent workforce in an area that is

nationally extremely hard to recruit to.

- Estimated savings of up to £750,000 in the cost of running Children's Services against outturn figures which have been overspent for the last 2 years.
- A more committed and stable workforce fully engaged in Harrow's performance management and cultural change systems.
- Improved performance against national key performance indicators.

Cost of Proposals

The proposed service team structure and remuneration package for staff within Children's Services will cost £2,867k at average salaries. The current budget is £2,557k. However as part of the MTBS the Council agreed £150k of growth for the recruitment and retention of social care staff in both 2005/2006 and 2006/2007 and this will enable the costs of the proposals to be contained within existing resources subject to budget approval for 2006/2007. Detail costs for each of the social work teams are available if required. The cost of the proposed structure is £750k less than the current expenditure on staff (in a full year) within the Children's social work teams that have been inflated due to the need to recruit staff through agencies.

Risks

This report addresses the following issues from the Council's Strategic Risk Register:

- "The Council needs to demonstrate improvement as part of the CPA assessment (C2)"
- "The Council experiences difficulty in recruiting and retaining staff (D2)"

There is also a potential Equal Pay consideration. This risk will be managed in accordance with the legal advice outlined under 2.5 'Legal Implications'.

Implications if recommendations rejected

- Unstable workforce
- Death or serious injury to a child
- Poor performance against national key performance indicators

Section 2: Report

2.1 Brief History

Over the last five years social workers in the Children's Services department of People First have been employed on a number of ad-hoc arrangements. Some are permanent staff on Harrow contract with as many as 66, being agency staff procured through a range of agencies on different contractual arrangements. This has caused considerable difficulty and is an extremely costly way of providing the service. This is for a number of reasons:

- a) It is difficult to engender a sense of loyalty and commitment to Harrow's services users in those staff that are acquired through agencies
- b) The cost of the agency fees in many cases are extremely high resulting in a year-on-year overspend for the Directorate
- c) The original staffing structure was never evaluated against a properly designed framework
- d) Evaluations of staffing structures and individual posts had previously been undertaken on an ad-hoc basis.

Over the past two years a recruitment drive based on retention payments has failed to attract or retain staff. During the last 6 months, the Council once again launched a national recruitment campaign. The campaign was based around an advertising campaign attendance at recruitment fairs and approaches universities and training agencies. The campaign cost £50,000 in fees and advertisement costs plus approximately a further £50,000 in staff time. 39 applications were received of which 8 were interviewed of these, only 1 appointment was made.

These factors have led to an unstable and costly workforce, principally due to the additional charges levied by agencies. In addition those staff who are employed directly by the Council are often in a less advantageous financial position as agency staff frequently earn higher salaries. This leads to a disincentive of staff wishing to join Harrow and encourages their employment through agencies. This situation has been in place for at least five years, many of the agency staff had been in position for up to five years and the majority had been in place for over a year. Given this, the staff are now afforded their full employment rights under employment law regulations. This results in a position where Harrow Council bears the responsibility for their employment but is not benefiting from their direct engagement and is forfeiting a significant sum of money to external agencies.

Over the last 6 months a small group of officers led by the Executive Director for People First have undertaken rigorous examination of the funding and staffing issues and have undertaken a range of management initiatives to bring about significant improvement and change within the service.

2.2 Options considered

The group managers for each team have considered possible staffing model options to reflect the business needs and responsibilities and duties of staff. Their recommendations have been approved by a working group of senior managers, including finance and human resources advisers.

Early in 2005, a Children's Service workforce steering group was formed with an initial task of preparing a workforce strategy statement with a view to the forthcoming inspection. Following the inspection, work in relation to front line social care teams (Children in Need, Referral and Assessment,

Northwick Park , Children with Disabilities, Leaving Care and Foster and Adoption) has been identified as a priority. Other teams such as the Emergency Duty team will be the subject of a separate review.

Six main streams of work are underway :-

1. Design new cost effective structure to meet business needs
2. Design and evaluate new remuneration and benefits package to attract and retain new and existing staff
3. Design recruitment strategy and initiatives to attract and retain new staff
4. Develop a strategy to support reducing the number of agency staff in the service
5. Design a training and development strategy to develop the skills and capacity of the workforce
6. Design a strategy to develop leadership capacity within the service

The first and second of these, design a new cost effective structure to meet business needs, and a related remuneration and benefits package to attract and retain new and existing staff, are the foundation for the other work and the subject of this report.

Action taken so far to implement these improvements include:

- A new staffing structure below Service Manager has been developed comprising four levels of staff - Team Manager, Senior Practitioner, Social Worker and Social Care Assistant.
- New role profiles have been written for the four new posts.
- A new pay structure has been devised following research into the pay scales in comparator authorities.
- All qualified social work staff (permanent, short term contract and agency) in " hard to fill " front line posts have been invited to a personal interview from one of the senior managers (group manager and above including the Director) in Children's Services.

The purpose of the interviews was to outline the department's plans to address the long-standing recruitment and retention problems, to hear staff's views and secure their support for the development of a quality service.

Sixty-eight interviews have been completed with eleven outstanding due to sickness / leave / court, due to be completed w/e 28th October. The feedback has been extremely positive.

- A further round of interviews will take place, following a Cabinet decision, to offer agency staff the opportunity to become permanent on the new payscales (if agreed).
- A formal consultation paper is proposed to go out w/c 31.10.05.

To enable further implementation of this change strategy in accordance with the Council's current change policy, Members' agreement is sought for approval to consult with the members of staff and unions concerned and for budget approval of the savings of £750,000 offset via the increase in budget of £150,000 which will be subject to Cabinet approval at a later date as part of the 2006/2007 budget setting process.

2.3 Consultation

The proposed changes will need to be taken forward in accord with the council's protocol for organisational change, including consultation with staff and Unison. A careful explanation of the plans will be provided for all staff working in the area, including a facility for questions and answers to be raised in confidence.

2.4 Financial Implications

The cost of the proposals can be contained within resources identified within the MTBS subject to the approval of £150K of growth for 2006/2007. The cost of the proposals is a saving of £750k in a full year against current expenditure which was reported to Cabinet as an area of overspend in the first quarter budget monitoring report.

2.5 Legal Implications

Any change in pay structure and benefits is a departure from the single status agreement concluded in 2004. The rationale for the departure is market forces. Evidence of the employment market conditions will need to be collated, retained and regularly reviewed to assist the Council in dealing with any future equal pay claims.

2.6 Equalities Impact

The proposed grading structure will be subject to the council's normal job evaluation arrangements. If a market supplement is required it will be clearly identified as such in accord with the council's existing policy and will be subject to periodic review.

Section 3: Supporting Information/ Background Documents

Appendix 1 – details

Background Papers

Employers Organisation for Local Government – Annual Social Care Workforce Survey 2004 (published 2005) - available on website

Any person wishing to inspect the background paper should telephone 020 8424 7696

The business needs of the service teams

- 1.1 The considerable public and government interest in the measures adopted to secure the welfare of children is often highlighted when a failure receives widespread media attention, and the role of local services comes under scrutiny. Routinely, external inspections examine local arrangements to test the robustness of procedures, the quality of recording and tracking, and the reliability of the operation. Our last inspection report raised some concerns about the staffing and management of our local teams, especially the turnover and reliance on temporary staff, and their capacity to deliver a safe and dependable service. A re-assessment of the business needs and responsibilities and duties of the teams is appropriate and timely following the middle management review and appointment of group managers for these services.

Proposed organisation structure

- 1.2 In summary it is proposed to create five types of worker below the group manager to reflect the work of the services:-

Social Care Assistant– works with guidance and supervision of qualified social workers. A new training and qualification scheme will be developed to support this role This is a junior or part professional role often assisting senior colleagues and some individuals will be working towards a standard professional qualification (evaluated via GLPC scheme)

Social Worker - carries a caseload and works with supervision of a senior practitioner or team manager. This is a professional role requiring experience and competence in the discipline that is typically gained through a standard professional qualification and relevant experience (evaluated via GLPC scheme)

Senior Practitioner- advanced skills social worker appointed to handle the most demanding cases and assist supervision, training and development of other workers. This is a professional role requiring extensive experience and full competence in the discipline that is typically gained through a standard professional qualification and extensive experience in a specialist area (evaluated via the GLPC scheme)

Senior Professional/Team Manager – senior worker who manages a small team of social workers and assistants. This is a senior professional role requiring broad or deep specialist experience in the discipline, typically gained through professional qualifications and substantial relevant work experience (evaluated via Hay scheme)

Service Manager- manages a number of teams, including administrative support, and contributes to the overall service development with the group manager. This is an operational and

resource management role that requires co-ordination with related functions and teams(evaluated via Hay scheme)

- 1.3 The numbers in each front line team will reflect the workload over time and will be monitored by the group manager, supported by finance and human resources.

Recruitment market research and analysis

The national position

- 1.4 The front line social care teams are drawn from two distinct markets, that for professionally qualified social workers and that for workers and assistants who do not hold the standard professional qualification. (This report is not addressing administrative support).
- 1.5 The former, for professionally qualified social workers, is recognised in national surveys as a market where demand is strong nationally and supply concerns are felt most in metropolitan areas, and especially in Greater London. Central government is aware of this position and there are some signs that efforts will be made to improve the supply side in a similar way to that for teachers over recent years. However, any new initiatives in this direction will take time to change the national supply position.
- 1.6 The latter, the market for workers and assistants not holding the standard qualification is not recognised as a difficult market nationally, and most recruitment is from the region in which the employer is based, and often from the locality. Central government is aware of this position and there are some signs that efforts will be made to support better opportunities for workers who do not hold the standard professional qualification, and to assist some to obtain the standard professional qualification.

The regional position

- 1.7 The market for professionally qualified social workers in London is severe and fiercely competitive. Regional surveys are regular topic for discussion at ALG network meetings. Attempts by one local authority to create a competitive advantage in the market are quickly recognised and often result in a round of improved market offers in the region.
- 1.8 A comparison of regional pay rates and benefits for professionally qualified shows that Harrow pay rates are at the lower end of the market and that our additional benefits are not as good as the best in the region. The market for other social care workers does not receive the same attention, and the discussion tends to focus on relative pay grades. Current research suggests that we need to modernise our approach to the training and qualifications for this type of work.

Harrow local position

- 1.9 The service has been sustained by a heavy reliance on temporary agency workers; especially filling professionally qualified posts (the current local retention bonus of £2000 p.a. has not improved the recruitment position for these positions). However, the cost of the agency fee overheads and training is not an efficient use of the service budget. Furthermore, the lack of a stable workforce tends to inhibit workforce development and capacity building.
- 1.10 The service would be better served by reducing the number and reliance on temporary staff and attracting some of these staff to permanent positions. Temporary workers have employment rights arising from their length of continuous service. In these cases it is necessary to offer reasonable alternative employment to permanent positions in order to meet our legal and moral obligations to these workers.

Proposed remuneration and benefits

- 1.11 The adjustment of our remuneration and benefits to the market conditions is not something that can be done once and forgotten. The current retention bonus has not worked. The development of an well-integrated recruitment and retention package that reflects market conditions is the objective but there is an urgent need to make some initial adjustments to recover from our current poor position.
- 1.12 The proposal is to introduce a new pay grading structure (subject to job evaluation of revised job descriptions) to support the proposed new organisation structure, and to evaluate the impact in the next few months. The proposed grades are: -

Social Care Assistant – local grade H5/H7 Points 22–31, £19,251-£25,602 (current rate points 20-30) – These positions should be supported by a training and qualification scheme. This slightly higher grade moves these staff on to standard Harrow grades.

Social Worker- local grade H8/10 Points 32–43, £26,307-£34,773 (current rate-points 26-38, £21,894-£30,606 This proposed pay grade moves Harrow to the higher end of the current recruitment market.

Senior Practitioner- Local Grade H11 Points 44-47 £35,586-£38,004 The proposed pay grade moves Harrow to the higher end of the current recruitment market.

Senior Professional/Team Manager – local grade Senior professional lower £37,062- £43,893 The proposed grade reflects the key operational responsibility for front line professional delivery of casework in frequently demanding circumstances

Service Manager – Service Manager Higher (£46,925-£51,480) The proposed grade reflects the responsibility for service delivery and standards

- 1.13 The current retention bonus (for some of the above posts) of £2000 p.a. would not be retained. If the job evaluated grades do not match the proposed grades, an annual market supplement should be introduced to make-up the shortfall, to reach an attractive market salary. It is anticipated that existing staff would be assimilated to the new pay grades under the council's existing rules.