

SLOUGH BOROUGH COUNCIL

REPORT TO: Employment & Appeals Committee

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PART I

FOR COMMENT & CONSIDERATION

TEMPORARY AGENCY STAFF

1 Purpose of Report

This report seeks to provide Members with an update on the Council's actions regarding the supply and control of temporary workers / labour.

2 Recommendation(s)/Proposed Action

The Committee is requested to resolve:

- a) That the actions from the last meeting be noted
- b) That the report and its contents be noted.

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

Slough Joint Wellbeing Strategy Priorities

The provision of temporary workers does not directly impact on the Slough Joint Wellbeing Strategy.

The provision does, however enable the Council to deliver its services to the community through the provision of specialist skills or replacement labour where required.

Five Year Plan Outcomes

The proposals within this report meet the Five Year Plan objectives as follows:

Outcome 1, 2, 3, 4

The services provide labour necessary to deliver these outcomes when permanent labour is not available or specialist skills are required.

Outcome 5

The supplier of temporary workers engages with local suppliers of temporary labour whilst also working with a wider pool to ensure Slough has access to the best available talent to make Slough an attractive place to operate and work.

4 Other Implications

(a) Financial

The Council will expect to generate savings of circa £110k per year from the new contract. This saving will be generated from reductions in contributions to statutory labour fees such as National Insurance, Pensions and Apprentice Levy charges in relation to the agency worker.

Due to rebasing of the costs of agencies, there is likely to be an increase of circa £20k per annum in agency fees. This is caused by a focus on increasing capability of agencies and enabling access to better quality of staff. As a consequence for having access to a better talent pool for interim labour, it is possible to displace expensive consultancy labour with lower cost interim labour with no detriment to quality and as such reducing overall expenditure.

(b) Risk Management

There are no specific risks to be managed for temporary labour provision beyond the need to ensure ongoing provision at appropriate costs.

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act Implications.

(d) Equalities Impact Assessment

There is no requirement for an Equalities Impact Assessment as we do not hold equalities data on temporary workers as they are not our employees.

(e) Workforce

There are no implications for permanent staff.

5. Update on Matrix Contract Management

5.1.1 The contract management abilities of the Council have been enhanced through the creation of meaningful service level agreements for the provider, with associated service credits creating a financial incentive on performance. The Council has also built in a levy on the contract to enable it to employ a contract manager to manage the supplier's performance.

5.1.1.1 We have had two contract management meetings to date. The contract is managed in line with the agreed key performance indicators in **Appendix 2**. All the KPI's were achieved with the exception of unnecessary CV's that were rejected in July 2020. This was addressed in the contract meeting held in August 2020 and the KPI's were all achieved.

6. Statistics

Committee Members are provided in **Appendix 1** statistics relating to the use of temporary labour and **Appendix 2 - KPI's**. In assessing these, Councillors should note that the in-sourcing of Arvato staff, coupled with the on-going re-organisation of phases 1 and 2 will have led to an increase in the numbers of temporary labour (June to August 2020) from the increased organisation size.

We are ring-fencing some non-critical roles for suitable alternative employment to support the Phase 2 restructure process instead of recruiting on a permanent basis. This approach will enable us to fill our vacancies on an interim basis with temporary workers with no strings attached to employment rights and also to safeguard these posts as opportunities for redeployment in readiness for the re-organisation programme.

Key trends emerging from the statistics:

As per the data in **Appendix 1**, the total spend on agency in August was £1.26 million and the total hours was 33,330 hours. The total spends for August is slightly higher in comparison to June and July 2020. Please note that July was a 5 week month. The reports provided give an overview of directorates, service areas, and hours worked, budget spent, duration of engagements over 12 months, diversity data and the breakdown of workers who resides in Slough.

7. Phase 1 Matrix project-efficiency saving project

We are targeting agency workers (high value) who we have engaged over 14 weeks or beyond that are not in the manual labour, admin, planning or social care categories. 29 workers have been identified as part of this exercise to move these workers onto Client Direct Limited's (CDL) platform and to establish a

running order of largest savings first. The primary purpose of the project is to eliminate the introduction fees we pay to the agencies.

At the point of generating this report, 20 workers are in discussion with CDL, with the hope of moving the workers on to CDL's platform. In line with our financial projection, this exercise will realise efficiency savings of up to £250,000 for the Council. Conversion of workers in permanent role. 1 worker was converted to permanent role in July 2020-Appendix1, page 10.

8. Background Papers

None

9. Appendices

Appendix 1 – Usage of Temporary Workers Trends and Data
Appendix 2 – Key Performance Indicators