

**Chief Executive's Department
Town Hall, Upper Street, London N1 2UD**

Report of: Assistant Chief Executive, Governance and HR

Meeting of:	Date	Agenda item	Ward(s)
Policy and Performance Scrutiny Committee	July 2016		

Delete as appropriate	Exempt	Non-exempt
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Subject: Islington Council's use of Agency Workers

1 Synopsis

- 1.1 This report provides the Policy & Performance Scrutiny Committee with an update on the council's use of agency workers.

2. Recommendations

- 2.1 To note the information provided in this report.

3 Background

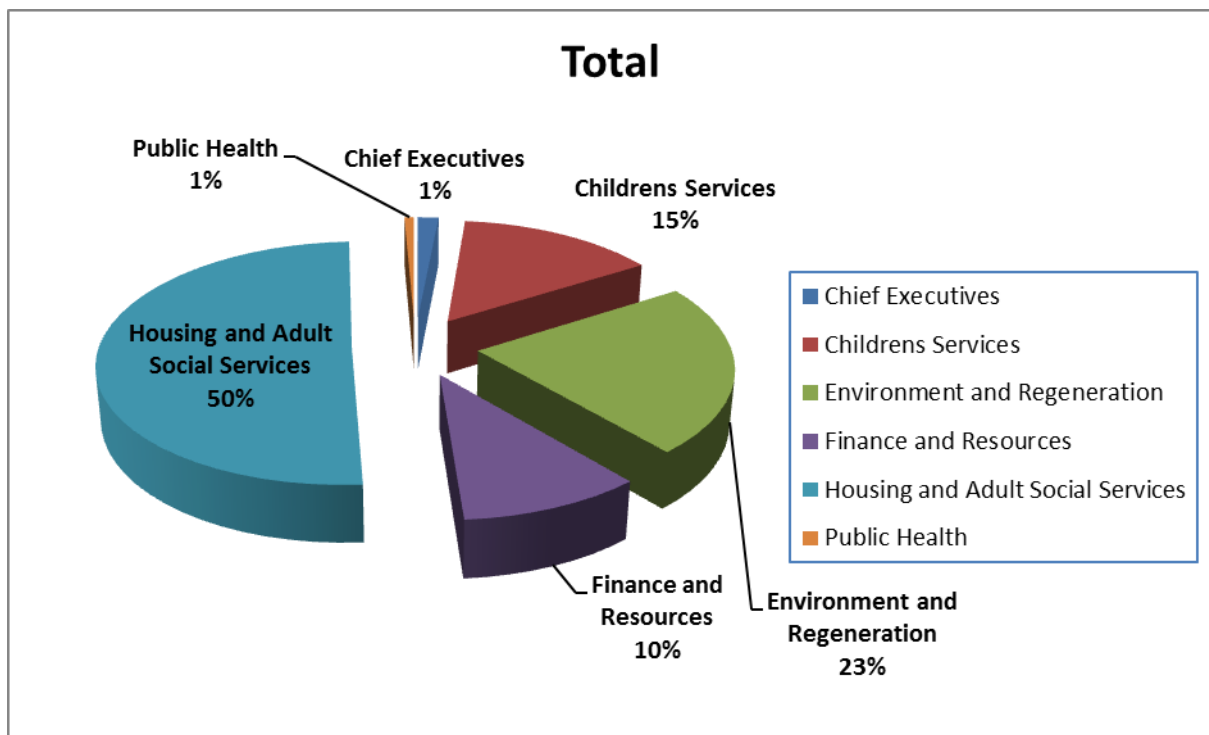
- 3.1 The Policy & Performance Scrutiny Committee undertook a review in 2013/14 of the council's use of agency workers. The Committee agreed a list of recommendations which were considered by the Executive. The Executive agreed that a bi-annual update be provided to the committee on the council's use of agency workers and its implementation of the actions agreed by the Executive in response to the Committee's recommendations. This is the fourth such report.
- 3.2 In the third report it was noted that an analysis has been undertaken of the use of agency workers in all departments to identify how the long term annual average 10% target could be broken down between services which may have very different needs to use agency workers. This report provides a general update on agency use and on progress in respect of departmental targets.

3.3 In the third report a number of the actions agreed by the Executive were identified as having been completed. The update on the action plan in this report therefore deals only with the remaining actions.

4.0 Use of agency workers compared to council employees

4.1 As at 31 May 2016 there were 720 live agency assignments via the Comensura contract compared to the 759 in December 2015 and 972 reported to this committee in June 2015. The full time equivalent (FTE) figure for these 720 assignments is 666.37 agency workers. Based on headcount, agency workers made up 13.36% of Islington Council's workforce as at 31 May 2016, (based on FTE, it is 12.48%) compared to 17.39% reported in June 2015. This compares to an average figure of 14.5% (based on headcount) across all London councils. This London-wide figure relates to 2014/15.

Figure 1: Islington agency assignments



Source: Comensura: May 2016

On 31st May 2016 HASS had the highest number of live assignments with 363 compared with 387 in the last report to this committee) followed by Environment and Regeneration with 163 (compared with 205 in the last report to this committee), Children's Services with 105, Finance and Resources with 73, Chief Executive's Department with 11 and Public Health with 5.

5.2 Use of agency workers by service

Figures for use of agency workers by particular services as at the end of May 2016 are contained in Appendix 2.

5.3 Average length of assignment

The average agency worker has been at the council for 411 days (14 months). 257 agency workers have been at the council for longer than 12 months, which equates to 35.69% of assignments. This is small improvement from the last time this was reported to this committee when the figure was 416 agency workers which equated to 38.28% of assignments.

5.4 Types of assignments undertaken

A summary of the roles undertaken by agency workers in the departments is contained in Appendix 3 based on the May snapshot report. The categories of roles are those available for selection when entering an assignment in the Comensura system.

In the Public Health and Chief Executive's Department agency workers are used mostly to cover professional staff. In Children's Services the majority of cover is for qualified or unqualified healthcare staff, who also make up a substantial part of the cover provided in HASS. HASS also has a high number of agency workers categorised as Admin and Clerical. The roles in this category include:

- Customer Services Advisor
- Repairs Scheduler
- Planners and Scheduler
- Business Support Officer
- Quality Assurance Officer
- Service Co-ordinator
- Project Administrator
- Freedom Pass Administrator

In E&R the most common category of agency assignment is manual labour (114) although this has reduced significantly since the last report to this committee when it stood at 183. In Finance and Resources agency workers are most commonly used in technical roles.

5.5 Progress on meeting departmental targets

The analysis of service requirements for agency workers has led to the following departmental targets for use of agency workers to enable the long-term annual average 10% target to be achieved. The agency worker strategy identifies a medium term target of 11.7% based on departmental use figures and actions underway to reduce use. Current progress on these targets is set out below.

Department	Target %	Current Performance %
Chief Executive's	2.5	2.6
Children's Services	9.5	9.78
E&R	12	12.36
Finance and Resources	10	9.36
HASS	16	20.74
Public Health	3	12.19
Medium term annual average target	11.7	13.36

As the Public Health department is small, use of a small number of agency workers can amount to a quite high percentage. The department regularly has no agency workers at all so the significant discrepancy shown in the table is likely to be a temporary anomaly. Three of the five current agency assignments in Public Health are funded entirely from the Camden budget to deliver Camden-specific projects

6.0 Update on actions agreed by the Executive still being implemented:

6.1 ACTION: Continue to improve processes to ensure agency-covered posts are available as redeployment opportunities.

PROGRESS: HR have put a process in place whereby a monthly list of agency workers is circulated and redeployees can be matched against suitable roles. As the council's voluntary redundancy scheme in 2015/16 was so successful minimal numbers of staff have required consideration for redeployment. This action is now complete.

6.2 ACTION: Continue to work with other boroughs to limit the use of agency workers engaged on a Limited Company basis.

6.3 PROGRESS: Discussions concerning this have taken place at London Council's Heads of HR. No specific actions have been agreed in respect of use of Ltd Companies (known as personal service companies) in this way, but 24 boroughs so far, including Islington, have signed a Memorandum of Cooperation to provide a framework for collaboration on key issues including developing mechanisms to ensure that rates and charges for supplying agency workers in Children's Services appropriately reflect the skills and experience of workers and the remuneration of permanent staff. Central

government is currently consulting on changes to shift the responsibility of applying IR35 from Personal Service Companies to the party who pays the Personal Service Company. IR35 is a set of rules designed to ensure that individuals working for a client through an intermediary (such as a personal service company) pay roughly the same amount of tax and National Insurance contributions as if they had been directly employed. This proposed change is expected to increase compliance.

- 6.4 As the actions agreed by the Executive have now either been completed or are embedded on an on-going basis, the committee may wish to consider whether the council's use of agency workers should in future be monitored by the Audit Committee.

7.0 Implications

Financial implications:

None arising directly from this report.

Legal Implications:

None arising directly from this report.

Environmental Implications:

None

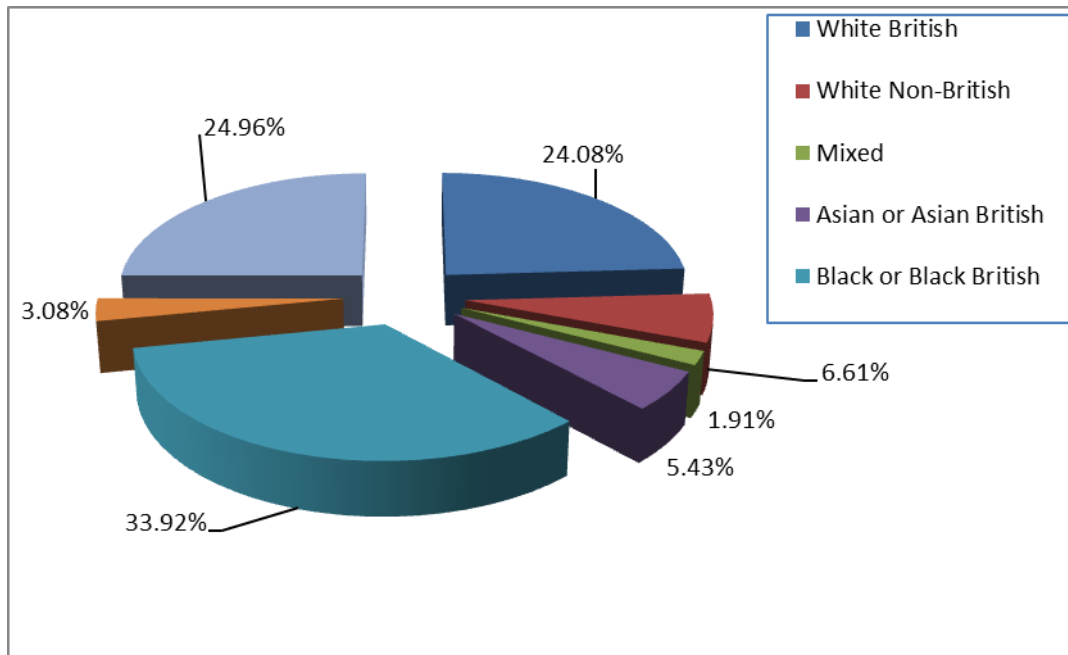
Resident Impact Assessment:

No resident impacts arise directly from this report. An equalities analysis of agency workers as at 31 May 2016 is set out below:

Ethnicity

Agency workers are considerably more ethnically diverse than the permanent workforce, with 69.31% of agency workers coming from BME groups compared to 36.3% of directly employed staff.

Figure 2



Source: Comensura: May 2016

Gender

The gender balance of the agency workforce closely matches the directly employed workforce: 49.2% of agency workers are male, compared to 49.3% of council employees.

Disability

The percentage of agency workers declaring a disability is 1.20%, significantly lower than the figure for directly employed staff which is 7.3%.

Age

The age distribution of the agency workforce is set out in the table below. The agency workforce is younger than the Council's: 7.2% of agency workers are under 25 compared to 3.15% of directly employed staff.

Figure 3: Age profile of agency workers

Age 16-24	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
7.20%	26.14%	26.14%	27.61%	11.31%	1.62%

Source Comensura: May 2016

8.0 Conclusion

Use of agency workers is decreasing in the council and the actions agreed by the Executive have been completed and/or embedded.

Final report clearance:

Signed by:

Received by: Assistant Chief Executive, Governance and HR Date

Head of Democratic Services Date

Report Author: Debra Norman, Assistant Chief Executive, Governance and HR
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Appendix 1:

Number of agency workers by council service

Department	Service Group	Totals
Chief Executives	Business Support Unit	1
	Human Resources (HR)	2
	Legal Services	4
	Partnerships and Employability	3
	Scrutiny and Democratic Services	1
Chief Executives		11
Childrens Services	Children and Families	1
	Children In Need	35
	Children Looked After	18
	Childrens Services	3
	Commissioning and Business Support	15
	Play and Youth Service	8
	Project Team	2
	Pupil Services	7
	Strategy and Commissioning	6
	Targeted and Specialist Children and Family Services	4
	Targeted Youth Support and Youth Offending	6
Childrens Services Total		105
Environment and Regeneration	Building Control	2
	Cemetery Service	2
	Development Control	14
	Directorate Support Team	5
	Education Library Service	1
	Greenspace and Leisure	13
	Highways Services	1
	Library and Heritage Service	3
	Mechanised Services Support	1
	Public Realm	1
	Spatial Planning and Transport	1
	Street Environmental Services	95
	Street Management	9
	Traffic and Engineering	1
	Waste Management and Enforcement	14
Environment and Regeneration Total		163
Finance and Resources	Accommodation and Facilities	2
	Customer Services	15
	Customer Services Unit	1
	Digital Services	38

	Networks	6
	Property and Procurement	1
	Property Services	1
	Revenues - Council Tax and Business Rate	6
	Service Finance	1
	Technology Solutions Group (TSG)	1
	(blank)	1
Finance and Resources Total		73
Housing and Adult Social Services	Administration Drayton	1
	Aids and Adaptations (HASC)	1
	Capital Programme Delivery (HASC)	26
	Central Admin (HASC)	4
	Central Services (HASC)	2
	Community Services	106
	Community Services Management	2
	DLO	17
	HFI Legal Disrepair (HASC)	6
	Highbury House Area Office	1
	Holland Walk (Caretakers) (HASC)	4
	Holland Walk (HASC)	5
	Home Ownership Unit (HASC)	2
	Housing Direct	12
	Housing Needs and Strategy	5
	Housing Operations	19
	Housing Property Services	4
	Information Services	1
	Islington Adult Integrated Community Service	4
	Joint Services	62
	Learning Disabilities	6
	Mental Health	7
	Mental Health Trust	2
	Moving Forward Programme Team	2
	Old ST AO (HASC)	1
	Old St Ao Caretakers (HASC)	1
	Operations	1
	Partnerships	2
	Partnerships and Communities	1
	Performance and Quality	1
	Planned Maintenance Repairs (HASC)	3
	Productivity and Compliance	23
	Property Services	2
	Property Services Repairs	10
	Rehousing	1
	Rent Arrears (HASC)	2
	Repairs and Maintenance	3

	Senior Management Team	3
	Sensory Team	3
	Specialist Services	1
	Strategy and Commissioning	1
	Upper St Ao (HASC)	2
	Whittington Hospital Social Work team	1
Housing and Adult Social Services Total		363
Public Health	Public Health	5
Public Health Total		5
Grand Total		720

Appendix 2 - Agency worker roles

	Cex Dept	Childrens Services	E&R	Finance & Resources	HASS	Public Health	Total
Admin and Clerical	3	25	15	3	45	2	93
Education	1	5					6
Engineering and Surveying			6	1	44		51
Facilities and Environmental Services			12		3		15
Financial		3		1	3		7
Housing Benefits and Planning			2	18	45		65
Human Resources	3				6		9
Information Technology		1		11	2		14
Interim Executive		2		34	3	1	40
Legal	4	3			3		10
Management					1		1
Manual Labour			114	2	12		128
Social and Healthcare Qualified		53			76	2	131
Social and Healthcare Unqualified		10		3	95		108
Trades and Operatives		3	14		25		42
Grand Total	11	105	163	73	363	5	720