

BRISTOL CITY COUNCIL

Human Resources Committee

February 2012

FOR INFORMATION

Report of: Service Director for Health & Social Care

Title: Use of Agency Workers in Health & Social Care

Ward: Citywide

Officer Presenting Report: Lorna Whitehead, HR Business Partner,
Corporate HR

Contact Telephone Number: 0117 9224603

RECOMMENDATION

The Committee are asked to note and comment on the content of the report.

Summary

Following the presentation of Employee & Agency statistics (November Committee), concerns were raised about the apparent high cost of Agency Workers in Health & Social Care.

In particular:

- Why was spend increasing
- The relative cost of employing agency workers v permanent employees
- Whether there was sufficient control over working practices

This report sets out the details of current usage, the reasons why and the plans to reduce the number of agency workers in the Directorate.

The significant issues in the report are:

The use of agency workers in H&SC has helped keep the need for compulsory redundancies to a minimum.

That overall spend is within the budget set for employment costs 2011/12.

1. Policy

- 1.1 The Council determined to reduce the cost of agency workers in 2009.
- 1.2 The Council utilizes agency workers (supplied through external agencies) to cover temporary vacancies, maternity leave and the longer term sickness and absence of permanent staff.
- 1.3 The Residential Futures Programme agreed in 2007 a programme of home closures and refurbishments and determined that vacancies arising within the scope of its work should not be filled by new permanent employees in order to reduce the potential need for future redundancies.
- 1.4 The Residential Futures Programme was paused in 2010 as the business case was no longer viable. BCC are currently in a consultation process on the future direction of residential care with proposals going to Cabinet in March 2012 and will therefore have a clearer view of ongoing staffing needs.
- 1.5 Residential Care Homes also require a minimum number of workers to comply with statutory requirements.(Care Quality Commission)

2. Consultation

- 2.1 **Internal** See 1.3 above
- 2.2 **External** See 1.3 Above

3. Context

- 3.1 Table 1 (below) shows the cross-council reduction in external agency costs since 2009, excluding Elderly Care.
- 3.2 Table 2 (below) shows the cost of external agency workers in Elderly Care and the rest of H&SC.
- 3.3 There are 3 key reasons for the temporary increase in the use of agency workers in older people's services:
 - Not filling vacancies in residential care with permanent employees in order to reduce potential need for future redundancies;
 - Pausing proposals for the managed closure of a number of care homes across the city;
 - Statutory staffing provision coupled with high sickness and absence rates.

Turnover will also be a factor.

- 3.4 The 2011/12 budget for employment costs in H&SC is £49m and H&SC remain within budget. H&SC currently has c.300 unfilled and budgeted vacancies. H&SC agency placements, are shown in Appendix A.
- 3.5 Table 3 (below) shows the difference between agency and permanent employee costs (hourly rate). (These would increase with shift enhancements, weekend working, etc).
- 3.6 Each redundancy avoided saves an average of £13,000 per employee.
- 3.7 Management have audited the staffing establishment in each of our homes in terms of permanent staff and vacancies so that when we have agreed clear plans in March we can plan our staffing accordingly. Resource Plans for 2012/13 will be monitored and tracked. Proposals will go to March Cabinet and HRC will be updated at June's Committee Meeting.

Table 1

	2009/10 £m	2010/11 £m	2011/12 (to Dec 11) £m
Total BCC excluding H&SC Elderly Care	8.9	4.2	* 1.2

Source: Service Manager - Accounts Payable & HSC Finance Business Partner

Table 2

	2009/10 £m	2010/11 £m	2011/12 (to Dec 11) £m
Elderly Care	2.6	2.9	* 1.9
Rest of H&SC	0.9	0.4	0.1

Source: Service Manager - Accounts Payable & HSC Finance Business Partner

* *Supplier is at least 5 weeks behind in respect of invoicing for Care.*

Table 3 - EPH Budgeted hourly rates

Post Description	* Bristol CC	** Agency
Care Assistant	10.75	12.55
Night Care Assistant	11.76	17.02
Domestic	8.89	10.32
Laundry Assistant	8.89	10.32
Gardener/H'man/CA	9.98	10.32
Cook	10.75	14.54

Source: H&SC Business Partners (Finance and HR)

**Hourly rate includes Basic, Super & NI. Excludes weekend working, shift allowances, etc.*

***Excludes enhancements for certain working hours.*

4. Proposal

- 4.1 That the HR Committee note and comment on the information contained within this report.

5. Other Options Considered

- 5.1 None

6. Risk Assessment

N/A

7. Public Sector Equality Duties

- 7a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.

- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to -
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.

7b) Not applicable - for information only.

Legal and Resource Implications

Legal

The report does not have any direct legal implications. The Council should ensure it complies with the requirements of the Agency Worker Regulations 2010 when dealing with agency workers.

(Advice provided by Husinara Jones, Head of Legal Services)

Financial

(a) Revenue

'The cost of agency staff is being mainly met from underspends due to vacancies within H&SC. The total staffing budget for H&SC is £49m and the latest forecasts show that H&SC is showing a net underspend against staffing budgets (including the costs of agency staff).'

(Advice from Rob Murphy, Finance Manager, H&SC)

(b) Capital

Not applicable

Land

Not applicable

Personnel

Not Applicable

Appendices:

Appendix A - Bristol City Council Employment Statistics

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

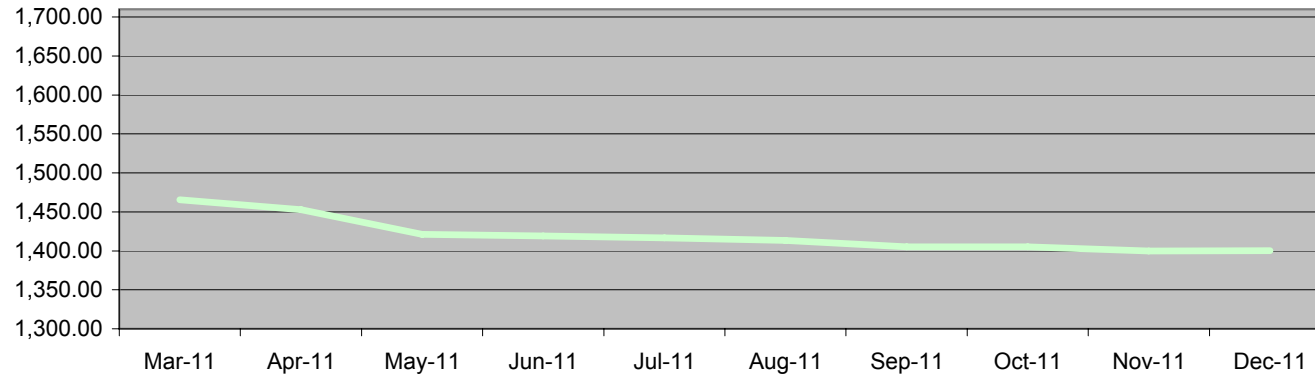
None



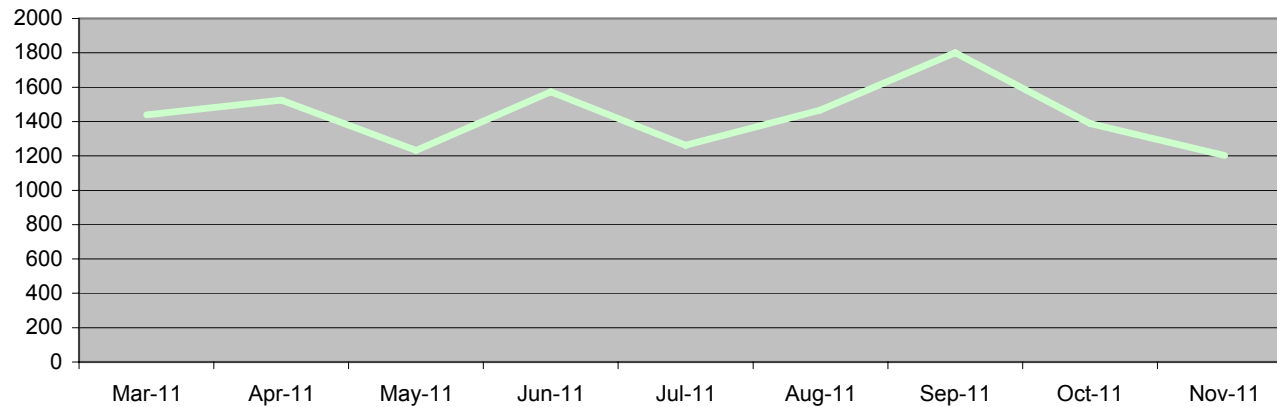
Health and Social Care

	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Employee (FTE)	1,465.45	1,452.92	1,421.05	1,419.30	1,416.58	1,413.34	1,405.27	1,405.35	1,399.90	1,400.17
External Agency (Placements)	1439	1524	1232	1574	1262	1467	1800	1389	1202	

Employee (FTE)



External Agency (Placements)



Notes

Employee (FTE) - Data excludes casuals, supply, volunteers, seasonal and agency staff and employees of other organisations.
 External Agency (Placements) - These figures have been supplied by the procured supplier Randstad.