

SLOUGH BOROUGH COUNCIL

REPORT TO: Employment & Appeals Committee **DATE:** 22nd January 2015

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WARD(S): All

PART 1 **FOR INFORMATION**

Temporary Agency Staff progress on implementation and baseline monitoring

1 **Purpose of Report**

This report is to provide members with an update on the Temporary Agency Staff Contract with Matrix.

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 **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 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 flexibly 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.

Corporate Plan 2012/13

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

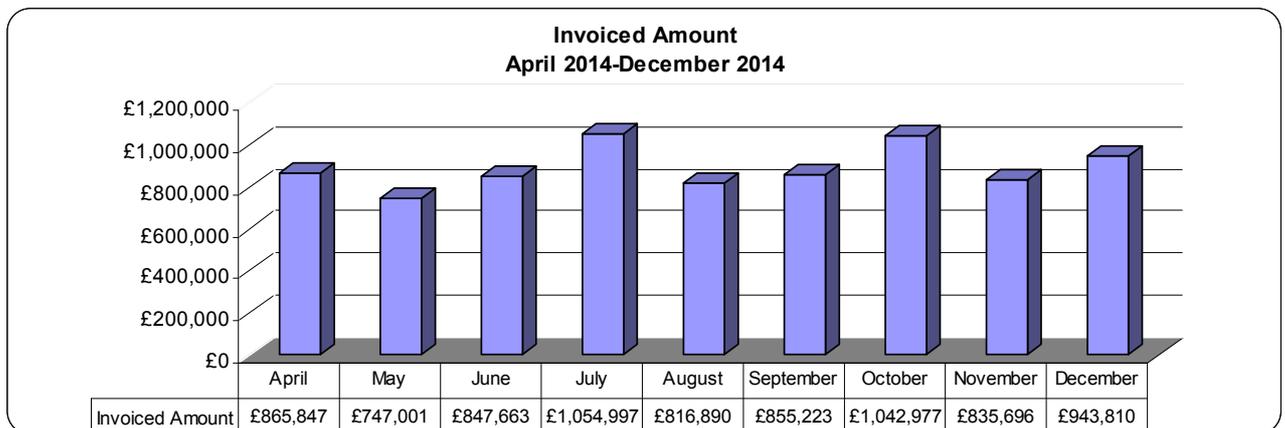
1. Improve customer experience by improving service delivery from the provider.
2. Deliver high quality services to meet local needs by ensuring access to a diverse work force through broadening access to higher quality resource (e.g. Occupational Therapists / Physiotherapists / Qualified Social Workers).

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 work with SBC.
5. Achieve value for money by ensuring significantly improved service delivery and guaranteed cashable savings.

4 Other Implications

(a) Financial

The total invoiced amount this year to date (April to December 14) is £8,010,106, and is therefore forecast for a full year to be in the region of £10.4m. Although significantly more than the total spent last year with Matrix (£7,804,937) it should be noted that the movement of 'off contract' staff to Matrix will have contributed to this increase. 'Off contract' spend will be addressed further later in this report.



(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	
Employment Issues	Unable to recruit on agreed pay scales in Matrix. Pay scales are aligned to council pay 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

(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 previous report.

(e) Workforce

There are no implications for permanent staff.

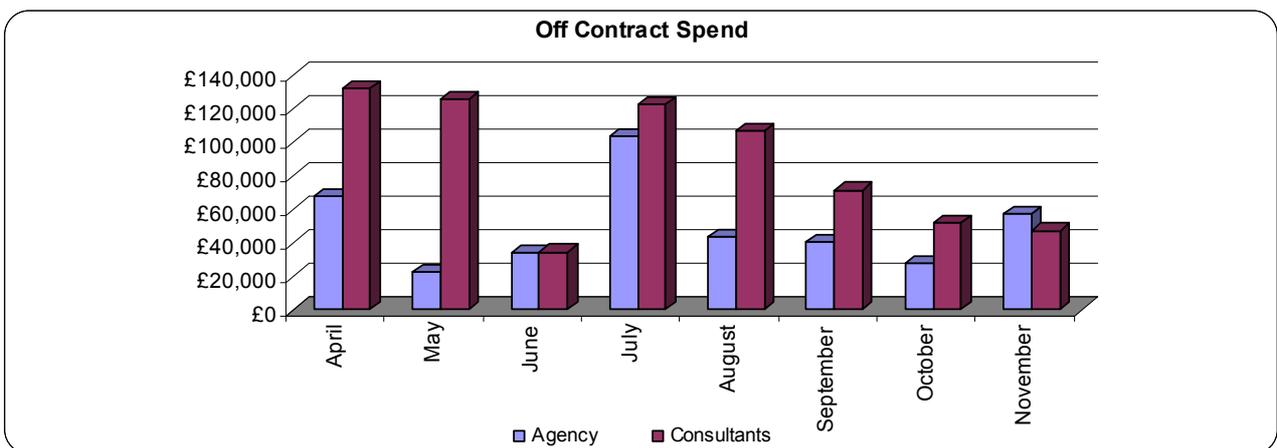
5 Supporting Information

5.1 Slough and Matrix SCM have been working hard over the last 6 months to secure agencies to provide services under 'Professional/Executive' category posts. These posts are mainly staff working in niche posts or those over level 9 where the specialist skills may not be available from a general recruitment agency. This has assisted the council in having fewer requests for 'off contract' spend. This agency base will continue to be built over the length of the contract.

5.2 In the last 6 months, Matrix has undergone an exercise with the agencies to decrease the margin costs for staff that have been employed for more than 12 weeks. The majority of agencies did assist in this cost cutting exercise and figures from the last quarterly report (July to September) show 97 placements were re-procured with a savings total so far of almost £19k.

6 We still have issues with agency staff pay parity between full time permanent employees and temporary staff workers in-line with the Agency Worker Directive. As these fees continue to grow, any savings gained from the re-procurement exercise with agencies is negated to pay the extra salary demands. We will continue to work with Matrix and internal management to ensure that we can keep requests to a minimum and that we start to realise further savings. Permanent recruitment in social care will help to alleviate some of the burden of these increasing costs.

6.1 There are currently 10 workers through CDL (Clients Direct Ltd) which is the payroll arm of Matrix SCM. We have worked hard with Matrix over the last 6 months to move our 'off contract' workers to Matrix either as an individual consultant or with their agency and are currently working with Matrix to engage another 3 agencies to work on our executive category list to enable us to move the spend from the table below to Matrix spend. The majority of our 'off contract' workers are now coming through this route. The graph below shows the cost of 'off contract' spend since April 2014 on a downward trend to the end of the year.



There are currently 14 staff outside of the Matrix contract (as at November) costing a total of £104,631, which is a 50% reduction since April where there were 28. We have spent £1,092,324 since April 2014 outside of the Matrix contract, which is a reduction on last financial year where the final figure was approximately £2m. The majority of this spend is with the Wellbeing directorate which accounts for 55% at its lowest (June) and 88% (October) at the highest range of spend.

6.2 Matrix SCM did produce another user survey, however again the uptake was too low to form any basis on the contract from a user perspective. Matrix SCM will continue to periodically run user surveys and I will report to Committee as and when these take place.

6.3 Below is a breakdown of agency staff placements and the tenure of those staff by directorate:

Scorecard as at 31st December 2014		
Directorate	Number of Placements	Tenure (weeks)
Chief Executive	8	0-13 = 2 14-26 = 3 27-39 = 1 40-52 = 1 Over 52 = 1
Customer & Community Services	10	0-13 = 2 14-26 = 5 27-39 = 0 40-52 = 1 Over 52 = 2
Regeneration, Housing & Resources	26	0-13 = 10 14-26 = 9 27-39 = 1 40-52 = 2 Over 52 = 4
Wellbeing	184	0-13 = 28 14-26 = 34 27-39 = 25 40-52 = 21 Over 52 = 76
Total	228	0-13 = 42 14-26 = 51 27-39 = 27 40-52 = 25 Over 52 = 83

6.4 The table below shows a breakdown of the number and title of active temporary staff placements by job category:

Job Category	Chief Exec	Customer & Community	Resources, Housing, Regen	Wellbeing	Total
Admin & Clerical	3	3	3	13	22
Driving				3	3
Engineering & Surveying		2	2		4
Executive			3	3	6
Facilities/Environmental		1	1		2
Housing/Benefits/Planning		1	15		16
IT	1				1
Legal	3				3
Management		2		2	4
Manual Labour			1		1
Social/Healthcare Non-Qualified	1	1		41	43
Social/Healthcare Qualified			1	122	123

As demonstrated above, the majority of workers through Matrix are for Social Care posts both qualified and non-qualified – 73%, with Admin & Clerical the next populated with 10% of the total.

7 Conclusion

7.1 The contract with Matrix SCM continues to build however there is still work to do to ensure that the contract remains fit for the future. This contract is due to expire in January 2017 with options to extend, however a decision on this would not be taken until January 2016 to allow enough time to re-procure if required.