

Appendix 2

Departmental Agency Spend and Rationale for Agency Use

The figures in this appendix are from 2016/17 agency spend and usage, as using 2017/18 figures from quarter 1 to forecast for the full year would not provide a complete or accurate picture, given seasonal variations in usage.

Adult Social Care & Health

- The nature of some services provided by Adult Social Care & Health (ASC&H) requires that staffing shortages must be covered to ensure minimum staffing levels are met.
- The nature of ASC&H services also creates fluctuating staffing needs. Unplanned activity and changing conditions in client needs, additional numbers of clients, or clients with more complex needs can increase the staffing levels required for a period of time.
- The integration of health and social care services and the strategy to increase the number of joint intermediate care beds, the aim being to reduce the length of a patient's stay in hospital, and the need for long term support, has led to an increased need for qualified workers, particularly nurses.
- The highest usage categories for agency workers within ASC&H in 2016/17 were;
 - Social and Healthcare Qualified (e.g. Nurse, Social Worker) - £906,387
 - Social and Healthcare Unqualified (e.g. Care Worker) - £896,370
 - Executive Interim - £636,712
- These categories were also the highest spend areas in 2015/16;
 - Social and Healthcare Qualified (e.g. Nurse, Social Worker) - £1,171,682
 - Social and Healthcare Unqualified (e.g. Care Worker) - £680,172
 - Executive Interim - £420,415
- Spend on Social and Healthcare Qualified roles has decreased since 2015/16 by 22.64%. In the previous year spending in this area had increased. The assignment within Social and Healthcare Qualified included; Social Worker (£243k), Occupational Therapist (£317k), Staff Nurse (£258k) and Physiotherapist (£78k).
- Spend on Social and Healthcare Unqualified roles has increased since 2015/16 by 32%. In 2015/16 spending decreased by 26% compared to spend in 2014/15.
- The spend on Executive Interim has increased by 34% to support the Commissioning reforms and partnership working with the NHS.

The table below summarises the number of assignments for each category (listed from highest to lowest category of spend for ASC&H) for each reason:

	Holiday Cover	Internal Expertise unavailable	Mat. Leave	Cover during Permanent Recruitment	Project or additional workload	Restructure	Secondment cover	Sickness or absence	Other	Total No
Social and Healthcare Qualified	-	-	-	2 (2%)	15 (15%)	56 (58%)	-	1 (1%)	23 (24%)	97
Social and Healthcare Unqualified	13 (3%)	9 (2%)	-	89 (17%)	2 (<1%)	-	-	189 (36%)	216 (42%)	518
Executive Interim	-	-	-	-	1 (14%)	-	-	1 (14%)	5 (71%)	7
All other categories	27 (20%)	0	2 (1%)	5 (4%)	21 (16%)	1 (1%)	5 (4%)	15 (11%)	58 (43%)	134
Total All Categories	40 (5%)	9 (1%)	2 (<1%)	96 (13%)	39 (5%)	57 (8%)	5 (1%)	206 (27%)	302 (40%)	756

Social and Healthcare Qualified

- The majority of Social and Healthcare Qualified assignments were to cover during a restructure (58%), projects or additional workload (15%). This shift from the main reasons for temporary cover in 2015/16 when the most common reason was to cover during permanent recruitment.
- These assignments were to cover Occupational Therapists, Physiotherapists, Senior Practitioners (Social Work), experienced Social Workers and registered Nurses which are all hard to recruit to roles.
- A significant number of qualified nurses were required at short notice so that Directly Provided Services could run their establishments at their maximum capacity of intermediate care beds.

Social and Healthcare Unqualified

- The majority of Social and Healthcare Unqualified assignments were for 'other reasons' (42%), to cover sickness or absence (36%) and to cover during permanent recruitment (17%).
- Whilst much of the agency comparison information is provided by assignment numbers this can be a misleading measure in ASC&H when considered in isolation. For example, an agency admin and clerical worker may be employed on one assignment for several months but in contrast an unqualified care worker in a Directly Provided Services (DPS) establishment can cover a large number of short-term, say one or two day, assignments over the same period but in fact works considerably less hours overall. The analysis of agency usage within ASC&H therefore needs to include actual spend as well as the number of assignments.
- ASC continued to use qualified Social Workers and Occupational Therapy agency staff through Adecco in 2016/2017. This was partly due to the difficulty in recruiting to these roles permanently, particularly given that both roles are occupations where there are national shortages.
- In considering Occupational Therapy, there was a high area of spend out of the ASC total in 2016/17 at £317,462. This is a slight decrease on the spend in 2014/15, which was £355,145. Occupational Therapists are very difficult to recruit both locally and nationally for all local authorities.
- There was a pilot initiative to introduce a Nursing unit at Milton Grange as part of the strategy to increase the number of intermediate care beds. Spend on Staff Nurses was high in 2015/16 (£239K) as experienced Nurses are hard to recruit nationally. During 2016 permanent Staff Nurse Vacancies were advertised and it was anticipated that this would reduce the level of agency spend in 2016/17. The spend of Staff Nurses has however increased to £257,519 for three reasons;
 - A second unit opened in early 2016 which increased the beds from 10 to 19
 - Client needs changed and more Staff Nurses were required to meet these needs
 - The service were unable to recruit to the permanent vacancies in 2016/17

Executive Interim

- The majority of Executive Interim assignments were for other reasons (71%). These were mainly to support the East Sussex Better Together partnership working and associated commissioning reforms. (71%).
- 5 of the 7 executive interim assignments were supporting Commissioning reforms and partnership working with the NHS (£593k). The other 2 assignments were to cover management positions; Head of Service (£17k) and Practice Manager (25k).

Other spend

- A total of £510,961 was spent within Adult Social Care on other job categories such as Admin, Facilities and Catering, Project Support.

Children's Services

- As with ASC, the nature of some services provided by Children's Service's (CS) requires staffing shortages to be covered by permanent staff or temporary workers to ensure that minimum staffing levels are met.
- The highest usage categories for agency workers within Children's Services in 2016/17 were;
 - Social and Healthcare Unqualified (e.g. Support Worker) - £459,572
 - Admin and Clerical - £116,254
 - Executive Interim - £56,480
- These categories were also the highest spend areas in 2015/16;
 - Social and Healthcare Unqualified (e.g. Support Worker) - £321,926
 - Admin and Clerical - £147,256
 - Executive Interim - £91,660
- There has been an increase of 30% in the spend on Social and Healthcare Unqualified roles in 2016/17. The spend was on three roles; Support Worker (£320K), Group Worker (£107K) and Nursery Assistant (£32K).
- There have been difficulties in recruiting Support Workers and Group Workers for a number of years which has resulted in year on year increases in agency spend on these staff groups.
- The spend for Admin and Clerical has decreased since 2015/16 by 27%. There were a number of service reviews within CSD in 2014/15 and 2015/16. Covering some permanent vacancies across CSD by agency workers during such reviews enables the council to avoid the potential for compulsory redundancies and provides redeployment opportunities for staff who may be displaced as a result of such service reviews. Cover arrangements led to an increase in agency workers expenditure in 2014/15. Spend has now decreased for 2 successive years.
- The spend for Executive Interim has decreased from £91,660 in 2015/16 to £56,480 in 2015/16, a decrease of 62%. This is significantly different from 2015/16 when the cost of Executive Interims increased by 328% compared to the spend in 2014/15.

The table below summarises the number of assignments for each category (listed from highest to lowest category of spend for Children's Services) for each reason:

	Holiday Cover	Internal Expertise unavailable	Mat. Leave	Cover during Permanent Recruitment	Project or additional workload	Restructure	Secondment cover	Sickness or absence	Other	Total No
Social and Healthcare Unqualified	14 (6%)	-	1 (<1%)	-	25 (11%)	-	-	132 (59%)	51 (23%)	223
Admin and Clerical	-	-	-	7 (19%)	11 (31%)	-	1 (3%)	4 (11%)	13 (36%)	36
Executive Interim	-	1 (50%)	-	-	-	-	-	-	1 (50%)	2
All other categories	2 (11%)	0	0	0	5 (26%)	-	0	10 (53%)	2 (11%)	19
Total All Categories	16 (6%)	1 (<1%)	1 (<1%)	7 (3%)	41 (15%)	-	1 (<1%)	146 (52%)	67 (24%)	280

Social and Healthcare Unqualified

- The majority of Social and Healthcare Unqualified assignments were to cover sickness or absence (59%) or for 'other reasons' (23%).
- There are staffing ratios required to care for children safely. If the service is below this ratio because of sickness or leave, the service will seek to cover shifts with permanent or relief staff before going to agencies. Permanent and relief posts were advertised through two recruitment drives in the last year, however there was a poor response to the adverts and few positions were filled.

- There have been changes to children's needs within the residential and respite care homes which has increased the staffing requirements. More children are requiring a 2-1 staffing ratio as normal group staffing ratios are not sufficient to meet their more complex needs. There was an increase in school exclusions for children which increased the staffing requirements in school hours.

Admin and Clerical

- The majority of Admin and Clerical assignments were for other reasons (36%) or to cover projects or additional work (31%).

Executive Interim

- Two of the Executive Interim assignments were because internal expertise were not available (50%) and for 'other reasons' (50%).

Other spend

- A total of £36,853 was spent within Children's Services on other job categories such as Information Technology for a Web and Intranet Editor, Social and Healthcare Qualified and Facilities and Catering.

Business Services

- The highest usage categories for agency workers within BSD in 2016/17 were;

Information Technology - £749,632

Finance - £353,832

Management - £170,839

- Two of these categories were also the highest spend areas in 2015/16;

Information Technology - £1,016,540

Finance - £396,673

- The spend on Information Technology has decreased by 26% when compared to the spend in 2015/16.

- The spend on Finance has decreased by 10% when compared to the spend in 2015/16.

The table below summarises the number of assignments for each category (listed from highest to lowest category of spend for BSD) for each reason:

	Holiday Cover	Internal Expertise unavailable	Mat. Leave	Cover during Permanent Recruitment	Project or additional workload	Restructure	Secondment cover	Sickness or absence	Other	Total No
Information Technology	-	1 (3%)	1 (3%)	-	22 (63%)	-	-	-	11 (31%)	35
Finance	1 (3%)	-	3 (8%)	-	9 (23%)	-	-	-	27 (68%)	40
Management	-	-	-	-	3 (60%)	-	-	-	2 (40%)	5
All other categories	-	3 (13%)	2 (8%)	-	2 (8%)	2 (8%)	-	8 (33%)	7 (29%)	24
Total All Categories	1 (1%)	4 (4%)	6 (6%)	-	36 (35%)	2 (2%)	-	8 (8%)	47 (45%)	104

Work Programmes

- BSD leads on a number of significant corporate programmes for the benefit of the organisation. For example, the Agile Working Programme, the Desktop Anywhere project, the replacement of the current Social Care Information System, implementation of SharePoint 2013, implementation of the Central Postal Hub and the 'Scan it, Store it, Scrap it' project. These transformational change programmes require a significant amount of additional capacity to implement and often specialist skills that would otherwise be expensive to retain permanently. Using agency resource, funded from the specific investment programmes, to augment establishment staff is an efficient way of flexing resource

for a time limited period in order to deliver transformational change. The need for this specialist capability and additional capacity has decreased for the last 2 years as the programmes have finished. This is reflected in the spend for 2016/17.

Management

- Many of the services delivered by BSD are of a specialist nature, for example, Finance roles and Interim Managers are therefore engaged for their specialist knowledge and expertise.

ICT

- Agency workers are predominantly used tactically in ICT for time limited periods to augment the staff base temporarily in order to deliver transformational change. Core establishment staffing levels are predominantly designed to support business as usual and routine growth activity. Increasing capacity to deliver major change projects ensures that day to day business is not impacted during project implementation. These assignments are funded by the specific investment projects, the cost of implementation factored into the business case and the gross establishment of the ICT staff base flexed only for the minimal delivery time required by the project. This tactical deployment of resource accounts for 81% of assignments in 2016/17 (62% in 2015/16 and 83% in 2014/15).
- Using agency workers in this way allows for flexibility in resourcing, ensuring there are adequate staffing levels to deliver projects efficiently whilst maintaining business as usual. To ensure consistency and credibility, agency workers are carefully integrated with the team to either provide additional project capacity direct, often bringing specialist skills to the team and imparting knowledge or by providing backfill to the establishment staff in order that existing skills can be utilised and knowledge can be retained within the establishment support staff.
- It is worth noting that nationally, the ICT market is a highly competitive area, especially when the roles are of a more technical or specialist nature. The close proximity to London and Brighton makes the local market competitive as skilled ICT professionals have a range of job opportunities available to them. The pay rates for specialist agency workers therefore reflects the local market and the fixed term nature of these positions.

Finance Services

- The majority of Finance Services assignments were for other reasons (68%) and to cover project or additional workload (23%).
- Transactional financial activity accounts for £198,844 (56%) of the spend on finance assignments. Whilst this activity sits within Business Operations it is linked to client delivery (ASC payments). Spend on transactional finance has increase since 2015/16 when it accounted for 44% of finance spend.
- Strategic and advisory financial support assignments account for £223,446 (56%) of the spend on finance assignments. Vacancies were being covered with agency workers as an interim measure whilst the new Business Operations team was forming as part of the wider Orbis integration. Some of these positions will no longer be required in future so using agency avoids the need for redundancies.

Other spend

- A total of £187,249 was spent within BSD on other job categories such as Manual Labour, Admin and Clerical, Catering and Procurement.
- The majority of assignments in other categories were to cover sickness or absence (33%) and for other reasons (29%). The majority of the assignments to cover sickness or absence were for catering roles in order to ensure adequate staffing of the front facing income generating role and to maintain customer service.

Communities, Economy and Transport

- The highest usage categories for agency workers within CET in 2016/17 were;
Engineering and Surveying - £244,500
Management - £97,823
Admin and Clerical - £96,630
- Two of these categories were also the highest spend areas in 2015/16;
Engineering and Surveying - £483,464
Admin and Clerical - £167,668
- The spend on Engineering and Surveying has decreased by 49% as a result of the Highways Service outsourcing. In 2015/16 spend had increased by 151% as a result of the lead up to the Highways Service outsourcing
- The spend on Admin and Clerical has decreased by 42%. Spend on Admin and Clerical also decreased in 2015/16.

The table below summarises the number of assignments for each category (listed from highest to lowest category of spend for CET) for each reason:

	Holiday Cover	Internal Expertise unavailable	Mat. Leave	Cover during Permanent Recruitment	Project or additional workload	Restructure	Secondment cover	Sickness or absence	Other	Total No
Engineering and Surveying	-	2 (10%)	-	-	-	1 (5%)	-	-	17 (85%)	20
Management	-	1 (50%)	-	1 (50%)	-	-	-	-	-	2
Admin and Clerical	3 (8%)	-	-	-	8 (22%)	-	5 (14%)	6 (16%)	15 (41%)	37
All other categories	0	0	-	0	3 (%)	0	1 (%)	0	1 (%)	5
Total All Categories	3 (5%)	3 (5%)	-	1 (2%)	11 (17%)	1 (2%)	6 (9%)	6 (9%)	33 (52%)	64

Engineering and Surveying

- The majority of Engineering and Surveying assignments were for other reasons (85%) and because internal expertise was unavailable (10%).
- The Council has a statutory duty to inspect the roads and pathways across the County and keep regular reports which can be used in Court as evidence. If the Council is unable to provide these reports, it will not be possible to defend any cases brought against them. This in turn would result in the Council being unable to claim any awards payable from the insurance company. Seven agency workers were therefore used to cover the work of Highway Inspectors when low staffing levels presented a risk to the Council being able to meet this statutory duty.
- Two assignments were for Engineers, who are hard to recruit to on permanent contracts due to the competitive nature of the employment market for Engineers.
- The majority of the Highways Service was outsourced from 1st May 2016. Agency spend in Highways has therefore significantly reduced from that date.

Admin and Clerical

- The majority of Admin and Clerical assignments were for other reasons (41%) and to cover projects or additional workload (22%).
- There were 495 permanent full time equivalent staff employed in March 2017 of which just 15 (3%) were employed in an administrative capacity. Agency administrators are engaged to support short term projects or to support seasonal pressures rather than employing more permanent administrators, who would not be required throughout the whole year.

Other spend

A total of £85,097 was spent within CET on other job categories such as Trades and Operatives and Facilities and Environmental Services.

Governance Services

- The highest usage categories for agency workers within GS in 2016/17 were;

Legal - £237,400
Management - £23,105

- These categories were also the highest spend areas in 2015/16;

Legal - £126,775
Management - £21,724

- Spend on Legal assignments has increased by 8% compared to 2015/16.

The table below summarises the number of assignments for each category (listed from highest to lowest category of spend for GS) for each reason:

	Holiday Cover	Internal Expertise unavailable	Mat. Leave	Cover during Permanent Recruitment	Project or additional workload	Restructure	Secondment cover	Sickness or absence	Other	Total No
Legal	-	-	-	-	4 (31%)	1 (8%)	-	2 (15)	6 (39%)	13
Management	-	-	-	-	-	-	-	-	1 (100%)	1
All other categories	-	-	-	-	2 (67%)	-	-	1 (33%)	0	3
Total All Categories	-	-	-	-	6 (35%)	1 (6%)	-	3 (18%)	7 (41%)	17

Legal

- The majority of Legal assignments were for other reasons (39%) and to cover projects or additional work load (31%).
- Legal roles included Legal Assistants, Legal Officers, Legal Secretaries and Solicitors.

Executive Interim

- Legal Services have begun the journey of forming Orbis Public Law. By working with Surrey CC, Brighton CC and West Sussex CC Legal Services aim to build resilience and draw off the legal expertise of the Solicitors employed by the four Councils. This should result in reduced costs for all partners as less agency workers and external legal advice will need to be sourced.
- During the integration period some permanent vacancies and peaks in workload have been covered by interim Solicitors to avoid the need for potential redundancies once Orbis Public Law is fully integrated.

Management

- The management assignment was to cover projects. The current projects that are being supported include orbis public law and the Coroner's service.

Other spend

A total of £917 was spent within GS on an Admin and Clerical assignment.