

**REPORT OF THE SERVICE DIRECTOR - HR AND CUSTOMER SERVICE****FURTHER TEMPORARY EXTENSION OF AVAILABLE FUNDING – OPTIMUM  
WORKFORCE LEADERSHIP****Purpose of the Report**

1. To seek the agreement of Personnel Committee to the roll-over of ring-fenced funding up to 1<sup>st</sup> April 2016 to enable the implementation of a revised service model for the work of the Optimum Workforce Leadership (OWL) partnership for the financial year 2015-16.

**Information and Advice****Background**

2. Optimum Workforce Leadership (OWL) replaced the Nottinghamshire Partnership for Social Care Workforce Development (NPSCWD), which was a partnership of independent sector adult social care employers across Nottingham City and Nottinghamshire County.
3. OWL was established as a membership organisation and developed income generational products and services in April 2014 and as such reports to the inter agency Stakeholder Board on a regular basis. The governance is provided by the Director of Access and Public Protection who is the Council's representative on this Board.
4. Under the integrated corporate model for workforce planning and development activity, the OWL team work as part of the wider corporate Workforce and Organisational Development function within the wider HR service. The Team Manager reports directly to the relevant Group Manager HR. A current structure chart is attached as an **appendix** to this report.
5. OWL was funded from existing Environment and Resources department reserves on a fixed term basis up to 31<sup>st</sup> October 2014, subject to review.
6. Personnel Committee on 15<sup>th</sup> September 2014 approved the extension on a temporary fixed term basis of the current service model, funded by roll over of the in-year budget balance of £200,000, until 31st March 2015 to allow further analysis of a sustainable future service option to take place.
7. It has now been firmly established through the key Stakeholder Board that there is strong support for the perpetuation of the existing County Council led model but the independent sector providers are unable to make any contribution to its funding.

## **Proposal:**

8. Over the last 20 months products and services have been developed that have enabled Optimum to launch as a membership organisation with the potential to generate income which has been very successful. Optimum has recently secured additional funding of £103,000 through the Workforce Development Fund which brings with it an administration income of £10,000.
9. The extension of the funding will enable further income generation opportunities to be explored, which will include investigation of the potential to work in partnership with and provide services to other local authorities within the region.
10. It is now established that at 31<sup>st</sup> March 2015 there will be approximately £180,000 of unspent funds. The budget required to support the overheads for the staffing cohort of 2.7 established FTEs within the OWL team is £114,464 with on costs.
11. The rollover of remaining reserve funding will enable the in house OWL team to further develop the model and market the service to stimulate further income generation opportunities. This would provide an opportunity to continue to expand and deliver the service provided by OWL for the duration of the funds.
12. The ASCHPP department will work with the Stakeholder Board to commission this work and the ongoing financial viability of this model as an income funded, cost neutral, service will then be reviewed for 1st April 2016.
13. Subject to the agreement of Personnel Committee to the extension of funding to support and grow the current model, a business case will be developed setting the detail out how the commissioning of work from the OWL team will link to and support the options for change being put forward by the ASCHPP to improve and sustain quality for independent providers of adult social care services.

## **Other Options Considered**

14. The cessation of the OWL model would result in independent sector care providers needing to source their own workforce development activity direct with a loss of the consistency, quality assurance and economy of scale the current model has been proven to provide.
15. The most recent advice has clarified that the original exploratory consideration given to either the formation of an Arm's Length Organisation or a Traded Services option would not be legally viable or, at this stage, financially viable.
16. Experience and evidence to date indicate that it is highly unlikely that without further investment in service development and marketing, OWL would be able to generate the required levels of income to be sustainable in the short to medium term and the only other option currently available would be to cease funding from 1<sup>st</sup> April 2015 and disestablish the OWL team.
17. Further work will be undertaken in the interim to identify a sustainable service model for the longer term.

## **Reasons for Recommendation**

18. To enable the Council, through OWL, to continue to support the independent sector through the implementation of the Care Act 2014, including the personalisation agenda and support the wider workforce transformation arising.
19. The Care Act places new duties on local authorities to facilitate and shape their market for adult care and support as a whole, so that it meets the needs of all people in their area who need care and support, whether arranged or funded by the state, by the individual themselves, or in other ways.
20. The Council will be expected to influence and drive the pace of change for their whole market, to achieve a sustainable and diverse range of care and support providers. There is an ongoing need to continuously improve quality and choice and deliver better, innovative and cost-effective outcomes that promote the wellbeing of people who need care and support.
21. The OWL team have developed specialist strategic workforce development knowledge and experience through working with the independent health and social care sector. Retaining and developing the current model will therefore provide in house capacity to identify and deliver these specific workforce development needs in a consistent framework.
22. This will provide a responsive method of supporting the implementation of change in independent health and social care settings and the targeting of those specific areas where quality improvement requirements have been identified.
23. The proposal would also continue to support and enhance the work of the Quality and Market Management Team within ASHPP.

## **Statutory and Policy Implications**

24. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Human Resources Implications**

25. The proposals set out in this report would extend the ongoing employment of the three County Council employees currently providing this service for a further fixed term period, up to 31st March 2016.

## **Financial Implications**

26. The financial implications are set out in the report.

## RECOMMENDATIONS

It is recommended that Members agree:

1. The fixed term extension of the current service model, funded by the carry forward of funding in reserve, up to 31st March 2016 in order to enable an entirely income generating service to be trialled.
2. The continuation of the current staffing establishment to deliver this work until 31<sup>st</sup> March 2016 to include:
  - Team Manager Band D (1 fte)
  - Workforce Planning Officer Band A (0.7 fte)
  - Administrative Officer Grade 5 (1 fte).

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### **Constitutional Comments (CEH 11.12.14)**

27.The recommendations fall within the remit of the Personnel Committee. A report is going to the Adult Social Care and Health Committee regarding the modelling/development options for Optimum going forward.

### **Financial Comments (SEM 09/12/14)**

28.The financial implications are set out in the report..

### **Background Papers and Published Documents**

None

### **Electoral Division(s) and Member(s) Affected**

All

