

**26 March 2009**

**Links to Work; Preparation and Supported Employment Service – Update on future of the service.**

**Ward(s)** All

**Portfolios:** Cllr Barbara McCracken – Social Care and Inclusion

**Summary of report:**

In October 2008 a range of Options were considered to address budgetary concerns (£300k per annum deficit) and officers were asked to progress options that supported a restructuring of the service to maintain a sustainable service that could grow, be managed within budget parameters and eventually be externalised.

This report identifies progress to date and identifies the need for further Management action to accommodate economic and political influences. These have been identified in Current State and Risk below.

Panel are asked to note progress to date and the need for further management action to address the financial shortfall of the Links to Work operation and its long term strategic fit.

**Background papers:**

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

Health Social Care and Inclusion Scrutiny Panel – January 2009  
Links-to-Work work Preparation and Supported Employment Service. Update on the future of the Service.

**Reason for scrutiny:**

Scrutiny requested this information to assess and understand the impact of the restructuring of Links To Work. Specifically the impact of changes to identify the number of posts at risk and any impact on service users.

## Resource and legal considerations:

Further work will be undertaken to review the revenue forecasts and identify any financial risk by work stream. Quarterly reviews will then identify the need for further change to the overall financial framework. Panel are asked to note:

- External funding is not available to preserve the existing structure at Links To Work.
- External agency funding has reduced by £45,000 in 2009/2010.
- Regeneration funding seeks to create new sustainable posts rather than preserve existing ones.

All the changes will be implemented and managed within existing policy and procedures and will not have any legal implications.

## Citizen impact:

The approach taken in the development of the preferred future service options has been to minimise the impact on service users who attend Links to Work.

The proposals will also facilitate the long term development of the service which should re-focus on creating real employment and very sheltered employment opportunities and it is anticipated that this will be a positive impact.

The overall impact of the recent project work and future planned activity could reduce the number of support posts from 34 present down to 19

<b>Impact</b>	<b>Jobs at risk</b>	<b>Timescales</b>
Option 4	9 posts (2 lost through wastage so far)	April 2009
On going Service Review	6 posts	June 2009

It is not possible to identify individuals, as the process is not yet complete and formal consultation is required. Some individuals can be assimilated to new roles others will have to undertake a selection process.

Two people have expressed an interest in voluntary redundancy.

### **Environmental impact:**

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.

### **Performance management:**

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.

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'.

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.

The Valuing People NOW White Paper was launched on 19<sup>th</sup> January 2009. There is to be a National Delivery Plan performance managed by Regional Government Offices and Strategic Health Authorities through Regional Learning Disability Programme Boards. A Key Priority for 2009-2010 is to increase employment opportunities for people with learning disabilities.

### **Equality Implications:**

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.

An impact assessment has been initiated.

### **Consultation:**

- Disability Services Senior Management Team, Finance and Human Resource Officers have been consulted throughout the progress since the Cabinet view in October.
- 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.

- Membership of Local JNC has been agreed and consultation is in progress, regular meetings have been scheduled.
- Job descriptions and job specifications have been submitted to the Job Evaluation Team to evaluate changes to the roles and responsibilities and to ensure compliance with single status.

The Health & Social Care Scrutiny Panel will be briefed on a regular basis regarding developments at Links to Work.

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## Report

### Current challenges.

There are a number of unforeseen and unpredictable factors that have impacted on the original plan for recovery, since it was developed in June 2008.

- The adverse economic climate that is undermining the business model of recycling, reduced demand and over supply brings a significant risk to the proposed business model revenues.
- Private companies are struggling to make recycling viable because of the global trading prices in materials such as cardboard and plastics.
- The current recession and economic downturn make the original increased revenue targets unrealistic.
- The recent extension of the Council's kerbside collections to include plastic bottles will have an impact on the Links to Work recycling operation. Although Links is diversifying its collection operations there could be a risk that revenues associated with recycling will reduce and create a shortfall.
- The current approach to work preparation is no longer aligned with Department for Work and Pensions Guidelines. This will need reviewing and may leave us no alternative but to change the overall approach to the operation at Links to Work.

### Progress Against Option 4

Project timescales have slipped since the last Action Plan shared with Scrutiny due to two key factors:

1. HR have identified that changes made to some of the roles within the new structure have to be formally evaluated in line with the single status process (The new Site manager and Supervisor roles). This has created some delay and changed the Action Plan; an updated version is attached as an appendix to this report.
2. Difficulties agreeing the membership of the local JNC, have delayed effective consultation and progress. This has been resolved.

The key timescales now are:

- Identification of officers who want early retirement or voluntary redundancy April 2009

- Employees at Risk identified and notified                      Week 1 May 2009
- Recruitment process for vacant staff posts                      May – July 2009
- Option 4 structure in Place    1<sup>st</sup> Sep 2009

Staffing issues identified and in progress

- Posts Already Lost Through Wastage:
  - Employment Co-Coordinator
  - Support Worker Job Coach
- Two new Posts that will not be progressed:
  - Deputy Operations Manager
  - Support Services Manager
- These new roles will not be filled due to financial pressures caused by the economic downturn and opening of the new recycling plant in Aldridge.
- Posts To Be Removed Sep 2009:
  - Assistant team Leader x 4
  - Team Leader x 3
- These roles and changes will not reduce the capacity for current service users to attend Links to Work.
- At this point in time we can not identify specific names of all the people who will be made redundant as a number of unplaced employees will be eligible to apply for the revised posts subject to single status evaluation. Some staff will be assimilated into new roles where possible. All staff are aware of the changes that will happen as a result of the progress of Option 4 and have all been briefed. At the Local JNC in February 2009 the impact of these changes were fully discussed.

Future Action Required:

- The affect of the economic downturn and the new recycling plant at Aldridge will impact on our ability to deliver the savings identified in the original proposal for option 4.
- A further six posts have been identified to enable us to recover the financial position, it is not possible to share specific details at this point in time as we have to seek approval for this change and follow HR due process. To identify the posts in this report would identify the individuals and would be inappropriate in view of the HR processes currently underway.
- These posts are mentioned in this report as an advance warning of the need to review the development of Links to Work on an ongoing basis to ensure that the financial framework targets are met and that this will not be a one off project or process. As all businesses are now finding they have to change to the economic influences that

currently prevail Links to Work will be no different. A quarterly review has been built in to manage the alignment of revenues and costs to budget provision

### **Next Steps And Opportunities**

- An ongoing quarterly review of the operation will be undertaken to identify profitability by work stream.
- Create a revised project plan to incorporate the additional staffing adjustments.
- Review the strategic fit of Links To Work:
- Strategic Commissioning Manager to create specification for employment services and test the market place to identify potential outsource solutions.
- Explore the opportunity to develop a Community Interest Company that would be eligible for external funding grants and contracts. This would make Links an independent business and self financing.
- Review the existing approach to placements and training, current approach is not compliant with Department Of Work and Pensions criteria and hence the loss of funding this year. This year only 5 people have been placed in to employment this will not satisfy the Valuing People Now ethos.
- Revise project plan to incorporate the additional staffing adjustments.
- Benchmarking suggests that Supported Employment Teams are successfully creating employment for those with Learning disabilities. Reducing the need for day services, self funding posts, and more importantly ensuring that service users are financially better off. This option should be explored as an alternative approach. The current level of successful placement in employment will not meet Government targets and expectations this has to change.

### **Initiatives to be considered**

#### **Employment:**

- We should be placing people with disabilities and enduring health conditions into mainstream employment.
- Outcomes need to improve to achieve National and Local targets.
- Closer links with existing mainstream employment services should be developed. Companies such as Seetec offer these services, are Government funded, and have the professional capacity to improve our success rate.

### **Very Sheltered Employment:**

- Some people with disabilities and enduring health conditions cannot sustain mainstream employment; they need a supportive work environment and personal pastoral support.
- Members of the panel listened to the views of disabled people when consulting on Learning Disabilities Day Service Modernisation who said “we want a chance to work and to earn money”.
- A key priority is to increase employment opportunities but to do this we need to create an environment which reflects a genuine workplace, provides real experience and develops service users. Previously Adult Training Centres did not create this type of environment and we must ensure that we keep this in mind when we develop future solutions.

### **Personalisation and Individual Budgets:**

- These national initiatives rolling out in Social Care will give the opportunity for Service Users to determine how their Care Package should be spent and this includes Council Services.
- This development represents as both an opportunity and a risk to existing Council services such as Day Services and Links to Work.
- Based on views shared with Panel Members by Service Users with regard to employment, Links to Work is likely to appeal to Service Users.

### **Summary:**

- The agreed Option 4 approach to addressing issues at Links to Work is ongoing.
- National and Local economic issues are having a detrimental affect on the vision of the original Option 4 approach requiring reconsideration of income and expenditure plans.
- The commitment to a viable and appropriately supportive Links to Work continues and will be required to meet the needs of Walsall Citizens with disabilities and enduring health conditions and their aspirations to participate in a work environment.

## LTW Outline Plan Mar 2009

Start up & Initiation	Stage 1	Stage 2	Stage3
Oct – Dec 2008	Jan – Mar 2009	Apr 09 - Sep 2009	Sep 2009 – Mar 2011
<p><b>Project start Up</b></p> <p>Define HR Strategy</p> <ul style="list-style-type: none"> <li>• Define Consultation approach inc. IR Strategy</li> <li>• Create Project Structure and define roles.</li> <li>• Set up project formally - Mantix</li> <li>• Define and prepare service user audit plan</li> <li>• Define consultation process and requirements</li> <li>• Define communication needs and produce plan</li> <li>• Formal Approval Of Jobs</li> <li>• Review cost benefit model</li> </ul>	<p><b>Prepare For New structure</b></p> <p>Analyse job descriptions</p> <ul style="list-style-type: none"> <li>• Identify training needs for new roles</li> <li>• Review existing premises and their costs</li> <li>• Create training plans for staff</li> <li>• Identify new business opportunities</li> <li>• Authorise Stage 2</li> <li>• Create management Information structure and process.</li> <li>• <b>Complete Job evaluation process for new roles</b></li> <li>• Agree operational objectives and outcomes</li> <li>• Review cost benefit model</li> <li>• Undertake equality Impact Assessment</li> </ul>	<p><b>Deploy New Structure</b></p> <p>Develop commissioning requirements</p> <ul style="list-style-type: none"> <li>• Agree staffing structure</li> <li>• Identify performance related training needs</li> <li>• Define selection process</li> <li>• Appoint staff</li> <li>• Deploy new structure</li> <li>• Agree Quarterly performance targets for service manager</li> <li>• Define Modernisation links and integration</li> <li>• Deliver staff training and development</li> <li>• Schedule all IPM reviews</li> </ul>	<p><b>Develop New Service Model</b></p> <ul style="list-style-type: none"> <li>• Develop existing service model / Create new model</li> <li>• Oct 2010 review business model and approve BAU service approach</li> <li>• Review cost benefit model</li> <li>• Dec 2009 Review bus case benefits and authorise year 2 Stage 3</li> </ul>

This plan reflects the changes in timescales as a result of the need to undertake Job evaluation / alignment with single status requirements