

**Manchester City Council  
Report for Information**

**Report To:** **Resources and Governance Overview and Scrutiny  
Committee Human Resources Subgroup - 16 March 2010**

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

**Report of:** Head of Personnel

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**1. PURPOSE OF THE PAPER**

- 1.1 Members have requested an update on the use and management of temporary staffing arrangements, including the use of secondment opportunities. This report focuses on:-
- I. The management of agency staffing engagements including support to services on managing the use of such resources more effectively.
  - II. Application and management of Secondment arrangements across the City Council.

**2. INTRODUCTION**

- 2.1 At the meeting of this Sub Group in October 2009, the Head of Personnel presented a report which highlighted some significant progress in developing enhanced controls for the engagement of agency/consultancy staffing and the use of secondments across the City Council. Such approaches have resulted in an overall reduction in the use of these recruitment options which provide better value for money or are more appropriate for the recruitment needs.
- 2.2 As the City Council embarks on a significant period of transformation to modernise services and achieve efficiency savings, the importance of having in place sufficient skills and capacity, to support the change cannot be underestimated. There needs to be a significant shift in culture which focuses on developing the existing workforce to meet the changing demands of the organisation and recognition that temporary resources are used only to supplement the existing workforce where specific needs of the service dictate this.
- 2.3 It is essential that during this period of transformation, the organisation understands and responds to temporary staffing demands through an approach which ensures the City Council's resource needs are being met appropriately, and are aligned to our wider workforce objectives.
- 2.4 The establishment of the Agency Client Group (ACG) has enabled more effective capturing of our organisational demands and, management information collated centrally has enabled focused support to services in the following areas:

- Workforce stabilisation strategies.
- Identifying hotspots/trends to show high dependency areas to enable more service-oriented recruitment strategies.
- Identifying local market issues and responding to these on an organisational level.

2.5 Responsibility for the management of secondment arrangements was transferred to the ACG in June 2009. Since this time, demand information has been collated and has been used to further develop key workforce issues arising from the People Strategy, particularly in the areas of workforce development.

### **3. AGENCY STAFFING**

3.1 The management of agency staffing procurement has been controlled solely “in house” since November 2008 and following a period of stabilisation for revised contractual and operational arrangements the ACG are now embarking on a period of development with a greater focus on providing dedicated support to services using demand management information now available.

#### **3.2 Agency Staffing Activity**

3.2.1 Consistent with the methodology used to report on agency staffing activity to the Resources and Governance Overview and Scrutiny Committee in September 2009, the rolling average of purchase orders over the last 2 monitoring periods is £13.45m p.a., increase from the preceding average of £11.83m.

3.2.2 The introduction of a “No Purchase Order No Payment” system introduced during the last financial year has ensured that managers are complying with Corporate Procurement arrangements and more accurate reporting has contributed to an increase in costs in this area.

3.2.3 Furthermore, Members will recall that previously there were gaps in service cover in Children’s Services caused by vacancies, exacerbated by difficulties in attracting agency Social Workers. The success in first sourcing agency Social Workers and subsequently rationalising these into permanent appointments, as described in paragraph 3.3, below, caused a spike in expenditure – this has since stabilised both the service and the cost of agency staff.

3.2.4 There is a high level of dependency on agency workers within the Children’s and Adult Services, analysis of which showed a high proportion of “ad hoc” agency staffing requests which is reflective of the front line Care services provided in these areas. Agency staff are often engaged to cover short periods of absence where there are statutory

obligations to ensure minimum staffing ratios are maintained at all times.

### **3.3 Areas of Focus/Recent Progress**

- 3.3.1 In response to the high levels of dependency across both Children's and Adult Services the ACG have supported a number of workforce stabilisation projects. A recent example of the success of this approach can be demonstrated through the work undertaken within the Children's Services Department to recruit to a significant number of permanent Social Worker vacancies.
- 3.3.2 Demand and deployment analysis leading to 'vacancies' being rationalised and filled. Through pay parity approaches adopted by the ACG at the point of revised contract arrangements in November 2008, an effective agency staffing communications exercise, and a clearer understanding of the reason for demands, the service have recently appointed 51 agency workers to vacant permanent roles resulting in a downturn of vacancy ratios from 28% to 2%.
- 3.3.3 The legacy to support better use of resources through service and workforce/resource planning in Children's Services has led to similar approaches now taking place in other high dependency areas e.g. Adult Services, where trends are currently being correlated with other HR statistics in terms of sickness absence etc. Such an approach enables us to support a reduction in dependency at an organisational level through improvements to other HR related policies.
- 3.3.4 Specialist resource advice is now available at the point of request and managers are being offered alternative and more appropriate recruitment options based on structured business requirements. The ACG team have been working much closer with other areas of Corporate Personnel, e.g. Advisory and Organisational Change teams, to ensure a correct balance between planning and forecasting requirements and meeting urgent resource needs, to ensure appropriate structural authorisations are in place.

### **3.4 Future priorities**

- 3.4.1 The ACG will continue to focus on reducing organisational dependency in areas of high demand and work with services to develop staffing structures that are "fit for purpose" whilst allowing flexibility to increase numbers where the business case dictates.
- 3.4.2 A review will be undertaken on all temporary assignments which extend over six months and exit strategies will be developed which ensure that best fit approaches are being applied consistently across the City Council.

- 3.4.3 Emerging intelligence shows a static usage across many service areas over the last 12 months and in some cases agency engagements are for periods in excess of six months. This would suggest an ongoing staffing need that can be addressed through the transfer or 'trainability' of capacity within the existing workforce, which would meet service demand and support the Council's transformation programme.
- 3.4.5 Management information will continue to be developed to provide a greater insight into temporary workforce demands, and closer correlation with Service Development Teams will provide the platform to develop the existing workforce to meet these high demand areas through alternative workforce strategies including greater opportunities for internal progression, talent pools and up-skilling which will result in a lesser reliance on external solutions except in hard to fill specialist/professional areas such as Qualified Social Workers.

#### 4. USE OF SECONDMENTS

4.1 The gateway approach adopted has resulted in a significant downturn in demand which is further demonstrated in the secondment activity table at **Appendix 1**. A total of 15 posts have been advertised during the period June 2009 to February 2010 which is an approximate reduction of 75% based on the previous comparative period.

4.2 Whilst the current application/administration arrangements continue to be ad hoc, the future direction of workforce transformation provides the platform for further enhancing controls and recording mechanisms in this area.

4.3 The People Strategy agenda provides the platform to change the culture of using secondments as a reaction to filling urgent vacancies within service areas, through the development of career paths/job families and a greater focus on workforce planning and employee development. It is important that such approaches support the achievement of equality targets and give opportunity to develop under represented groups. Services will be able to readily identify a pool of "job ready" employees from a Corporate "Talent Pool" to fill potential vacancies before they arise. It is proposed that secondments will be used in the future in two ways:-

- I. As "development opportunities" to support employees who are working through the career path, initially within their own service area and as such this will restrict the Council wide use of secondments. Integration and closer working between Human Resources and Organisational Development teams will support a learning culture.
- II. Where there are no obvious "job ready" employees within the service area, posts can be advertised across the Council.

4.4 In response to ensuring a balance of meeting urgent service needs and limiting the use of secondments, the review undertaken in the area of secondments is integral to and a precursor to a more broad based review of

recruitment and selection policy and practice (i.e. to improve the elapsed time between a vacancy occurring and an appointment being made), however this is a separate exercise on which updates will be taken to this Committee as work progresses.

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

- 5.1 Service managers need to be equipped with the resource tools available to meet both urgent and longer term staffing demands through a simple resourcing mechanism which captures all demands and considers the wider range of supply options available.
- 5.2 It is envisaged that for the foreseeable future external recruitment will largely be focused on entry level posts, Apprenticeships, Careerships and Graduates to capture potential and developing talent, and Specialist and leadership posts to bring in particular expertise and provide a fresh perspective.
- 5.3 The bulk of the workforce however will be developed and grown from within, supported through career development and.
- 5.4 Proposals for such a framework are currently being developed in conjunction with the wider Human Resources & Organisational Development integration project, cognizant of:
  - The need for flexible structures, including moving away from traditional recruitment approaches and in some instances determining whether the work can be undertaken in a different way.
  - The need for a fully flexible workforce, which has generic and transferable skills, together with scope for growth and development in individual jobs to facilitate greater lateral and upward movement of staff across different service areas.
  - The development of a suite of temporary and permanent resource options and supporting protocols which enable managers to make effective choices to meet their needs.
- 5.5 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 all potential vacancies and new or additional work demands. Furthermore resourcing needs identified through workforce plans and Target Operating Models can be synchronized with internal intelligence on existing capacity and dispersal, to inform delivery plans and make best use of existing resources.
- 5.6 These proposals will be developed further and as an integral part of the HR/OD integration project, however the initial focus will be to that make sure that the City Council's resourcing needs are being met appropriately, and are aligned to our wider organisational/workforce objectives. The success of

managing temporary appointments and the benefits of having improved data on roles being filled by temporary employees and agency staff, support giving consideration to extending the “gateway” approach for temporary resourcing, to all recruitment, linked to the development of job families and competency frameworks.

## **6. SUMMARY**

- 6.1 There has been significant progress in developing enhanced controls for a number of areas of temporary resourcing over recent months, and 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 a greater understanding of the organisations dependency on external/temporary staffing demands and this knowledge is supporting the development of service dedicated workforce stabilisation strategies. Enhanced intelligence in this area also provides the platform for developing a wider range of temporary opportunities which can be made available to both the existing workforce and support the wider employment agendas.
- 6.2 There is however, further work required in developing the proposals for future management arrangements, which enables managers to clearly understand the wider recruitment options and ensure these are being consistently applied in the right circumstances.
- 6.3 Mindful of the developments with the HR & OD integration project, and the need to ensure a fully integrated “One Stop” approach, it is proposed to provide a further update to the Sub Group in six months time.

**Appendix 1**

**Secondment Activity Breakdown**

Summary of Secondments advertised broken down by Department in the period  
September 2008 – August 2009

<b>Department</b>	<b>No of Secondments Sept 2008 – Aug 2009</b>
Libraries & Theatres	0
Neighbourhood Services	9
Corporate Services	4
Housing	1
Chief Executives Department	25
Galleries	0
Leisure	1
Adult Social Care	19
Children's Services	9
<b>TOTAL</b>	<b>68</b>

Summary of secondments advertised since revised gateway controls were implemented on 1 June 2009 to 1 February 2010.

<b>DEPARTMENT/SECTION</b>	<b>No OF SECONDMENTS</b>	<b>REASON FOR SECONDMENT</b>
Corporate Services/Department of Transformation	7	Supporting town hall transformation project
Chief Executives	3	1 x Head of Crime & Justice – advertised to external partner agencies. 1 x Domestic Violence Co-ordinator (4 month development opportunity) 1 x Research & Policy Officer (9 month development to cover Maternity leave)
Government Office Northwest	1	External organisation
Neighbourhood Services	1	Climate Change Project Manager (9 months to cover maternity leave offered as a development)
Children's Services	1	Case worker (9 months to cover maternity leave offered as development)
Education	2	2 x Family Learning Tutor (part time for 4 months difficult to recruit to externally so offered as a development opportunity)
<b>TOTAL</b>	<b>15</b>	