

Wiltshire Council

Cabinet

22 July 2014

Subject: Payment of Market Supplements to Social Worker and Social Work Manager Roles

Cabinet member: Councillor Laura Mayes, Children's Services

Councillor Keith Humphries, Public Health, Protection Services, Adult Care and Housing (exc strategic housing)

Councillor Stuart Wheeler, Hubs, Heritage & Arts, Governance and Support Services

Key Decision: No

Executive Summary

The purpose of this report is to outline the current difficulties being experienced in the recruitment of experienced social workers and social work managers in children's services and adult care operations, and to outline the decision taken by CLT on 23 June 2014 to pay market supplements to some specific social work roles where the impact of the recruitment difficulties on service delivery has become unsustainable.

The immediate aim of the decision is to improve the recruitment and retention of experienced social workers and managers in the safeguarding and MASH (multi agency safeguarding hub) which is critical to the delivery of services to vulnerable children in Wiltshire.

Proposal

- (a) That cabinet note and support the decision by Corporate Leadership Team on 23 June 2014 to pay 10% market supplement to level 3 and 4 social workers and a 15% market supplement to assistant team and team managers in the children's social care teams for safeguarding and MASH and
- (b) That Cabinet also note that the decision also included the provision to extend these market supplement payments to other experienced social worker and social work managers roles in other areas of children's services and within adult care operations where there is evidence of significant difficulties in recruiting, and where the inability to recruit is having an impact on service delivery that is deemed to be unsustainable and subject to the approval of the associate director for people & business, in conjunction with the relevant associate director.

Reason for Proposal

To improve the recruitment and retention of experienced social workers and social work managers.

Corporate Director, Carolyn Godfrey

Corporate Director, Maggie Rae

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Purpose of Report

1. The purpose of this report is to outline the current difficulties being experienced in the recruitment of experienced social workers and social work managers in children's services and adult care operations, and to outline the decision taken by CLT on 23 June 2014 to pay market supplements to some specific social work roles where the impact of the recruitment difficulties on service delivery has become unsustainable.

Relevance to the Council's Business Plan

2. One of the council's three priorities in the Business Plan 2013 – 2017 is to protect the most vulnerable in Wiltshire's communities. Social workers and social work managers have a key role in delivering that priority which means being able to recruit and retain high calibre staff in these roles is critical to delivering the principles and actions that will ensure that we meet this priority.

Background

3. Within the external candidate marketplace there is currently a big discrepancy between the supply of newly qualified social workers (NQSWs) and experienced practitioners. A report published by the Policy Exchange in June 2013, *Reforming Social Work*ⁱ, found that with this in mind the supply of social workers will not equal demand until 2022.
4. Despite the prediction in this reportⁱ by the Policy Exchange there are more students enrolling in social work qualifications than ever, with around 6,000 entrants a year since 2005 and as a result significant numbers of newly qualified social workers are unable to find a job. In 2011, over 1 in 4 (27%) of newly qualified social workers were unemployed in England.

5. At the council there have been difficulties in recruiting experienced social workers and social work managers across both adults and children's services. However the most significant difficulties are currently in all experienced social worker and manager roles in the safeguarding and MASH teams in children's social care. There is also some evidence of current recruitment difficulties in team leader roles in adult care operations.
6. These recruitment difficulties in safeguarding and MASH are a problem across the whole of the UK, and this is due to the complex and stressful nature of these roles. There are currently no significant recruitment difficulties for social work roles in fostering, adoption and children in care.
7. Strategies to recruit social workers and social work managers have been in place since December 2012 with HR&OD working closely with operational managers within children's services and adult care operations to try and improve the situation.
8. A joint advertising campaign for social work recruitment with children's services and adult care operations ran from November 2014 to April 2015 with some significant success, particularly in relation to the recruitment of NQSW's with 20 job offers being made in children's services. The success of the advertising campaign in respect of NQSW's will now enable the development of effective succession plans and build future capacity in the service. However despite this campaign there are still in excess of 30 agency workers in senior practitioner and manager roles in the safeguarding and MASH teams in children's services. In addition five team leader roles remain vacant in adult care operations.
9. Alternative ways of advertising the vacancies are now being developed and a proposal for a renewed recruitment campaign is being progressed with Penna, the council's recruitment advertising agency. The proposal includes a short term strategy to focus on recruitment to current vacancies and a longer term strategy to ensure that the services can continue to build future capacity within the teams and reduce the reliance on agency staff. The proposal also includes opportunities to utilise access to social media forums and other more targeted approaches, as well as traditional advertising in on-line publications that social workers are known to read.
10. As a result of the difficulties being experienced in recruiting experienced social workers and social work managers, and the plan to launch a renewed recruitment advertising campaign, a review of market pay was carried out to benchmark the council against the pay for social work roles in the South West campaign to determine if the payment of a supplement would be needed to improve the councils position in the competitive market for social work recruitment.

Main Considerations for the Council

11. HR carried out a review of pay for social workers and social work managers to ensure the council is competitive, and that the pay scales are at a level that will attract the right calibre of experienced candidates.

12. The council now uses Croners pay data bankⁱⁱ to support the payment of market supplements so this data has been used in this benchmark exercise, and is based on the pay rates in the South West region.
13. The data showed that we pay at the market median for most social work posts. It also showed that we are adrift of the median when compared to the salary maximum for social worker level 4, but only by 2%. This meant that there is little evidence that we need to pay a market supplement based on the median market pay.
14. However given the challenges in recruiting experienced social workers and managers in some children's services teams and social work managers in children's and adult's teams, as well as the competitive pay rates offered by agencies and some other local authorities, a review against the upper quartile market pay for experienced social workers and social work managers has also been carried out.
15. When pay rates for these roles were compared with upper quartile pay the pay rates were adrift by 5% at level 3, 18% at level 4/assistant team manager and 12% at team manager. This means that there is significant variance in the market for roles at different levels, however at the council there are difficulties recruiting to all experienced levels of social work within some children's services teams and social work managers in both children's and adult's services, including at head of service.
16. There are already plans to address the pay for Hay graded posts which means that the current difficulties in recruiting at head of service level should be resolved in terms of the pay for these roles being more competitive. However the most significant risk to the service currently is the inability to recruit experienced front line practitioners and managers in safeguarding and MASH.
17. The Assistant Director for Adult Social Care Ops will be working with HR colleagues to review the need for market supplements in relation to roles in adult social care which we have difficulty recruiting to. Once this review has taken place any actions taken will be made as delegated decisions.
18. The variances in market pay, based on upper quartile pay, are likely to be due to the differing structures in councils for social work. For example level 4 social workers and assistant team managers can be the same level and therefore the same role, whereas we have both. In order to determine an appropriate supplement some caution was needed to ensure we do not increase pay for these hard to fill posts to an extent where we are paying above the upper quartile pay and creating unnecessary disruption to the regional market for these roles.
19. Following discussions with the associate director for children's social care he expressed a preference to pay the same supplement to level 3 and 4 social workers in safeguarding and MASH teams, and the same supplement to assistant team and team managers in these teams, and HR support this approach. It was therefore proposed that a 10% market supplement is applied to the level 3 & 4 social workers and a 15% market supplement is paid to assistant team managers and team managers. It was also proposed that the

same can apply to the team leader roles in adult care operations and the payment of a 15% supplement was therefore recommended for these roles.

20. The financial impact of the application of these supplements is outlined in paragraphs 32 - 35.
21. Whilst the payment of a market supplement based on the upper quartile pay for similar roles in the south west was agreed by CLT, it should be noted that whilst pay may be a clear driver in attracting candidates to apply for posts research says that other factors have a bigger impact on whether a candidate accepts a job offer and whether they stay with an organisation. Other factors include development opportunities, career progression, workload, work life balance and access to flexible working. Therefore this approach will only work if the other factors affecting retention are managed effectively.
22. In response to this and alongside the recruitment activities that have taken place other recruitment and retention initiatives have also been taking place to improve the situation. These include:
 - Reviewing the process of recruiting agency workers to cover the senior practitioner roles that remain vacant. This has included developing a regional forum to improve the quantity and quality of applications through Comensura which is likely to develop in to a more general recruitment and retention forum, and may involve the development of a south west regional CPD conference.
 - Steps to improve the retention of social workers by designing and implementing a professional development programme to support the fast track development of newly qualified and inexperienced social workers, as well as a revised programme of personal development for more experienced social workers. This initiative is at an early stage but resources have now been allocated to move this forward as a priority.
 - A review of the opportunities for more flexible working is being considered as a way to improve the recruitment and retention of experienced social workers who may have taken a career break due to childcare or other caring responsibilities.

Safeguarding Implications

23. The safeguarding implications are directly related to the ability of the council to recruit sufficiently experienced social workers and managers to undertake the statutory safeguarding responsibilities of the council.

Public Health Implications

24. There are no public health implications as a result of the agreed proposals

Environmental and Climate Change Considerations

25. There are no environmental and climate change considerations as a result of the agreed proposals.

Equalities Impact of the Proposal

26. There are no equalities implications as a result of the agreed proposals.

Risk Assessment

27. There is a risk to vulnerable children and adults as a result of the difficulties the council is experiencing in recruiting experienced social workers and managers specifically in the safeguarding and MASH teams in children's social care and team leaders in adult care operations. This risk means that vulnerable adults and children may suffer harm if steps are not taken to improve the council's ability to recruit.

Risks that may arise if the proposed decision and related work is not taken

28. The risk is that we will not have sufficient numbers of appropriately qualified and experience social workers which could mean that vulnerable children and adults may suffer harm.

29. There is a risk that if market supplements are not paid an opportunity to convert some agency staff to permanent roles will be missed thereby increasing reliance on agency staff at a time when we are trying to reduce the numbers and costs of agency workers.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

30. There may be challenges from social worker and social work manager roles about the payment of the supplements and the proposals to apply them to specific roles and teams in children's social care and specific roles in adult care operations. This risk will be managed by effective communications within the services by the relevant associate directors and heads of service.

31. There is a risk that some social workers or social work managers may move from roles that do not pay market supplements to those that do, thereby not increasing our overall resource of social workers whilst raising the cost base. This would, however, result in easier to fill posts since the market supplements apply only to those teams which have historically been more difficult to recruit to.

Financial Implications

32. The total additional cost to the safeguarding and MASH teams within children's services in 2014/15 is £378k. This assumes that all new staff are recruited at level 3 & 4 and that these new staff replace agency staff and current vacancies. The future commitment to the payment of the proposed supplements is £420k per annum. This assumes all current NQSW and level 2 social workers progress to level 3.

33. If the spend on agency workers ceases the budget for the service should match the level of actual spend by 2015/16. Based on previous years' experiences to do nothing will continue to incur costs above the current budget

due to the gap between pay budgets and the cost of agency. At present that is a forecast cost of circa £0.9 million, and that is despite actions to reduce previous gaps caused by the need for agency staff of over £1.5 million. The do nothing option is not therefore supported from a financial perspective and action is required to reduce this pressure in the short and medium term.

34. As such this proposal is focused on short and longer term cost avoidance, but will require additional investment certainly in 2014/15 and potentially in 2015/16 depending on the length of need for agency staff. It is proposed that the additional cost identified is funded from the general fund reserves. The current level of reserves reported to Cabinet in June 2014 identified that reserves were increased by nearly £0.4 million following a small surplus at 2013/14 year end. This is in excess of the risk assessed level of general fund reserves set out in the 2014/15 budget setting papers considered by council in February 2014. As such, given the priority of these proposals linked to the business plan and the fact that it should not be recurring it is recommended that a one off transfer is made in 2014/15 from the general fund and any consideration for 2015/16 is assessed in setting the base budget for that year based on further assessment of the success of market supplements.
35. There is no calculation of the financial impact on adult care operations as the associate director for adult care operations wishes to review the need to pay market supplements to comparable roles within the service to ensure there is clear evidence of significant difficulties in recruiting, and where the inability to recruit is having an impact on service delivery that is deemed to be unsustainable.

Legal Implications

36. The payment of supplements is based on the jobs market for specific posts, and where there is clear evidence that there are significant recruitment and retention difficulties. In this instance, there could be a risk of an equal pay challenge from social workers and managers in other teams in children's services and from social workers in teams within adult care operations. In such circumstances, the Council will need to show that the difference in contractual terms is due to a "material factor" which is neither directly nor indirectly sex discriminatory; it is well-established that "market forces" are a potentially valid "material factor" defence. It has also been stated in binding case law, in relation to claims for indirect discrimination, that "the state of the employment market, which may lead an employer to increase the pay of a particular job in order to attract candidates, may constitute an objectively justified economic ground" for a pay disparity.
37. It is understood the council has in place a robust market supplements policy that supports the agreed proposals, and this has been equality impact assessed and mitigates the risk of challenge.
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Options Considered

39. There are a number of other options being developed to improve the recruitment and retention of social workers and managers. This includes retention initiatives in relation to professional and personal development as outlined in paragraph 21.
40. In addition to these initiatives a renewed recruitment advertising campaign is being progressed and the payment of supplements to the posts outlined will form part of this advertising. The option to advertise roles based on the current salaries has been considered but a recent campaign to attract social workers and managers in children's services was only successful in relation to newly qualified social workers. This and the added pressure of inflated agency pay rates means that the councils position in relation to pay is not competitive for more experienced social workers and manager roles, therefore to do nothing in relation to pay was not a viable option.

Conclusions

41. In response to the ongoing difficulties in recruiting experienced social workers and social work managers in children's safeguarding and MASH teams and team leaders in adult care, it was concluded that a market supplement should be paid to roles in these teams to improve the council's competitive position in the recruitment market, where there are significant and on-going recruitment difficulties.
42. It was agreed by CLT on 23 June 2014 that a 10% market supplement is paid to level 3 and 4 social workers and a 15% market supplement is paid to assistant team managers and team managers in the children's social care teams for safeguarding and MASH on a date to be agreed with the associate director.
43. It was agreed that the associate director for adult care operations considers the payment of market supplements to comparable roles within that service, based on the proposed supplements outlined in paragraph 19, where there is evidence of significant difficulties in recruiting, and where the inability to recruit is having an impact on service delivery that is deemed to be unsustainable.
44. It was also agreed that the application of market supplements based on the upper quartile pay rates is confined to experienced social work roles, and social work managers, excluding Hay grades, only.
45. A review of the market supplements will take place annually in line with the councils market supplements policy. If the market indicates that pay has increased the supplement will increase, and if the market indicates that the pay has decreased the current supplement will be reduced, and in the case where the market indicates that a supplement is no longer required pay will be protected for 12 months.

Corporate Director, Carolyn Godfrey

Corporate Director, Maggie Rae

Report authors:

Terence Herbert
Associate Director
Operational children's services

Barry Pirie
Associate Director
People and business

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Background Papers

ⁱ Reforming Social Work – Report by Policy Exchange June 2013

ⁱⁱ Croner Reward Market Rate Report May 2014