

Cabinet – 21 June 2023

Temporary Workers (Agency) Provision

PRIVATE SESSION: (Exempt Information under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended)

Portfolio: Councillor Ken Ferguson

Related portfolios: None

Service: Human Resources

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

1.1 Over recent years, sourcing both permanent employees and temporary workers has become increasingly difficult, with external pressures and significant labour market challenges impacting on the local government sector and the Council. The current employment market is volatile and challenging and the situation is unlikely to change in the short to medium term.

1.2 In order to meet these challenges and effectively supplement our permanent workforce, the Council needs to ensure that we have access to a value for money temporary agency provision that is able to meet all of our requirements, source agency staff that are of sufficient quality and at short notice, add value by understanding the environment and context in which we operate, and can support us to overcome the recruitment and retention challenges of the future.

1.3 A fit for purpose temporary agency provision should be able to provide a one-stop shop for all temporary recruitment across the Council by driving up the quality of essential agency workers, driving down the overall cost and is well positioned to be able to support our longer-term workforce strategy and our recruitment and retention aims.

2. Summary

2.1 Use of a temporary agency resource is key in supplementing the Council's permanent workforce. The agency pipeline is often necessary to provide essential cover of 'hard to recruit' vacant positions, covering periods of absence and an important sourcing channel for very specialist skills which are often in high demand, and / or which are required only for short periods of time.



2.2 This report seeks Cabinet approval to directly appoint Opus People Solutions as the Council's temporary agency provider, [REDACTED] The direct award would be via the West Midlands Employers (WME) Regional Framework for the 'WMTemps' service, [REDACTED]
[REDACTED]
[REDACTED]

2.3 The report sets out the benefits of appointing Opus / WME in order to most effectively support the Council to meet the temporary agency requirements / challenges outlined above. Additionally, the WME / Opus arrangement complements our own workforce strategies, and comes as part of a partnership package that includes direct participation and involvement in the regional workforce strategy, spearheaded by WME, to address the region's workforce challenges. This strategy has a particular focus upon the overall reduction of agency usage by increasing our temporary to permanent conversion, thereby driving down agency spend.

3. Recommendations

3.1 That a direct award to Opus People Solutions via the WME Framework for the 'WMTemps' Service is approved. [REDACTED]
[REDACTED]
[REDACTED]

4. Report detail - know

Context

4.1 The Council's current temporary agency provision is provided by Staring Point Recruitment (SPR) who are a Walsall-based, independent organisation providing recruitment services to organisations requiring temporary agency workers. [REDACTED]
[REDACTED]
[REDACTED]

4.2 During 2021, West Midlands Employers (who are the Regional Employer's Organisation and co-owned by Walsall Council along with 31 other council's in the region) were commissioned by their Elected Member Management Board to understand the issues councils in the region were experiencing with agency provision of temporary workers and to find solutions in order to improve the situation and address collective challenges in the West Midlands.

4.3 Having undertaken extensive research and consultation through Service User groups across a number of Local Authorities, in which Walsall participated, WME proposed the introduction of the West Midlands Workforce Strategy - a regional solution to temporary agency provision. [REDACTED]

[REDACTED]

4.4

[REDACTED]

4.5 A range of meetings were then held between Opus / WME and Council representatives to discuss Walsall potentially signing up to the WMTemps Service. WMTemps is a local business, with their Head Office based in Willenhall.

4.6 A detailed options appraisal (including projected benefits and cost savings compared to the current provision) has been considered and the recommendation made to proceed with implementing the 'WMTemps' option, subject to Cabinet approval.

Current SPR provision and social values

4.7 SPR are a local recruitment agency and have continually been the council's temporary agency provider since 2003. The contract with SPR provides temporary agency provision across all council roles, with the exception of those at Director Level and above. SPR operate a Managed Service Provider (MSP) model, meaning that they are able to recruit to agency roles directly, as well as via their tiered supply agencies, for example for some of the more specialist roles.

4.8 SPR would have the opportunity of continuing to provide agency workers to Walsall Council through the WME / Opus arrangement should they wish to and Walsall Council would encourage this. [REDACTED]

[REDACTED]

Furthermore we would

look to encourage the continuation of our ongoing work with SPR delivering against a number of social value commitments within the Walsall Borough.

Existing agency spend 21/22

4.9 Total agency spend for 2021/22 via SPR (on contract) and identified via an internal finance report (off contract) is shown below:

Directorate	Agency spend (on contract via SPR)	Agency spend (off contract tracked by finance)	Overall Spend (on + off contract)
Adult Social Care	[REDACTED]		
Children's Services	[REDACTED]		
Economy & Environment	[REDACTED]		
Resources and Transformation	[REDACTED]		
Totals	[REDACTED]		[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Future requirements / benefits of 'WMTemps' service

4.12 Walsall Council have supported WME throughout this project from the initial Service User Group engagement sessions in May 2021, during the research and design stages, and supported the procurement exercise in reviewing the service specification and being part of the technical evaluation panel which appointed Opus People Solutions. This has enabled us to play an important role in shaping its strategic direction and operational design to ensure that the 'WMTemps' service meets the Council's requirements, as below:

Temporary agency provision

- A partner who understands our needs, our services and will proactively match quality candidates with the right skills, capabilities and behaviours to meet our service and customer needs in a timely manner.
- Access to an established supply chain where unable to source directly, and significant specialist knowledge regarding local authority roles and 'hard to recruit' vacancies.
- Excellent financial reporting and operational data that informs business decisions.

Regional Workforce Strategy / initiatives

- Ability to play a leading role within the region and shape the delivery programme of the Workforce Strategy, influencing the areas of strategic development most important to us – including representation on the Regional Workforce Board.
- The Strategy will help fund initiatives that will be of benefit to all types of councils across the region, including development of talent pipeline / career pathways to address skills shortages and hard to fill / specialist roles.

Partnership working / governance

- Walsall are one of 32 shareholder councils of WME and have an effective and beneficial partnership arrangement that our involvement in 'WMTemps' would enhance and strengthen further.
- Collaborative approach with WME and other councils will allow the sharing of expertise and best practice benchmarking across the region - collectively addressing workforce issues, strengthening resilience, employment and skills development.
- The Framework approach aims to stabilise agency pricing in the region and remove the competition between councils which drives up costs.

Value for money

- WME / Opus will work with us to improve service quality, reduce agency usage / costs and improve sustainability of our workforce overall.
- Both WME and Opus are publicly owned organisations, ensuring all monies remain in the public sector - WME will receive any commercial gains from the framework and reinvest them into ensuring their workforce strategy across the West Midlands is implemented.
- The Council will have influence over this investment through the Regional Workforce Board.

Supporting Council's strategic aims

- Contribution to our strategic aims and our Council Plan priorities, including contributing to the local economy and supporting the Council's Equality, Diversity and Inclusion Pledge through the provision of ED&I data.

Council Values and Localism

- Both WME and Opus are publicly owned organisations and have aligned public sector values and ethos.



- Working with partners who are committed to working with local organisations and supporting local people into local jobs, retaining investment in our region.
- Provider who understands council structure and local employment market, regional nuances and recruitment / retention challenges.
- Provider who will actively support the Region's Workforce Strategy working in partnership with WME and Councils.

Social values

- Ability for SPR to become a supplier on the 'WMTemps' framework, in order to support SPR as a local business and encourage continuation of delivery against social values commitments.
- WME and Opus have strong social value credentials / commitments and are open to discussions about how they can support / contribute to the local area - focussed engagement with local SME's in the supply of local staff.
- Model ensures all monies remain in the public sector – increasing the social value contributions made to the region, focusing on employment and skills and tailored to Walsall's requirements.

4.13 Council Plan priorities

This proposal supports the delivery of our Council Plan priorities, specifically;

- **Economic** – Enable greater local opportunities for all people, communities and businesses.
- **Internal Focus** - Council services are customer focused, effective, efficient and equitable.
- **Communities** – Empower our communities so that they feel they are connected and belong in Walsall, creating safe and healthy places whilst building a strong sense of community.

4.14 Risk management

Potential risk of negative impact if agency service provision does not positively contribute to service delivery, continuity of service, and risk that this increases level of demand / pressure and poor morale of existing staff.

This proposal aims to reduce those risks, however they will be monitored and reviewed on an ongoing basis and should there be a requirement a management / mitigation plan will form either part of the specific project and mobilisation plan or ongoing contract discussions.



[REDACTED]

4.15 **Financial implications**

Opus People Solutions were procured via a full open tender process, which included a financial assessment, ensuring rates are competitive for the level of service provided.

[REDACTED]

Service Area staffing budgets will be used to fund agency spend, as they are currently, therefore there is no additional funding bid requirement as part of this proposal.

4.16 **Legal implications**

Legal and Procurement colleagues will be engaged for support and will advise on all key legal aspects.

4.17 **Procurement Implications / Social Value**

Minimal procurement support required to implement as Opus People Solutions were procured via a full open tender process through WME acting on behalf of all councils to establish the Agency Framework.

4.18 **Property implications**

N/A

4.19 **Health and wellbeing implications**

N/A

4.20 **Reducing Inequalities**

To be managed through the contract or service level agreement, e.g. ED&I management information, specifications for hire and social value commitments.

4.21 **Staffing implications**

Quality agency provision that supports service delivery and continuity of service provision through effective temp to perm conversion will have a positive impact on existing staff delivery, morale, and capacity, relieving service pressures.

[REDACTED]

Therefore, minimal negative implications. However, there is potential for negative impact if agency service provision is not a positive contributor to service delivery, continuity of service, and instead contributes to increasing demand / pressure and poor morale of existing staff.

4.22 **Climate Impact**

N/A

4.23 **Consultation**

The Corporate Management Team have been consulted. If approved by Cabinet, further engagement will take place with relevant stakeholders to ensure the new temporary agency provision meets services' specific / individual requirements.

5. **Decide**

5.1 To sign up to the WMTemps Service (Opus People Solutions direct award via WME Framework) utilising a call off arrangement [REDACTED]

5.2 [REDACTED]

6. **Respond**

6.1 Should the Cabinet report be approved, the Council will liaise with WME / Opus People Solutions and our existing provider to agree contractual elements and project plan the mobilisation of provision transfer, to be effective from [REDACTED]. This will be supported by relevant council services, including Procurement, Legal and Communications.

7. **Review**

7.1 Once the preferred option is implemented, the service will be reviewed on an ongoing basis to ensure it is giving best value for money and continues to meet our requirements – this will be obtained through a number of reviewing methods, including manager feedback / focus groups, surveys, regular contract review meetings, KPIs and Management Information.

Appendices

- Appendix 1 – High level summary of the Regional Workforce Strategy for Local Government, full document available on request);
- Appendix 2 – WMTemps introductory brochure detailing the new service offered by WME;
- Appendix 3 – WME / Opus costings analysis provided by Walsall Council Finance.

Background papers

N/A

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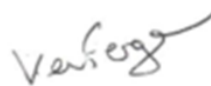
Signed



Judith Greenhalgh
Interim Executive Director – Resources

21 June 2023

Signed



Councillor Ferguson
Portfolio holder – Internal Services

21 June 2023

