

REPORT

BUILDING CAPACITY – AGENCY STAFF

1. Purpose of Report

- 1.1. To consider progress in reducing costs of external agency staff and the results of an experiment in using “internal” agency staff.

2. Background

- 2.1. Cabinet received a report in May 2004 setting out suggestions for controlling the costs of agency staff. These were to:
 - Use a single agency to reduce fees.
 - Implement a new protocol for using agency staff.
 - To explore whether employing a team of internal “temps” would be cheaper than the use of agency staff.

3. External Agency Staff

- 3.1. The actions taken have reduced costs by around £35k per annum, which is clearly a useful saving. Further consideration will be given by the Capacity Group as to whether further savings might be achieved.

4. Internal Agency

- 4.1. Management Team considered a proposal from the Capacity Group in November 2004, and agreed to employ a temporary (as opposed to a permanent) member of staff to work as an alternative agency resource. This employee has been in employment since 21 February 2005.
- 4.2. A comparison between the internal member of staff and external agency costs indicate a saving of approximately 15%. The employee has been continuously employed since starting, and it is clear that demand outstrips supply.
- 4.3. The objectives of the proposal agreed by Management Team were to determine that savings could be made with one employee, and that the employee was kept fully occupied. These objectives have been achieved.
- 4.4. It is therefore proposed that the existing temporary contract is made permanent and a second internal agency staff member be employed on a temporary contract. This temporary contract will be reviewed after 6 months and a further report will be made to Cabinet on the cost effectiveness of the second employee.

5. Environmental Services

- 5.1. The experiment described in section 4 relates only to white-collar workers. Management Team agreed that a parallel experiment should be carried out at the Depot, which is a heavy user of agency staff. However, the Head of Environmental Services felt unable to attract staff to heavy manual work on a temporary contract.
- 5.2. It is therefore proposed that the Head of Environmental Services produces a report to the September Cabinet on the pros and cons of employing a permanent employee.

6. Recommendations

- 6.1. Cabinet note the reduction in agency costs.
- 6.2. Approves the establishment of a permanent post as identified in section 4, and the consequent employment of a further employee.
- 6.3. Notes that a further report on the employment of the temporary employee will be presented to Cabinet after 6 months of employment.
- 6.4. Notes that a report on the employment of a member of staff to work at the Depot will be produced by the Head of Environmental Services to the September Cabinet meeting.

7. Implications

- 7.1. Financial – As set out in the report.
- 7.2. Legal - None
- 7.3. Personnel – As set out in the report.
- 7.4. Council's Core Values – Providing excellent service. Being a progressive employer.
- 7.5. Wards Affected - All