

Health Social Care and Inclusion Scrutiny Panel – 19 January 2009

Links-to-Work Preparation and Supported Employment Service. Update on the future of the Service

Portfolio: Councillor Barbara McCracken, Social Care & Inclusion

Service: Links-to-Work
Adults Social Care & Inclusion
Disability Services

Wards: All

Key decision: No

Forward plan: Yes

1. Summary of briefing report

- 1.1 Links to Work is a work preparation and supported employment service for people who have a disability or are disadvantaged by society.
- 1.2 The service has run at a substantial loss of around £0.400m per annum since it absorbed part of the workforce of Walsall Windows in 2004. This deficit is managed within the learning disability adult services
- 1.3 In October 2008 a range of Options were considered to address budgetary concerns and officers were asked to progress Options that supported a restructuring of the service to maintain a sustainable service that can grow and could be eventually externalised.
- 1.4 This report identifies progress to date.

2. Recommendations

- 2.1 That subject to any comments Members may wish to make progress to date be noted.

3. Background information

- 3.1 Links to Work is a work preparation and supported employment service for people who have a disability or are disadvantaged by society. Its mission statement is "To provide a work preparation and support employment service that is identified as a centre of excellence, which offers meaningful real work training and job opportunities with the level of work related support that each individual requires.

- 3.2 Links to Work opened in April 2000, taking over the site previously occupied by Reedswood Engineering, which closed in 2000 due to financial problems. From 2000 to 2004 Links to Work increased its income generation on a steady basis moving towards an objective to balance non staffing expenditure via income generation with staffing expenditure being funded via mainstream revenue budgets
- 3.3 In 2004 Walsall Windows a UPVC manufacturing unit closed and a decision was made to transfer the seventeen staff to Links to Work. The staffing budget was transferred for two years with the intention of becoming self sustaining. Thirteen of the staff were on the Workstep programme and had a disability. All the staff had permanent Walsall MBC contracts of employment; this meant that the staff would not move on and leave the security of their MBC contract. This complex range of factors led to the failure to meet unrealistic income targets and once the staffing budget ceased in 2006 the deficit increased to £0.400m. The learning disability services had to absorb and manage this deficit which has had and continues to have a detrimental affect on the rest of the service delivery.

4. Options Appraisal

- 4.1 Four options were considered to decide the future of Links to Work.
- **Option 1 Maintain the status quo**
 - **Option 2 The complete closure of Links to Work**
 - **Option 3 Reduce the service to the minimum required to break even**
 - **Option 4 Restructure to a sustainable service**
- 4.2 After extensive evaluation Option 4 offered the best alternative for the future needs of Service Users and the Council.
- 4.3 This option provides a rationalisation of the workforce and restructuring that maintains a sustainable service that can grow and could eventually be externalised. This option would mean continuing to carry a substantial overspend of £0.340m for 2008/9. The smaller overspend of £0.096m for 2009/10 and £0.025m 2010/11 would be absorbed with a new commissioning agreement. Up to 9 employees would be at risk with this option..

5. Progress subsequent to October

- 5.1 The budget deficit at Links to Work has been reduced from £0.360 to a forecast £0.284 as at month 08, this is reflective of active and sustained management intervention.
- 5.2 A Project Board has been established comprising members from Disability Services, Finance, Human Resources and Project Management to monitor monthly progress against an agreed Action Plan and report as required.
- 5.3 A specific Links to Work Joint Negotiating Committee has been established which meets monthly and ensures regular interface with staff.

- 5.4 New Job Descriptions and Job specifications have been submitted for Job Evaluation and Job Grading.
- 5.5 Finance colleagues will be re-evaluating baseline costs as a result of Job Grading decisions and also undertaking a review of income assumptions as a result of the general economic circumstances
- 5.6 Progress on the project is reported monthly through the Disability Service Performance Improvement Group and finances through the Budget Group
- 5.7 The restructure is defined in a staged Project Plan with the Project Start Up (October-December 2008) now complete:

Stage 1 of the Project (Prepare for New Structure) commences in January 2009

Stage 2 (Deploy New Service Model) commences in April 2009

Stage 3 (Deployment, Review Business Model and Closure) commences in April 2010.

The Project Plan is subject to the Walsall Project Approach governance arrangements

6. Resource considerations

6.1 Financial:

- 6.2 The preferred route to address the underlying financial issues at Links to Work was Option 4 in the Report of October 2008. This option still leads to a projected overspend of £0.340m in 2008/09 which will have to be funded from existing budgets within Learning disabilities. For future years the smaller overspend of £0.096m in 2009/10 and £0.025m in 2010/11. The predicted overspends for 2009/10 and 2010/11 will be resourced through a commissioning agreement from within the disabilities service.

7. Legal:

- 7.1 All the issues will be implemented within existing policy and procedures and would have no legal implications.

8. Staffing:

- 8.1 There are implications in terms of consultation with staff, individual support, redundancy and redeployment. There are limited opportunities for redeployment due to skill levels of some of the employees.
- 8.2 A team from within the existing Disability Services led by the Strategic Commissioning Manager has been identified. Work has commenced immediately and a specific Links to Work Joint Negotiating Committee has been established. The Links to Work JNC will report through the Disability Services JNC Sub Group to the full Adult Services JNC.

9. Citizen impact

- 9.1 There are 32 staff at Links to Work, half of these have a disability. Many of these staff also live in Walsall. 150 adults with disabilities living in Walsall attend Links to Work. .

If there was a need to reassess and seek alternative services this would have a massive impact on the resources of the social work teams. This would mean diverting resources from other citizens and delays in support for individuals. The loss of placements for trainees and additional pressures on carers could also lead to health problems and additional pressures on Walsall health services.

10. Community safety

- 10.1 The provision of placements and training has been significant for younger adults with disabilities who without this focus could have engaged in anti-social behaviour. One individual was supported by Links to work and is now at college with a career path, his mother said "I have no doubt that without the direction and support Links to Work has given my son, he would be in prison now".

11. Environmental impact

- 11.1 Links to Work currently collects an average of 20 tons per month of plastic. This is the equivalent of 252,000 plastic bottles. This saves the Council a minimum of £1,100 a month in landfill charges and influences EU monies.

12. Performance and risk management issues

12.1 Risk:

The existing issues create economic risks due to overspend and the budgetary pressures they create. There is a social risk as there is a clear trend of an increase in the adult disabled population of Walsall whose needs will not be met. There is an environmental risk if the recycling operations close.

There is also a risk aligned to the general economic circumstances nationally. Links to Work acts as a Sub Contractor to local industry and contractual income will reflect any local downturn. In addition income is generated from the recycling operations which is being adversely affected by market values of recycled paper and plastics.

13 Performance management:

- 13.1 There are key performance indicators that are affected by the operations at Links to Work. These indicators link to the council's overall performance rating.

- N1 132 – Timeliness of social care assessment (18+)
- N1 133 – Timeliness of social care package (18+ from 2009/10)
- N1 136 – People supported to live independently through social services.
- N1 146 – Adults with learning disabilities in employment.

- 13.2 Links to Work offers support, tackles inequalities and encourages independence through the acquisition of skills and progression to open employment. This service is in line with key government directions outlined in 'Our health, our care, our say – a new direction for community services', 'Putting People First' and 'Valuing People Now'.
- 13.3 The vision for Walsall in 2021 states that people are our strength and have the skills and attitude required by employers. Links to work has a key influence on the council's performance to make this vision a reality

14. Equality implications

- 14.1 The two key equality implications are:-
 - The loss of employment for adults with disabilities
 - Potential loss of a key service to support adults with disabilities.

15. Consultation

- 15.1 Disability Services Senior Management Team, Finance and Human Resource Officers have been consulted during throughout the progress since the Cabinet view in October.
- 15.2 All staff including Unison Stewards have been made aware of the deficit, the Cabinet view and the need to change. Feedback generally accepted that there needs to be changes but there is anxiety regarding the future of their jobs. Some individuals saw the changes as an opportunity with new posts within restructure.

16. Background papers

- 16.1 Report October 2008 – Links to Work Preparation and Supported Employment Service – Decision on the future of the Service

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