

# HR Committee

23<sup>rd</sup> September 2021



**Report of:** Director: Workforce & Change

**Title:** Contingent Workforce Report - update

**Ward:** N/A

**Officer Presenting Report:** Mark Williams (Head of Human Resources)

**Contact Telephone Number:** 07795 446270

## Recommendation

That the Committee notes the report.

## Summary

The purpose of this report is to update the Committee on the Council's use of agency staff, interim managers and contractors.

## The significant issues in the report are:

- Spend on agency staff has continued to reduce.
- The trend in expenditure since 2016 when a managed service supplier for agency staff for agency staff has seen an 18% reduction in spend on agency workers from 6.23% of the pay bill in 2015/16 to 5.11% of the pay bill in 2020/21.
- The main reason given for the use of agency staff during the financial year 2020/21 was to cover vacancies.



## Policy

1. The Council currently has a contract with Guidant in respect of the supply of agency staff.

## Consultation

2. **Internal**  
Not required because this report is for information only.
3. **External**  
Not required because this report is for information only.

## Context

4. Guidant - Managed Service Provider to manage the supply of contingent worker recruitment for the Council.
5. Agency staffing (interim, consultants, and agency workers) form a necessary contingent part of our workforce where specialist skills or short-term front-line cover for our services are required. Agency staff are also used to cover vacancies when we are conducting organisational change reviews and this protects those staff with permanent employment rights.

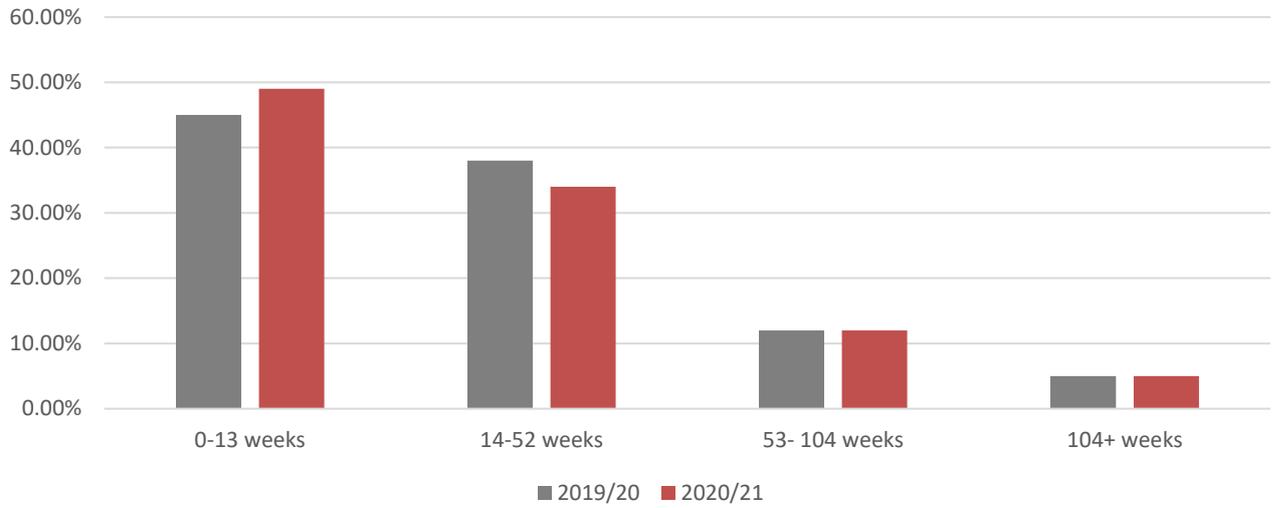
## Agency Placements

6. During 2020/21 the Council spent £12.6m on agency staff including interim managers and consultants via Guidant who are our managed service provider for agency staff. We have seen a 3% reduction in spend since 2018/19 and 1% since 2019/20. Spend for the period 1<sup>st</sup> April to 31<sup>st</sup> August 2021 was £4.4m. The Councils pay bill for 2020/21 was £246m. Agency spend was 5.11% of the pay bill.

| Directorate           | 2018/19           | 2019/20           | 2020/21           |
|-----------------------|-------------------|-------------------|-------------------|
| Growth & Regeneration | 2,445,417         | 2,644,985         | 3,290,167         |
| People                | 2,040,925         | 2,567,985         | 2,127,907         |
| Resources             | 8,464,386         | 7,522,234         | 7,175,507         |
| <b>Grand Total</b>    | <b>12,950,728</b> | <b>12,735,204</b> | <b>12,593,581</b> |

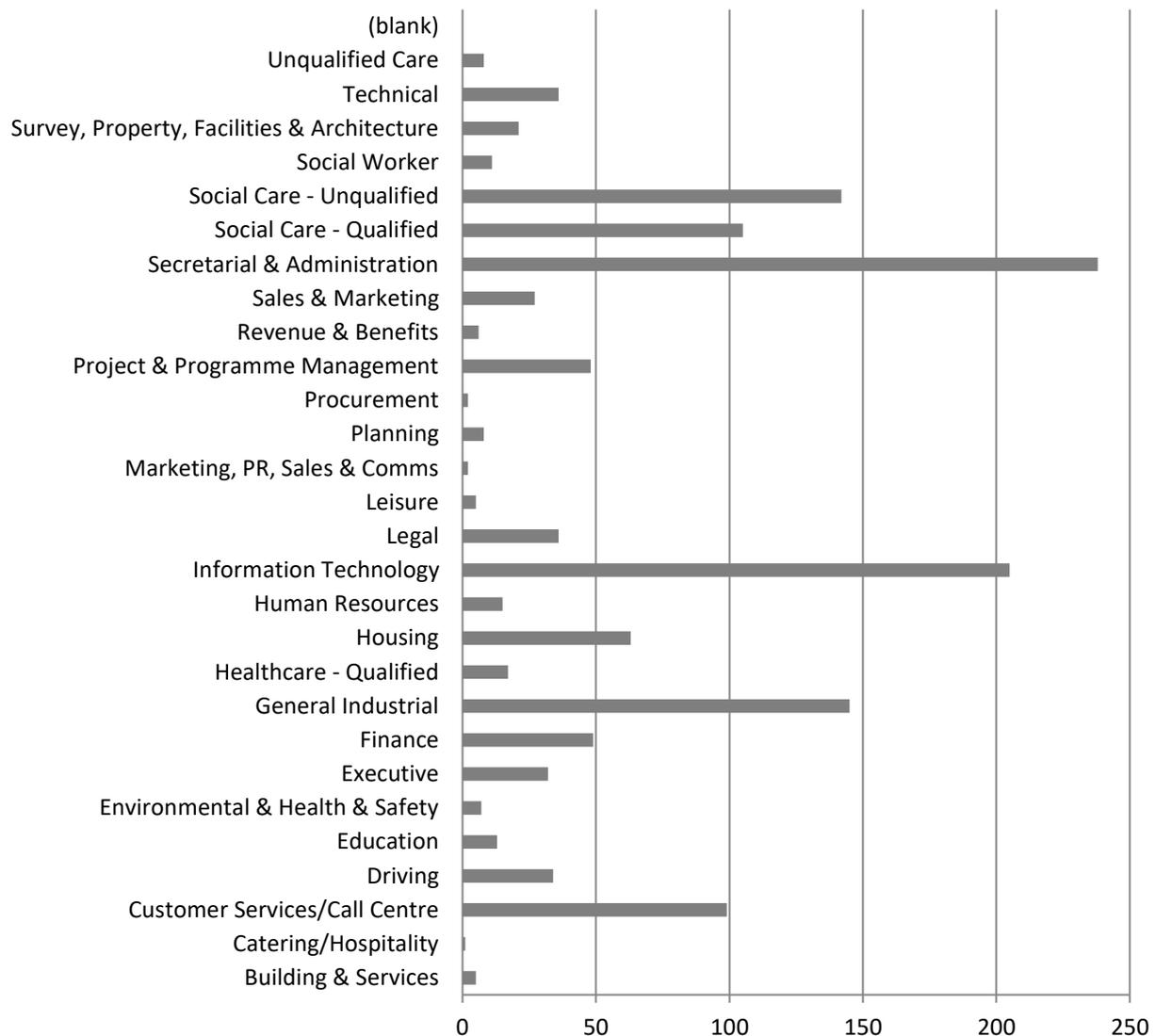
7. On average 64% of all recruitment activity happens at BG10 and below, the vast majority of this spend is captured at a reduced charge as Guidant are able to utilise agencies associated to their group brand Impellam.
8. The main reason given for the use of agency staff during the financial year 2020/21 was to cover vacancies. The Resources directorate also cited project work as a major reason for using agency staff. The three most given reasons across the entirety of the council for the creation of an assignment is vacancy (54%), capacity (23%) and project work (20%).
9. The average tenure for a placement in 2020/21 was 18 weeks. 83% of all agency placements lasted 20 weeks or less. HR actively review all placements within each directorate to prevent placements extending longer than necessary; 2020/21 saw a reduction in long term placements.

**10.** Fig 1 - Chart Average Weeks Tenure – 2019/20 to 2020/21



**11.** The chart demonstrates the total amount of workers assignments throughout 2020/21 by the type of role they are in.

**12.** Fig 2 – Chart Total no. Assignments by Role Type



**13.** Frequency of assignment is dominated by two categories: Secretarial & Administration and Information Technology. For Secretarial and Administration, the high usage rate is attributed to the number of extensions following a short assignment. The initial assignment for any temporary worker in this field would typically be no longer than 12 weeks. Of all assignments in this area 75% of them are within Resources and the total spend across the council is £993,175. Typically, these assignments are attributed to our Admin & Business Support (ABS) function, which operates as a centralised service within Resources offering service specific support.

Whilst normally a high area of spend, contract activity, and spend increased for Information Technology due to the IT Transformation Programme. An increase in from £2,197,000 in 2019/20 to £2,653,000 in 20/21 happened; this is an increase of £456,000.

**14. Diversity**

**Gender**

|        |     |
|--------|-----|
| Female | 55% |
| Male   | 45% |

**Ethnicity**

|                                   |     |
|-----------------------------------|-----|
| White minority ethnic             | 10% |
| White British                     | 65% |
| Black, Asian, and Minority Ethnic | 25% |

**Sexual Orientation**

|              |     |
|--------------|-----|
| Heterosexual | 94% |
| LGB          | 6%  |

#### Age

|       |     |
|-------|-----|
| 16-24 | 7%  |
| 25-49 | 57% |
| 50-64 | 32% |
| 65+   | 4%  |

#### Religion

|                    |     |
|--------------------|-----|
| Christian          | 44% |
| Other              | 13% |
| No Religion/Belief | 43% |

#### Disability

|              |     |
|--------------|-----|
| Disabled     | 4%  |
| Not Disabled | 96% |

### Interim Managers and Consultants

15. Numbers of interim managers and consultants (full-time equivalents) currently engaged by directorates are as follows:

| Directorate           | 2017/18   | 2018/19   | 2019/20   | 2020/21   |
|-----------------------|-----------|-----------|-----------|-----------|
| Growth & Regeneration | 9         | 10        | 5         | 7         |
| People                | 17        | 18        | 23        | 24        |
| Resources             | 34        | 32        | 29        | 12        |
| <b>Grand Total</b>    | <b>60</b> | <b>60</b> | <b>57</b> | <b>43</b> |

16. Spend in 2020/21 on Interim Manager and Consultants totalled £1,694,604 as set out below.

| Directorate           | Consultant         | Interim Managers     | Total                |
|-----------------------|--------------------|----------------------|----------------------|
| Growth & Regeneration | £110,756.28        | £221,356.80          | 332,113.08           |
| People                | £405,826.43        | £0                   | £405,826.43          |
| Resources             | 117,020.34         | £839,644.24          | £956,664.58          |
| <b>Grand Total</b>    | <b>£633,603.05</b> | <b>£1,061,001.04</b> | <b>£1,694,604.09</b> |

### Contingent Workforce Strategy

17. The engagement of contingent workers follows the below approval process to allow for appropriate analysis and management of contingency workforce spend

Approval from director if

- The post is longer than 6 months and the daily charge is £499 or less
- The post is extended past longer than six months and the daily charge is £499 or less
- The cost of the post exceed manager approved budget for the position

Approval from Chief Executive if

- The post is longer than six months and daily charge exceeds £500
- The post is extended past longer than six months and the daily charge is £500 or more

18. 85 of 512 assignments in 20/21 moved from a temporary assignment to a permanent contract this represents 16.6%. All of these happened outside of an initial 14 week stay which meant that no fee was payable on conversion. 29 of these were in Growth & Regeneration, 10 in People and 46 within Resources. A maximum total of £378,880 would have been charged in permanent recruitment fees if these same people were recruited by Guidant on a permanent basis.

19. Workforce Planning – Guidant access alongside HR Business Partners to create sustainable workforce planning models within directorates that will provide a greater thought process to how/why/when contingent workers can be relied upon and promote promotion/secondment of current internal staff.

### **Proposal**

20. That the Committee notes this report.

### **Other Options Considered**

21. None.

### **Risk Assessment**

22. Not required because this report is for information only.

### **Public Sector Equality Duties**

- 16a) 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.
- 16b) Not required because this report is for information only.

## **Legal and Resource Implications**

### **Legal**

Not required because this report is for information only.

### **Financial**

#### **(a) Revenue**

#### **(b) Capital**

Not required because this report is for information only.

### **Land**

Not applicable.

### **Personnel**

Not required because this report is for information only.

### **Appendices:**

None.

### **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

#### **Background Papers:**

None.