

STANDARDS AND GENERAL PURPOSES COMMITTEE  
21 SEPTEMBER 2023

(8.15 pm - 9.16 pm)

PRESENT Councillors Councillor Martin Whelton (in the Chair),  
Councillor John Oliver, Councillor Laxmi Attawar,  
Councillor John Braithwaite, Councillor Caroline Charles,  
Councillor Billy Hayes, Councillor Andrew Howard,  
Councillor Edith Macauley and Councillor Victoria Wilson

PRESENT Councillor Robert Page  
ONLINE

ALSO John Scarborough (Monitoring Officer), Zoe Church (Head of  
ATTENDING Business Planning), Richard Seedhouse (Democratic Services  
Officer)

ALSO Katy Willison (Independent Person), Polly Cziok (Executive  
ATTENDING Director of Innovation & Change) and Nemashe Sivayogan  
ONLINE (Head of Treasury and Pensions)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Councillors Bhim and Skeete and from Independent Person Clive Douglas.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

The were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting on 19 July 2023 were agreed as a correct record.

4 HR UPDATE - TEMPORARY AND CONTRACT STAFF AND  
DEMOGRAPHICS (Agenda Item 4)

The Executive Director for Innovation and Change introduced the report and noted in particular that:

- Merton is still relying heavily on agency and temporary staff
- Steps are being taken to address this
- The Executive team have ben in place since May, though this is a primary focus for the Executive Director for Innovation and Change
- There are problems with recruitment, which are driving agency spend

The key issues are:

- Organisational instability – a lot of managers were waiting for the Executive team to be in place before making appointments
- It is mainly the 2<sup>nd</sup> and 3<sup>rd</sup> tiers of the organisation that are affected
- Social Works and Planning Officer positions are acutely affected
- Merton does not pay competitive rates for a lot of its roles
- Benchmarking work shows that Merton is behind competitor councils.

The report also drew attention to the uplift in agency pay, with significant wage inflation across all the hard to recruit sectors. Hourly rates have changed significantly since reporting began. The only way to resolve these issues is by getting people into permanent posts.

Children's Services had started to have some success, but a concerted recruitment campaign was still required. Merton has a good story to tell about the work done in this area to draw in more talent.

Work was underway to convert interim manager/assistant director posts to permanent positions.

There was emerging work in Equality, Diversity and Inclusion, with a fantastic new workforce manager in place and introduced at the Staff Conference. Staff networks were being set up, and training rolled out for managers. Merton was beginning to build trust with staff from a range of backgrounds that Equality Diversity and Inclusion is taken seriously.

In response to questions, the Executive Director informed the committee that:

- Benchmarking is not a consistent picture, Inner London is always going to pay more, but it's where we sit compared to our outer London neighbours that matters. There are some areas on our payscale where we are below and some where we sit alongside them. When the pay review of the whole organisation begins, some areas will need an uplift, but not all.
- The pay review will take at least 18 months and will require consultation with staff and unions, it is not a quick fix
- In sectors like regeneration and IT, even inner London councils have to pay market supplements, as we are all in competition with the private sector, who can pay huge amounts of money, which we can never match.
- 280 admin staff are agency workers, and we should be able to convert them to employees through a range of methods including using apprenticeships.
- Each Executive Director has to reduce the agency staff spend in their directorate, we will always need some agency staff, but the current levels are too high, it is expected that we will be able to show real progress when this item returns to the committee
- The Chief Executive is clear that staff should spend at least 3 days per week in the borough. There is nothing to suggest that there is an issue with staff working from home. Managers are good at ensuring performance is maintained.

- We're not the employer of teachers and the payscales for teaching staff are negotiated with the teaching unions
- After 2 years in an organisation, staff acquire the same rights as permanent staff
- Recruitment for a Head of Recruitment has begun, this will be a short term contract, we need someone to come in and turn things around – the way we attract, recruit and onboard people are areas for attention.
- Improvements to Morden would make a difference to attracting new recruits to the organisation, work accelerate plans around regeneration has begun, reports are going to the Leader and Cabinet soon.
- Plans to improve the entrance to the Civic Centre are in development
- We don't employ agency staff, no matter how long they work here, they remain employees of the agency.
- The report could be simpler and will review, with the chair, before it comes back to committee.
- Agreed that the distinction between interim and agency staff by hourly rate may not be a useful distinction
- At the lower end, there isn't a significant budgetary difference between agency and permanent staff when you factor in onboarding costs, but this gap becomes wider the higher up the organisation you go.
- Merton has some of the longest serving staff, which equates to a lot of expertise and knowledge, but it is also a huge risk as we look down the barrel of a retirement crisis. There are twice as many employees over 50 as under 30. If we don't bring in younger people and retain them, this will become a serious problem within the next ten years.
- We have a graduate entry scheme and are looking to create new apprenticeships within the organisation, convert existing hard to fill roles into apprenticeships and build the cohort of younger people of Merton working for the council.
- We are making better use of the Apprenticeship Levy, including through the SOLACE leadership programmes, 16 places have been secured this year, we hope to achieve the same next year, and this will help to build a more diverse leadership.
- Internal processes have been improved to aid recruitment, there aren't problems with the contract, but it is a huge contract which it is hoped will reduce as more permanent staff are recruited.
- By the end of July the number of agency workers in Children Services had reduced by 15 on the previous year. A further 8 trainees will become staff in the autumn, we still need a really proactive social work recruitment campaign, we have received a great OFSTED report and need to use that to promote Merton Social Work.
- Some roles, like Speech and Language Therapists are suffering from a national shortage, so we are looking at options including recruiting from abroad.
- The presumption has to be to recruit from home, before looking abroad. There are limited areas in which we can recruit from abroad, Social Care and IT are two.

- The Apprenticeship Levy can only be used for training purposes, if you put existing staff on the scheme, you have to give them a day off to do their study each week. More detail on progress can be provided in 3 or 4 months time.

It was RESOLVED that the Committee

- noted progress made to monitor and control the use of temporary workers and consultants
- deferred a decision on thresholds for reporting pending a discussion with the chair, vice chair and report author on what the Committee will wish to see in the next report in March.
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## 5 WORK PROGRAMME (Agenda Item 5)

RESOLVED: that the work programme was noted and agreed.

A late request to amend the minutes of the last meeting was declined as the minutes had already been agreed by the Committee.