

## **Sustainable Transformation**

### **Award Submission by the London Boroughs Heads of HR Network**

#### **Summary**

31 London boroughs have signed a Memorandum of Co-operation to tackle long-standing issues relating to the recruitment and retention of children's social work professionals. The Memorandum signals our commitment to work together on issues such as pay, training and development, supporting new professionals to develop their careers, and to work with agencies to improve quality and reduce cost.

This initiative has involved HR leads across London working closely together to transform the way we approach workforce issues around children's services workforce. The initiative created a partnership approach based on a shared understanding of the key issues and identification of the outcomes. This has prevented us competing on price for the same resource and avoided us fuelling inflationary pressures and poor market practice in doing so.

Driven by the Heads of HR Network (which is facilitated by London Councils) the initiative has achieved cooperation across London and enjoys the support of Chief Executives, Directors of Children's Services, the Greater London Employment Forum (which includes Employers and Trade Unions), as well as agency suppliers of social workers. It has delivered financial benefits, quality improvements and an innovative approach to how we address this issue

#### **The Memorandum**

The Memorandum is a unique and innovative example of employers collaborating to develop a common workforce plan in an area where there is a significant skill shortage. It demonstrates how HR functions in different organisations have worked together to introduce a sustainable transformation of our thinking and practice.

Most boroughs experience difficulties in recruiting and retaining permanent staff to children's social work roles and these difficulties result in high numbers of agency staff being retained.

Collectively, there are around 4,500 children's social worker roles in the boroughs, of which around 950 are occupied by agency staff.

The boroughs have come together to recognise that the practices we have all adopted over many years have resulted in competition between boroughs for an insufficient pool of experienced workers, spiralling pay and cost for permanent and agency staff alike, and insufficient focus on what we should be doing to improve the supply and quality of social work professionals. The way the sector had been approaching these issues hasn't solved the problem for the last 30 years so we have had to take a very different approach.

Agency social work professionals are a valuable resource that enable local authorities to provide critical services to some of the most vulnerable members of our society. The challenges faced across London may differ but all authorities seek high quality agency professionals to complement their permanent workforce.

#### **The action plan**

An action plan with identified specific tasks was agreed to put the Memorandum into practice on:

- Establishing common agency pay rates
- Working on workforce data
- Understanding referencing protocols
- Communicating with the workers themselves.

Discussions on the Memorandum included agency managed service providers and panel agencies to set benchmark agency pay rates and a common referencing format has also been agreed and implemented.

### **Outcomes**

Capped agency rates now exist across all social worker job types in London; this allows each employer discretion on pay, yet manages spiralling payroll costs. Prior to the memorandum, the average hourly rate for social workers stood at £28 per hour with a large variation across London, the latest poll of social work agencies showed rates were being held below this level and boroughs report a more stable environment in terms of cost and turnover.

In recognition of the high predictive validity of referencing existing employers, a common reference template has also been adopted, ensuring performance feedback at the end of each assignment as well as a speedier appointments process.

The Memorandum has also ensured that employers in London collaborate in implementing the recently established employer's standards by the government's social work taskforce in areas such as:

- social worker accountability
- workforce planning
- safe workloads
- effective supervision and management
- continuing professional development.

Barry Quirk, Chief Executive of Lewisham and the Workforce Lead for the Councils, said:

“ Boroughs have recognised that a more collaborative approach is the best way forward, to improve the number and quality of social work professionals, whilst avoiding competition between boroughs which drives instability in service delivery, and additional cost. “

### **Sustainable Transformation**

Through our transformational programme we have created a sustainable framework that guides how we: -

- Work collaboratively and with agency suppliers to develop mechanisms to ensure that rates and charges for supplying agency staff appropriately reflect the skills and experience of workers and the remuneration of permanent staff. Boroughs report that this has stabilised turnover amongst agency workers in the workforce, prevented any further increase in what had been volatile agency pay rates and improved practice adopted by agencies in the

market. It also creates a more sustainable business model for the relationship between agencies and boroughs with a focus on stability, quality and value linked to skills and experience, rather than raw market forces.

- Ensure that agencies providing staff are required to comply with an agreed standard for the completion of pre-employment checks and referencing of workers. The adoption of a template has led to more consistency in the content and quality of references and clearer expectations between all parties about the quality, completeness and timeliness of references. This delivers better quality for boroughs, for children's services and ultimately improves the quality of services we provide to our most vulnerable children and families.
- Allows us to adopt more sustainable workforce plans and working practices that will lead to a significantly improved position financially (through avoiding agency and recruitment costs).
- Work together to address challenging issues in a way that brings tangible benefits to us all. One example of this is in relation to proposed changes to IR35 regulations. An agreed approach has enabled boroughs to resist the imposition of significant additional costs and rate rises by agency providers.
- Work with similar initiatives in other regions to achieve lasting change, recognising that the workforce is mobile and agency providers operate nationally.

The Memorandum has been recognised by Personnel Today as worthy of recognition being shortlisted in the category for Excellence in Public Service HR.

The initiative is also featured on the London Council's website. London Councils support London Local authorities. A link to the London Council's website which includes the Memorandum and supporting papers is here: [Memorandum of Cooperation on London Councils' website](#)

The professional press has also recognised the impact of the Memorandum.

### **Addressing resistance to change**

The Heads of HR Network engaged London Councils, the Local Government Association, Chief Executives of London Boroughs, Directors of Children's Services, London Association of Directors of Social Services and the Greater London Employment Forum and the staff themselves at the start and throughout the course of the Programme. The fact this initiative was led by HR and not Directors of Children's Services was originally very challenging as they doubted that collaboration on a sustained approach could be achieved due to the high profile nature of social care when things go wrong. Our perseverance and making the case that this was the right thing to do proved pivotal.

A collaborative and constructive approach with the agencies providing workers allowed a shared understanding of what the programme sought to achieve to be established and this has underpinned discussions.

