

**MANCHESTER CITY COUNCIL  
REPORT FOR INFORMATION**

**Report to:** Resources and Governance Overview and Scrutiny  
Committee - Human Resource Subgroup

**Report of:** Head of Corporate Personnel

**Date:** 6 October 2009

**Subject:** Management of Temporary Staffing Arrangements including  
the use of Secondment Opportunities

**1. PURPOSE OF THE PAPER**

- 1.1 Members have requested an update on the use and management of temporary staffing arrangements with particular focus on the application of the Secondment Policy. This report focuses on:
- i. Progress on implementing revised management arrangements for temporary solutions through the use of external agency staff and consultants.
  - ii. Outcomes of the review undertaken on the use of secondments.
  - iii. Proposals for a centralised “One Stop Resource” framework located in Corporate Personnel, with responsibility for co-ordinating all temporary staffing requirements.

**2. INTRODUCTION**

- 2.1 In common with many other organisations, including local authorities, the City Council has found itself in a position in recent years where it has increasingly utilised the use of temporary staffing arrangements to supplement the permanent workforce. The increase in such use is primarily attributable to the speed of workforce changes particularly evident within the public sector through changes in the way local authorities deliver services, balancing peaks and troughs in workloads with the need to deliver efficiencies and other constraints such as time limited funding streams which prevent permanent/longer term recruitment options being considered.
- 2.2 The City Council is undergoing significant organisational change as services are modernised and partnership working becoming more prevalent. Such large scale change ultimately impacts on workforce numbers, with some services reducing the directly employed workforce e.g. the transfer of housing stock, whilst there has been an increase in the need for resources with specialist project and change management skills. The Council’s future

workforce needs to have transferable skills which enable it to become fluid and adaptable to meet changing needs.

- 2.3 In responding to meeting changing patterns of supply and demands, services can choose from a variety of options to meet their resourcing needs. Most typically, these include:

- i. **Internal arrangements** - such as Act ups, honoraria payments, casual staffing banks, secondments and redeployment of existing staff.
- ii. **External arrangements** - such as agency workers, specialist consultants and recruitment strategies to effect the appointment of permanent staff.

### 3. TEMPORARY RESOURCING – AREAS OF FOCUS

- 3.1 In light of these trends, staff in Corporate Personnel have sought to develop a more consistent approach across all services to address these fluctuating and variable patterns of short term staffing requirements. Particular approaches include:

#### 3.2 Agency Staffing

3.2.1 In response to inconsistent approaches, unregulated engagement and high costs associated with the use of agency workers, the City Council established an internal monitoring/contract group (the Agency Client Group), located in Corporate Personnel, in April 2007. This Group provides for a Corporate Framework with a single procurement point within the authority, in order to ensure that the engagement of agency staff is undertaken on a value for money basis and consistent with Council employment policies and procedures.

3.2.2 There have been a number of benefits through the adoption of a Corporate Framework for the engagement of agency workers and details of these benefits were provided in the report to the full Committee on 3 September 2009, where a global reduction in agency staffing spend was reported at circa 28% when compared to historical spend.

#### 3.3 Engagement of Consultants

3.3.1 At the request of Strategic Management Team, a Good Housekeeping Group, chaired by the Head of Corporate Procurement was established in November 2008. The remit of this Group is to improve control over the use of resources and the delivery of value for money in day to day housekeeping matters. Use of consultants was identified as a major workstream owing to the high volume and level of spend, and a Sub Group, was tasked with reviewing existing practice and making

recommendations for improvements to the engagement and management of consultants.

3.3.2 This review highlighted a number of inconsistencies in practices across services and also identified that some services had become accustomed to engaging consultants as a first response, rather than working through their wider options. It was therefore decided to build on the already established Corporate Framework approach and delegate controls for this area through the Agency Client Group effective from 1 June 2009.

3.3.3 Early benefits have been identified as a result of revised controls and the recent report to the full Committee reported a reduction in organisational spending levels at circa 28% when compared to previous years.

#### **4. USE OF SECONDMENTS – REVIEW PROCESS**

4.1 Concurrently, the Agency Client Group Manager has undertaken a review of how the City Council's Secondment Policy is being applied. The Secondment Policy was established in 2001, primarily as a means of providing short term development opportunities for staff to learn new skills and acquire additional experience, which would help to equip them for future promotion and career development.

4.2 The review over the summer found that these original principles have largely lapsed and that services were predominantly using the secondment route in preference to other solutions, as this was seen as the quickest solution to filling a fixed term need, without seemingly incurring longer term employment and cost liabilities.

4.3 Management of individual secondments is the responsibility of individual services and, as with other areas of temporary resourcing, there has been limited capture of information making it difficult to track the actual number of secondments that have subsequently translated into permanent appointments.

4.4 It is acknowledged that, particularly in the case of limited-funded vacancies, the Council's Recruitment and Selection procedures do not always keep pace with the urgent need to fill a post. In recognition of this, but mindful of the need to bring immediate organisational controls and effectively capture ongoing activity to support the review process, an interim gateway for approval of Secondment advertisement requests via the Agency Client Group was effected in early May 2009.

4.5 Since this more stringent arrangement was effected, only three vacancies have been advertised as genuine secondment opportunities linked to the needs of the organisation needs, e.g. supporting the Town Hall Transformation Project where the Council is expressly seeking to achieve skills transfer within the organisation. All other requests have been redirected

to alternative recruitment solutions which provide satisfactory outcomes including supporting longer term stability within the service area.

- 4.6 Parallel to effecting interim controls for releasing Secondments, a review of the current application of the Secondment Policy was undertaken and it is intended to make a number of modifications to existing practice.

4.6.1 **Policy Changes** – whilst the current Secondment Policy sets out the need to ensure a link to individual development, there is now only sporadic evidence of this being applied. Whilst the current Policy is generally fit for purpose in setting out the principles of development, there needs to be a clear distinction between a Secondment opportunity which is primarily intended to meet individual development needs and adopting the most appropriate approach to filling vacant posts to ensure service continuity and meeting the needs of a fixed term vacancy.

4.6.2 **Application of Policy** - procedures used to support the application of the Secondment Policy need to set out clear authorisation and approvals mechanisms which consider the impact of filling a vacancy via this route. Additionally, there is a need to link appointment processes to appraisal outcomes. Any proposed revisions to Policy also need to be cognisant of the Council's commitment to employing apprentices and supporting wider policies around worklessness.

4.6.3 **Addressing the issues** – whilst it is clear that there has been variable practice at individual service level, it is recognised that services often need to fill roles quickly. Therefore, prior to developing a revised Policy, it is intended to explore where improvements can be made to current permanent/fixed term recruitment timescales, and develop a suite of options that are clearly understood in terms of the benefits and drawbacks.

- 4.7 It is important that a revised Secondment Policy supports the achievement of equality targets and gives opportunities to develop staff from under represented groups. We will therefore consult with both Service Development Teams and the wider staff groups on the development of our overall proposals, to ensure that any considerations put forward are included in revised policy documents and assessment processes.

- 4.7 In common with the solutions identified in other temporary staffing reviews, it is intended to adopt a more robust corporate approach to the future management of Secondment activity. This will ensure consistent standards, constructive advice, a link to our wider HR objectives, and improved management information and tracking of progress.

## 5. **SUPPORT TO SERVICE MANAGERS ON RESOURCING AND APPLICATION OF COUNCIL POLICIES**

- 5.1 Cognisant of the issues highlighted in this report and mindful of the benefits that are being achieved from a centralised model of operation, it is intended to build on these areas of best practice and offer managers a bespoke consultancy support on dealing with vacancies and resourcing new or additional work demands.
- 5.2 These proposals are briefly outlined in the report on the Personnel Service Improvement Project elsewhere on this agenda. However, given the complexity and scope of the task in hand, this area has been identified as a specific workstream within the wider Personnel Service Improvement Project.
- 5.3 The overall objectives of the future service are to deliver a corporate “One Stop” resourcing service which offers managers consistent advice on the range of temporary recruitment options available to them.
- 5.4 Initial thoughts are that the model will work on the principle of a contact centre where managers place their requests for all temporary recruitment activity at the point of the vacancy or new piece of work arising. The contact centre will review the circumstances of all requests and offer a range of solutions that best fit the circumstances from a framework of options available. Where a request does not readily fit within the framework options, bespoke solutions will be developed in consultation between staff in the contact centre and individual line managers.
- 5.5 This model of operation will support the regulation of practice, enabling clear and visible procurement which is consistent with Council employment policies and procedures. It will also ensure that managers are making the right choices at the point of the vacancy or new piece of work arising.
- 5.6 The high level scope for the review includes:-
  - 5.6.1 Developing a diagnostics tool for all temporary resourcing solutions identified in paragraph 2.3 above.
  - 5.6.2 Developing standard templates and authorisation processes which ensure procurement and financial regulations are being adhered to.
  - 5.6.3 Building strategic links to the workforce planning/development processes, which include forecasting supply and demand and making better use of existing resources, including redeployees.
  - 5.6.4 Review and rationalise recruitment policies to streamline application and improve turnaround times to gain workforce stabilisation and reduced dependency on temporary staff and associated costs.
  - 5.6.5 Develop consolidated management information which provides an organisational overview across all resourcing activity and identifies hot spots in recruitment, market trends, and accurately reports the City Council’s spend for resourcing.

- 5.7 This workstream commenced in early August 2009 and a number of workshops have been held which have included representatives from services which have traditionally utilised high volumes of temporary staff. Initial outcomes from the review are expected at end of October 2009, following which a detailed communication plan will be developed with a view to implementation early in the new year.

## **6. SUMMARY**

- 6.1 There has been significant progress in developing enhanced controls for a number of areas of temporary resourcing over recent months. It is clear that organisational and service benefits can be achieved through a consolidated resourcing model linked to the workforce planning process.
- 6.2 There is however, further work required in developing the proposals for future management arrangements which ensure that managers clearly understand the wider recruitment options and are consistently applying these in the right circumstances.
- 6.3 Subject to any comments, it is proposed that a further report be submitted to the Sub Group advising on the outcomes of the review in three months.