

SLOUGH BOROUGH COUNCIL

REPORT TO: Employment & Appeals Committee **DATE:** 24th January 2019

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PART I **FOR INFORMATION**

TEMPORARY AGENCY STAFF PROGRESS ON IMPLEMENTATION AND BASELINE MONITORING

1 Purpose of Report

This report seeks to provide members with an update on the Council's spend on Temporary Agency Staff contracts via Matrix for quarter 3 of 2018/2019.

2 Recommendation(s)/Proposed Action

The Committee is requested to resolve:

- (a) That the report be noted.
- (b) Members consider any additional information they would like to see in future reports.

3 Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

3a. Slough Joint Wellbeing Strategy Priorities

The JSNA priorities of particular relevance are:

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

3b. Five Year Plan Outcomes

The proposals within this report meet the Five Year Plan 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 work with SBC.
5. Achieve value for money by ensuring significantly improved service delivery and guaranteed cashable savings.

4 Other Implications

(a) Financial

The Council's spend on interims between October to December 2018 was £2,338,226. The figures quoted here are those from the Matrix spend report. Spend registered outside of Matrix through the Council's Agresso payments system for the same period totals: October to December 2018 £1,016,735. It should be noted that whilst costs have been allocated to the codes for agency and consultants, services could have used these codes for non-staffing reasons. It is also fair to say that some staffing costs are allocated to non-staffing cost codes therefore the costs quoted within this report are those that can be identified. Further work would need to be done with Finance to ensure that the costs have been allocated correctly.

A breakdown of Matrix spend by Directorate against comparative quarters is below.

Directorate	Q3 2017/18	Q3 2018/19
Chief Executive	£87,962	£114,223
Customer And Community Services	£243,576	£489,277
Education And Children's Services	£8,400	£48,420
Regeneration, Housing and Resources	£604,234	£1,093,328
Wellbeing	£579,047	£695,762
Total	£1,523,219	£2,441,010
Total 2018/19 inc. Agresso spend		£3,457,745

Table 1

Directorate	Q1 2018/19	Q2 2018/19
Chief Executive	£101,443	£102,328
Customer And Community Services	£275,441	£382,294
Education And Children's Services	£63,905	£60,558
Regeneration, Housing and Resources	£1,041,164	£1,058,907
Wellbeing	£744,779	£684,894
Total	£2,226,732	£2,288,981
Total 2018/19 inc. Agresso spend	£3,050,751	£3,229,923

Table 2

(b) Risk Management

Risk	Mitigating action	Opportunities
Employment Issues	Service areas unable to source requirements via supply chain on Matrix. Hard to recruit roles identified and processes in place to source these posts. Current market forces in relation to Social Workers are influencing this risk	Review current staff development programmes and look to invest in development of our current workforce to "grow our own talent" for the difficult to source roles.
Employment Issues	Unable to recruit on agreed pay scales in Matrix. Pay scales are aligned to council job levels and Spinal column points. Assistant Director and or HR approval required to alter pay scales	
Financial	Failure to maximise savings by increasing pre-agreed pay scales within Matrix. Assistant Director and or HR approval required to alter pay scales for specialist roles influenced by market forces e.g. social workers	
Human Rights	None	None
Health and Safety	None	
Equalities Issues	Agency Worker Directive ensures pay parity between full time permanent employees and temporary agency staff.	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
Other	None	None

- (b) Human Rights Act and Other Legal Implications - There are no Human Rights Act Implications.
- (c) Equalities Impact Assessment - An Equalities Impact Assessment has been undertaken and was attached to previous reports.
- (d) Workforce - There are no implications for permanent staff.

5 Supporting Information

- 5.1 The data and charts below relate to the period to end December 2018.
- 5.2 The number of Matrix placements stands at 292 down by one on the last report.
- 5.3 83 placements are showing as ended during the period with a number ending on 31st December, however it is unclear if some of these are outstanding extensions or if the placement has ended.
- 5.4 As part of the council's efforts to reduce spending, agency staff were required to leave from 17th December 2018 to 7th January 2019. Managers were to ensure only agency staff covering front line services were considered for work during this time. It is unclear how much this has affected the number of timesheets submitted for the period and therefore any savings achieved by this yearly exercise. Once all the timesheets for the period have been received by Matrix we will be able to calculate a perceived cost of savings via calculating zero return timesheets for the period.
- 5.5 The Matrix hierarchy has not been updated since the change in directorate names, and therefore the financials above are still provided in the old directorates. The data for the remaining report has been transferred to indicate activity in the new directorate structures.
- 5.6 Matrix continues to adhere to the KPI targets set in the contract. These relate to the fulfilment of general posts, the number of rejected candidates and helpdesk assistance. These rates are monitored through business reviews.
- 5.7 DSO – The DSO will be shown as Chief Executive – Environmental in the data tables below. The total spend for quarter 3 for this service is £114,223. Currently the number of agency staff stands at 90, however it is unlikely all are used every day. There are 65 staff with recorded hours within the period and there are a number generating no spend. This seems to suggest that 'block booking' is in operation and staff are used on an as and when basis.
- 5.8 The introduction of IR35 has affected the tenure for staff through the Matrix contract. Staff classified as outside IR35 i.e. those not filling substantive posts but providing consultancy services for Project work, were assigned titles and job descriptions that reflected their posts. This reset the worker to the 0-3 month category. Given the requirements of IR35 for the individual workers, we are unable to assign previous service length for the authority to the current placement.
- 5.9 Dashboards have been provided to the back of this report (appendix 1) for a visual breakdown of agency staffing figures.

Staffing Scorecard (Matrix) – as at 31/12/2018

Level 1	Duration	Number of Staff Placements	FTE**
Chief Executive - Environmental	0-3 months	9	3.6
	3-6 months	17	6.6
	6-9 months	16	8.9
	9-12 months	20	9.5
	1 – 2 Years	27	12.5
	Over 2 Years	1	0.6
Chief Executive - Environmental Total		90	
Finance & Resources	0-3 months	1	0.2
	3-6 months	4	2.3
	6-9 months	2	1.8
	9-12 months	3	2.2
	1 – 2 Years	10	7.0
	Over 2 Years	5	3.5
Finance & Resources Total		25	
Children's Services	0-3 months	0	0.0
	3-6 months	3	0.9
	6-9 months	3	1.3
	9-12 months	2	1.0
	1 – 2 Years	7	1.9
	Over 2 Years	0	0.0
Children's Services Total		15	
Regeneration (inc. Place & Development)	0-3 months	14	4.6
	3-6 months	17	10.0
	6-9 months	12	8.0
	9-12 months	9	6.6
	1 – 2 Years	10	7.7
	Over 2 Years	5	2.4
Regeneration (inc. Place & Development)		67	
Adults & Communities	0-3 months	16	4.9
	3-6 months	24	8.8
	6-9 months	17	9.3
	9-12 months	6	4.2
	1 - 2 Years	16	7.6
	Over 2 Years	16	12.3
Adults & Communities Total		95	
Grand Total		292	

Fig 1

** FTE has been recorded this quarter however should be treated with caution. FTE is calculated from number of timesheet hours and as some agency workers were absent from 17th December to 7th January this will have affected the totals.

The table below (fig2) shows a breakdown of the number and title of active temporary staff placements by job category.

Job Category	Chief Executive - Environmental	Finance & Resources	Children's Services	Regeneration (inc. Place & Development)	Adults & Communities	Grand Total
Admin & Clerical	5	1	11	5	14	36
Driving	10	-	-	-	2	12
Engineering & Surveying	-	1	-	1	-	2
Executive	1	15	4	18	1	39
Facilities & Environmental Services	-	-	-	7	-	7
Financial	-	2	-	-	-	2
Housing, Benefits & Planning	-	2	-	31	-	33
Human Resources	-	2	-	-	-	2
IT	-	-	-	1	-	1
Legal	-	-	-	1	-	1
Management	-	2	-	3	2	7
Manual Labour	74	-	-	-	-	74
Procurement	-	-	-	-	-	-
Social & Healthcare Non-Qualified	-	-	-	-	34	34
Social & Healthcare Qualified	-	-	-	-	42	42
Total	90	25	15	67	95	292

Fig 2

- 5.10 Committee have asked for further information relating to the tenure of agency staff and the actions taken to address the tenures over 1 year. The table below (fig 3.) is the tenure of staff broken down by directorate. Fig 4. Is the list of job titles associated with the tenures again broken down by directorate. For ease of reference, there are 97 staff on the Matrix report with tenures over 1 year. It is worth noting that the figures are only for staff attached to the Matrix contract. Off contract staff are not included.

Directorate	Tenure		
	1-2 Years	2-3 Years	3+ Years
Chief Executive - Environmental	27	1	0
Finance & Resources	10	3	2
Children's Services	7	0	0
Regeneration (inc. Place & Development)	10	3	2
Adults & Communities	16	6	10
Total	70	13	14

fig 3

Fig 4

Chief Executive - Environmental		
Tenure	Job Title	Number
1-2 Years	Admin/Business Support	2
	Driver/Loader	3
	Ground Maintenance Operative	2
	Loader/Street Cleaner	20
		27
2-3 Years	Fleet Advisor (Waste Vehicles)	1
		1
Finance & Resources		
1-2 Years	Accountant	2
	Agresso Support Consultant	3
	Education Services Consultant	1
	Senior Accountant	4
		10
2-3 Years	Service Quality Assurance	1
	HR Business Partner	1
	Agresso Support Consultant	1
		3
3+ Years	Principal Accountant	1
	Service Assurance Technical	1
		2
Children's Services		
1-2 Years	Early Help Co-ordinator	1
	P/T Advisor to SACRE	1
	PD Primary School Improvement	1
	School Improvement Consultant	4
		7
Regeneration (inc. Place & Development)		
1-2 Years	Environmental Health Officer	1
	Housing Needs Officer	1
	Housing Reviewing Officer	1
	Principal Planner	1
	Project Manager (RMI)	3
	Regeneration & Commercial Project Officer	1
	Regeneration Project Manager	1
	RMI Systems Mobilisation Project Officer	1
		10
2-3 Years	Principal Planner	1
	Local Plan Consultant	1
	Project Manager - Capita	1
		3
3+ Years	Low Emission Consultant	1
	Structural Checking Engineer	1
		2

Adults & Communities		
1 - 2 Years	Qualified Social Worker	4
	Reablement Assistant	1
	Physiotherapist	1
	OT	1
	Support Worker	7
	Practice Lead	1
	Young Carers Support	1
		16
2-3 Years	Support Worker	4
	Qualified Social Worker	1
	Employment Development Officer	1
		6
3+ Years	Qualified Social Worker	2
	Reablement Assistant	3
	Support Worker	2
	Physiotherapist	1
	Driver and Escort Co-ordinator	1
	Escort Co-ordinator	1
		10

The information in the above tables demonstrates the diverse list of jobs that are covered by long term agency or consultants. A cost over the entire tenure for the above list is estimated at £8,428,616 inclusive of all costs.

The justification for the above as per an exercise by HR indicates that the majority are due to Local or National Skills shortages. The posts in Chief Executive – Environmental are pending harmonisation of the service.

- 5.11 Work is due to assess and produce an options appraisal for an agency staff contract fit for the future. In conjunction with the councils programme for reducing agency staff, there are a number of possible options to assist the council in achieving its targets and costs. The current contract comes up for renewal or re-procurement in January 2019, and decision has already been made to continue with the Matrix contract on a rolling quarterly basis until procurement for alternative provision has commenced. Committee will be updated on progress through this report on a regular basis.

6 Conclusion

- 6.1 The Matrix contract continues to be successful in controlling and improving governance around departmental engagement of agency staff and to an extent reduce maverick spend due to non compliance to corporate policies. However the introduction of identified 'off-contract' spends gives a picture of increasing costs. If the trend does not subside, it is currently forecast that the agency spend, both Matrix and 'off-contract', is estimated to total £12.9m by the end of the financial year. As mentioned above, it will be necessary to work with Finance to ensure coding to agency and consultant cost codes is accurate. This will assist in identifying spend that should come through our agency staffing contract and those that have been procured through competitive quotation. We will continue to monitor and challenge spend outside Matrix arrangement to ensure placements are in accordance with the council's constitution.