

Committee: General Purposes Committee

Date: 25th June 2015

Wards: All

Subject: Report on the use of temporary workers and consultants

Lead officer: Dean Shoesmith, Joint Head of Human Resources

Lead member: Cllr Mark Allison

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Recommendations:

1. To note progress made to monitor and control the use of temporary workers and consultants.
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1. Purpose of report and executive summary

- 1.1. Following the Committee's adoption of recommendations from the Ernst and Young report presented on 12th March 2014, a number of progress reports were considered at meetings in June, September and November 2014, and also March 2015. This latest report provides Members with an update of key actions taken by officers and the monitoring data of all current interim appointments (attached as Appendix 1)

2. Details

- 2.1 **Original Recommendation 2 - that officers should report all prospective interim and consultancy positions to HR and that HR should be responsible for maintaining a central database of all prospective and live roles filled by interim and consultancy appointments; and that a mechanism is built in to allow monitoring of this register at Member level;**
- 2.2 Appendix 1 attached to this report sets out the latest central database for all types of interim placement at a rate of £30 per hour or more across the Council, shown by department.
- 2.3 The database is updated on a monthly basis and double-checked with departments for accuracy.

- 2.4 **Original Recommendation 3 - HR should challenge departments on their use of long term interim appointments, the rates which are being paid and ensure that external recruitment is considered.**
- 2.5 The data about interim and consultancy placements is broken down by department and sent to each Department Management Team (DMT) on a monthly basis to review. HR attends monthly meetings of each DMT to review all the placements and to challenge on-going placements, especially where they are longer term. Each and every placement is reviewed with the respective DMT senior managers
- 2.6 **Original Recommendation 4 - HR should be involved in any recruitment process, including the recruitment of interim managers.**
- 2.7 Arrangements are in place for HR to be involved in all interim appointments and the single database provides a means of HR taking an overview of such appointments, together with the capability to ensure managerial compliance. In order to extend, Comensura require written confirmation along with the signed Recruitment Authorisation form from either the HR Contracts Manager, or the Comensura Relationship Adviser.
- 2.8 New order template - once an order has been submitted by a hiring manager, they are able to attach extra documents to the order and are required to attach a business case that the approver considers before agreeing to recruit
- 2.9 The previously reported trend continues with by far the largest group of interim workers being “on contract” agency and interim staff appointed through the Council’s corporate contract with Comensura for the supply of agency staff. These are all engaged with the involvement and oversight of the HR function with a database that supplies monthly spend and usage reports to Council managers.
- 2.10 As at the end of May 2015, the Council employed 166 interim workers at £30 per hour (or more) compared to 149 reported in November 2014 and 146 reported at the September meeting of the Committee, Appendix 1 refers to the detail and composition of the interim workforce. Where possible, corporate contracts are used as they provide better value for the Council.
- 2.11 Running concurrently with the work to monitor and control interim placements has been a Council-wide staffing establishment exercise completed within iTrent to provide a comprehensive view of a fully budgeted workforce. This provides a clear picture of the workforce, including vacancies and reconciliation with temporary worker appointments
- 2.12 **Original Recommendation 5 - The Council should review its interview process and its policy on the number of interviewers required, including in relation to the appointment of interim managers.**

2.13 Following Members' approval at the 26th June 2014 meeting of the Committee the necessary procedural changes have been made and publicised. This is reinforced by manager training regarding the Council's recruitment and selection procedures.

2.14 **Recommendation 6 - The Council should review its policy on declarations of interest to include personal friendships.**

2.15 Members approved changes to the Council's "Managing relationships at work" and this was also reported to CMT in November 2014 and approved

2.16 **Recommendation 7 – The Council should communicate to all officers any revisions it makes to its procurement procedure.**

Measures, including the maintenance of the new database, and policy changes have been made to ensure managerial compliance.

2.17 **Matters arising from the meeting of 12th March 2015 meeting.**

2.17.1 Detailed at Appendix 1, tab "Market Research", is an hourly rate comparison between Merton and other London boroughs that have been willing to share such data regarding hard-to-fill occupational roles. This data was sought and received at the end of May 2015.

2.17.2 It can be seen from the data that the Council is placed in a median market position and that competition for such roles is intense across the Capital. The Council needs to balance attracting candidates for important temporary roles with the cost of interim placements.

2.17.3 Members requested trend lines for temporary placements and these data are provided at Appendix 1 on separate tabs.

2.17.4 Members questioned the use of a temporary arboriculture specialist. The Environment and Regeneration department confirm that this is for annual short-term work and is akin to a casual employment relationship. It is not on-going work, but rather short-term seasonal placement for a specialist skill and is more economic to recruit in this way than have a full-time post.

3. Consultation undertaken or proposed

3.1 CMT has been consulted on the conflicts of interest policy and all the work associated with the interim workers' definitions and systems development

4. Timetable

- 4.1 Regular monthly reports of all interim placements are sent to departments and suitable “challenge” meetings are held with DMTs also on a monthly basis.

5. Financial, resource and property implications

- 5.1 The aim is to challenge hiring managers’ interim placements and reduce overall costs associated with interim workers where possible, noting that in many cases the Council has to cover statutory functions.

6. Legal and statutory implications

- 6.1 There are no specific legal implications arising from the report

7. Human rights, equalities and community cohesion implications

- 7.1 The amendments that have been made to the Council’s HR policies and processes will improve confidence in the Council’s HR recruitment procedure and the maintenance of the interim position database to provide the means to ensure compliance with Members’ requirements.

8. Crime and Disorder implications

- 8.1 None

9. Risk management and health and safety implications

- 9.1 These are detailed in the Ernst and Young report of 12 March 2014.

10. Appendices – the following documents are to be published with this report and form part of the report

- 10.1 Appendix 1 - Summary data of the Council’s current interim positions

11. Background papers

- 11.1 Reports of 12th March, 26th June and 17th September and 6th November 2014 and 12th March 2015 to General Purposes Committee