

SLOUGH BOROUGH COUNCIL

REPORT TO: Employment & Appeals Committee **DATE:** 24th January 2013

CONTACT OFFICER: Kevin Gordon, Assistant Director Professional Services

AUTHORS: Julie Bell (HR Services Officer), Carli Thorpe (Procurement Specialist)

(For all enquiries) (01753) 875213

WARD(S): All

PART 1 **FOR INFORMATION**

Update on New Contract for the Provision of Temporary Agency Staff

1 Purpose of Report

This report provides an update on the implementation of the new contract for a Managed Service provider to supply Temporary Agency Staff.

2 Recommendation(s)/Proposed Action

The Committee is requested to Resolve that the report be noted.

3 The Sustainable Community Strategy, the JSNA and the Corporate Plan

Sustainable Community Strategy Priorities

The JSNA priorities of particular relevance are:

- The Managed Service Provider will open opportunities in the local economy particularly for SME organisations to provide temporary agency staff to the Council.
- Working with local Job Centres and other organisation to assist job seekers in finding employment, increasing skills and employment opportunities.
- Enables the Council to flexibility manage its workforce and meet operational needs to deliver front line services to residents, particularly within Health & Wellbeing.
- Delivering cashable and efficiency savings across the council.

Corporate Plan 2012/13

The proposals within this report meet the Corporate Plan's objectives as follows:

1. Improve customer experience by improving service delivery from the provider.
2. Deliver high quality services to meet local needs by ensuring access to a diverse work force through broadening access to higher quality resource (e.g. Occupational Therapists / Physiotherapists / Qualified Social Workers).
3. Develop new ways of working by introducing a new, end to end automated system for the ordering, tracking, monitoring and analysis of temporary agency staff.

4. Deliver local and national change by increasing opportunities for local and SME agencies to working with SBC.
5. Develop a skilled and capable workforce by the Managed Service Provider working with job centres and other elated agencies.
6. Achieve value for money by ensuring significantly improved service delivery and guaranteed cashable savings.

4 **Other Implications**

(a) Financial

By implementing this new contract efficiency and cashable savings will be achieved:

- £25k reduction in costs by no longer having the supplier (Pertemps) on site. The new arrangement does not require any on site provision
- Guaranteed minimum savings of 3% / £250k through reduced agencies fees, aligned pay rates and tenure control with the opportunity to increase this by a further 3 – 6%

(b) Risk Management

| Risk | Mitigating action | Opportunities |
|-------------------|--|---|
| Legal | Very clear set of legal documents via a government approved framework, already agreed to by the provider. | None |
| Property | None | Pertemps have now vacated SBC office space freeing this up for our use. |
| Human Rights | None | None |
| Health and Safety | None | To encourage all staff to consider their working environment, their responsibilities for their own health and safety and work life balance. |
| Employment Issues | None | Service areas will have up to date and accurate real time information with regards to ensuring continuity of service through the automated system being implemented as part of this contract. |
| Equalities Issues | Agency Worker Directive ensures pay parity between full time permanent employees and temporary agency staff. | None |
| Community Support | None | Supports local businesses and SME's and also opens opportunities for residents |

| | | |
|------------------------|---|--|
| | | seeking work through the supplier working with the local Job Centre and other relevant agencies. |
| Communications | Regular communications updates to users and staff via: <ul style="list-style-type: none"> • SBC Insite • Grapevine • News round • Drop-in sessions • E-mail • Training sessions | None |
| Community Safety | None | None |
| Financial | None | <ul style="list-style-type: none"> • Guaranteed minimum savings of 3% on existing spend (with further opportunities to increase this) • Guaranteed maximum pence-per-hour agency fees • Pay parity between full time permanent employees and temporary staff workers in-line with Agency Worker Directive • Potential discount for workers that have been in post for longer periods of time (although the aim is to challenge the need for worker longer term posts and reduce the need) • Gainshare mechanism – whereby savings achieved over and above the guaranteed minimum will be shared between SBC (90%) and the supplier (10%) • Mechanism for supplier to credit SBC for failure to deliver agreed service levels |
| Timetable for delivery | The new contract launched 7 th January 2013. | None |
| Project Capacity | None | A proportion of the year one savings will be invested in appropriate resource to ensure robust implementation, contract management and monitoring. |
| Other | None | None |

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act Implications..

(d) Equalities Impact Assessment

An Equalities Impact Assessment has been undertaken and was attached to the previous report.

(e) Workforce

There are no implications for permanent staff.

5 Supporting Information

- 5.1 The new contract and system for ordering of temporary agency staff has now gone live (Monday 7th January 2013) with Matrix SCM. The new contract has been set up to ensure access to the right quality of staff with the right skills and qualifications. Due to the diverse and often unpredictable nature of the Council's requirements, access to a broader range of agencies is needed. This approach is known as the Neutral Vendor Model where a single contractor manages the relationships with a number of vendors on the councils behalf capturing spend and demand data through a central point Model.
- 5.2 Matrix SCM will act as our contractor and develop relationships with a range of agencies, locally and nationally, so that we can source the right temporary staff at the right time and at competitive rates. Matrix will establish a common set of performance targets, terms and conditions and rates with each agency which will be monitored through their on-line system SProc.net.
- 5.3 The paper process for authorising recruitment of temporary staff has been replaced with an electronic system, Matrix SProc.net. Each approver (the same approvers as were previously in place for the paper process) receive an e-mail notification when there is a requirement pending approval and they will be asked to log-in and approve or reject the request. The final sign off by the Chief Executive continues to be on a Friday (via the electronic system).
- 5.4 A number of training sessions were held throughout November, December and January for all managers / approvers and requisitioners. Training was provided via Classroom and Webinar, to date we have trained more than 120 users with a further two training sessions scheduled for 18th January.
- 5.5 During the transition phase over the next couple of weeks we can expect some teething issues as users become used to the new system and minor amendments and corrections are made to the system set up. At the go live on Monday 7th Jan difficulties were experienced with the hierarchy for approval process, as a result, one or two requirements did not go through the correct approval process. This was noticed very quickly and the amendment has been made in the system. No further issues of this nature should occur.
- 5.6 There are now 55 agencies fully enrolled and accredited to supply temporary staff to SBC via Matrix with additional agencies in the enrollment and accreditation phase.

5.7 One of the anticipated advantages of the new system is the breadth and quality of management information that will be available. It is proposed that at the next Employment & Appeals Committee meeting a range of metrics are produced for the committee to discuss.

6 Appendices (attached)

None.

7 Background Papers

None.