

SLOUGH BOROUGH COUNCIL

REPORT TO: Employment & Appeals Committee **DATE:** 18th June 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. As this committee meeting is between quarters the information presented in this report is based on the 8 week period 1st April to 31st May 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 1st April and 31st May 2019 was £1,515,343. 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: 1st April to 31st May 2019 £381,427. 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 is below. Comparative data has been removed as all other reporting costs are for full quarter data.

| Directorate | April – May 2019 |
|---------------------------------|-------------------------|
| Adult and Communities | £412,091 |
| Chief Executive | £222,423 |
| Children, Learning & Skills | £53,274 |
| Finance & Resources | £418,425 |
| Regeneration | £409,130 |
| Total | £1,515,343 |
| Total inc. Agresso spend | £1,896,770 |

Table 1

(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 1st April to 31st May 2019. As this reporting period has not fallen on a full quarter, the figures included will increase once the remaining 4 weeks and any outstanding timesheets have been completed.

- 5.2 The number of Matrix placements currently stands at 270. The FTE is included in this report however as this is calculated on hours and timesheets the data is incomplete.
- 5.3 The Matrix hierarchy has not been updated since the change in directorate names, however a different reporting mechanism used by Matrix has enabled us to translate the data to the new directorate hierarchy based on the cost centre code used for invoicing.
- 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. Spend for this period reporting is £216,712. Currently the number of agency staff stands at 75, however 15 placements have not attracted fees yet this period.
- 5.6 Dashboards have been provided to the back of this report (appendix 1) for a visual breakdown of agency staffing figures. As this is the first committee for new members, the visual reports appended to this are for the financial year 2018/2019 which will give you background and a reference point for future reports.

Staffing Scorecard (Matrix) – as at 31/05/2019

| Level 1 | Duration | Number of Staff Placements | FTE** |
|--|-----------------|-----------------------------------|--------------|
| Chief Executive - Environmental | 0-3 months | 10 | 3.5 |
| | 3-6 months | 2 | 1.1 |
| | 6-9 months | 13 | 6.0 |
| | 9-12 months | 15 | 5.1 |
| | 1 – 2 Years | 35 | 14.4 |
| | Over 2 Years | 0 | 0.0 |
| Chief Executive - Environmental Total | | 75 | |
| Chief Executive | 0-3 months | 2 | 0.6 |
| Chief Executive Total | | 2 | |
| Finance & Resources | 0-3 months | 11 | 1.6 |
| | 3-6 months | 3 | 0.2 |
| | 6-9 months | 0 | 0.0 |
| | 9-12 months | 3 | 0.3 |
| | 1 – 2 Years | 8 | 1.4 |
| | Over 2 Years | 7 | 0.6 |
| Finance & Resources Total | | 32 | |
| Children, Learning & Skills | 0-3 months | 5 | 2.2 |
| | 3-6 months | 3 | 1.0 |
| | 6-9 months | 2 | 0.0 |
| | 9-12 months | 3 | 0.0 |
| | 1 – 2 Years | 5 | 0.0 |
| | Over 2 Years | 4 | 0.0 |
| Children, Learning & Skills Total | | 22 | |

| | | | |
|--|--------------|------------|-----|
| Regeneration (inc. Place & Development) | 0-3 months | 9 | 2.4 |
| | 3-6 months | 12 | 4.1 |
| | 6-9 months | 8 | 3.9 |
| | 9-12 months | 9 | 1.9 |
| | 1 – 2 Years | 12 | 6.1 |
| | Over 2 Years | 8 | 1.6 |
| Regeneration (inc. Place & Development) | | 58 | |
| Adults & Communities | 0-3 months | 14 | 4.1 |
| | 3-6 months | 16 | 5.0 |
| | 6-9 months | 11 | 3.6 |
| | 9-12 months | 5 | 1.1 |
| | 1 - 2 Years | 15 | 6.0 |
| | Over 2 Years | 20 | 8.6 |
| Adults & Communities Total | | 81 | |
| Grand Total | | 270 | |

Fig 1

** FTE has been recorded above, however it must be noted that as we are only 8 weeks in to the period, the FTE is only displayed on data to date.

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

| Job Category | Chief Executive | Finance & Resources | Children, Learning & Skills | Regeneration (inc. Place & Development) | Adults & Communities | Grand Total |
|-------------------------------------|-----------------|---------------------|-----------------------------|---|----------------------|-------------|
| Admin & Clerical | 7 | - | 15 | 4 | 7 | 33 |
| Driving | 5 | - | - | - | 2 | 7 |
| Engineering & Surveying | - | - | - | - | - | - |
| Executive | - | 17 | 3 | 12 | 4 | 36 |
| Facilities & Environmental Services | - | - | - | 3 | - | 3 |
| Financial | - | 2 | - | - | - | 2 |
| Housing, Benefits & Planning | - | 5 | - | 33 | - | 38 |
| Human Resources | - | 4 | - | - | - | 4 |
| IT | 1 | 1 | - | - | - | 2 |
| Legal | - | - | - | 1 | - | 1 |
| Management | - | 3 | - | 5 | 2 | 10 |
| Manual Labour | 64 | - | - | - | - | 64 |
| Procurement | - | - | - | - | - | - |
| Social & Healthcare Non-Qualified | - | - | - | - | 21 | 21 |
| Social & Healthcare Qualified | - | - | 4 | - | 45 | 49 |
| Total | 77 | 32 | 22 | 58 | 81 | 270 |

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.

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 | 35 | 0 | 0 |
| Finance & Resources | 8 | 5 | 2 |
| Children, Learning & Skills | 5 | 4 | 0 |
| Regeneration | 12 | 5 | 3 |
| Adults & Communities | 15 | 11 | 9 |
| Total | 75 | 25 | 14 |

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 the 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.

Appendices

Appendix 1- Temporary Agency Staff