

Staffing Matters and Urgency Committee

3 July 2017

Report of the Corporate Director of Children, Education & Communities

Proposed Pilot for the Payment of ‘Golden Hellos’ and ‘Golden Handcuffs’ to Social Workers in the Referral & Assessment Team in Children’s Services for a 12 month pilot period.

Summary

1. Staffing Matters and Urgency Committee is asked to approve a 12 month pilot for the payment of ‘golden hellos’ and ‘golden handcuffs’ to social workers in the Referral & Assessment team in Children’s Services.
2. The reason for this proposal is to attract new staff to come and work in this service and retain existing staff. There are regional and national shortages of staff to work in these roles and the cost of providing short term cover through agency workers causes a significant financial pressure for the service.
3. The paper will provide background details of the number of vacant posts in the Referral & Assessment team; the cost of agency workers providing cover; the recruitment activity associated with attracting candidates to the vacancies; and information about the regional and national context.

Background

4. Since at least October 2015 the Referral & Assessment (R&A) Social Work team has experienced significant recruitment difficulties.
5. The Referral and Assessment Service is the Front Door for all referrals into children’s social care (CSC). This outward facing service provides the first response to children in need of additional services but also, and critically, to those who may be at significant risk of harm. It is a highly pressured environment.

6. The service is also the gateway to all other services provided by children's social care. The quality and timeliness of responses in R&A has a direct impact on the quality of service provision across CSC.
7. The service consists of 3 teams providing a duty system on a three week rota basis. The teams also complete the single assessment (up to 45 days) which determines which (if any) service will be provided to children and families.
8. Out of an establishment team of 18 full time equivalents, there are currently 5 vacancies. Between October 2015 and December 2016, the service has gone out to recruit on four occasions, at a total cost of £7,800, these have not resulted in successful appointments to roles in the R&A team.
9. Various solutions to address the recruitment challenges facing the department in attracting and retaining qualified social workers, specifically in the R&A specialist team have been considered. We have established that our pay and grading of these posts is not significantly out of line with others across the region, however most other authorities have a mechanism to respond to the recruitment challenges.

Proposal

10. The department wishes to proceed with the following proposals, on a pilot basis for a 12 month period:

Golden Hello

11. To make a 'golden hello' payment to all new starters taking up social work positions in the Referral & Assessment team.
12. It is proposed to make a payment of £2500 (pro-rata for part time) payable in a lump sum, for ease of administration, as a one off payment on the successful completion of the probationary period.
13. The payment will be subject to the normal deductions i.e tax, national insurance & pension contributions.
14. Should a member of staff in receipt of the payment leave the authority within one year of the agreement, the payment will be recovered in full.
15. Should a member of staff in receipt of the payment leave within two years of the agreement, 50% of the payment will be recovered.

16. This recovery approach is in keeping with other arrangements in place for employees such as a learning agreement.

Golden Handcuff

17. To make a 'golden handcuff' payment to all current staff in the referral & assessment team of £2500 (pro-rata for part time) payable in a one off lump sum payment. This will be paid via the payroll system.

18. Should a member of staff leave the local authority, the same recovery terms will apply to the handcuff payment as the 'golden hello'.

Consultation and Considerations

19. There has been early discussion with the Trade Unions and they are keen to consider creative approaches to address the recruitment challenges in this area. Should this be agreed, further discussion will take place with trade union colleagues and appropriate communication with staff.

Analysis

National picture

20. There is a national shortage of experienced social workers. It has become increasingly difficult to recruit to the most pressured social work positions. Many local authorities have revised their pay and conditions, or offered a golden handshake/golden hello, to attract to these positions.

Golden Hello & Golden Handcuff Payments

21. A "golden hello" is an amount paid to an employee as an inducement to take up employment with a particular employer.

22. A "Golden Handcuff" is an amount paid to existing employees as a means of holding on to key employees and increasing employee retention rates.

23. There is the expectation, in the application of either payment, that the employee would remain an employee for a specified period of time.

24. Payments are normally made in the form of a cash lump sum. Any payment should be subject to tax and national insurance under the employer's PAYE scheme.

25. There are a variety of pay arrangements across the region that make use of such payments, for example;

Barnsley A one off golden hello payment of £2.5k for new social work staff
A one off payment of £1.5k to existing social work staff

Rotherham Payments are made to all social work staff, ranging from £2177 for a social worker on ASYE programme up to £3254 for a Team Leader

Sheffield A market supplement of £4k to Team Leaders

26. A proposal to make a payment of £2500 is in keeping with similar arrangements in place across the region

Recruitment Activity

27. Between October 2015 and December 2016 the service has gone out to recruit on four occasions at a cost of £7,800.

28. Over this period five newly qualified social workers and three experienced social workers were offered positions within R & A.

29. Of the five NQSWs, two declined the offer stating that they were offered opportunities of employment in the Local Authority where they had completed their final social work placement. The three who accepted remain within the R & A Service. Of the three more experienced social workers offered a permanent contract only one accepted the role (only to leave for agency work a few months later).

30. No suitable experienced social workers were identified during the third recruitment episode.

Cost of agency

31. At present, up to 5 posts are being covered using agency staffing at considerable additional cost. The overspend would increase to over

£150k if these posts continue to be filled by agency staff for the remainder of the year.

32. Taking into account all of the factors listed above, the implications of recruiting in the traditional way could result in the continued reliance on agency workers, pressure on existing staff due to staff turnover and instability in a pressurised environment.

Council Plan

33. Outcomes achieved by the activities covered in this report help us to deliver priorities in the Council Plan 2015-19 in support of ‘A prosperous city for all’ ensuring the council supports the delivery of statutory services to children and families in the City.

Implications

Financial

34. The R&A team is currently overspending its staffing budget significantly due to the need to employ agency staff. Each post covered by an agency appointment, rather than a permanent employee, incurs an average additional cost of c£600 per week. Additional costs in excess of the team’s budget for the first three months of 2017/18 already total £36k, and are projected to reach £156k if there is no improvement in the recruitment situation. This excludes the costs (advertising etc.) of any additional recruitment campaigns.
35. The initial up front cost of the pilot in 2017/18 is estimated at £59k for golden handcuff payments to 13 existing staff, and golden hello payments to recruit to 5 vacant posts currently covered by agency staff. There is no existing budget available to fund these costs. However, if the pilot is successful and all posts are filled by permanent staff by the end of September, then the saving against the current projected staffing overspend of £156k would be £19k. And if sustained, further significant savings against current expenditure levels would also be delivered for future years.
36. Members should note that if the pilot is not successful, and some or all of the current vacancies remain covered by agency staff, then the projected overspend for 2017/18 could increase by up to £43k (the cost of the golden handcuffs for existing staff).

37. In light of the expenditure pressures highlighted in the report, and regardless of any decision that Members may make, the director will look to take mitigating actions elsewhere in CEC directorate budgets over the remainder of the year to try and offset the projected overspends being experienced within the R&A team.

Human Resources

38. Current pay proposals for the council are relatively limiting in responding to acute recruitment and retention difficulties. These proposals are in response to specific challenges in a particular specialist area and there is substantial evidence to support the need to make an enhanced payment.

39. Within current policy there are no means of addressing this with pay.

40. It is proposed that this arrangement is a pilot to determine whether the payment has a positive impact on alleviating the recruitment and retention difficulties. It is recommended that the activity is reviewed on a regular basis throughout the pilot, with a detailed report at the end of the 12 month period to evaluate and make any recommendations to inform future pay policy.

41. This proposal will be supported by a comprehensive campaign to promote Children's social work in York and will be part of the holistic approach to ensure a sustainable Children's social work workforce. A procurement process has been undertaken and Community Care have been appointed to support with the delivery of the campaign.

42. This approach will complement the proposal to make enhanced payments to a specific group of staff and promote York as a place to develop and grow as a Children's social worker

43. This proposal may set a precedent for other social work teams or specialist roles, however this is a pilot and will determine any future policy decision.

Legal

44. The regional and national shortage of staff is strong justification for making the proposed payments and any risk would be objectively justifiable on sound business reasons.

Information Technology (IT)

45. There are no IT implications for CYC arising from this report.

Property

46. There are no property implications.

Other

47. There are no equalities or crime and disorder implications arising from this report.

Risk Management

48. It is proposed that this arrangement is a pilot to determine whether the payment has a positive impact on alleviating the recruitment and retention difficulties in a specific social work team.

49. It is essential that we have a fully staffed R&A service, with a mixture of experienced and recently qualified social workers. To date we have utilised agency staff to cover these positions however this impacts both on the consistency of social work and our ability to move the service forward in the direction agreed and articulated in the Vision for CSC. It is also an expensive option.

50. Should the proposal not be approved, there is a risk that agency costs will continue to put a pressure on budgets and potentially increase.

Recommendations

51. Staffing Matters & Urgency Committee is asked to agree to the payment of 'golden hellos' and 'golden handcuffs' to social workers in the Referral & Assessment team in Children's Services for a 12 month pilot period.

Reason: To support the recruitment and retention of social work staff to stabilise the R&A team.

Contact Details

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Background Papers

None

Annexes

None

Abbreviations used in report

CSC Children's Social Care

CEC Children, Education and Communities (Directorate)

CYC City of York Council

R&A Referral & Assessment