

## **AGENCY & TEMPORARY STAFF RESOURCES**

### **1 Purpose**

- 1.1 Following a request at the July meeting of the Committee, this report updates and sets out how staffing retention, recruitment and the use of agency staff is being managed, including a breakdown of the financial impacts in different Service areas.

### **2 Recommendations/for decision**

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| 2.1 | To note the content of the report   |
| 2.2 | To note the actions already in place for management of Agency & Temporary Staff, and the retention of existing staff.   |
| 2.3 | To suggest any further actions that could be taken to better manage Agency & Temporary Staff bearing in mind the current context and measures already in place. |

### **3 Executive summary (if longer than 2 pages)**

- 3.1 The report sets out the current situation regarding our use of Agency & Temporary staff and the measures, controls and mitigations in place for their management.

### **4 Supporting information**

#### **HISTORIC POSITION & CONTEXT**

- 4.1 The Council has used agency and temporary staff as a long standing and vital part of our resourcing approach. They are used to address short term and temporary needs, bolster resources in peak times and for particular types of cyclical work (such as annual canvas and events). They run alongside the use of consultants who are used to bring in additional (normally technical) resource to again help with the Councils normal business. All of these types of temporary resource, used in a controlled and planned way, and are therefore a normal part of the operation.
- 4.2 In recent years there has been a peak of use of agency/temp staff, this was linked to the change programme where we in effect restaffed the entire organisation. During this period, we used a significant level of agency/temp staff to help with the transition.
- 4.3 In the last couple of years we have also seen the growing effects of a number of trends:
- Effects of a high area of employment – meaning it is harder for us to attract new talent to the area, and the area itself has low unemployment therefore a smaller available pool of future employees.
  - A number of small but notable pockets of skills shortages, notably in planning, IT technical posts, and also in HGV drivers.
  - Competitiveness of our salaries – a planned re salary grading was halted post the change programme due to the announcement of unitary.

- 4.4 During this time, we have put in place numerous interventions deploying all of the levers available to us and ranging from golden hellos, growing our own, attending recruitment fairs, adding market premia, use of recruitment consultants etc. We also put in place further monitoring and controls including monthly monitoring, escalation, ensuring our contracts are competitive and have moved with the current situation etc. This had a good / fair success rate in the period up until the unitary announcement, and our use of agency/temp staff was dropping and we were filling most of our vacant posts (thereby avoiding the use of temporary staff). Historic data is shown in Annex 1.

#### **CURRENT PROCESS, POSITION & CONTEXT**

- 4.5 The process for appointing agency/temporary staff includes sign off by a member of the leadership team prior to any appointment, and in most cases, there will be at least one cycle of normal recruitment. Due to the unitary vacancy protocol this means a 2-week advert across the 5 councils, followed by a normal external period (if internal applications are not received). In some pressured roles this is con-current to avoid delay. We have contracts in place for our generic agency need, and also a number of individual contracts for specialist suppliers including the hard to appoint groups cited above. In some of the hard to fill rolls we are also undertaking rolling advertising to ensure we do not miss the opportunity of new people entering the employment market.
- 4.6 Every month a list of all agency staff is considered by the leadership team, to ensure categorisation is correct, that there is global oversight, and to ensure that the senior team is aware of the agency use in their area. This is jointly conducted by Finance and HR. This is in addition to the normal budgetary monitoring including the leadership team and portfolio holders.
- 4.7 For the current year, whilst there is a recurrent need for agency, for the period April to June 2019, the average spend is 3% lower than the average monthly spend incurred during 2018-19. Drawing on monitoring shared across all 5 councils in the run up to unitary this spend level is comparable with the other District Councils in Buckinghamshire.
- 4.8 We are however now anticipating an upward trend in agency/temporary staff use. This is primarily due to the impacts of the unitary announcement. Following the announcement of the unitary council we have assessed our risks, and one of the highest identified is the loss of key staff (be these either leadership capacity to ensure delivery and progress and/or technical staff to ensure services operate).
- 4.9 We are currently operating in an environment of ambiguity over the shape and structure of the new Council and the likelihood of restructuring and potential job changes / losses post vesting day. This in turn leads to a threat to perceived job security in a high employment area. Some staff have already decided to move on, and this in turn has a multiplier and knock on effect to remaining staff, both in terms of further destabilisation, likely increased workload and therefore possible increasing the 'push' factors away from remaining with AVDC. In the senior leadership tiers and in some technical roles it will become increasingly difficult to replace any staff who choose to leave – there simply will not be time to bring people up to speed in any meaningful way prior to vesting, and/or this will drain resources even more.
- 4.10 Combined with the secondment of growing levels of staff into the shadow organisation, and the level of work to support the formation of the unitary council we are needing to temporarily support the existing workforce. This is both to facilitate necessary unitary work and the continuation of our normal

operation. It is therefore highly likely that we will see a growth in temporary and agency staff for the rest of this financial year.

- 4.11 This is offset in cost terms by vacant posts, but agency/temp staff are often at a cost premium to normal recruitment. In all cases we will seek to fill posts with employed staff, and even when agency staff are in place we will continue to advertise, however until the picture around unitary is clearer (likely post vesting day) it is unlikely we will be able to reassure new incoming staff to a sufficient level in sufficient numbers to impact on this significantly.
- 4.12 We are also deploying a number of retention approaches to existing staff to attempt reduce the number of staff leaving the organisation, and hence the need for temporary staff. These cover the full range of options available to us including retention payment to critical roles, increasing our recognition of effort (individual and teams), increased communications, learning & training opportunities, wellbeing and health programmes, counter offers (limited) and some changes to our recruitment processes. We are of course also working with the other five councils to grasp opportunities that cross working may provide in advance of vesting day.

## **NEXT STEPS**

- 4.13 Due to the context we are operating in, and particularly due to the unitary transition, it is highly likely that our agency / temporary staff use will increase during this financial year. It could be volatile month to month, and whilst we are putting in measures and controls to impact on this, it is not likely to mitigate these completely. Where budgetary implications are known these will be monitored and reacted to as they occur.
- 4.14 We also have little option but in doing this, our two principle aims are to ensure we transition to unitary safely with good services in place, ensuring services to our residents are as unaffected as possible. Also the work required to undertake this transition must also continue to ensure that the new councils offer is as strong as possible.
- 4.15 Controls are in place to help monitoring and impact on changes, and we are putting in place measures to reassure and retain staff. However, we have little influence over individuals taking the choice to leave the organisation. Where possible our focus is on ensuring that key services continue to be delivered.

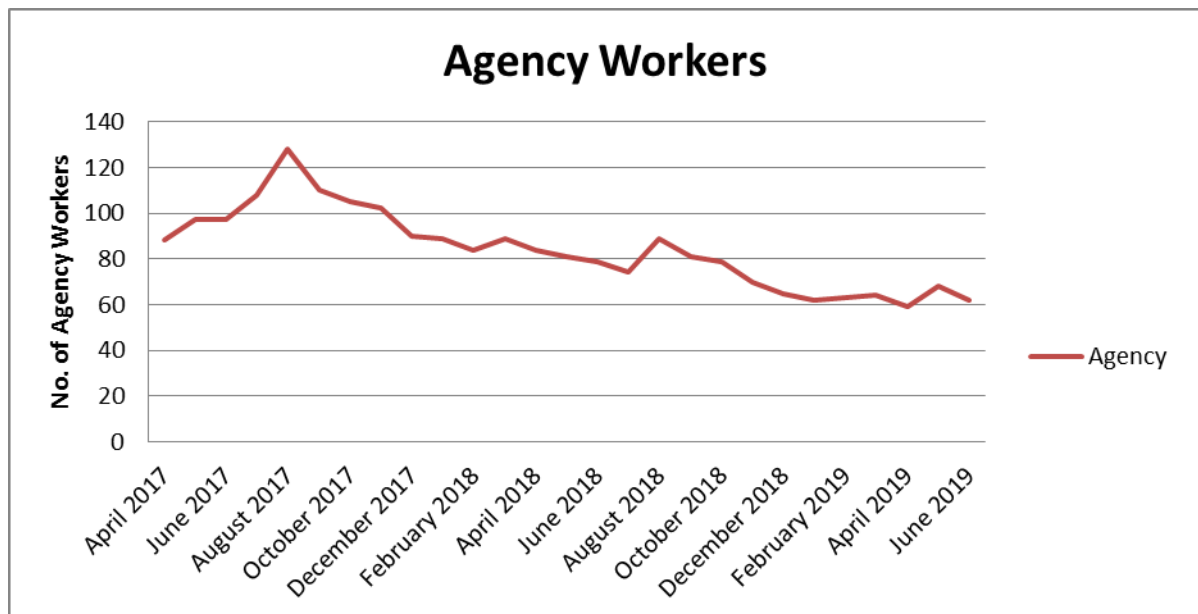
## **5 Resource implications**

- 5.1 These are covered in the body of the report, and in the normal budgetary management process. As budget pressures change and move in the run up to unitary there will undoubtedly be a need to reallocate budget (from example projects no longer continuing) to address any pressures.

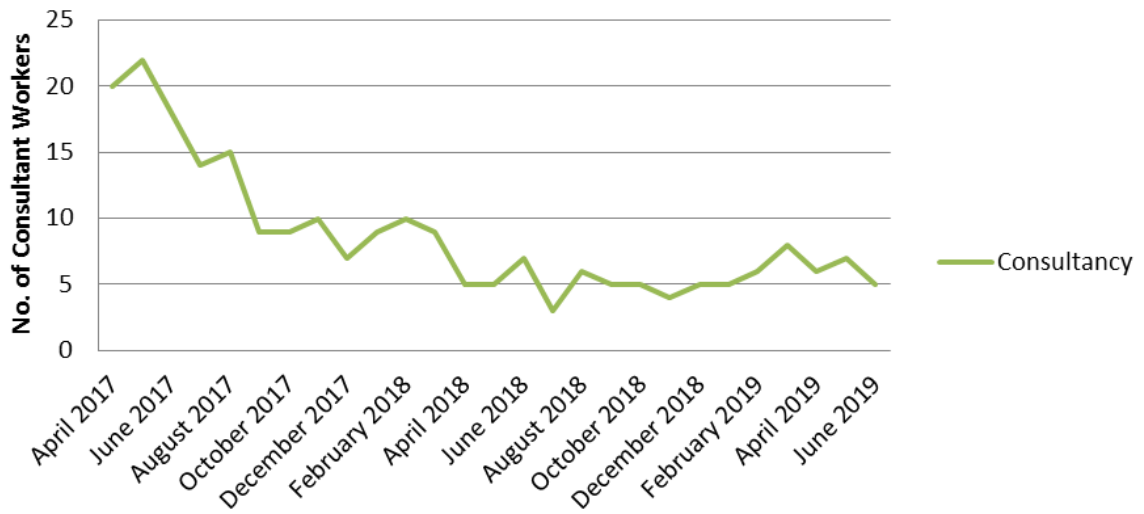
## Annex 1 – Historical Data 2017 – to 2019

Commentary :

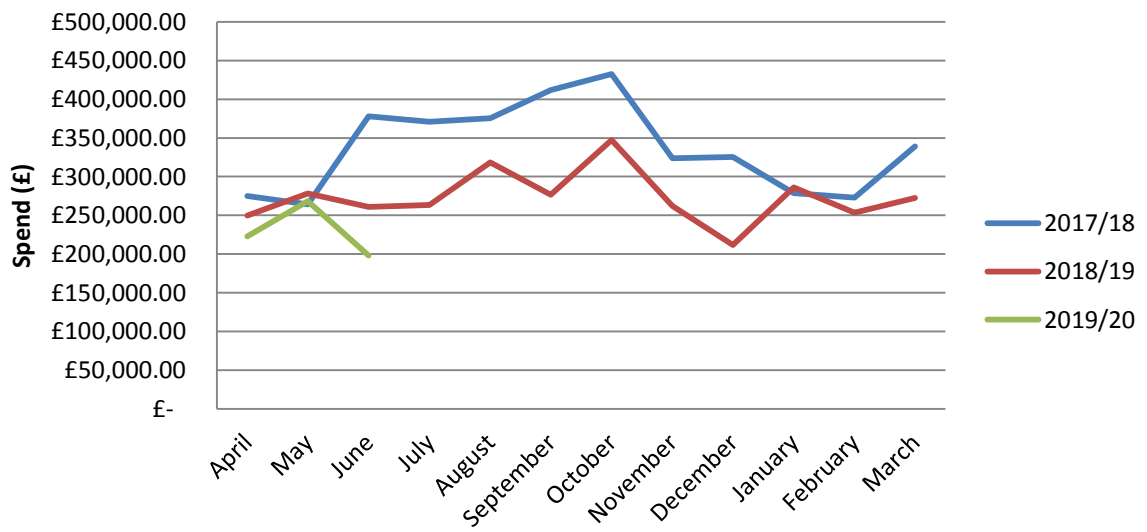
- There is an overall falling pattern of use of both agency and consultancy staff. The main current use of staff is in planning and waste.
- The peak in April 2017 – early 2018 is linked to the final parts of the change programme
- The rise of agency use in April 2019 onwards is attributable to the need to backfill/cover unitary transition posts and or mainly planning resources and also due to a 5 week month in May 2019.
- The rise in consultancy use in late 2018 is primarily linked to additional resource to secure work around VALP
- The growth in the use of agency in the digital sector during 2018/19 is a combination of programme attributed spend (therefore funded outside of the normal pay envelope), and also linked to the need to secure additional technical resources sparse in the market.
- Note – there are some anomalies month to month due to 5 week months



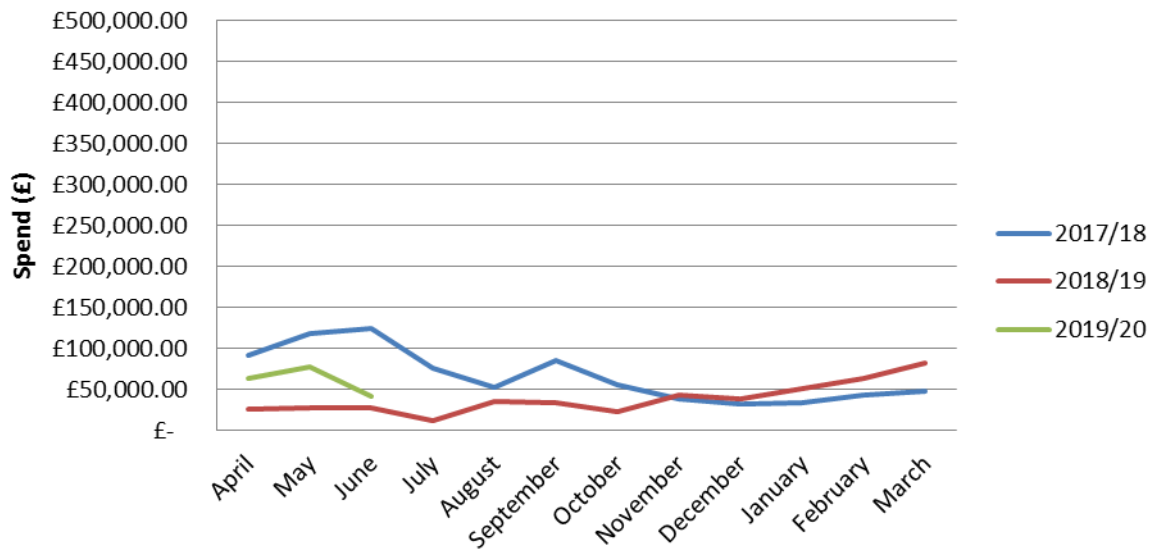
### Consultancy Workers



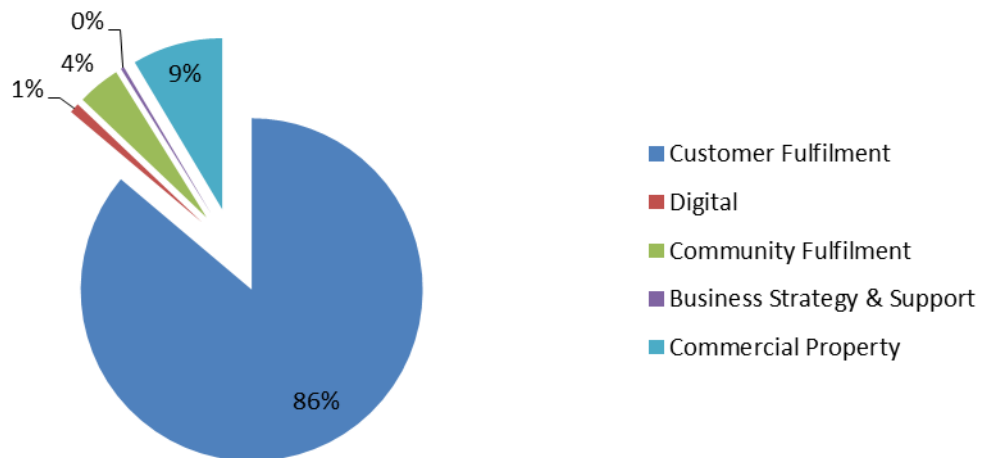
### Agency Spend - YOY by Month

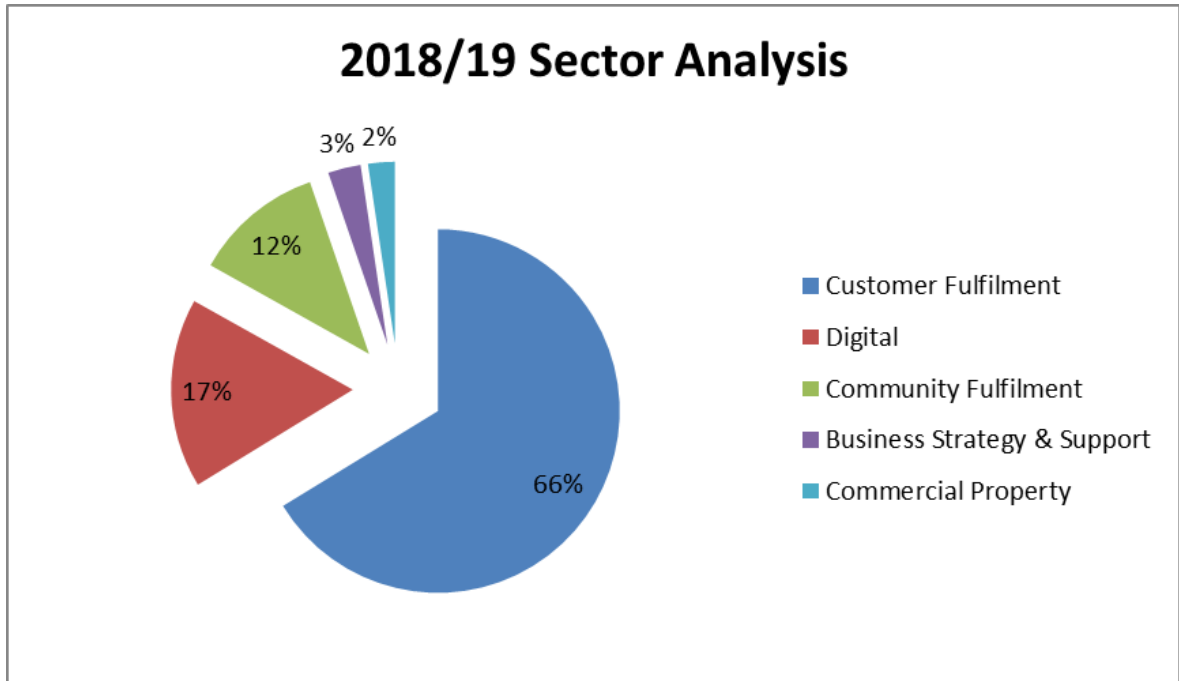


## Consultancy Spend - YOY by Month



## 2017/18 Sector Analysis





Sector Analysis for the current financial year is not presented as there is insufficient volumes of data on which to draw meaningful comparison (ie first quarter only).