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London Borough of Islington

## Policy and Performance Scrutiny Committee - 1 June 2015

Non-confidential minutes of the meeting of the Policy and Performance Scrutiny Committee held at on 1 June 2015 at 7.30 pm.

**Present:**           **Councillors:**       Gallagher (Chair), O'Halloran (Vice-Chair), Court, Doolan, Kay, O'Sullivan, Jeapes, Poyser, Russell, Andrews and Chowdhury  
**Also Present:**       **Councillors:**       Hull

### Councillor Troy Gallagher in the Chair

- 116**        **APOLOGIES FOR ABSENCE (Item 1)**  
Councillor Ismail
- 117**        **DECLARATION OF SUBSTITUTE MEMBERS (Item 2)**  
Councillor Jeapes stated that she was substituting for Councillor Ismail
- 118**        **DECLARATIONS OF INTEREST (Item 3)**  
None
- 119**        **TO APPROVE MINUTES OF PREVIOUS MEETING (Item 4)**  
**RESOLVED:**  
That the minutes of the meeting of the Committee held on 11 May 2015 be confirmed and the Chair be authorised to sign them
- 120**        **MATTERS ARISING FROM THE MINUTES (Item 5)**  
None
- 121**        **CHAIR'S REPORT (Item 6)**  
None
- 122**        **PUBLIC QUESTIONS (Item 7)**  
The Chair outlined the procedure for Public questions and filming and recording of meetings
- 123**        **POLICY AND PERFORMANCE TERMS OF REFERENCE (Item 8)**  
**RESOLVED:**  
That the report be noted
- 124**        **BEST TEAM SCRUTINY REVIEW - WITNESS EVIDENCE - VERBAL (Item 9)**  
Nicky Freeling, Business Engagement and Employment Support Manager and Lela Kogbara, Assistant Chief Executive, Strategy and Community Partnerships were present and introduced two witnesses who gave evidence to the Committee. These witnesses were Sheri Lawal of Choices and Ken Kanu from Help on your Doorstep.

During consideration of the evidence the following main points were made –

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- Choices worked with the BEST team and added that they worked with the Job Centre mostly with claimants on ESA who were not work ready. It was added that it would be beneficial if there was more part time work available
- In response to a question it was stated that Choices tried to give case support to these residents and it was important for them to experience what the job entails
- The view was expressed that whilst employers often asked for qualifications such as GCSE's and A levels, experience could be just as valuable
- It was noted that residents were being placed in different Council departments to enable them to get work experience across different areas
- Help on Your Doorstep is an outreach and referral service that works across Islington and links in with the voluntary and the public sector. It was a door knocking service that sought to engage residents and offered assistance with housing, financial advice, employment issues, welfare rights etc. and directed them to appropriate services and residents could also call in to one of the 5 community based offices
- Help on Your Doorstep assists over 1500 residents per year and employment has been the main focus and the BEST team is the highest referral partner however there were no precise figures for those obtaining employment. There were challenges to the process and BEST acted as a brokerage for pre -screening and assessment but generally there is not a great deal of feedback for clients from employers
- There is a need for good quality feedback to be given to applicants in order to show the areas that they needed to improve and boost their confidence in applying for jobs whether they were successful or not
- The Chair stated that the work of Help on Your Doorstep is appreciated and concurred that feedback was fundamental to enable people to improve and enquired whether feedback could be included as part of an SLA with employers. It was stated that whilst the Council did give feedback to shortlisted candidates it is difficult to do this for candidates not shortlisted if there are hundreds of candidates for a post and in some cases a more general standardised letter is sent out because of time constraints
- Nicky Freeling indicated that she had encouraged the BEST team, when it existed, to provide feedback and this is an area that needs improvement
- In response to a question concerning employers expectations of young people it was stated that work is taking place with young people to stress the importance of what employers are looking for
- It was noted that applicants did not have to have formal qualifications to be numerate and literate
- It was noted that work is being carried out to encourage employers to build relationships at an early stage with young people by going into schools, encouraging mentoring and by work experience
- Choices did sessions for young people in mock interviews and filmed them so that feedback can be given and things they needed to improve on to obtain employment
- Help on your Doorstep expressed the view that more work is needed with employers however for those that do not yet reach interview stage there is still the need for feedback in order that they can be encouraged and develop their skills to seek work

The Chair thanked Ken Kanu, Sheri Lawal, Nicky Freeling and Lela Kogbara for attending

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### USE OF AGENCY STAFF (Item 10)

Kevin O'Leary, Director of Environment and Regeneration, Sean McLaughlin, Director of Housing and Adult Social Services and Steve Key, Finance and Property Services were present for discussion of this item . Debra Norman, Assistant Chief Executive, Human

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Resources and Governance was also present and laid round updated figures for the Committee.

Councillor Andy Hull, Executive Member Finance and Performance was also present.

During consideration of the report the following main points were made –

- Councillor Hull stated that significant progress had been made in reducing the number of agency staff and there was a time lag on the data and that there would shortly be an additional 78 agency posts would become permanent staff with a further 42 planned
- The target is to reduce the number of agency staff employed to 10% of the workforce by the end of 2015/16 and the figure is currently at 17%
- The updated figures show that the number of temporary staff now employed had reduced from 972 to 869 posts
- It was noted that the agency staff workforce is more ethnically diverse than the Council workforce, however the Council workforce employed more staff with disclosed disability
- Councillor Hull stated that progress is being made in reducing agency staff, however the message had been conveyed to Directors and middle management that more needs to be done to reduce the figures, It was added that agency staff could now only be employed with the approval of the service Director
- Councillor Doolan expressed concern that the agency figure is still some 4.6 % above the London average, and that he was concerned at the high levels of BME agency staff in comparison to full time staff
- In response to a question it was stated that in terms of the appointment of agency staff to permanent posts in Environment and Regeneration Department, the Council recruitment procedures had been followed
- Councillor Doolan expressed the view that the Committee, should at a future date review the Council policy on recruiting agency/temporary staff into permanent posts
- The Chair stated that there is a need to ensure that managers update their records regularly so that the levels of agency staff are regularly monitored and assessed
- In response to a question it was stated that the updated figures on the transfer of former Enterprise staff taken on permanently be sent to Councillor Doolan
- In response to a question it was stated that in E&R the agency staff model had been inherited from the previous contractor Enterprise and that it had taken time to remodel the service but there will always be circumstances in which agency staff would be required, however measures such as increasing the flexibility of staff were being considered. Reference was made to the fact that the Housing Scrutiny Committee were recommending annualised hours for some staff in grounds maintenance and schemes like this could be considered
- It was stated that the fact that a high number of BME agency staff had now been employed permanently in E&R and this would increase the BME headcount figure
- It was stated that a market supplement could be applied to certain posts where there is difficulty in recruiting and a specific case could be made. This has not been applied often and requires approval of the Chief Executive or Audit Committee dependent on the sum involved
- It was noted that in Housing and Adult Social Services many of the technical posts transferred over from Kiers had left a number of anomalies of staff being employed on different terms and conditions and these needed to be regularised. In addition, it was stated that because of the improvement in the construction industry it is proving difficult to recruit staff in certain areas
- Reference was made to the number of agency staff employed on a limited company basis for tax purposes. It was stated that whilst people were encouraged not to do

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this the Council would be disadvantaged if they did not allow this, as it was legal practice and as competition in some areas for staff, such as social workers, was intense, especially across London. The Chair stated that this was an issue that could be looked at in the forthcoming Tax Avoidance scrutiny to be carried out by PPS Committee

- Members were informed that no agency staff were employed on exploitative zero hours contracts
- In response to a question as to why agency social workers are employed it was stated that this is necessary as some of the funding from the NHS for these posts was temporary and if these posts were made permanent, there could be a risk of redundancy in the future for permanent staff. In addition, the need for savings in future years, because of the reductions in Local Government spending, needed to be considered and to reduce the level of redundancy payments required
- It was noted that whilst there may be problems in the employment of BME staff this was not just an LBI problem and LBI staff is actually representative of the community. Measures are being taken to increase BME representation in higher paid jobs in the Council and by removing names from application forms
- Reference was made to the fact that a scrutiny review on Equalities took place a few years ago and it would be interesting to review whether this had had an impact on how many BME and other disadvantaged staff had been employed, particularly in higher graded posts and the Committee should also like to receive yearly updates on these figures
- In response to a question it was stated that agency staff were sometimes employed in a variety of posts, which led to them being on the payroll longer than originally envisaged
- Islington had one of the largest home care provision services in London and therefore it will always be necessary to employ agency staff to maintain cover and care
- A Member expressed the view that whilst it was recognised that in certain services there needed to be flexibility around employing agency staff the level was still too high and there was a need to ensure that employment of agency staff is cost effective
- Discussion took place with regard to the employment of agency social workers and it was stated that particularly in Adult Social Care, and the implementation of the Care Act, it was necessary to avoid future redundancies to employ agency staff because of planned reductions in staff and budgets. This would avoid future redundancy payments to staff. With regard to agency Social Workers being on LTD, if the Council wanted to maintain an adequate level of safe cover and with the shortage of social workers in London, it would be difficult to do this if the Council had a policy of not engaging LTD social workers
- In response to a question it was stated that in Environment and Regeneration efforts were being made to put in place more permanently employed staff and that the preferred political optimum business model was 70%-80% in place
- Councillor Hull indicated that whilst the agency staff figure was still too high the direction of travel was downward
- The Chair stated that with the constraints on the budget there was a need to further reduce agency costs. The Chair congratulated Environment and Regeneration Department for the efforts made in reducing agency staff in the department and hoped other Directorates could achieve reductions in future
- The Chair stated that specific details of progress in relation to all other Directorates in reducing agency staff, excluding Environment and Regeneration, should be submitted to the November meeting, This should include a breakdown of agency staff by Directorate/department, and how the planned reduction to 10% in agency

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staff is to be achieved and explanatory notes on the types of posts per department where agency staff are currently employed

### **RESOLVED:**

- (a) That a report be submitted to the Audit and PPS Committees, at a future date, in relation to reviewing the policy on recruiting agency/temporary staff
- (b) That it be noted that Councillor Doolan had now been sent the updated figures on the transfer of former Enterprise staff taken on permanently by the Council
- (c) That a report be submitted to a future meeting of the Committee, detailing the progress made, following the Equalities Scrutiny Review, on increasing the numbers of BME and other disadvantaged staff that had been employed, particularly in higher graded posts, and that these figures in future be provided yearly to the Committee
- (d) That all Directorates, excluding Environment and Regeneration, be requested to submit specific details of progress in relation to reducing agency staff, to the December meeting, and this should include a breakdown of agency staff by Directorate/Department, and how the planned reduction to 10% in agency staff is to be achieved and explanatory notes on the types of posts per department where agency staff are currently employed

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### **REVENUE OUTTURN 2014/15 (Item 11)**

Councillor Andy Hull, Executive Member for Finance and Performance was present together with Steve Key, Finance and Property Services Department for discussion of this item.

During consideration of the report the following main points were made –

- It was stated that there was a £3.1 million underspend which will be put towards contingencies and the redundancy reserve
- It was noted that the HRA is forecast to break-even and the capital programme delivered 93% of the annual programme
- The Housing General Fund continues to be impacted by increased demand for temporary accommodation and the increased cost of supplying it, exacerbated by changes to the housing benefit regulations and the changes to the welfare support system
- It is anticipated that there would need to be substantial savings due to the election of the Conservative Government and that the savings required would be clearer following the Emergency Budget in July and the Chancellor's Autumn Statement
- Councillor Hull thanked the Finance Directorate and Directors for the work in achieving a balanced budget despite the difficult circumstances

### **RESOLVED:**

That the report be noted

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### **SCRUTINY TOPICS 2015/16 - VERBAL (Item 12)**

The Chair stated that he had proposed a scrutiny review on Tax Avoidance at the previous meeting of the Committee and that a SID meeting would be held with officers in the near future to progress this. The Chair indicated that a further scrutiny topic on knife crime had been suggested, however he was willing to consider other proposals and a final decision taken at the next meeting.

The Chair added that the Environment and Regeneration and Children's Services Scrutiny Committees would be deciding on scrutiny topics at their next respective meetings and that

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Health and Care Scrutiny Committee were proposing a scrutiny review on the health implications of dampness in social and private sector housing.

It was noted that the Housing Scrutiny Committee were proposing a topic on Cyclical Maintenance but were considering other proposals at its next meeting.

The meeting ended at 9.40 p.m.

**CHAIR**