
Meeting: General Purposes
Date: 03 December 2013
Subject: Recruitment Incentive
Report of: Edwina Grant, Deputy Chief Executive/Director of Children's Services
Deb Clarke, Director of Improvement and Corporate Services

Summary: To receive a proposal to pay a conversion incentive to team members in Children's Services upon successful conversion of an experienced agency social worker.

Advising Officer: Deb Clarke, Director of Improvement and Corporate Services
Contact Officer: Catherine Jones, Head of HR Policy & Development
Public/Exempt: Public
Wards Affected: None
Function of: None

CORPORATE IMPLICATIONS

Council Priorities:

Supporting the Council's commitment to achieving its priorities by ensuring the ability to recruit and retain the skills required to deliver services.

Financial:

1. None specifically arising from this report. Any costs arising from the proposal can be accommodated within Children's Services budget with no implications on Revenue budgets.

Legal:

2. The Council has wide discretion under the Local Government Act 1972 to determine the terms and conditions of its staff including remuneration. However, the discretion is not entirely unfettered and remuneration, like all other terms and conditions, must be reasonable. The Committee should therefore consider the proposals contained in this report in that light. A payment of the kind proposed to be shared amongst a team of staff is exceptional and therefore the circumstances must justify such a payment. The District Auditor has power to challenge any payments which he considers to be unreasonable.

Risk Management:

3. None specifically arising from this report.

Staffing (including Trades Unions):

4. None specifically arising from this report.

Equalities/Human Rights:

5. There are no Equalities or Human Rights issues arising from

Public Health

6. None specifically arising from this report

Community Safety:

7. None specifically arising from this report

Sustainability:

8. None specifically arising from this report

Procurement:

9. None specifically arising from this report

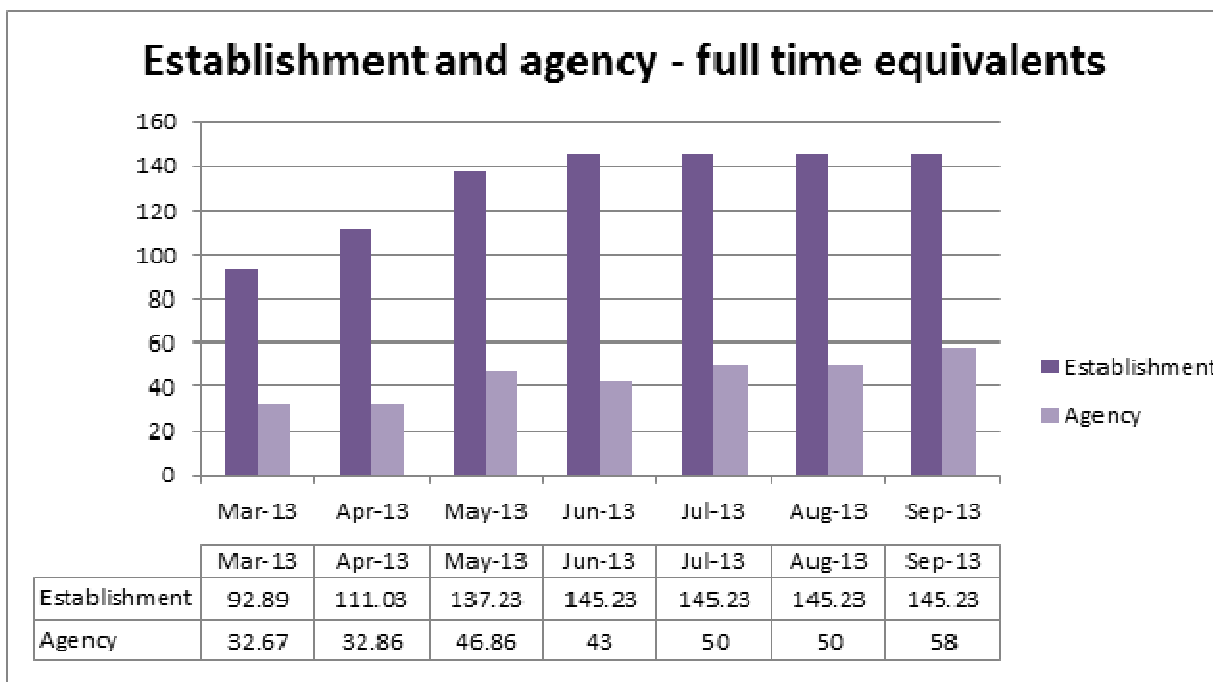
RECOMMENDATION:**The Committee is asked to:**

Note the trialling of a scheme to encourage and reward staff persuading agency social workers in children's services to take up permanent employment with the Council, thereby reducing the Council's dependency and spend on agency staff

Background

10. At the meeting on 18 July 2013, the Committee considered an update report on the current application of market rates supplements (MRS) to posts across Central Bedfordshire Council.
11. There was a lengthy discussion at the meeting and Members noted in particular the continuing issues/difficulties surrounding the recruitment and retention of experienced staff, particularly in Children's Services.
12. At the meeting Members agreed to continue to support the increasing number and monetary value of MRS payments within Children's Services and noted also with concern that there was an increasing reliance on agency workers covering a significant number of vacancies.
13. The increasing number of vacancies has been caused predominantly by the need to increase the number of established posts substantially.

14. This increase in establishment is in response to the impact of the baby P and Saville abuse cases on the national consciousness and other factors resulting in the number of looked after children in Central Bedfordshire Council rising steadily at a rate of approximately 18% each year since 2009. The rate of increase appears to be accelerating with 9% more accommodated in 2013/14 in the first 4 months of the year. Indicators and statistical data show that the number of looked after children will continue to rise in the foreseeable future.
15. These vacancies are being covered by agency workers as the graph below demonstrates:



16. There is still a national shortage of qualified and experienced social workers, particularly for Children's services. The main issue remains the lack of experienced social workers in the job market, and high numbers of agency workers. National modelling shows that there will be **long-term supply shortages**. The modelling suggests that even with optimistic projections of the proportion of social work students moving into the profession, the supply of social workers will only be close to equalling demand in 2022. As an indicator of the national problem Children's Social Workers remain listed on the shortage occupation list held by the Home Office.
17. The national shortage of experienced social workers coupled with the increased demand from employers has led to a booming market for agency staff and it is very easy for staff to leave to become agency workers.
18. There are financial benefits for agency workers who will earn considerably more than an employee despite the MRS applied to salaries, and although not in receipt of benefits such as LGPS pension provisions, the flexibility and pay of being an 'agency workers' is still very attractive.

19. Whilst the Council can attract and recruit newly qualified social workers they do not have the necessary experience to deal with medium/complex cases and they are also required to have a smaller caseload. Therefore there is a continuing need to recruit experienced social workers and we are competing in a very tight market place with all other local authorities.
20. Last year our national recruitment campaign for Children's social workers (that gained the PPMA Recruitment award) cost in excess of £45k and whilst we attracted newly qualified social workers we only managed to recruit 13 experienced social workers. We are currently running another national campaign booking space for 12 months into 2014. We hope this will help the Council to recruit permanent experienced employees in these roles.

Proposal

21. The challenge to recruit and retain sufficient numbers of experienced social workers cannot rely only on the payment of market rate supplements. As the existing shortage is predicted to continue and our requirement continues to increase there has been considerable work undertaken in Children's Services by a 'Social Work Development Group' taking a wider holistic approach. There are three key areas of work: Recruitment, Retention and Practice Excellent and research.
22. Alongside supporting the various activities on recruitment and retention being developed and implemented, we are also considering the benefits of providing incentives to help encourage our experienced agency social workers to join as permanent employees.
23. Whilst we would always anticipate some agency staff covering vacancies, the very high levels currently experienced mean that we are less able to provide consistency for our clients and ensure quality of service delivered is maintained. We also spend valuable management time in inducting new agency workers to the Council's policies, procedures and practices applicable to Children's Services.
24. A number of options have been considered and discussed but concerns around the impact on existing employees, or the negative publicity that might arise from incentives such as a 'golden hello' or an 'introductory bonus' have meant that these proposals are not being pursued at this time.
25. However the Council wishes to introduce an 'Agency Worker Conversion Incentive'. This incentive would be paid to team members when an agency worker takes up a permanent post on successful completion of our normal recruitment procedures. All team members excluding managers would receive an equal share of a payment of £8k in recognition of their creation of an environment that the agency worker wants to be part of.
26. As an agency worker costs approximately £20k more per annum compared to the cost of one of our permanent employees, £8k still generates a considerable saving.
27. The incentive payment will only be paid to the team where the agency worker is currently assigned and provided that they take up a post in their team.

28. Full details of how the scheme would operate and the rules attached to any payment will be developed should the proposal be supported.
29. In addition to reducing agency spend, converting agency workers to permanent employees will help to improve the consistency and quality to the services provided and reduced the amount of lost time inducting new agency workers to the Council's policies, procedures and practices.
30. It is proposed that this 'conversion incentive scheme' is put in place as a 'pilot' for up to two years on the basis on an 'invest to save' scheme.
31. Funding of the incentive payment will come from the Children's services budgets from savings against their existing agency spend.

Appendices:

None

Background papers:

None