

PART A - Initial Impact Assessment

Proposal Name: Agency Staffing Provision

EIA ID: 2346

EIA Author: Peter White

Proposal Outline:

This proposal is for the commissioning of a new Agency Staffing contract with an external provider. The contract would be for 5 years maximum. There is no set fee for an Agency contract so overall spend is determined by usage (i.e. pay as you go) The Council will look to pursue a contract term of 5 years, with an initial 3 years followed by two 1-year extensions. This will ensure continuity of service whilst giving the option to review the provision at years 3 and 4. The in-house delivery of temporary staffing via an Agency has been considered at each contract renewal over the last 13 years, however the decision to externalise is based on the following factors:

- The need to set up our own company/agreement
- The need to recruit specialist staff to help manage the business
- The purchase of a new systems to manage bookings
- Our ability to develop a network of candidates in a highly competitive market
- The high level investment in marketing
- Introduction of a candidate vetting programme
- Management of payments to candidates and other suppliers
- Additional pension costs
- Development of a supply chain for specialist roles
- Provision of an out of hours service
- Consideration of financial risks that would sit with the Council

The current Agency Staffing contract delivered by Reed Talent Solutions, is accessed via a directly award contract that was as a result of an open tender process and is due to expire on 31 March 2024. Reed Talent Solutions currently maintain a master vendor service for the Council across all categories of roles. They act as the Councils first tier supplier but also manage an extensive second tier supply chain of over 50 local and regional agencies to give the Council access to a rich staffing resource. The key areas of spend for the Council have consistently remained in the categories of Social Care, Trades Operatives, Technical, Interims and Admin & Clerical throughout the duration of the current contract. Employment has been high and recruitment low for the last couple of years resulting in low numbers of candidate availability via

both SCC recruitment and in particular agency recruitment. This has resulted in difficulties recruiting staff (SCC and Agency) to deliver some of the Councils services. These difficulties have been experienced across a number of categories with Social Care being the most acutely affected. To combat this issue a number of solutions have been identified including the Council recruiting candidates to Social Worker positions once they complete their qualifications but prior to gaining their results so the Council is ahead of the curve in securing newly qualified Social Workers. Agency suppliers including Reed reacted by creating Teams of typically eight Social Workers and a Manager that could be parachuted into an organisation to ensure specific projects were completed or backlogs cleared. The Council made use of this Service via Reed Consultancy+. Some of these and other practices particularly in the Childrens Service have resulted in a DfE Consultation for the Child & Family Agency Social Worker workforce which will result in the implementation of new rules to curb poor practice that is costly and works against providing stable professional relationships for children and families (see attached Management Report and Appendices). An ongoing necessity for Agency Social Care workers is born out of the necessity to cover shifts at short notice in Sheffield's Residential Care Homes and through community support. During the pandemic Reed acted as a key strategic partner to the Council in ensuring temporary staffing was made available to maintain essential services whilst supplying additional staff to support our track and trace requirements.

Proposal Type: Non-Budget

Year Of Proposal: 23/24

Lead Director for proposal: Claire Taylor (COO)

Service Area: Human Resources

EIA Start Date: 9/13/2023

Lead Equality Objective:

Workforce Diversity

Equality Lead Officer:

Richard Bartlett

Decision Type

Committees:

Policy Committees

- Strategy & Resources

Portfolio

Primary Portfolio:

Strategic Support Services

EIA is cross portfolio:

No

EIA is joint with another organisation:

No

Overview of Impact

Overview Summary:

The commissioning of services does enable the council to drive equality improvements locally through its contracts. Agency work does give a good opportunity for underrepresented groups to gain employment experience with the council and can operate as a potential talent pool for the council for people from underrepresented groups. The current provider also provides useful information regarding its social value work locally that support the council's goals around equality, diversity and the current economic issues with the cost-of-living crisis. The current contract hasn't been without its challenges and the current provider does not provide equality data of sufficient quality around ethnicity, sex and disability that we can undertake equality analysis against the council's current workforce. It would be therefore sensible to look at ensuring the new provider can produce better and more consistent data across the protected

characteristics. It would also be prudent as part of the tendering exercise to have some understanding from potential providers of their internal policies around EDI, how diverse their organisations are a particularly at senior level and what mandatory training around EDI their workforce is expected to undertake.

Impacted characteristics:

- Age
- Disability
- Poverty & Financial Inclusion
- Race
- Religion/Belief

Consultation and other engagement

Cumulative Impact

Does the proposal have a cumulative impact:

No

Impact areas:

Initial Sign-Off

Full impact assessment required:

Yes

Review Date:

12/13/2023

PART B - Full Impact Assessment

Staff Impacted: Yes

Customers Impacted: Yes

Description of Impact: The council's median age is currently at 48 years old which means it does have an ageing workforce with 50% of staff being 48 or over. It also means that despite the size of the organisation, successive years of budget reductions have meant that opportunities for younger people to join the workforce have been limited and this has been a pattern across the public sector. Although there are currently mitigations in place with the apprenticeship and graduate schemes opportunities can still be limited. Agency work can present opportunities for younger people to enter the workforce and offers the council a potential talent pipeline and helping young people develop skills and experience. The comparison of the ages shows that agency staff have a more even spread across the age ranges with more staff in the younger and oldest age ranges in comparison to the council which shows that the agency workforce is likely to offer opportunities to younger people looking to enter the workforce and those who are older and want to stay in work.

Disability

Staff Impacted: Yes

Customers Impacted: Yes

Description of Impact: Data on the disabled agency workforce from the provider is poor. The council has high levels of disability declarations amongst its workforce in comparison to other local authorities and similar public sector organisations and is something of an outlier. With this in mind it may make sense for the provider to reference some of the positive aspects for disabled people of working for the council as agency. The current provider also offers support around application and interview skills so it's important that the new contract seeks to continue this arrangement. Support of this kind can be very beneficial for disabled people looking to enter the workforce and who can transition into permanent employment with the council.

Poverty & Financial Inclusion

Staff Impacted: Yes

Customers Impacted: Yes

Description of Impact: Providing good quality employment for local people is a important way for the council to address issues relating to current cost-of-living issues suffered locally and it's therefore important that it maintains its commitment to the foundation living wage. It may also be useful for the council to encourage providers of agency staff to seek to employ those people who are unemployed and those who come from the most deprived wards and communities in the city by targeting those areas and groups. Improved financial inclusion can indirectly contribute to positive outcomes around wellbeing and health inequalities and it would be useful for the tender process to encourage providers to evidence how they would look to support the council's goal around financial inclusion and the economic wellbeing of its communities that are more at risk of exclusion.

Race

Staff Impacted: Yes

Customers Impacted: Yes

Description of Impact: Data on the race and ethnicity of the agency workforce is currently very poor with data missing for 91.9% of agency staff. Where we have the data it shows that 41.1% of agency staff are BAME which would suggest a high overrepresentation both of the community and in regard to the council's permanent workforce headcount. However, due to the nature of agency employment and the less rigorous assessment process and greater support available to jobseekers from both the provider and the DWP it can mean the process is more accessible for those from BAME backgrounds, particularly those from more deprived communities and as such can offer an opportunity to gain

Religion / Belief

Staff Impacted: Yes

Customers Impacted: Yes

Description of Impact:

Action Plan & Supporting Evidence

Outline of action plan:

- Improved data collection from the provider to enable us to work towards REC goals
- Foundation living wage to support communities with issues around cost of living
- Equality Training/Policies of contractor
- Diverse longlists for candidates, particularly around senior officer recruitment
- Reach more diverse candidates to increase the talent pool through advert placement

Action plan evidence: Workforce data 2022-23 Workforce Data Report 2021-22 Reed EDI Summary June 22 - May 23

Changes made as a result of action plan:

Mitigation

Significant risk after mitigation measures: No

Outline of impact and risks:

Review Date

Review Date: 12/13/2023

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