

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Employment & Appeals Committee      **DATE:** 10<sup>th</sup> April 2019

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**WARD(S):** All

### **PART I** **FOR COMMENT & CONSIDERATION**

#### **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 4 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 January and 24<sup>th</sup> March 2019 was £2,368,108. The figures quoted here are those from the Matrix spend report. Spend registered outside of Matrix through the Councils Agresso payments system for the same period totals: January to March 2019 £1,104,472. 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	Q4 2017/18	Q4 2018/19
Chief Executive	£72,721	£118,231
Customer And Community Services	£245,136	£444,077
Education And Children's Services	£5,009	£48,972
Regeneration, Housing and Resources	£1,039,547	£1,090,628
Wellbeing	£715,935	£666,200
<b>Total</b>	<b>£2,078,348</b>	<b>£2,368,108</b>
<b>Total 2018/19 inc. Agresso spend</b>		<b>£3,472,580</b>

Table 1

Directorate	Q2 2018/19	Q3 2018/19
Chief Executive	£102,328	£114,223
Customer And Community Services	£382,294	£489,277
Education And Children's Services	£60,558	£48,420
Regeneration, Housing and Resources	£1,058,907	£1,093,328
Wellbeing	£684,894	£695,762
<b>Total</b>	<b>£2,288,981</b>	<b>£2,441,010</b>
<b>Total 2018/19 inc. Agresso spend</b>	<b>£3,229,923</b>	<b>£3,457,745</b>

Table 2

(b)Risk Management

<b>Risk</b>	<b>Mitigating action</b>	<b>Opportunities</b>
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"> <li>• Guaranteed minimum savings of 3% on existing spend (with further opportunities to increase this)</li> <li>• Guaranteed maximum pence-per-hour agency fees</li> <li>• Pay parity between full time permanent employees and temporary staff workers in-line with Agency Worker Directive</li> <li>• 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)</li> <li>• Gainshare mechanism – whereby savings achieved over and above the guaranteed minimum will be shared between SBC (90%) and the supplier (10%)</li> <li>• Mechanism for supplier to credit SBC for failure to deliver agreed service levels</li> </ul>
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 24<sup>th</sup> March 2019.

5.2 The number of Matrix placements stands at 250 down by 42 on the last report.

5.3 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.

5.4 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.

5.5 DSO – The DSO will be shown as Chief Executive – Environmental in the data tables below. The total spend for quarter 4 for this service is £118,231. Currently the number of agency staff stands at 58 (32 down from the last period).

5.6 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 24/03/2019

Level 1	Duration	Number of Staff Placements	FTE**
<b>Chief Executive - Environmental</b>	0-3 months	3	0.7
	3-6 months	10	11.3
	6-9 months	11	8.4
	9-12 months	9	10.1
	1 – 2 Years	24	26.7
	Over 2 Years	1	0.7
<b>Chief Executive - Environmental Total</b>		<b>60</b>	
<b>Chief Executive</b>	0-3 months	2	0.9
<b>Chief Executive Total</b>		<b>2</b>	
<b>Finance &amp; Resources</b>	0-3 months	2	1.7
	3-6 months	1	1.0
	6-9 months	3	2.5
	9-12 months	2	1.9
	1 – 2 Years	9	5.6
	Over 2 Years	7	5.7
<b>Finance &amp; Resources Total</b>		<b>24</b>	

<b>Children's Services</b>	0-3 months	4	0.9
	3-6 months	2	0.1
	6-9 months	3	0.3
	9-12 months	3	1.2
	1 – 2 Years	2	0.2
	Over 2 Years	4	0.6
<b>Children's Services Total</b>		<b>18</b>	
<b>Regeneration (inc. Place &amp; Development)</b>	0-3 months	11	7.4
	3-6 months	11	9.3
	6-9 months	11	8.2
	9-12 months	5	5.0
	1 – 2 Years	16	15.5
	Over 2 Years	3	1.6
<b>Regeneration (inc. Place &amp; Development)</b>		<b>57</b>	
<b>Adults &amp; Communities</b>	0-3 months	20	11.6
	3-6 months	16	12.8
	6-9 months	10	6.2
	9-12 months	11	7.5
	1 - 2 Years	18	13.3
	Over 2 Years	16	16.1
<b>Adults &amp; Communities Total</b>		<b>91</b>	
<b>Grand Total</b>		<b>250</b>	

Fig 1

\*\* FTE has been recorded this quarter however please note that this is taken from timesheets submitted during the period. As the data for this report is only as at 24<sup>th</sup> March, the FTE for some areas may be lower than expected.

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

<b>Job Category</b>	<b>Chief Executive - Environmental</b>	<b>Finance &amp; Resources</b>	<b>Children's Services</b>	<b>Regeneration (inc. Place &amp; Development)</b>	<b>Adults &amp; Communities</b>	<b>Grand Total</b>
Admin & Clerical	2	1	14	4	12	33
Driving	5	-	-	-	2	7
Engineering & Surveying	-	1	-	-	-	1
Executive	1	15	2	14	2	34
Facilities & Environmental Services	-	-	-	4	-	4
Financial	-	2	-	-	-	2
Housing, Benefits & Planning	-	2	-	32	-	34
Human Resources	-	2	-	-	-	2
IT	-	-	-	1	-	1
Legal	-	-	-	1	-	1
Management	2 (CE)	1	-	1	2	6
Manual Labour	50	-	-	-	-	50
Procurement	-	-	-	-	-	-
Social & Healthcare Non-Qualified	-	-	-	-	26	26

Social & Healthcare Qualified	-	-	2	-	47	49
<b>Total</b>	<b>60</b>	<b>24</b>	<b>18</b>	<b>57</b>	<b>91</b>	<b>250</b>

Fig 2

- 5.1 Committee has 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 an overview of staff numbers broken down by directorate. Attached at Appendix 2 is information from HR which expands this table and includes reasons for continued employment. There are 2 tabs. Inside IR35 relates to positions being filled as a vacancy within the establishment. Outside IR35 relates to staff secured to complete project related work. Please note: the numbers of staff may vary between those given in this report and Appendix 2 from HR. This will be due to report timing.

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	24	1	0
Finance & Resources	9	4	3
Children's Services	2	4	0
Regeneration (inc. Place & Development)	16	1	2
Adults & Communities	18	6	10
<b>Total</b>	<b>69</b>	<b>16</b>	<b>15</b>

fig 3

- 5.2 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. Spend for both Matrix and 'off-contract' for this financial year (18/19) totals £13.4m. 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.