

Supplementary Agenda



Meeting name	Meeting of the Scrutiny Committee
Date	Monday, 25 July 2022
Start time	6.30 pm
Venue	Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire. LE13 1GH
Other information	This meeting is open to the public

Meeting enquiries	Democratic Services
Email	democracy@melton.gov.uk

No.	Item	Page No.
6.	<p>CONSULTANCY AND AGENCY USE</p> <p>To provide an overview on the Council's approach to resource management, including recruitment, retention, vacancy management and the use of consultancy and agency spend in support of the Council's Corporate objectives. The report sets out the rationale for effective resourcing, and flexible management of capacity and capability.</p>	41 - 56

This page is intentionally left blank

Scrutiny

25 July 2022

Report of: Senior Leadership Team

Consultancy And Agency Use

Corporate Priority:	Priority 5: Ensuring the right conditions to support delivery:
Relevant Ward Member(s):	N/A
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No

1 Summary

- 1.1 The purpose of the report is to provide an overview of the Council's approach to resource management; including recruitment, retention, vacancy management and the use of consultancy and agency spend in support of the Council's Corporate objectives. The report sets out the rationale for responsible and effective resourcing, and flexible management of capacity and capability, including where the use of consultant support or capacity is considered the right solution.

2 Recommendation

That Scrutiny Committee:

- 2.1 **Consider the report and provide comments for consideration by Cabinet.**

3 Reason for Recommendations

- 3.1 To enable the Scrutiny Committee to provide feedback for an area of interest contained within their Workplan.

4 Background

- 4.1 As part of their Workplan, the Scrutiny Committee have requested to review the Council's approach to the use of external consultancy and agency support and associated costs and outcomes. The following scope for this work plan item was agreed with the Chair of the Scrutiny Committee:
1. Overview of the considerations the Council take when looking at how to resource a specific project, programme or vacancy.
 2. Details of key corporate projects that included the use of consultancy support over the last 3 years and;
 - Rationale for use of consultant support
 - Cost of consultant support
 - Procurement arrangements (i.e why the consultant as selected – expertise etc)
 - Funding arrangements for this support (i.e was it externally funded)
 - Outcomes achieved / monitoring arrangements during commission
 3. Overall cost per annum for agency staff used to cover vacancies over the last 3 years and overview of roles / services where interim or agency cover were provided – specifically vacant posts.
- 4.2 This report seeks to provide information to support the review as set out above. It also provides some wider context regarding the Council's approach to resource management; including recruitment, retention, vacancy management, alongside the use of consultancy and agency spend in support of the Council's Corporate objectives. It sets out the rationale for responsible and effective resourcing, and flexible management of capacity and capability, including where the use of consultant support or capacity is considered the right solution.

5 Main Considerations

5.1 Context

- 5.1.1 Through the Council's Workforce (Way We Work) Strategy (2021-2024), approved by Full Council in December 2021, the Council has made a clear commitment to building the strongest possible in-house team with an emphasis on recruitment, retention and ensuring we are resourced to deliver the right outcomes. We recognise that having a skilled, professional and motivated team is key to delivering the best possible services for our residents, whether directly or indirectly employed by the council. The strategy sets out how we will work to ensure we have the right people, with the right skills, values and behaviours, in the right place to deliver the Council's vision and priorities over the next three years.
- 5.1.2 Our Vision for the Way We Work is that "We will be a positive place to work and build a career; a place where our diverse team display behaviours which embody our values; care, innovate and achieve, and know they are making a difference every day. We will engage and work collaboratively across our teams, partners, and communities, focussed on becoming a more agile, learning, and digital council."
- 5.1.3 The Council is working to attract and retain the best possible talent. Every effort is made to ensure our salary rates are commensurate and competitive with the market, whilst

ensuring service provision remains affordable and value for money. We recognise however that wider benefits such as a modern, flexible, and agile approach enabled by technology, as well as progression opportunities and the culture and values of an organisation are equally important.

5.1.4 The Council measures how effectively it achieves this vision in a number of ways:

a) **Turnover / retention**

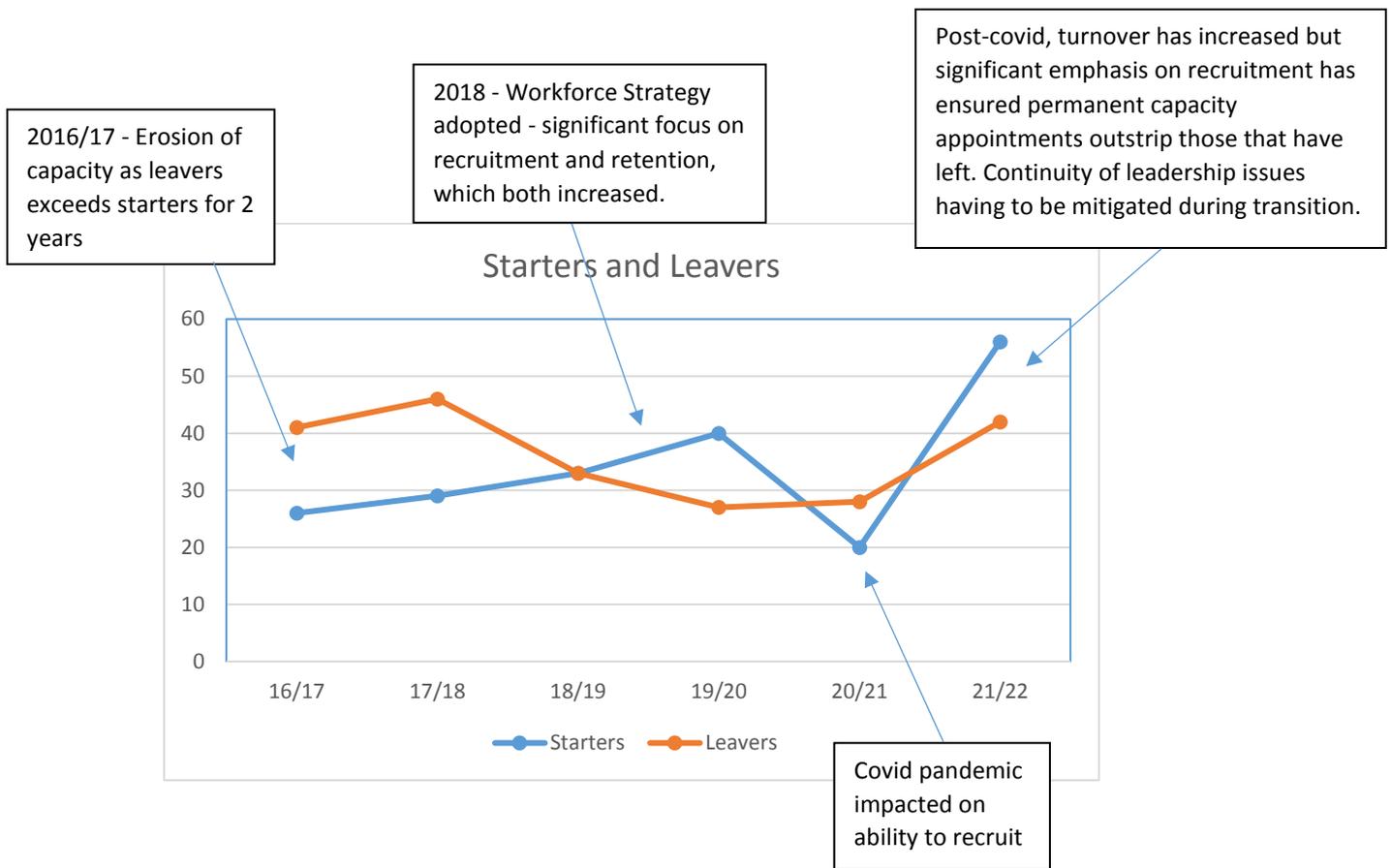
Turnover measures the outflow of people from the council and focuses on voluntary resignation. Turnover is measured over a 12 month period and for 2021/22 was 15%. Although this is an increase on the previous year this is reflective of the current economic climate and post-pandemic environment and is in line with the turnover and trends at other district authorities in Leicestershire. Turnover was at its highest in 2017/18 when it was at 18%, but has fallen over recent years following the adoption of the Council's previous Workforce Strategy in 2018 and a concerted effort on recruitment and retention. It is important to note that there have been some specific factors impacting turnover in some areas of the council over the last 12 months, for example the council's landlord services experienced a high level of turnover in a short period of time to a single neighbouring authority.

The table below shows turnover over the last 5 years:

	2017/18	2018/19	2019/20	2020/21	2021/22
Turnover	18%	14%	11%	12%	15%

Where turnover occurs it is important for the council to replace lost capacity and skills, and also to consider the best way in which to deliver the required outcomes, in line with the particular context or situation at the time. The table below highlights the number of permanent starters and leavers at the Council over the last few years, and shows the council's commitment to permanent recruitment. The table highlights the impact of the original Workforce Strategy in 2018 in building back lost capacity, and the significant recent efforts to replace lost post-pandemic turnover, or where specific turnover has occurred within a certain team due to targeted head hunting from a neighbouring council.

Feedback from a number of recent recruitment processes, as well as through discussions with East Midlands Councils, has highlighted that people have applied for roles at the Council based on our positive reputation as an employer of choice within the region, also supported by recommendation and advocacy from members of our existing team.



b) Staff satisfaction surveys

Workforce surveys have been undertaken with colleagues during 2020 and 2021. The information received from these surveys has broadly remained consistent.

In the most recent survey 80% of staff said they enjoy working at the Council, a rise from 75% obtained at the previous survey.

86% of colleagues say they agree or strongly agree the council shows it cares for employees. Trust in Managers and leadership remains high with over 95% saying they feel trusted to do their job. Communication and engagement with the workforce has also remained positive showing teams staying well connected, feeling listened to and being kept well informed of what is going on at the council.

c) Exit interviews

These are completed both by managers at one to one meetings with leavers and following completion of questionnaires. The information we have for the last twelve months shows that in general people are leaving for a new challenge and we have seen an increase in planned retirement, including examples of long periods of notice during which our outgoing team members have helped shape the next phase for their role. This is part of the national picture as well, with people holding off retirement during covid or the impact of the pandemic causing people to rethink life and work balance.

d) Benchmarking with other Councils

Regular contact with both East Midlands Councils and district councils in Leicestershire though their HR team means the council is in touch with the overall local position regarding recruitment challenges and pay.

5.2 **Vacancy Management**

5.2.1 Turnover is a natural part of any organisation and at a manageable level is desirable to ensure fresh ideas and the opportunity to review resources within services.

5.2.2 The Council takes a proactive approach to vacancy management including the following:

- a) Where a vacancy arises, before initiating recruitment, all managers are asked to consider the following:
 - i) Is the post still required – is there an opportunity to make a saving or release resources for other needs?
 - ii) Does the post need to be adapted or changed?
 - iii) Is the service currently being reviewed and therefore should a fixed term post be considered (to avoid incurring expensive change costs down the line)?
 - iv) Could the role be repurposed or shared with another council or team to improve resilience or make it more attractive?
- b) Having considered this, requests to recruit are then agreed with Directors prior to them being signed off by the Chief Executive.

5.2.3 In the vast majority of cases, vacancies are filled with a permanent recruitment. Over the last two years nearly three quarters (72%) of all vacancies have subsequently been filled by a permanent appointment and of these nearly 20% were internal candidates successfully moving for development and career progression. Of the remainder, 19% were filled temporarily – with the main reasons being due to a requirement for seasonal work, the post only having temporary funding (for example additional posts were created with Covid-19 funding) or because they were apprentice or graduate positions. The remaining 9% of advertised positions were unfilled due to not attracting sufficient quality of candidates to appoint through the recruitment process, which will in itself, sometimes then require an interim appointment to be made, particularly where there are sector-wide skills shortages in some professions, e.g. housing and planning.

5.3 **Planning – a case study**

5.3.1 In some areas attracting and retaining suitably qualified staff is a challenge, often in professional disciplines. In planning, and particularly development control, recruitment and retention is recognised as a significant issue across the whole local government sector. There are not enough planners nationally, and significantly higher salaries are offered from within the private sector.

5.3.2 Discussions are taking place with councils across Leicestershire to explore how we might be more proactive and attracting more people to choose planning as a career and how we also might enable more apprenticeships and graduate opportunities to facilitate this too. Funding has provisionally been allocated with the UKSPF Investment Plan to support opportunities such as this.

5.3.3 More locally, and recognising the specific and acute challenge of attracting and retaining planners, the Council has done the following:

- a) Developed a career graded approach to job descriptions allowing people to progress within the organisation as they develop higher levels of skills, experience and qualifications.
- b) Made jobs more attractive by expanding responsibilities, and making the roles more flexible to provide greater diversity and challenge, enabling staff to expand their skills and expertise, and where appropriate, increase their salaries too.
- c) Adopted a more proactive approach to advertising the roles by promoting the wider benefits of working in the Council due to its culture and values, the opportunity to be part of the exciting projects and highlighting the attraction of Melton as a place to live and work in.

5.3.4 As a result, in the last two years, we have managed to recruit all permanent positions and reduced the number of temporary agency staff from 9 to none. This is a significant achievement particularly at a time when the sector has struggled to recruit planning expertise. Additionally, the Council received a number of high-quality applications for the permanent role of Assistant Director for Planning and has made a strong appointment in this important role.

5.3.5 We have to recognise though, that it is likely that recruitment and retention will remain a challenge within planning, but through recent efforts and continued focus and promotion of the Council's Way We Work and wider benefits, coupled with new leadership, we are confident a more stable position can be established.

5.4 **Apprenticeships / Kick Start placements**

5.4.1 Using the apprentice levy (which we are required to pay into) enables the council to train existing and new employees on approved apprenticeships programmes and qualifications. It supports the council in growing talent and upskilling the workforce but also offers a different route for learning for those who might not want to continue in a formal education setting, want to change their career path or are coming back to the workplace after a period of leave. We have offered apprenticeships in Environmental Maintenance, various customer service and administrative roles and are currently developing a Communications Officer in an advanced level apprenticeship. Apprenticeships have also been used to grow our own talent in Planning Development, Housing and Finance.

5.4.2 The government's Kickstart Scheme provided funding to create new jobs for 16 to 24 year olds on Universal Credit. As a council we provided 8 opportunities for young people before the scheme closed in December 2021. Some of these young people have subsequently secured permanent employment with the council.

5.5 **Tactical use of Interim / Temporary roles**

5.5.1 Although the above demonstrates the Council's commitment and focus on developing our own in-house skills, capacity and expertise, there are occasions where it is preferable or appropriate to appoint to a position on a short term basis.

5.5.2 Examples of when this would be appropriate include:

- a) When there might be a gap between an incumbent leaving and a new person starting due to the time taken for recruitment and notice periods (this is often the case for more senior roles where an executive search is used and post holders often have 3 months' notice to serve).
- b) Where a manager is considering a different approach and wants time to review the situation prior to making a permanent appointment (where for example discussions

need to take place with other councils regarding the possibility of sharing a role or reconfiguring it to support changing needs).

- c) Where a service review is underway which may fundamentally change the role and a fixed term or interim role would retain sufficient flexibility and minimise the risk of compulsory redundancy down the line.
- d) Where there is a skill or knowledge gap within the organisation that requires expertise in order to manage risk and / or enable improvement or service stabilisation
- e) When there is a specific/specialist piece of work which needs undertaking within a set time scale and on balance it would prove more cost effective to bring in specialist support than move existing priorities of permanent officers.
- f) Where there is a specific project or additional capacity is required for a short period of time. Often the council will look to use its standby register but often it may mean looking to utilise agency staff for this provision, particularly if a particular skill or subject expertise is required.

5.5.3 In these circumstances it is necessary to consider the use of interim or temporary arrangements. Even where this is the case, a selection process is undertaken to ensure the best possible candidate can be secured.

5.5.4 In such cases the Council takes the following approach in line with the Agency and Off Payroll Working Policy and procedure:

- All internal options are explored to ensure effective utilisation of existing employees, to provide development opportunities and minimise cost.
- Approval is obtained from the Director of the service area.
- Managers ensure there is adequate budget provision and calcification of the costs. The Council must follow its contract procedure rules at all times.
- Selection process is undertaken to ensure all pre employment checks are verified.
- An assessment of the assignment and worker is made to check employment status for tax using the HMRC tool kit.

5.5.5 The Council has made use of interim roles in a number of areas recently in a planned and managed way, based on expertise, experience and value that they could bring to the organisation. Postholders have helped to ensure service provision has been maintained and improved whilst permanent recruitment arrangements were progressed, whilst also ensuring progress could continue on a number of key initiatives:

5.5.6 **Examples:**

5.5.7 PW (Interim senior manager retained in housing management (November 2021 – July 2022): At a key time in the Council's Housing Improvement journey, a number of resignations from leadership roles in quick succession (to a single neighbouring authority) created a risk and vulnerability for the Council's landlord services. This represented a significant continuity of leadership risk and it was vital to ensure sufficient expertise, experience and competency within the service prior to the appointment of the permanent Assistant Director for Housing Management. The interim appointment was required in order to stabilise the team, maintain service improvement progress and maintain confidence in delivering the council's housing improvement commitments. Vital work was also underway to consolidate the Stock Condition Survey information and develop a new HRA Business Plan. Without utilising an interim manager, it would not have been possible

to maintain the progress during the transition to the new housing leadership team and the HRA Business Plan would not have been developed. Subsequent successful recruitment has taken place to key housing leadership roles, leading to an exit plan being agreed for the interim manager with demonstrable outcomes having been achieved through this arrangement.

- 5.5.8 PF – Interim Assistant Director for Planning (February 2022 – August 2022) – Following the retirement of the long standing previous post holder and a desire to ensure the opportunity was taken to consider how best to deliver improvements to the service, rather than initiating an immediate recruitment, options were considered for how best to move forward. Discussions were held with neighbouring authorities regarding whether a shared role would be desirable and to allow the time for these to take place an interim Assistant Director was appointed. While it was ultimately decided to undertake a permanent recruitment for the role, strategic support has also been secured from a neighbouring authority to maintain focus on the service’s improvement journey. The interim Assistant Director has ensured the improvement journey has commenced, providing a platform for the new permanent AD to build upon.
- 5.5.9 PE – Interim Head of Neighbourhoods (March 2022 – present) – Following the resignation of a manager with a wide remit, a decision was taken to review and realign roles and responsibilities within the directorate to ensure the council could deliver effectively, but also to provide growth and development opportunities for team members and to enable longer term dialogue with another council about the potential to share a leadership resource for waste and environmental services. A number of interim changes were made, including one external appointment to the post of Interim Head of Neighbourhoods. The Council is benefitting from the leadership and expertise of a manager experienced in this service area, which is enabling progression of key projects and work strands (for example, commissioning the cemetery feasibility as agreed by Council) and is providing support and leadership to the team, whilst also creating space for consideration of future options and models of service delivery.
- 5.5.10 Due to more expensive day rates and the requirements of IR35, Interims are not sustainable in the long term but they can provide an effective bridge to new roles as demonstrated by the examples above.
- 5.6 Appendix A sets out the spend on agency staff over the last 3 years where these are covering a vacancy. However, it should be noted that interim staff could have been utilised that were employed directly but on fixed term contracts. These costs would be charged to normal salaries budgets and therefore cannot be separately identified.
- 5.7 **Consultancy / External expertise support**
- 5.8 The Council recognises the importance of developing internal skills and capability but also, like most district councils, has limitations in terms of team size (often 1 or 2 people) and therefore it may not be possible, efficient or effective, or represent good value, to directly employ all the skills or expertise required to deliver the broad responsibilities and aspirations the Council has.
- 5.9 In such circumstances the Council will consider procuring external expertise, capacity or capability through a consultancy.
- 5.10 Some of the circumstances when it would be appropriate to consider procuring consultants are as follows:

- a) When specific expertise the council does not have internally is required for a specific period of time but not longer term. For example, cemetery development or masterplanning of sustainable urban neighbourhoods.
- b) To secure accredited validation and assurance for key pieces of work where objective external advice is required. For example, Bottesford transport study or valuation of properties for disposal or purchase.
- c) To meet grant condition of a funder which is a legal requirement to spend the funds for specific reason and to acquire specific expertise. For example, Asset development programme which is benefiting from business rates pool funding administered by the Leicestershire Local Enterprise Partnership.
- d) To undertake work to support funding bids in short timescales. For example, the evidence base and project proposal development for the Stockyard at the Cattle Market and the evidence base development for the Levelling Up Funding bid.
- e) When a piece of work requires a multi-disciplinary approach and a range of expertise, it is effective to go to one umbrella company for coherence and consistency. For example the feasibility and business case development for the health and leisure park.
- f) To secure additional assurance for the validity of a plan created in-house for high risk and high stake strategy or plans. For example, the HRA business plan
- g) When there is a desire to upskill existing staff by bringing in short term expertise to work along side them. For example, the implementation of the housing Northgate system, as part of the Housing Improvement Plan, utilising external support to implementation and upskill the inhouse team.
- h) When the Council is looking to take the learning from another partner and using the same resource is more effective. For example, development of the new website using the skills and existing platform from Blaby District Council

5.11 Further details of some of these examples and approaches are set out in the table below:

	Category	Project	Rationale for using external support	Value of commission
a	When specific expertise the council does not have internally is required for a set period of time but not longer term	Cemetery capacity is diminishing. There is a need to explore the options for establishing a new cemetery site within Melton	Cemetery development is a regulated and technically complex area. The in-house team does not have the capacity to undertake this work directly After the feasibility (and potentially the cemetery) has been completed there would be no requirement for this skillset	£29,200 Funded from existing budget and capital programme, agreed at Council as part of budget setting process
b	To secure accredited validation and assurance for key pieces of work where objective external advice is required	Bottesford Transport Study	While the Council had anecdotal information from stakeholders, residents and ward members about the transport issues in Bottesford, this information could not be used as evidence base to justify securing funding for mitigation measures through the planning application process. Objective and technical evidence base needed to be created by certified transport planners to support this objective.	£9,500 Funded from council budget

c	To meet grant conditions of a funder which is a legal requirement to spend the funds for specific reason and to acquire specific expertise	Asset Development Programme	The grant funding received for this project cannot be used for staff time. The funding is specifically given for appointing consultants to achieve agreed outcomes as part of the grant agreement. £500k funding secured through the Business Rates Pool, matched by £375k within the Council's Capital Programme to support ADP – administered by the Leicestershire Local Enterprise Partnership (LLEP)	£68,000 (met by allocation within capital programme and part funded through LLEP (BRP) grant)
d	To undertake work to support funding bids in short timescales	Development of Stockyard proposition (Cattle Market)	When the Levelling UP Funding round bid was announced, there was a short timescale for a significant amount of information to be produced at high quality to include in the bid documentation. There was insufficient time and capacity to do it all in-house and external consultancy support was required to meet the timescales.	£84,000 (funded through LLEP grant funding (BRP))
e	When a multi-disciplinary approach is required involving a range of expertise	Health and Leisure Park business case development	This work requires a range of expertise including architectural design, planning, costing, surveying, leisure sector operation, financial models, construction procurement and public sector funding. The Council has project managers that can work with the consultants to co-ordinate the works of all experts but haven't got the full range of expertise in-house.	£112,000 (funded through LLEP grant funding (BRP))
f	To secure additional assurance for the validity of a plan created in-house for high risk and high-stake strategy or plans	Savills validation of HRA Business plan	A detailed review of the council's draft HRA business plan undertaken by housing sector finance experts. Led to further strengthening of stress testing of the business plan and expertise shared with finance colleagues on technical aspects of housing revenue account finances. Feedback embedded into the business plan, and shown within Scrutiny, Cabinet and Council reports to provide further assurance of credibility of the business plan.	£4,000 (met from existing council resources)
g	To upskill existing staff by bringing in short term expertise to work alongside them	Northgate Consultancy support – Housing IT systems (NEC)	Utilising technical consultancy expertise through Northgate has enabled incredible progress in developing, configuring and delivering an effective and efficient IT system for the Council's landlord services. With clarity of scope and purpose, effective leadership, project management and oversight, the Council has utilised consultancy support in a planned and managed way in order to deliver the new IT system which has enabled significant improvements in health and safety compliance, assurance, data integrity, stock condition monitoring and spend whilst also reducing risk to the council. The council has seen a reduction on consultancy usage for phase 4 of the project, which was the result of having upskilled and developed the expertise of the project team through prior consultancy support. The team now have the skills and ability to carry out	£132,500 (met from council budgets, project span over 2.5 years)

			<p>further works, configuration and reporting requirements within the system.</p> <p>The table below shows the reduction in consultancy support during the life of the project:</p> <table border="1"> <caption>Asset NEC Consultancy usage Phase I to Phase IV inclusive</caption> <thead> <tr> <th>Month</th> <th>Usage</th> </tr> </thead> <tbody> <tr><td>Jun-20</td><td>17.0</td></tr> <tr><td>Jul-20</td><td>11.0</td></tr> <tr><td>Aug-20</td><td>18.0</td></tr> <tr><td>Sep-20</td><td>6.0</td></tr> <tr><td>Oct-20</td><td>11.5</td></tr> <tr><td>Nov-20</td><td>7.0</td></tr> <tr><td>Dec-20</td><td>3.0</td></tr> <tr><td>Jan-21</td><td>5.5</td></tr> <tr><td>Feb-21</td><td>7.0</td></tr> <tr><td>Mar-21</td><td>11.0</td></tr> <tr><td>Apr-21</td><td>6.5</td></tr> <tr><td>May-21</td><td>3.0</td></tr> <tr><td>Jun-21</td><td>7.0</td></tr> <tr><td>Jul-21</td><td>8.0</td></tr> <tr><td>Aug-21</td><td>9.0</td></tr> <tr><td>Sep-21</td><td>3.0</td></tr> <tr><td>Oct-21</td><td>3.5</td></tr> <tr><td>Nov-21</td><td>3.0</td></tr> <tr><td>Dec-21</td><td>2.5</td></tr> <tr><td>Jan-22</td><td>2.0</td></tr> <tr><td>Feb-22</td><td>2.0</td></tr> <tr><td>Mar-22</td><td>2.5</td></tr> </tbody> </table>	Month	Usage	Jun-20	17.0	Jul-20	11.0	Aug-20	18.0	Sep-20	6.0	Oct-20	11.5	Nov-20	7.0	Dec-20	3.0	Jan-21	5.5	Feb-21	7.0	Mar-21	11.0	Apr-21	6.5	May-21	3.0	Jun-21	7.0	Jul-21	8.0	Aug-21	9.0	Sep-21	3.0	Oct-21	3.5	Nov-21	3.0	Dec-21	2.5	Jan-22	2.0	Feb-22	2.0	Mar-22	2.5	
Month	Usage																																																	
Jun-20	17.0																																																	
Jul-20	11.0																																																	
Aug-20	18.0																																																	
Sep-20	6.0																																																	
Oct-20	11.5																																																	
Nov-20	7.0																																																	
Dec-20	3.0																																																	
Jan-21	5.5																																																	
Feb-21	7.0																																																	
Mar-21	11.0																																																	
Apr-21	6.5																																																	
May-21	3.0																																																	
Jun-21	7.0																																																	
Jul-21	8.0																																																	
Aug-21	9.0																																																	
Sep-21	3.0																																																	
Oct-21	3.5																																																	
Nov-21	3.0																																																	
Dec-21	2.5																																																	
Jan-22	2.0																																																	
Feb-22	2.0																																																	
Mar-22	2.5																																																	
h	When the Council is looking to take the learning from another partner and using the same resource is more effective.	IT infrastructure - Finance System & New website development	<p>Joint procurement for new finance system undertaken with colleagues in the ICT partnership, thereby creating opportunities to learn from and work alongside Blaby as well as Newark and Sherwood who were also part of the procurement. Consultancy support as part of implementation ensured system build expertise, working alongside in-house team to ensure effective delivery, within approved budgets.</p>	<p>Finance System £175,000</p> <p>New Website development £18,000</p>																																														

5.12 As confirmed by the recent procurement audit, commissioning of these consultants is done in accordance with financial and contract procedures rules. This would mean ensuring that there is sufficient budget provision to cover the cost of external support. In addition the correct procurement route needs to be followed depending on the estimated value of the work and an order raised and the contract entered onto the Council's contract register. The value of the work determines the number of quotes that need to be sought or if a tender is required as well as how the work is to be advertised and the level of approval required.

5.13 Oversight on project development and delivery is undertaken through a number of corporate programme boards, with periodic updates provided to Scrutiny and Cabinet as required.

6 Options Considered

6.1 The review was part of the Scrutiny workplan and therefore no alternative options have been considered.

7 Consultation

7.1 No consultation has been undertaken as part of this analysis.

8 Next Steps – Implementation and Communication

8.1 Any feedback will be considered as part of future resource planning and shared with Cabinet.

9 Financial Implications

9.1 It should be noted that where temporary staff are employed directly in some cases exit costs could be incurred at the end of the contract which is not the case with agency staff.

9.2 Where temporary, agency staff or consultants are used this would need to be within budget provision and in line with financial and contract procedure rules.

Financial Implications reviewed by: Deputy s151 Officer

10 Legal and Governance Implications

10.1 There are no direct legal and governance implications arising from this report which seeks Scrutiny comment/feedback.

10.2 The Council's employment policies have been developed in accordance with the relevant legislation.

10.3 Decisions regarding use of agency staff and consultants are subject to the Council's governance and decision making procedures.

Legal Implications reviewed by: Deputy Monitoring Officer 19.07.22

11 Equality and Safeguarding Implications

11.1 Recruitment is undertaken in accordance with the Council's policies and procedures which are all compliant with equalities obligations.

12 Community Safety Implications

12.1 There are no direct community safety implications arising from this report.

13 Environmental and Climate Change Implications

13.1 There are no direct environmental implications arising from this report.

14 Other Implications (where significant)

14.1 None

15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	That the use of consultants is not terminated at the end of the project in a timely manner leading to a higher cost than necessary	Low	Marginal	Low
2	That the employment status of consultants is not accurately established leading to a tax liability	Very Low	Marginal	Low
3	That the Council does not continue to operate a flexible and managed approach to its use of resources.	Low	Critical	Medium
4	That the council has an over reliance on consultants, leading to deskilling of workforce	Low	Critical	Medium
5	Money is spent on feasibility, with no tangible or meaningful outcomes	Low	Critical	Medium

Impact / Consequences

		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low		1	3, 4, 5	
	2 Very Low		2		
	1 Almost impossible				

Risk No	Mitigation
1	Regular management and oversight of work and achievements against objectives
2	Work with HR colleagues to complete an IR35 assessment prior to engagement
3	The Council has an agreed and approved Workforce (Way We Work) Strategy and related policies and procedures which set out the way the council will identify the right resource and approach to secure the best outcome.
4	The Council takes care to consider the best way in which to deliver its services and projects. Where consultants are used, there are parameters in place to ensure this is done in an affordable and managed way, with clear oversight from MBC officers to ensure outcomes are delivered and exit strategies are clearly defined.
5	When interim managers or consultants are procured, there is a clear scope in place. Expertise and experience is checked before appointment. Milestones and outcomes are clearly defined. Contract procedure rules are adhered to. Monitoring and oversight is in place from an MBC lead officer. Where the Council commissions feasibility studies, this is done in a responsible way, in order to directly inform further project proposals and progress. Without feasibilities and business cases being developed, the council would not be in a position to bid for and secure external funding, as per the Levelling Up fund or the Business Rates Pool.

16 Background Papers

None

17 Appendices

17.1 Appendix A: Agency spend over the last 3 years to fill vacancies.

Report Author:	Edd de Coverly , Chief Executive Supported by members of the Senior Leadership Team and Sarah-Jane O'Connor , HR & Communications Manager
Report Author Contact Details:	01664 502536 edecoverly@melton.gov.uk
Chief Officer Responsible:	Edd de Coverly , Chief Executive
Chief Officer Contact Details:	01664 502536 edecoverly@melton.gov.uk

Vacancy Cover Agency Costs

APPENDIX A

Service Area	2019/20	2020/21	2021/22
Development Control	£168,867	£134,392	£113,015
Local Plans	0	0	£15,118
Homelessness	0	0	£22,275
Corporate Property	£40,504	£46,097	£33,558
Corporate Services	£0	£11,880	£12,600
Legal Services	£37,734	£39,578	£0
Growth And Regeneration	0	0	£30,600
HRA	£198,257	£289,769	£201,958
	£445,362	£521,716	£429,125

