

Committee: Financial Monitoring Task Group

Date: 5th November 2015

Wards: All

Subject: ANALYSIS OF CURRENT STAFFING VACANCIES (2)

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Recommendations:

A. To discuss and comment on staff vacancy information.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. Members received an initial analysis of vacancies held in the Authority as at 1st June 2015. Further analysis was requested to define vacant posts as expressed as FTEs (full-time equivalents), and those covered by interim/temporary workers. This report provides that further information.
- 1.2. Following an extensive technical staffing establishment exercise where all the Authority's substantive posts and positions were aligned with approved budgetary provision, a comprehensive overview of the staffing establishment is now available. The analysis presented in this report, as at 1st October 2015, provides Members with a detailed breakdown of the numbers of posts that are technically established, comprising the organisational staffing structure; those that are filled; that are unfilled by any replacement and those that remain vacant at this stage. **Appendix A** refers.
- 1.3. The analysis also indicates numbers of agency workers that have been engaged to cover some of the substantive unfilled positions, pending decisions being made regarding permanent recruitment, reorganisation or post deletion.
- 1.4. The organisation now has a fully accounted baseline position from which any subsequent staffing structural changes can be approved, amended and monitored. Such a detailed and meticulous exercise is unique amongst medium-sized/larger local authorities. Merton has pioneered such an approach.

2 DETAILS

- 2.1. For the purposes of the analysis, the term 'vacancy' is defined as those posts which are 'technically established', in other words which are fully budgeted in the Authority's staffing structure, but are unfilled by any permanent or directly employed job-holder.
- 2.2. Some vacancies may be 'covered' by temporary workers such as those agency staff engaged via Comensura, the Authority's master supplier, or interim consultants engaged for fixed term, specific pieces of work which

cannot be provided in-house due to the lack of available expertise. These consultants are generally sourced via Comensura as 'on contract' workers or via the Local Government Recruitment Partnership (LGRP).

- 2.3. Some vacancies may exist pending a reorganisation. Likewise, this may take the form of a reconsideration of resourcing opportunities such as when a job becomes 'empty' following the resignation of the permanent member of staff and the line manager considers how best to deploy the budget and hours available to assure ongoing service delivery. Currently, managers are taking this transitional approach given the ambitious budgetary targets for the foreseeable future. As vacancies occur via 'natural wastage', managers are exploring how best to resource their services and delaying like for like recruitment. To maintain service resourcing requirements, managers are using temporary arrangements as they reflect future service needs and determine how best to continue to resource their service area.
- 2.4. The detailed and time-consuming technical establishment exercise started in June 2014 and was completed in March 2015 with some final work being completed in October 2015 with regards Waste Operations. Each post in each service area across the organisation was analysed in terms of its budgetary status and a meticulous data cleansing exercise ensued. It is the 'post' which defines the budgetary allocation and the 'position' that defines the job roles to which employees are assigned. Once completed, the service manager, Finance and HR 'signed off' the technical establishment process for each service area to ensure the new baseline blueprint of the organisational staffing structure was as accurate as it could possibly be. Such a forensic exercise is unique amongst local authorities, given its resource-intensive nature.
- 2.5. Any changes to the Authority's staffing establishment for up to four posts is undertaken by service managers using a specially designed eform. Changes to the staffing structures held in iTrent as the core integrated HR/Payroll system for the Authority are then made by the iTrent Client Team, subject to Chief Officer approvals. Changes to more than four posts are made via the completion of a reorganisation spreadsheet and the service manager works closely with an iTrent Client Officer to ensure changes to multiple posts are made correctly and accurately, with the establishment baseline position being amended and updated accordingly.
- 2.6. The vacancy analysis attached is time-determined ie. shown as at 1st October 2015. There continues to be staffing movement across the organisation on a regular basis, given the volatile nature of the local government landscape at present. Therefore, the vacancy analysis will shift on a month by month basis. Nonetheless, having an accurate baseline position will ensure that accounting for any changes and vacancies occurring will be easy to monitor and determine.
- 2.7. To ensure there is ongoing overview and scrutiny of the baseline staffing establishment for Merton, Merton Improvement Board have sought regular vacancy updates. On a monthly basis, a scheduled vacancy analysis is circulated to service managers, Corporate Business Partners and Finance colleagues to validate accuracy and to maintain the 'due diligence' to assure vacancy control.

- 2.8. Furthermore, the Authority's workforce composition – permanent and temporary, is under ongoing review. Temporary workers earning £30 + per hour are recorded and 'challenged' by HR on a monthly basis with full visibility at Chief Officer level to determine the business justification of their continuation and reported regularly to General Purposes Committee.
- 2.9. The Authority is rapidly transforming and reorganising. In the short term, to mitigate against expensive employment termination costs, when natural (voluntary) staff turnover occurs, service managers are looking at fixed term temporary arrangements rather than progressing permanent resourcing. This is characteristic of the current situation, temporary rather than permanent staffing, unless quality service delivery would be otherwise compromised.

3 ALTERNATIVE OPTIONS

- 3.1. To understand the nature of unfilled substantive posts, the adoption of the technical establishment exercise provided the most accurate and effective methodology.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. CMT and the Merton Improvement Board have been provided with monthly progress updates regarding the completion of the technical establishment exercise.
- 4.2. Service managers and the Merton Improvement Board have received frequent vacancy updates since the technical establishment exercise was 'signed off' across the organisational service areas to assure ongoing data accuracy. This will continue as a scheduled activity.

5 TIMETABLE

- 5.1. As explained, regular establishment reports and vacancy updates are circulated to service managers for ongoing monitoring and management. This ensures that a contemporaneous record of changes and any resulting vacancies is held for appropriate action.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Vacancies have an impact on the financial and resourcing implications of the Authority. Each vacancy is derived from a substantive post or position being unfilled. As a result of the technical establishment exercise, each post is linked to budgetary provision. Vacancies left unfilled for significant periods of time would suggest that savings could be realised, especially if no temporary cover is used whilst a permanent resourcing solution is being explored.
- 6.2. On-going analysis is undertaken of temporary worker usage to cover vacant posts. Service managers with posts remaining unfilled by either permanent appointments or temporary/interim fills are challenged to confirm whether budget can be saved by their deletion.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. There are no specific legal implications arising from this report.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. There are no specific equality nor community cohesion implications arising from this report.

9 CRIME AND DISORDER IMPLICATIONS

9.1. There are no specific crime and disorder implications arising from this report.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. There are no specific risk nor health and safety implications arising from this report.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- **Appendix A** – detailed analysis across each Directorate and service area of current staffing establishment – as at 1 October 2015

12 BACKGROUND PAPERS

12.1. Analysis of current staffing vacancies – 1st July 2015