



Report of the Director of Resources

Special Audit Committee – 30 June 2020

Employment of Agency Staff Audit Report 2019/20 - Update

Purpose:	To report on actions arising from the Employment of Agency Staff Audit report.
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For Information	

1. Introduction

- 1.1 As a result of an internal audit on the Employment of Agency Staff carried out in 2019/20, an assurance level of “Moderate” was given.
- 1.2 Actions have been taken to address the issues identified and appropriate implementation steps put in place.

2. Previous Actions Undertaken

- 2.1 An email was issued in March to members of the Corporate Management Team reminding Managers to ensure compliance with the Agency Worker Policy (Appendix A).

In particular, to “ensure that, for all agency staff appointments;

- A business case is completed.
- Budgetary provision is obtained and retained, including when agency workers contracts are extended.
- HoS approval is obtained, including in advance of when agency workers contracts are extended.

- *Where there is a requirement for DBS Checks and/or Social Services Registration; confirmation of appropriate pre-employment checks is obtained from the Agency.*
 - *For Purchase Orders; all relevant details are recorded on the Oracle receipt, to include name of worker, dates of employment and hours worked.*
 - *Agency workers engaged by the Council for more than 12 weeks are made aware that they are entitled to equal treatment on basic working and employment conditions.”*
- 2.2 Managers were also reminded that our policy states *“that an Agency Worker will only be used when there is a sound financial and business need to do so. It is accepted in principle that the employment of agency workers should only be used for short term cover”.*
- 2.3 Although not reflected in the report, HR&OD send regular reminders to Managers to review the engagement of agency workers who have been engaged for over 12 months and Managers are required to confirm that it is still appropriate for the Council to engage an agency worker rather than employ someone in the post.

3. Identified Action from March Meeting

3.1 At the March meeting the following action was identified;

The Strategic HR & OD Manager provides up to date agency worker numbers, levels of non-compliance and cost to the Authority and this detail be reported to the next meeting in the Audit Committee Tracker report.

3.2 Agency Worker Numbers

Total number of Agency Workers engaged through the corporate contracted agencies (Staffline and RSD Social Care.) in March 2020 were **161**. Broken down as follows:

Place Directorate: 157
 Social Services: 4

Place	Number of Agency Workers
Cultural Services	0
Corporate Building Services	0
Highways & Transportation	18
Waste, Parks & Cleansing	138
Planning and City Regen	0
Housing & Public Health	1
Property Services	0
	157

Social Services	Number of Agency Workers	
Adult Services	4	
		Total
	4	161

3.3 Agency Worker Cost

Total spend/cost of Agency Workers for 2019/2020 was £4,522,120. The total spend on Agency Workers includes Agencies other than Staffline and RSD, therefore the numbers of Agency Workers will be higher when we take into account Teachers and supply staff which form a large part of the additional spend.

This is broken down as follows:

Staffline and RSD Agencies – £3,917,393 in Place and Social Services (as above)

Total “off” contract spend - £604,727

The largest “off contract” spend is in the following areas:

- Education and Social Services - £489,179
- Hays Specialist Recruitment - £58,286 (ICT, 4 Agency Workers)

3.4 Compliance

Heads of Service were contacted to feedback on the compliance measures indicated in the Audit Report as follows:

- Confirmation of budget provision should be obtained and retained for all agency staff appointments.

- HoS approval should be obtained and retained for all appointments by line managers.
- Confirmation of appropriate pre-employment checks should be obtained from the Agency and retained by the line manager.
- Confirmation of further budgetary provision should be obtained and retained when agency workers contracts are extended
- Written requests should be submitted to HoS for re-approval when agency workers contracts are extended. This should be in advance of the contract being extended.
- Agency workers engaged by the Council for more than 12 weeks should be made aware that they are entitled to equal treatment on basic working and employment conditions.

Social Services Directorate Feedback:

Residential Care – compliant in all areas

Hospital Social Work – Agency Worker is fully funded by Health. Query over point 6 which has been resolved and Agency/Worker informed of their rights. (See recommendations on the policy)

Social Work/Learning Disabilities – Compliant in all areas

Place Directorate Feedback

The largest number of Agency Workers can be seen in Waste Management and Highways. This reflects the feedback around some of the logistical issues in complying with the current policy as it is written.

Waste, Parks and Cleansing:

There is no Head of Service approval but there is a “standing approval” in place across Waste Parks and Cleansing, due to the ad-hoc nature of requirement for sickness/absence cover to complete front-line services, and to cover any vacancies in required structure.

Waste Parks & Cleansing don't hold copies of pre-employment checks. These are carried out by the Agency as part of the contract and held with the Agency.

Highways & Transportation

Compliant although there was an indication that confirmation of appropriate pre-employment checks has not been undertaken as they are not required. However, the Agency contract determines that all pre-employment checks are carried out.

Housing & Public Health

Compliant in all areas.

3.5 Role of Staffline

Staffline provide the following support to work in partnership with the Council to ensure compliance.:

- Provision of a policy booklet to all Agency Workers which provides details on Agency Workers Regulations and their rights.
- Maintaining a record of all start dates of all Agency Workers.
- After 12 weeks, move workers to the enhanced pay rate and enhanced rights.

4. Identified Further Actions

Prior to, and as a result of this Audit, the following future actions have been identified;

- Review of the current policy on the engagement of Agency Workers is in need of review alongside a review of all HR&OD policies, including clarity of roles and responsibilities.
- Examination of the “off contract” spend in more detail and governance around these arrangements? This would need to be undertaken in conjunction with procurement as HR&OD are not made aware of these Agency Workers.

5. Equality and Engagement Implications

- 5.1 There are no equality and engagement implications associated with this report.

6. Financial Implications

- 6.1 There are no financial implications other than those set out in the body of the report.

7. Legal Implications

- 7.1 The Agency Workers Regulations Act 2010 provide important rights for agency workers, concerning their basic working and employment conditions, from day one and after a 12-week qualifying period. These rights are reflected in our Policy.
- 7.2 There are no other legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices: None.