



Cabinet Member for Strategic Finance and Resources

Time and Date

10.00 am on Thursday, 26 September, 2019

Place

Diamond Room 2 - Council House

Public Business

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting**
 - (a) To agree the minutes of the meeting held on 18 July, 2019 (Pages 3 - 6)
 - (b) Matters Arising
4. **Final Hospitality Statement and Charity Appeal for the Lord Mayoralty of Councillor John Blundell 2018/19** (Pages 7 - 14)

Report of the Deputy Chief Executive (Place)
5. **Policy Contingency Grant - Hope Community Project** (Pages 15 - 20)

Report of the Deputy Chief Executive (Place)
6. **Apprenticeship Levy Transfer** (Pages 21 - 28)

Report of the Director of Human Resources
7. **Agency Workers - Q1 Performance Management Report** (Pages 29 - 48)

Report of the Director of Human Resources
8. **Outstanding Issues** (Pages 49 - 52)

Report of the Deputy Chief Executive (Place)
9. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.**

Private Business

Nil

Martin Yardley, Deputy Chief Executive (Place), Council House Coventry

Wednesday, 18 September 2019

Note: The person to contact about the agenda and documents for this meeting is Suzanne Bennett Tel: 024 7697 2299

Membership: Councillor J Mutton (Cabinet Member)

By invitation Councillor T Sawdon (Shadow Cabinet Member)

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

Suzanne Bennett

Tel: 024 7697 2299

Email: Suzanne.bennett@coventry.gov.uk

Coventry City Council
Minutes of the Meeting of Cabinet Member for Strategic Finance and Resources
held at 10.00 am on Thursday, 18 July 2019

Present:

Members: Councillor J Mutton (Cabinet Member)
Councillor T Sawdon (Shadow Cabinet Member)

Employees:

People: D Ashmore, A Durrant, S Griffin, G Haynes, R Perks

Place: A Oluremi, U Patel

Public Business

1. Declarations of Interest

There were no declarations of interest.

2. Minutes of Previous Meeting

The minutes of the meeting held on 21 February, 2019 were agreed and signed as a true record.

There were no matters arising.

3. Sickness Absence to Year Ending 31 March, 2019

The Cabinet Member considered a report of the Deputy Chief Executive (People) that enabled him to monitor levels of sickness absence for the year ending 31 March, 2019 and the actions being taken to manage absence and promote health at work across the City Council.

The report was based on a 12-month rolling period and excluded schools' workforce data (as this was inconsistent with the data of the workforce as a whole) and measured sickness absence as days lost per Full Time Equivalent (FTE).

The target of 8 days was approximately 15% lower than actual performance which was 9.4 days. The main reasons for absence remained Stress, Depression and Anxiety. However, at present it was difficult to determine to what extent this was work related or for other reasons. The other main reasons for days lost due to sickness absence were cited as 'Other Musculo-Skeletal Problems and Infections, Colds and Flu'.

The HR team aimed to ensure a consistent approach to sickness absence management and to provide information on a monthly basis on sickness absence to Management Teams/Senior managers. HR colleagues also supported managers in the application of the Council's 'Promoting Health at Work' procedure.

The report also provided information on the proactive strategies undertaken by the HR teams to support the managers in the reduction of sickness absence levels.

The cost of sickness shown in the report was a calculation of the pay of individuals who have been absent from work due to sickness. The actual impact on the Council is the financial cost of replacement cover where this is required in specific service areas plus the notional cost of the effect of the absence on the Council's ability to deliver its services.

The Cabinet Member expressed disappointment that the levels of sickness absence had remained more or less the same over the past 3 years. He expressed concerns over the cost of sickness to the authority and how this could be considered in the future.

He noted that a third of cases were attributed to stress, anxiety etc and wanted to know whether these were a direct result of staff cut backs which were now impacting on those who remained in work.

The Cabinet Member requested that patterns of sickness be identified such as in school holidays and that any patterns that emerged be examined and a comprehensive report be submitted for consideration. In addition, he requested a breakdown of sickness levels in adult social care to better understand the change in percentage of sickness in that directorate.

RESOLVED that the Cabinet Member for Strategic Finances and Resources:

- 1. Receive the report providing sickness absence data for the year ending 31st March 2019 and endorses the actions taken to monitor and manage sickness absence.**
- 2. Notes the need to keep under review the Council's sickness and absence policies and procedures and invest in sickness absence management training in order to deliver a sustained reduction of absence levels.**

4. Agency Workers and Interim Managers - Performance Management Report Q4 - 1 January to 31 March, 2019

The Cabinet Member considered a report of the Deputy Chief Executive (People) which provided performance information on the use of agency workers procured for the Q4 period 1 January to 31 March 2019.

Coventry City Council has a Master Vendor Contract with Reed for the supply of agency workers through their own agency or via a 2nd tier arrangement with other agencies, using rates of pay based on an agreed pay policy and a negotiated mark-up rate with the Master Vendor. However, Reed is not always able to supply the required agency workers and where this is the case, service areas would use other suppliers.

The report provided information on the overall cumulative spend on the use of agency workers with Reed and outside Reed and compared Q3 and Q4 2018/19 which showed an overall decrease in spend.

A further table in the report showed comparative expenditure for the Master Vendor Contract between Q3 2018/19 and Q4 2018/2019 as well as Q4 2017/18 and Q4 2018/19. There has been a decrease of £51k in spend between Q3 and Q4 2018/19 and a decrease of £99k compared to the same quarter in 2017/18.

The report provided detailed information on the following service areas:

- Children's Services
- Adult Services
- Customer Services & Transformation
- Streetscene – Waste Services
 - Streetpride
 - Planning and Regulation

In addition, the report provided comparative expenditure outside of the Reed contract between Q3 and Q4 2018/19 and Q4 2017/18 and Q4 2018/19.

The report showed an increase in agency social workers in adult services and this was mainly to cover vacancies and to ensure that statutory duties were met. The Cabinet Member requested that in future, the report provide information in relation to the reasons for the need of agency staff, i.e. sickness, holiday periods etc.

The Cabinet Member requested clarification on whether there were processes in place which required all requests for agency spends to be cleared by a senior manager to justify the need.

RESOLVED that, the Cabinet Member for Strategic Finance and Resources notes:

- 1. The recruitment and retention challenges impacting and affecting the business and strategies in place or working towards to support these.**
- 2. The agency/interim spends for Q4 2018/19**
- 3. The cumulative spend for both agency workers via Reed and outside Reed (Table 2.1)**
- 4. The upward trajectory of permanent filled jobs in Children Services (Appendix 1).**

5. Outstanding Issues

The Cabinet Member for Strategic Finance and Resources noted that work was currently being undertaken in relation to the Apprenticeship Levy and that a report would be submitted in due course.

6. Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.

There were no other items of public business.

(Meeting closed at 10.35 am)

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Public report Cabinet Member Report

Cabinet Member for Strategic Finance and Resources

26 September 2019

Name of Cabinet Member

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

None

Title:

Final Hospitality Statement and Charity Appeal for the Lord Mayoralty of
Councillor John Blundell 2018/2019

Is this a key decision?

No

Executive Summary:

This is the end of year hospitality budget report for the Mayoral Year of Councillor John Blundell 2018/2019. The report updates the Cabinet Member on how the budget was allocated during the Mayoral Year. The total spend was £62,288.79; this was £3,307.21 less than the allocated budget and this balance was returned to corporate reserves.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is recommended to:-

- (i) Note the contents of Appendix 1 which sets out detailed expenditure of £62,288.79 against the hospitality budget; and
- (ii) Note the final sum of £8,565.47 raised for the Lord Mayor's Charity Appeal 2018/2019

List of Appendices included:

Appendix 1 – Breakdown of the Hospitality Budget for whole Mayoral Year 2018/2019.

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Final Hospitality Statement and Charity Appeal for the Lord Mayoralty of Councillor John Blundell 2018/2019

1. Context (or background)

- 1.1 The annual hospitality budget for the Mayoral Year was £65,596. This report provides detail of the expenditure against the budget for the year which totalled £62,288.79.
- 1.2 The Office of Lord Mayor works for the good of the city and all its people. As Coventry's first citizen, the Lord Mayor is the non-political, ceremonial head of the city. The Lord Mayor will:
 - Promote work with other organisations.
 - Help to encourage investment and opportunity for businesses.
 - Encourage equal opportunities for all
 - Work with those who can help the city to be successful.
 - Thank those individuals and organisations who have brought success to the city.
 - Welcome visitors to the city, promoting its historic past and exciting future.
 - Represent the city at home, nationally and internationally as an "Ambassador" for Coventry.

2. Options considered and recommended proposal

- 2.1 The Cabinet Member is recommended to note Appendix 1 of the report which sets out how the hospitality budget was spent, including the return of £3,307.21 to corporate reserves.
- 2.2 The Cabinet Member is also recommended to note the total of £8,565.47 raised for the Lord Mayor's Charity Appeal. This year's beneficiaries were Haemochromatosis Society and Coventry Enterprise Club for the Disabled.
- 2.3 Expenditure against the hospitality budget is carefully monitored throughout the year to ensure that activities undertaken support the aims of the Lord Mayoralty and the City Council and stays within budget.

3. Results of consultation undertaken

- 3.1 No consultation is required.

4. Timetable for implementing this decision

- 4.1 There are no further events planned as the Mayoral Year 2018/2019 has now come to an end.

5. Comments from Director of Finance and Corporate Services

- 5.1 Financial implications
There are no financial implications arising from this report. Expenditure of £62,288.79 against the budget for the year of £65,596 ensured that the balance of £3,307.21 was returned to corporate reserves.
- 5.2 Legal implications
There are no legal implications arising from this report.

Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The Lord Mayor's Hospitality Budget is spent to reflect the Lord Mayor's Mission Statement as outlined in the Council's Constitution which aligns itself to the Council's core aims and objectives.

6.2 How is risk being managed?

No significant risks are associated with the budget management. Health and Safety issues are considered for all events with the more significant events being monitored by the Council's Safety Events Group.

6.3 What is the impact on the organisation?

No impact, the events are managed by the Lord Mayor's office.

6.4 Equality and Consultation Analysis (ECA)

The Lord Mayor's Office ensures the Mayoralty promotes equality across the city and the recommendations in this report do not constitute a change in service or policy.

6.5 Implications for (or impact on) Climate Change and the environment

None

6.6 Implications for partner organisations?

None

Report author(s):**Name and job title:**

Jane Barlow, Civic Office Manager

Directorate:

Place

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Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Carol Caley	Accounting Technician	Place	20.08.19	22.08.19
Names of approvers for submission: (officers and members)				
Democratic: Suzanne Bennett	Governance Services Officer	Place	20.08.19	21.08.19
Adrian West	Members and Elections Team Manager	Place	20.08.19	21.08.19
Finance: Paul Whitmore	Lead Accountant	Place	20.08.19	23.08.19
Legal: Rob Parkes	Place Team Leader, Legal Services	Place	20.08.19	27.08.19
Barry Hastie	Director of Finance and Corporate Resources	Place	20.08.19	29.08.19
Councillor J Mutton	Cabinet Member for Strategic Finance and Resources		05.09.19	05.09.19

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www.coventry.gov.uk/councilmeetings

Hospitality Budget for Mayoral Year 2018/2019 – Councillor John BlundellACTUAL Costs of Functions of 1st Quarter: 17th May – 16th August 2018

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
17.05.18	Contribution towards the Annual Meeting of the City Council	-	£3,000.00
19.05.18	Commencement of Mayoral Year Dinner	96	£2,296.52
30.05.18	Civic Reception to recognise promotion of Coventry City FC	80	£1,160.16
06.06.18	Reception for Youth Mentors	17	£74.80
14.06.18	Lunch prior to City Council and West Midlands Lieutenancy Annual Meeting	16	£162.40
15.06.18	Civic Visit to Kiel	2	£466.64
21.06.18	Refreshments during Remembering Srebrenica Commemoration Event	80	£176.00
22.06.18	Refreshments following 'Cool School' jazz concert	70	£128.00
26.06.18	Contribution towards costs of Dinner for Trade Delegation from Sweden	-	£822.46
30.06.18	Costs associated with Armed Forces Day	-	£46.00
08.07.18	Civic Reception prior to the Service to mark the Centenary of the Royal Air Force	90	£2,416.76
10.07.18	Refreshments for Good Citizen Recipient prior to Full Council	5	£18.25
11.07.18	Event to mark the 80 th Anniversary of Coventry Enterprise Club for the Disabled	70	£598.50
25.07.18	Coventry University Prospective Chinese Students Event	70	£98.00
06.08.18	Reception prior to the annual Hiroshima Day Service at Coventry Cathedral	30	£90.00
12.08.18	Tickets to Mayor of Leamington Spa Heritage Charity Walk	2	£30.00
15.08.18	Business breakfast with delegation from Tokyo Metropolitan Assembly	10	£39.50
	1st Quarter Budget Total		£11,623.99

ACTUAL Costs of Functions of 2nd Quarter: 17th August – 16th November 2018

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
22.08.18	Afternoon Tea with Representatives from 'Fight for Sight'	10	£66.48
31.08.18	Costs associated with Band from Kiel 'Opposite of Silence' performing at Godiva Festival	8	£186.80
04.09.18	Lunch for all Members with the Good Citizen Award Recipient prior to Full Council	40	£1,608.05
06.09.18	Visit of Motorcycle Group from twin city of Cork	10	£73.00
11.09.18	Launch of St Mary's Guildhall Colouring Book	85	£1,464.95
11.09.18	Hosting President Ellen Johnson, Speaker at Rising Global Conference	12	£603.75
14.09.18	Tickets for Whitnash Town Council Civic Dinner	2	£60.00
14.09.18	Tickets for ABF The Soldiers Charity Curry Supper	2	£60.00
18.09.18	Tickets for Mayor of Stratford's Heritage Walk and River Cruise	2	£25.00
25.09.18	Afternoon Tea for the MacMillan Appeal Committee	10	£75.00
09.10.18	Interval refreshments during Coventry, Shakespeare & Wars of the Roses Event	160	£315.28
12.10.18	Tickets for Mayor of Southam's Civic Dinner	2	£60.00
12.10.18	Tickets for Mayor of Warwick's Fashion Show	2	£30.00
13.10.18	Delegation to CIAPE (China International Auto Parts Expo) and Civic visit to Jinan to mark 35th anniversary of twinning	-	£2,192.19
16.10.18	Refreshments for Good Citizen Recipient prior to Full Council	5	£26.50
23.10.18	Refreshments with visitors from Employability UK	6	£24.60
24.10.18	Queen's Award for Voluntary Services Presentation Event to Coventry Resource Centre for the Blind	75	£235.00
01.11.18	Launch Event of Coventry Peace Festival - Production of 'The Window'	80	£1,831.62
02.11.18	Queen's Award for Voluntary Services Presentation Event to Coventry Enterprise Club	35	£164.58
02.11.18	Farewell Dinner for A Dixon, UK City of Culture Bid Advisor	100	£3,905.88
07.11.18	Refreshments with visitors from Hiroshima	7	£11.90
08.11.18	Lord Mayor's Cadet Presentation Evening	12	£152.25
10.11.18	Welcome Meal for delegations from Kiel and Dresden	13	£206.83
11.11.18	Costs associated with Remembrance Sunday	160	£4,992.36
11.11.18	Accommodation and Welcome Dinner for Delegations at Coombe Abbey	-	£2,749.32
12.11.18	Kiel Farewell Lunch	6	£38.40

13.11.18	Dinner with delegation from Dresden	7	£85.22
13.11.18	Reception with Professor Yasmin Alibhai-Brown and costs associated with Annual Peace Lecture	120	£380.44
14.11.18	Celebration Event to mark HRH Prince of Wales' 70th Birthday	85	£1,199.53
14.11.18	Reception prior to War Requiem Concert, Coventry Cathedral	40	£1,026.88
16.11.18	Tickets for Mayor of Warwick's Murder Mystery Evening	2	£40.00
21.11.18	Lunch with 'Lord Mayor for the Day' Children as part of Local Democracy Week	6	£29.70
	2nd Quarter Budget Total		£23,921.51

ACTUAL Costs of Functions of 3rd Quarter: 17th November 2018 - 16th February 2019

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
26.11.18	Queen's Award for Voluntary Services Presentation Event to Broad Street Meeting Hall	100	£265.14
27.11.18	Costs associated with Lord Mayor's Christmas Gift Fair	-	£676.00
28.11.18	Queen's Award for Voluntary Services 15th Anniversary Celebration Event	120	£939.40
04.12.18	Festive Pre-Council Lunch for Good Citizen Recipient	30	£772.50
06.12.18	Festive Civic Heads Dinner	104	£4,460.89
12.12.18	Coventry & Warwickshire Retiring Magistrates Event	30	£112.50
18.12.18	Welcome visitors from Tokyo re Volunteer Ambassadors Programme	25	£34.00
09.01.19	Dinner to mark the Launch of European City of Sport 2019	100	£3,120.92
18.01.19	Tickets for Mayor of Solihull's Civic Dinner	2	£64.00
21.01.19	Mayor of Leamington's Guided Tour of Regency Waters Tickets	2	£46.00
28.01.19	Refreshments following Holocaust Memorial Day	50	£358.00
08.02.19	Tickets for Mayor of Alcester Town Council Civic Dinner	2	£60.00
10.02.19	Lord Mayor's Civic Service	90	£1,670.87
12.02.19	Civic Visit to Dresden to mark 60th anniversary of twinning link	3	£505.56
	Replenishment of Mayoral refreshments stock		£175.07
	3rd Quarter Budget Total		£13,260.85

ACTUAL Costs of Functions of 4th Quarter: 17th February – 16th May 2019			
<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
19.02.19	Refreshments for Good Citizen Recipient prior to Full Council	5	£15.20
01.03.19	Tickets for Mayor of Leamington Charity Quiz Night	2	£15.00
05.03.19	Lunch with visitors from Kamokita High School, Hiroshima	10	£47.00
08.03.19	Costs associated with International Women's Day Concert	139	£1,641.65
14.03.19	Civic Reception for Knife Angel	45	£695.25
19.03.19	Refreshments for Good Citizen Recipient prior to Full Council	5	£14.40
21.03.19	Civic Reception to mark 35th Anniversary of Global Care	30	£281.28
22.03.19	Coventry Award of Merit presentation evening	74	£3,622.50
	Purchase of 5 Award of Merit Medallions	-	£2,852.30
23.03.19	Civic Visit to Cork	3	-£117.20*
01.04.19	Civic Reception for members of Soroptimist International	16	£27.20
04.04.19	Tickets for Mayor of Hinckley and Bosworth Evening	2	£32.00
12.04.19	Coventry Magistrates Swearing-in Ceremony	80	£305.50
14.04.19	Costs associated with Visit to Mayor of Salisbury	2	£30.00
17.04.19	Lord Mayor's Charity Easter Concert	120	£582.09
23.04.19	Afternoon Tea with Special Olympian Emily Crilly and family	8	£76.80
29.04.19	Accommodation for Inward delegation from Dresden	4	£337.80
05.05.19	Lunch following Freeman's Sunday Service and Parade	50	£818.64
08.05.19	Retirement Dinner for Detective Inspector Stuart Bell	20	£744.88
10.05.19	Donation to the International Children's Games	-	£1,000.00
10.05.19	Host the Ambassador and delegation from Serbia	11	£123.15
14.05.19	End of Year Charity Celebration Event	6	£137.00
	Replenishment of Mayoral refreshments stock	-	£200.00
	4th Quarter Budget Total		£13,482.44
	Total Budget		£62,288.79

*Actual cost of trip was £467.68. As the costs of flights were posted late in the financial year it was too late to be recharged to the Hospitality Budget and therefore were met from Lord Mayor's Office budget.



Cabinet Member for Strategic Finance and Resources

26th September 2019

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive Place

Ward(s) affected:

St Michael's Ward

Title:

Policy Contingency Grant – Hope Community Projects

Is this a key decision?

No

Executive Summary:

This report is seeking retrospective approval for grant funding of £1,000 to Hope Community Projects. The funding was requested specifically to support a project support for families over the 2019 Easter school holidays.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is requested to approve retrospectively a one-off grant of £1,000 to Hope Community Projects.

List of Appendices included:

None.

Background papers:

None.

Other useful documents

None.

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Policy Contingency Grant – Hope Community Projects

1. Context (or background)

- 1.1 The Cabinet Member for Strategic Finance and Resources is responsible for approving the allocation of resources of up to £75,000 each year from an on-going Policy Contingency budget.
- 1.2 The Cabinet Member was approached by Hope Community Projects in March 2019 for a small grant funding allocation. Hope Community Projects is an initiative delivered out of the Hope Nursery in the Hillfields area of Coventry. The Hope Community Projects Family Project has been established to respond to issues that arise during school holidays such as increased costs (such as food and childcare) and reduced incomes (such as loss of a free school meal, reduced working hours etc.). Project organisers reference evidence of children from disadvantaged families being less likely to access organised out-of-school activities; more likely to experience 'unhealthy holidays' in terms of nutrition and physical health; and more likely to experience social isolation.
- 1.3 Funding had been requested to continue the project over the Easter school holiday 2019 to support an anticipated 500 people accessing the service. The project was described as incorporating aspects such as stay and play sessions, provision of hot meals and involvement of children and parents in food preparation. The main outcomes of the project include forming a parents' group, provide training and education (e.g. cooking classes), early intervention, addressing social isolation and working to alleviate 'holiday hunger'.

2. Options considered and recommended proposal

Option 1 - Reject the Funding Request

- 2.1 This option is not recommended. The Cabinet Member has already indicated his support for the project.

Option 2 – Agree to the Funding Request

- 2.2 This is the recommended option. The Cabinet Member has already indicated his support for the project for which the grant payment has been made. This report is providing retrospective approval.

3. Results of consultation undertaken

- 3.1 No consultation has been undertaken.

4. Timetable for implementing this decision

- 4.1 The Cabinet Member had already agreed to this funding request and this report is gaining retrospective approval only.

5. Comments from Director of Finance and Corporate Services

5.1 Financial implications

The £1,000 grant has already been paid, funded from within the 2018/19 Policy Contingency budget. Total Policy Contingency approvals for the year amounted to £26,000, leaving an underspend of £49,000.

5.2 Legal implications

There are no specific legal implications.

6. Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

The project can be considered to be broadly aligned to the Council's priorities under the locally committed banner, contributing to elements including improving educational outcomes, improving health and wellbeing and reducing health inequalities.

6.2 How is risk being managed?

There are no key risks associated with this funding proposal.

6.3 What is the impact on the organisation?

None

6.4 Equality and Consultation Analysis (ECA)

Given the relatively small scale of the allocation no Equality and Consultation analysis has been undertaken. The nature of the activities undertaken by the Project lead to the conclusion that approval is consistent with the Council complying with its Public Sector Equality Duty.

6.5 Implications for (or impact on) climate change and the environment

No implications.

6.6 Implications for partner organisations?

The allocation of funding will help support the activities of a community organisation within the Hillfields area of the city.

Report author(s):

Name and job title: Paul Jennings, Finance Manager Corporate Finance

Directorate: Place Directorate

Tel and email contact: 02476977228 paul.jennings@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Co-ordinator	Place	9/8/19	12/8/19
Names of approvers for submission: (officers and members)				
Finance: Paul Jennings		Place	9/8/19	9/8/19
Legal: Carol Bradford	Corporate Governance Lawyer	Place	9/8/19	9/8/19
Director: Barry Hastie	Director of Finance and Corporate Services	Place	9/8/19	29/8/18
Members: Cllr John Mutton			9/8/19	5/9/19

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Cabinet Member for Strategic Finance and Resources

26 September 2019

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor John Mutton

Director Approving Submission of the report:

Director of Human Resources

Ward(s) affected:

All

Title:

Apprenticeship Levy Transfer

Is this a key decision?

No

Executive Summary:

Coventry City Council through its Apprenticeship Levy is able to transfer up to 25% of its £1.1M apprenticeship fund on an annual basis to either one or a number of non-levy paying employers.

The purpose of this report is to provide the Cabinet Member for Strategic Finance and Resources with a recommendation on how the Council could use its 25% Levy Transfer and to confirm what elements of the transfer should be ring-fenced for Looked After Children.

There is an ideal opportunity for the Council, through its Economic Development Service (EDS) who have links to businesses across the City to support the Council's work in having a City-wide approach to apprenticeships.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is requested to agree and approve the utilisation of up to 25% of Coventry City Council's annual Levy transfer as detailed in section 2 of the report.

List of Appendices included:

None

Background papers:

None

Other useful documents

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

Yes – this report has been considered by The Skills Board on the 19 June 2019

Will this report go to Council?

No

Report title: Apprenticeship Levy Transfer

1. Background and Context

- 1.1 In April 2017, the way the government funded apprenticeships in England changed with the introduction of the Apprenticeship Levy. The Levy is paid at 0.5% of the pay bill minus a Levy allowance of £15K for each tax year.
- 1.2 The Levy is collected monthly by HMRC via the PAYE system and converted into digital vouchers accessed through a new Digital Apprenticeship Service account (DAS). Levy funding can only be spent on Apprenticeship training it cannot be used to recruit employees.
- 1.3 The Employment & Skills funding Agency (ESFA) previously funded Apprenticeship training by paying training providers directly. Depending on the amount of funding a provider received for a qualification, it would be possible for them to pass some of the costs on to the employer.
- 1.4 Prior to the introduction of the Apprenticeship Levy, payment for the Council's Apprenticeship training cost approximately less than £5000 per year in total. The reason for this was due to Providers forfeiting the cost.
- 1.5 The yearly cost of the Levy to Coventry City Council is in the region of £1M with approximately £600K allocated from the corporate wage bill and a further £400k allocated from our maintained schools wage bill. The government also tops this up by a further 10%, making the total amount of funding available circa £1.1M.
- 1.6 Apprenticeship Levy funding lasts for 24 months and if it is not spent in this period it is re-absorbed by the ESFA.
- 1.7 Apprenticeship Levy paying employers including Coventry City Council can support apprenticeships in other organisations by transferring up to 25% (a rise from 10% from April 2019) of their apprenticeship levy funds to other non-levy employers. These funds can be transferred to any employer, including smaller employers in the supply chain and Apprenticeship Training Agencies (ATAs), to support new apprenticeship opportunities and widen participation in apprenticeships across the City.

2. Recommendations for the transfer of 25% of the Council's Levy

- 2.1 Like many employers, the City Council has been unable to utilise all of its Levy and to maximise the local impact is considering how it could use the 25% levy transfer option to best effect. A number of informal conversations have taken place with Senior Leaders and Members as to how the Council might be able to make best use of its 25% transfer including supporting the City of Culture, focusing the funds on LAC/Care Leavers and targeting hard to reach/vulnerable groups.

2.2 At the Skills Board held on 19th June 2019 which is chaired by the Director of Education & Skills and attended by a number of managers across the Council, further discussion took place in relation to the Council's 25% levy transfer and the possible options available to the Council. One of the proposals being put forward is that the transfer could be allocated to non-levy employers across the City on a first come first served basis via the work of the Economic Development Service whose role would be to support non-levy employers to increase their own apprenticeship numbers, increase the skills levels across the City and reduce the numbers of unemployed.

2.3 The Skills and Growth (S&G) Team which sits within the Economic Development Service can offer support for the Council's transfer of levy work by assisting with activity that would support engagement, registration and the qualification of interested employers and employees who would benefit from the levy transfer. The support being offered by the Skills and Growth Team is set out below and would include the following detailed activities: -

- Registering relevant employers for a levy transfer in line with GDPR requirements which would require the qualification of that employer to meet State Aid Law de minimis requirements. Where employers do not meet State Aid requirements the S&G Team would advise the employer of this.
- Where employers meet State Aid eligibility requirements the S&G Team would liaise with the employer to ascertain the apprenticeship standard that the employer has identified for their employee/s, associated costs, the training provider and end point assessment provider and costs. The team would also complete a template to record this information.
- When a training provider has not been identified by the employer the S&G Team will provide relevant information on suitable providers to the employer thereby giving choice and ownership of the selection process to the employer.
- The S & G Team will gather information on identified employees for apprenticeships ensuring that the process is in line with the Council's commitment to Equality, Diversity & Inclusion. They will liaise with the employer to gather the required information complying with GDPR requirements to complete the participant eligibility check and ensure individual employees are eligible to benefit from apprenticeship funding in the UK in line with ESFA funding guidelines.
- On completion of the above the S&R Team will liaise with the Organisation Development Team to transfer the necessary information to enable the levy transfer to be set up/made to the employer via the Councils Digital Account.
- Employers Digital Accounts - Members of the Organisation Development Team will support employers receiving a levy transfer to set up and

operate their digital accounts where needed as these will be required for the Council to make the transfer.

- When the commencement of Levy Transfer takes place the Organisational Development Team will inform the S&G Team who will write a letter to the employer advising them that they are receiving funds (including the expected amount of funding) from the Council under de minimis State Aid Law.
- On completion of the apprenticeship standard and the transfer of levy funds to the employer, the Organisation Development Team will advise the S&G Team who will write to the employer to confirm the actual amount of State Aid transferred (as advised by Organisation Development). The S&G Team will also advise employers of their requirement to declare this funding in future public aid applications and their document retention responsibilities in regard to de minimis.
- Case studies – to demonstrate how the Council, employers and the wider City are benefiting from the 25% levy transfer the S&G Team in partnership with the Organisational Development Team will produce a series of case studies for publication which will promote and raise awareness of the Council's activity in this area and the benefits to employers and residents supported from across the City.

2.7 It is proposed that if the above recommendations are adopted, that the activity commences immediately so that the Council can transfer 25% of its levy to multiple employers. This would enable processes and a marketing and communications plan to be agreed and put in place with immediate effect.

2.8 The Economic Development Service and the Coventry & Warwickshire Growth Hub via its teams of Business Advisers and Account Managers can raise awareness of this support to employers and make referrals to the Skills & Growth Team to support take up by employers.

2.9 State Aid

5% of all the funds received as a transfer from another employer count as state aid. Levy-paying employers, in this instance Coventry City Council, who wish to transfer funds have to agree the individual apprenticeships that will be funded by a transfer with the employer receiving the funds. Employers receiving transferred funds will only be able to use them to pay for training and assessment for apprenticeship standards. Transferred funds cannot be used to pay for training and assessment for apprenticeship frameworks.

2.10 Employers will need to be aware of 'state aid' rules when receiving funds from other organisations. The maximum amount that an organisation can receive through a transfer of funds is 200,000 euros over a rolling 3-year period. Before accepting a transfer, employers will need to check how much state aid they've already received in any 3-year period, so they don't go over the 200,000 euro limit they're allowed under 'de minimis' funding rules.

- 2.12 It is possible that a large number of employers who can receive and will want to receive a levy transfer will be Small and Medium sized Enterprises (SME's)
- 2.13 SMEs with less than 50 employees can only receive transfers for employees who are aged 25 years plus as the Government currently funds all other apprenticeships for these businesses.
- 2.14 The Job Shop will be able to work with employers who qualify to receive a levy transfer. The recommendations proposed would enable the Job Shop to promote the offer on a first come first served basis and refer interested employers to the Skills & Growth Team to process their expressions of interest and gather all of the information required for a levy transfer to be made as detailed above.
- 2.15 Public Relations – there is an opportunity for good public relations with businesses and residents if the levy transfer to employers is promoted well and case studies created and published.

3. Results of consultation undertaken

- 3.1 Various meetings have taken place at The Skills Board with colleagues from Economic Development Service, Employment and Skills, Education and Skills, Adult Education and LEP to consult on the best utilisation of the Levy Transfer.

4. Timetable for implementing this decision

- 4.1 Economic Development Services will commence raising awareness of the Levy Transfer available with immediate effect.

5. Comments from Director of Finance and Corporate Services

5.1 Financial implications

The yearly cost of the Levy to Coventry City Council is in the region of £1m which is made of approximately £600k from the corporate wage bill and £400k from maintained schools. Since its launch up to the end of 2018/19 the City Council has drawn down £601k of levy resources to support training.

A maximum of 25% of the annual Levy funds can be transferred to other employers to fund training and assessment for apprenticeship standards only. Any unused levy is reabsorbed by the Employment and Skills Funding Agency.

£248,446 is the current transfer allowance available. All transfers are transacted through the Apprenticeship Service Account.

5.2 Legal implications

The Apprenticeship Levy was introduced under Part 6 of the Finance Act 2016 and has taken effect from 6th April 2017. Anti-avoidance and penalty sections form part of the legislation and the Government has issued guidance on its implementation.

6. Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)

Locally committed, improving the quality of life for Coventry people by raising educational standards and focussing on local job opportunities across a range of sectors.

6.2 How is risk being managed?

The Apprenticeship and Career Pathway Development Lead will ensure that all transactions involved with the transfers are undertaken through the Apprenticeship Service Account and adhere to the funding rules surrounding this as set out by the Education and Skills Funding Agency.

6.3 What is the impact on the organisation?

The Council will be utilising the Levy effectively ensuring that employers, employees and residents across the City can benefit from the transfers. This does create additional work for colleagues in the Organisational Development and Economic Development Service Teams who will be developing and transacting the transfers. However, this is an opportunity to widen participation by working with local residents and employers to fund apprenticeships across a wide range of apprenticeship standards and levels.

6.4 Equality and Consultation Analysis (ECA)

N/A

6.5 Implications for (or impact on) climate change and the environment

N/A

6.6 Implications for partner organisations?

Employers across the City will have access to funds that will enable them to fund an apprenticeship programme. This will open opportunities for employers to employ individuals that can help develop their skills whilst gaining a recognised qualification and reducing unemployment.

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Members: Cllr J Muton	Cabinet Member for Strategic Finance and Resources		05/09/19	05/09/19

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Cabinet Member for Strategic Finance and Resources

26th September 2019

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive (People)

Ward(s) affected:

None

Title:

Agency Workers – Performance Management Report Q1: 1st April to 30th June 2019

Is this a key decision?

No.

Executive Summary:

The purpose of this report is to provide the Cabinet Member with performance information on the use of agency workers procured for the Q1 period 2019/2020.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is requested to note:

1. The recruitment and retention challenges impacting and affecting the business and strategies in place or working towards to support these.
2. The agency / interim spends for Q1 2019/20.
3. The cumulative spend for both agency workers via Reed and outside Reed (Table 2.1).
4. The upward trajectory of permanent filled jobs in Children Services (Appendix 1).

List of Appendices included:

Appendix 1 shows a 12 month upward trajectory of filled permanent posts in Children's Social Care.

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title:

Agency Workers and Interim Managers – Performance Management Report Q1, 1 April to 30 June 2019.

1. Context (or background)

1.1 Coventry City Council has a Master Vendor Contract with Reed for the supply of agency workers. Through the contract, Reed supply all suitable agency workers either through their own agency or via a 2nd tier arrangement with other agencies, using rates of pay based on an agreed pay policy and a negotiated mark-up rate with the Master Vendor. The information supplied by Reed gives detailed information on agency worker usage and expenditure. Spend is based on timesheets paid during the quarter.

Reed is not always able to supply the required agency workers and where this is the case, service areas will use other suppliers. However, where other suppliers are being used, the business is engaging with Reed to bring other suppliers and or workers under the Master Vendor contract. Reed covers all agency workers required by the core council. The contract does not cover agency workers in schools.

1.2 This report highlights across the council several examples where agency is being used during service pressure or restructure/change and special projects. This has a cumulative impact across the business incorporating numerous internal and external factors that affect the context of the council and demonstrate why using agency is on occasions appropriate, but also provides detail around what measures are in place to ensure this doesn't drift.

Whilst the control of agency spend is managed locally within individual service areas, the internal and external factors that drive our workforce challenges lends itself to the whole of the organisation. Financial constraints, technology, political, local and legislative agenda's as well as the speed of change, high customer demand and more attractive offers add to the recruitment and retention pressures the organisation is faced with.

We operate in a very tight labour market i.e. more jobs than candidates, the market is candidate led e.g. financially driven, which in turn creates both internal and external challenges and a highly competitive environment when recruiting and retaining staff. Coupled with skills and experience shortages, locally as well as nationally in qualified and specialist arenas specifically social care, planning and other professional services including surveyors, transportation and UTMC. An ageing workforce also contributes to the recruitment challenges as well as recruiting and retaining staff across 5 generations with differing needs, expectations and requirements, puts extra pressure on service areas to attract and retain the right people.

1.3 The apprenticeship levy has provided some leeway in creating opportunities to address some of these areas, however, unexpected staff cover has contributed to the increased pressure and demand on frontline services across both directorates. Local and national skills shortages and a sparse candidate labour market pool therefore requires reliance on agency workers to counteract the risk of not being able to provide a front-line service. In order to continue to make efficiencies through the organisation, dictates the use of a temporary workforce until such arrangements have been concluded.

1.4 Alternative options can be considered for example pools of workers are viable options, however, they require funding. In addition, to maximise the potential for both service and individuals and to allow for cross service working, would require skills sets in various disciplines across the service areas, which can present problems for regular updated training and maintenance of skills.

At the same time regular working could impact employee status as well as increase the temporary workforce; options need to consider the financial costs to manage and resource. Agency usage is on a pay as you use basis and incurs charges via pay rates x hours worked and agency fees. In comparison with financial obligations to resource a pool, will require a permanent resource – which will incur a fixed price e.g. to use and to source.

Career pathways, development opportunities and graduate placements as well as redeployment outplacements are activities currently being utilised and developed for maximum potential across the business to enhance our candidate pools.

The recruitment service has recently appointed a new Recruitment Manager and the implementation of a new recruitment model will aim to support and assist innovative and direct sourcing of candidates to recruit to vacancies as an alternative to agency usage. In addition, close working with HR/OD will support more collaborative working and pooling of ideas to address many of the recruitment and retention issues that all employers are facing in today's constant changing and challenging times.

1.5 The commentary throughout this report will provide more detail around the specific service area.

2 Directorate Commentary on Agency Worker Spend for Q1 2019/20

Table 2.1

The table below highlights the **overall cumulative spend** on the use of agency workers with Reed and outside Reed, and compares Q4 2018/2019 and Q1 2019/20.

	Q4 2018/19	Q1 2019/20	Increase/Decrease
Reed	£1,155,406	£1,173,165	+17,759
Outside Reed	£328,777	£127,325	-£201,452
Total	£1,484,183	£1,300,490	-£183,693

The below table provides a breakdown of the cumulative spend across the Directorates for the same periods.

	Q4 2018/19		Q1 2019/20	
	Reed	Outside Reed	Reed	Outside Reed
PEOPLE	£1,009,693	£246,457	£966,246	£77,675
PLACE	£145,713	£82,320	£206,918	£49,290
TOTAL	£1,155,406	£328,777	£1,173,165	£126,965

Table 2.2

Tables 2.2 below shows comparative expenditure for the **Master Vendor Contract** between Q4 2018/19 and Q1 2019/20 as well as Q1 2018/19 and Q1 2019/20. There has been an increase of £18K in spend between Q4 2018/19 and Q1 2019/20 and a **decrease of £41k** compared to the same quarter in 2018/19. The Master Vendor Contract covers all agency workers required by the core Council, the Reed contract does not cover agency workers in schools.

	Spend comparing Q4 2018/19 to Q1 2019/20	Spend Q4 2018/19	Spend Q1 2019/20	Increase / Decrease £000's
PEOPLE	Adult Social Care	£235,279	£248,106	£12,827
	Children and Young People's Services	£684,719	£580,141	-£104,578
	Customer Services & Transformation	£84,974	£137,999	£53,025
	Education and Skills	£4,721	£0	-£4,721
	People Directorate Total	£1,009,693	£966,246	-£43,447
PLACE	Finance & Corporate Services	£20,347	£57,874	£37,527
	Project Management and Property Services	£4,534	£12,704	£8,170
	Streetscene & Regulatory Services	£112,750	£105,648	£7,102
	Transportation & Highways	£0	£14,884	£14,884
	City Centre & Major Projects Development	£8,082	£15,806	£7,724
	Place Directorate Total	£145,713	£206,918	£61,205
Total	£1,155,406	£1,173,165	£17,759	

	Spend comparing Q1 2018/19 to Q1 2019/20	Spend Q1 2018/19	Spend Q1 2019/20	Increase / Decrease
PEOPLE	Adult Social Care	£182,644	£248,106	£65,462
	Children and Young People's Services	£751,398	£580,141	-£171,257
	Customer Services & Transformation	£70,171	£137,999	£67,828
	Education and Skills	£0	£0	£0
	People Directorate Total	£1,004,213	£966,246	-£37,967
PLACE	Finance & Corporate Services	£29,202	£57,874	£28,672
	Project Management and Property Services	£7,830	£12,704	£4,874
	Streetscene & Regulatory Services	£163,480	£105,648	-£57,832
	Transportation & Highways	£5,108	£14,884	£9,776
	City Centre & Major Projects Development	£4,505	£15,806	£11,301
	Place Directorate Total	£210,127	£206,918	-£3,209
Total	£1,214,340	£1,173,165	-£41,175	

3. People Directorate

The table below shows the main areas that contribute to the Children's and Adult's spend in table 2.2 above:

	Q4 £'000	Q1 £'000
Children's Services: Social workers (Inc. Senior Social Workers)	606	503
Children's Services: Senior roles e.g. Social Work Team Managers, IR0's (G9+).	40	19.5
Adults' Services: Social workers (Inc. AMHP)	191	202
Adults' Services: Support Workers & Drivers	7	2

3.1 Children's Services – Total Spend Q1 £580k (Q4 £685k)

Children Services continues to use agency workers to fulfil frontline services. The bullet points below provides an overview of the impact of their ongoing recruitment and retention interventions:

- A continued stable positive downward trajectory of agency staff since December 2018. There was a further 15% decrease in agency numbers in comparison to Q4.
- There has been a 4% increase in filled posts during Q1 of 2019-20 and a 13% increase over the past 12 months.
- The majority of current agency staff are covering maternity leave or vacancies that have recently been filled with permanent recruitment where the candidate is yet to start in post
- Q1 saw Childrens Services host another open evening held to ensure recruitment, brand awareness and reputation building is optimised through multiple channels. This was boosted by Senior Management attending.
- The development of a social work academy which is attracting cohorts of 12 newly qualified social workers in to a highly supportive and learning environment for the first six months of their career is contributing to increased stability and reduced turnover.

3.2 Adult Services – Total Spend Q1 £248k (Q4 £235k)

The number of Agency Social Workers in Adult Services continues to cover posts which are being permanently recruited to and to maintain operational service levels. There has been a £13K increase from Q4 to Q1. The reasons for continuing to employ agency social workers are:

- a) Older People agency expenditure has been necessary in order to maintain operational services at optimal levels whilst permanent recruitment is underway.
- b) Adult Social Care also employ support workers and OT/OTA's within provider services on an agency basis in order to maintain the staffing levels required to meet the needs of service users in registered care provision. Agency support workers tend to be required in order to cover vacancies where recruitment is underway and some occasions of sickness absence. The use of agency OT/OTA has increased due to transferring services from NHS partners to the Council. A large permanent recruitment campaign is underway for this.
- c) IPS has continued to reduce agency usage through management actions and is continuing to develop recruitment processes with HR to minimise future agency use.

3.3 Customer Services & Transformation Q1 £138k (Q4 £85k)

Agency spend of £138k for Q1 in **Customer Services and Business Services** represents a 62% increase on Q4. The continued usage of temporary workers is explained below;

- A review of Business Services has been undertaken and now moved into the implementation phase of the proposals. Through discussions at the project board an agreement was reached to avoid recruiting to vacancies where possible to ensure the services continued to be supported and to allow posts to be secured for those undergoing consultation. As a consequence it has been agreed with the service area that temporary support would be used to fill vacant hours.
- Agency cover via Northgate for Housing Benefit Online Forms – against 10019 (Customer Services). This has been due to shortage of resource and the team is in the process of recruiting / training – This is anticipated to end by the end of the calendar year.
- Housing & Homelessness - The service were given approval to recruit 2 additional agency staff from March due to the increase in work regarding temporary accommodation. Since Q4 the service have reduced agency spend and numbers of staff and as of end of August will only have 2 agency staff in the service. Efforts are continuing to work to decrease this further through recruitment to vacant posts in the structure.
- The £15k agency worker spend in **ICT & Digital** is across three distinct areas. We are using agency staff to assist with the closure of the Mitel platform and migration to Skype as well as utilising agency staff to assist with the mobile phone deployment project. Reed are used to help with recruiting to some of our more specialist permanent roles. Moving forward we are looking to bring our reliance on agency staff to a close – especially on the Mitel project. The need for this agency resource will cease by the end of Q2 2019/20.
- **HROD** used Reed for a period of time to cover maternity and a recruitment to a vacant post to enable the continuation of business (1 day per week).

- **HR Recruitment Team** used a temp to cover tasks during a period of transformation. This spend will not continue following Q2.
- **Procurement & commissioning** total spend of £14K, relates to the use of one agency worker providing cover for Contracts workload and vacant post interviews are scheduled for these permanent posts in September.

3.4 Education Services

Education Services have reduced their spend to £0 from Q4 to Q1.

4. Place Directorate – Total Spend Q1 £207k (Q4 £146k)

The table below shows the main areas that contribute to the “Streetpride, Streetscene and Regulatory Services” in table 2.2:

	Q4 £'000	Q1 £'000
Waste Services	34	18.5
Street Pride	49	66
Planning & Regulation	29	16.5

4.1 Waste Services - The spend in domestic waste relates primarily to drivers & refuse collectors which has been used to cover sickness & leave due to insufficient cover in the casual pool. A number of individuals in the casual pool have moved to seasonal & full time positions in both domestic & commercial waste with recruitment into the pool now due. Sickness is running at 19 days/ft with the pool only covering for 10 days/ft.

4.2 Streetpride spend (Q1 £66k) continues to reflect the high number of vacant posts within the service and the seasonal nature of the service. The number of Agency staff used by the service will reduce as a result of the current recruitment exercise in the service area. A recent recruitment activity will reduce this spend which should show next quarter.

4.3 Planning Services Within Planning Services, the Development Management team currently employs 1 agency officer. The team has experienced various vacancies over the last couple of years and due to the level of workload in the team and difficulty recruiting to the vacancies it has been necessary to employ agency officers. Whilst the team has just recruited to the last vacancy, with the new officer starting at the beginning of August, there is now a requirement for maternity leave cover from the end of August. We are advertising for a temporary member of staff to cover the maternity leave but until we have someone in post we have retained the existing officer extending the contract until the end of October 2019. If we are successful with recruiting to the temporary post and no further vacancies open up we will be able to cease using agency staff.

4.4 Finance and Corporate Services agency spend in Q1 is £58k, increased from Q4 £20k as anticipated. This is due to posts being covered by agency staff in Legal Services covering long term sickness and maternity leave. Costs increased as a further agency staff was taken on in

Q1 to cover vacant posts. There are some delays in recruitment to permanent posts to support career development opportunities pending qualification.

4.5 City Centre & Major Projects, CSW Sport is a hosted service which is governed by a partnership board. All permanent recruitment has been put on hold by the Board while a transformation project is scoped and any change concluded. Therefore, agency workers and freelance contractors are being used to deliver the service during this time. The spend in Q1 is £8k. Following any transformation project the service intends to reinstate recruitment processes.

4.6 Project Management & Property Services spend in Q1 £12k relates to short term cover of a Senior Building Surveyor agency post was needed to deliver a number of building related projects on the Council’s Commercial Property Portfolio to include a Planned Maintenance Programme. At the time there was no Building Surveying resource in the Council with all Building Surveying consultancy being outsourced except for the project work which was then picked up by this agency post. A full time Building Surveyor position has now been created and filled, so this spend on an agency Building Surveyor has now ceased and outsourcing of building consultancy reduced.

5. Spend outside of the Reed Contract

Table 5.1 below shows comparative expenditure outside of the Reed contract between Q4 2018/19 and Q1 2019/20 as well as Q1 2018/19 and Q4 2019/20.

There has been a **decrease of £201k** in spend outside of the Reed contract between Q4 and Q1. With a **decrease of £79.5k in comparison** to the same quarter Q1 2018/19.

Table 5.1:

a) Q4 2018/19 and Q1 2019/20

Directorate	Total Spend Q4 2018/19	Total Spend Q1 2019/20	Increase / Decrease
People: Children’s	£109,491	£20,996	-£88,495
People: Education	£82,000	£31,363	-£50,637
People: Cust. Serv.	£54,966	£25,316	-£29,650
Place: Professional Services Contract	£82,320	£27,621	-£54,699
Place: Waste & Fleet Services	£0	£22,029	£22,029
TOTAL	£328,777	£127,325	-£201,452

b) Q1 2018/19 and Q1 2019/20

Directorate	Total Spend	Total Spend	Increase / Decrease
	Q1 2018/19	Q1 2019/20	
People: Children's	£87,624	£20,996	-£66,628
People: Education	£27,765	£31,363	£3,598
People: Cust. Serv.	£20,934	£25,316	£4,382
Place: Professional Services Contract	£70,323	£27,621	-£42,702
Place: Waste & Fleet Services	£0	£22,029	£22,029
TOTAL	£206,646	£127,325	-£79,321

5.2 People: Children's Services

Spend of £21K in Q1. (Q4 £110k)

These costs refer to two interim contractors secured directly by the Council who supported service delivery and improvement. Of these, one was filling a Team Manager post and the other an Improvement Partner working closely with external bodies. The assignments for both of these individuals have now completed and there will be no off contract spend moving forward..

5.3 People: Education Q1 £31k (Q4 £110k)

Centrally employed teachers/teaching assistants:

Q1 has seen a decrease in spend (£50k) as agency usage shrank but the use of agency staff is still needed due to sickness, vacancy cover and difficulties recruiting. Costs for the provision of teaching for specific children with an education Health and Care Plan that are either not in school or require supplementary provision e.g. LAC is a continued due to safeguarding requirements. The Management Board and Director have been informed and are aware of the pressures. Once the restructure is in place for September 2019 the amount should see a gradual decrease over 4 months once we are able to appoint staff.

AP CELC centre continue to use agency staff due to open vacancies and the restructure having been ongoing for 12 months. This should come down as we now have a structure in place 1st September 2019 and will be recruiting staff to roles However there will be a small ongoing elements due to sickness cover

The recruitment team are working with the Service area & Reed to discuss how we can shift the supply in these areas through to our Master Vendor agreement.

5.4 People: Customer Services

Spend of £25k in Q1. (Q4 £54k)

There has been a decrease in spend outside of Reed in Customer Services (Homelessness). There is still a need for continued temporary support (as set out in 3.3) but the service trying to move the spend through to the managed service.

5.5 Place – Professional Services Contract

The revenue spend in Q1 is £28k (Q4 £82k).

Professional Services contract spend has been significantly reduced having successfully filled a number of vacant permanent posts using the Transport & Highways microsite and recruitment campaigns, the service continue to recruit using these methods with a view to further reduce agency spend where possible.

For posts that prove difficult to recruit to, services continue exploring options such as career grading, career development opportunity and graduate placement. Where possible, costs are recharged to relevant revenue costs to Capital projects and external funding to reduce the impact on core budgets.

5.6 Place – Waste & Fleet Services

Spend in Q1 is £22K (Q4 £0)

The reason for the increase in spend in Q1 is due to the Master Vendor being unable to provide staff for short term cover for an urgent cover need for 10 refuse collectors. The external supplier (Drive Force) has since been added to REED's supply chain by the Recruitment Team. Spend should fall in subsequent quarters as supply moves to REED,

6. Overall Management Comment

The Master Vendor contract is a planned strategy to work towards reducing the level of agency spends and to better understand where and how we use agency workers.

There will always be the need to use agency workers. The current usage continues to cover extra workload, vacancy, sickness absence and short-term cover whilst Service Reviews are taking place and to cope with sudden surges of demand. This will require the need for scarce skills and workers during these reviews; organisational restructures and sudden peaks in demand.

In terms of the cost of using agency workers, it is important to note that not all of the cost is in addition to normal staffing spend. Although agency cover associated with sickness absence in front line services is often an additional cost, in the case of agency cover for vacant posts the cost will be funded at least in part by the relevant staffing budget due to increase in demand of services.

Where opportunities exist for bulk recruitment campaigns to front line essential services, the Human Resources Recruitment Team will continue to work with service managers to identify workers, who are available for casual, temporary or permanent work in order to reduce the use of agency workers.

However, some roles continue to be hard to recruit particularly as we notice a skills shortage across the wider labour market which in turn creates a highly competitive employee led market place which is candidate driven. This is becoming more notable in areas that require legislative knowledge and experience as well as those of a specialist skill set.

In the case of children's social workers there has been some success with the current campaign which has been evolved to make extensive use of social media and other recruitment initiative to attract talent. Nevertheless, recruitment of experienced, high quality children's social workers continues to be difficult reflecting the national shortage of experienced social workers.

The new Master Vendor contract started on 25th June 2018 and is now embedded fully across the authority. The new contract is joint with Solihull and again is a hybrid Master Vendor.

The need for managers to ensure that the process of filling vacancies is undertaken at the earliest opportunity has been communicated to senior management teams and this has been reflected in the process to be used for the new contract.

The requirement that all engagement of agency staff be approved by senior management has been communicated to management teams. This requirement has been built into the set-up for the new contract. Combined with a consistent approach in the way data is recorded and collected should allow for governance and monitoring on the use of agency workers.

7. Results of consultation undertaken

- 7.1 The report sets out the steps the Council is taking to reduce expenditure on agency workers, particularly in those areas where they are used most intensively.
- 7.2 Officers will continue to bring the monitoring information to the Cabinet Member and steps will continue to be taken to endeavour to reduce the level of expenditure.
- 7.3 Management Information has given the opportunity for the Recruitment Team to target large areas with high usage of agency workers to try and reduce the need for agency workers. This work is ongoing.

8. Timetable for implementing this decision

Not applicable

9. Comments from the Director of Finance and Corporate Services

9.1 Financial implications

Quarterly monitoring of expenditure on agency workers will continue throughout the contract.

Reed operate a live management accounts system which places the cost of agency workers in the period the work took place rather than the period of time in which the Council was billed

for or paid the related invoices. The system shows the volume of agency activity/usage in a particular quarter irrespective of when invoices are paid.

Reeds system only incorporates timesheets authorised by managers and therefore the costs for a particular quarter will have a small tendency to increase throughout the year as more timesheets are authorised. We actively work with the master vendor to keep outstanding timesheets to a minimum.

Spend outside of the Reed contract, relates to the invoices paid during the relevant period. This expenditure relates to both temporary workers supplied by agencies other than Reed and to interim workers who operate under a PSC (Personal Service Company) with whom we contract directly.

9.2 Legal implications

There are no specific legal implications associated with this report.

10. Other implications

10.1 The Agency Worker Contract arrangement provides good value for money in relation to the procurement of agency workers. It also provides firmer controls on the use of agency workers and has in place sound management reporting to see where spend is taking place to target recruitment, maximise resources, and reduce spend on agency workers.

10.2 How is risk being managed?

There may be a risk to the Council where managers go outside of the Reed and contract directly with workers with the advent of changes to IR35 arrangements. There has been numerous communications across the Council to inform managers of changes and this will continue into the future.

10.3 What is the impact on the organisation?

Through the rigorous monitoring of agency worker usage and alternative strategies for resourcing short-term work requirements, the dependency on agency workers should be reduced. The Council's Policy on the use of agency workers states that Agency Workers should only be used when:

- Proper recruitment processes have failed to secure an appointment and staff cover has become crucial to the delivery of services;
- Short-term temporary cover is required until proper recruitment processes have been completed and an appointment is made;
- Unplanned absences that require immediate cover to ensure continuity of services;
- Unplanned, short-term or peak workloads occur.

Human Resources are proactively supporting managers to reduce agency spend.

10.4 Equalities / EIA

The master vendor has made considerable efforts to ensure that the equalities monitoring form is completed. The graphs in appendix 3 show the main equalities data at corporate level for the agency workers who were on assignment with us in the month of June 2018.

No equality impact assessment has been carried out as the recommendations do not constitute a change in service or policy.

10.5 Implications for (or impact on) the environment

None

10.6 Implications for partner organisations?

None

Report author(s):**Name and job title:**

Sam Griffin – Recruitment Manager

Directorate:

People Directorate

Tel and email contact:Telephone 024 7683 1728 [e](#)

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Officer	Place	3 rd September 2019	
Other members:				
Kirston Nelson	Director of Education	People	3 rd September 2019	5 th September
John Gregg	Director of Children Services	People	3 rd September 2019	5 th September
Pete Fahy	Director of Adult Services	People	3 rd September 2019	5 th September
Andy Williams	Director of Business, Investmt & Culture	Place	3 rd September 2019	5 th September
Barrie Hastie	Director of Finance & Corp Serv	Place	3 rd September 2019	5 th September
Richard Moon	Director of Project Mgmt & Property Serv	Place	3 rd September 2019	5 th September
Andrew Walster	Director of Streetscene & Regulatory Ser	Place	3 rd September 2019	5 th September
Names of approvers: (officers and members)				
Gail Quinton	Deputy Chief Executive (People)	People	4 th September 2019	4 th September 2019
David Ashmore	Director of Customer Services & Transformation	People	31 st August 2019	02 nd September 2019
Amanda Durrant	Head of Payroll Pensions & Employment Benefits	People	31 st August 2019	31 st August 2019

Kathryn Sutherland	Lead Accountant, Finance	Place	31 st August 2019	3 rd September 2019
Julie Newman	Legal Services Manager, People	Place	31 st August 2019	2 nd September 2019
Member: Councillor J Mutton	Cabinet Member for Strategic Finance and Resources		5 September, 2019	5 September, 2019

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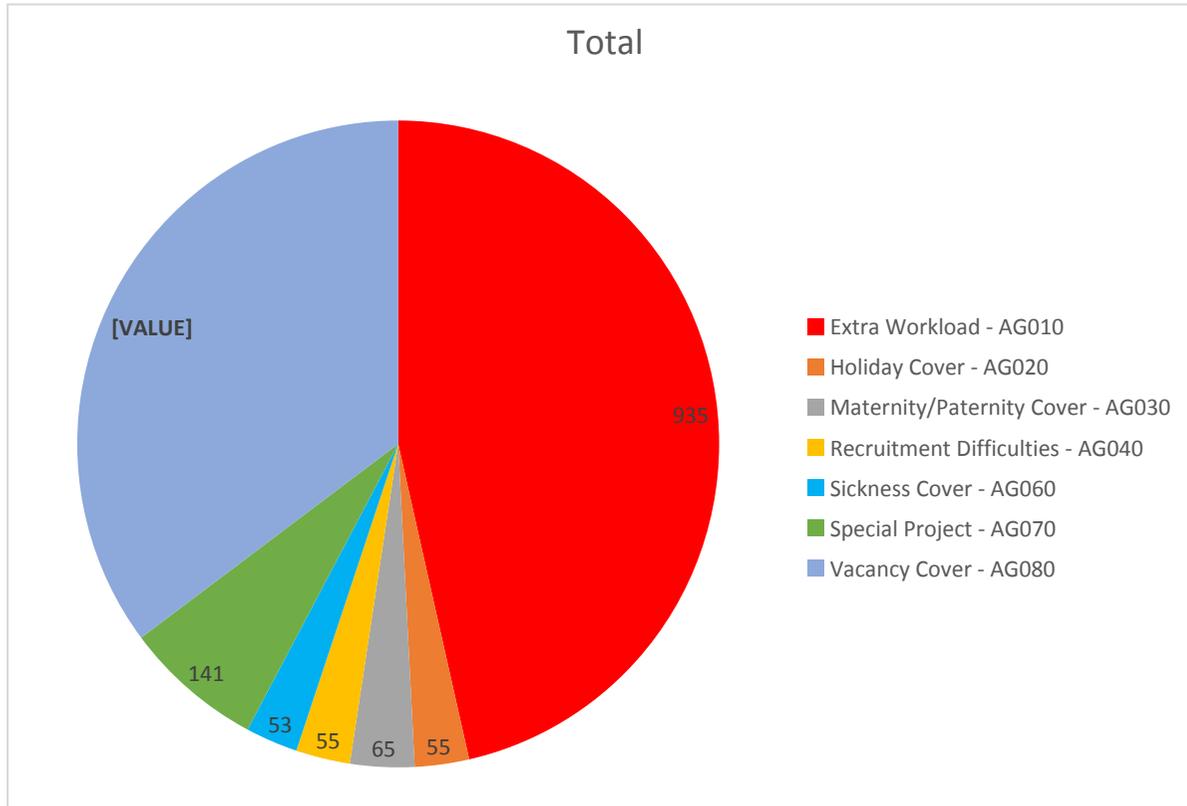
Appendix 1 – Children Services

Please see below graph showing the 12 month upward trajectory of filled permanent posts in Children’s Social Care.



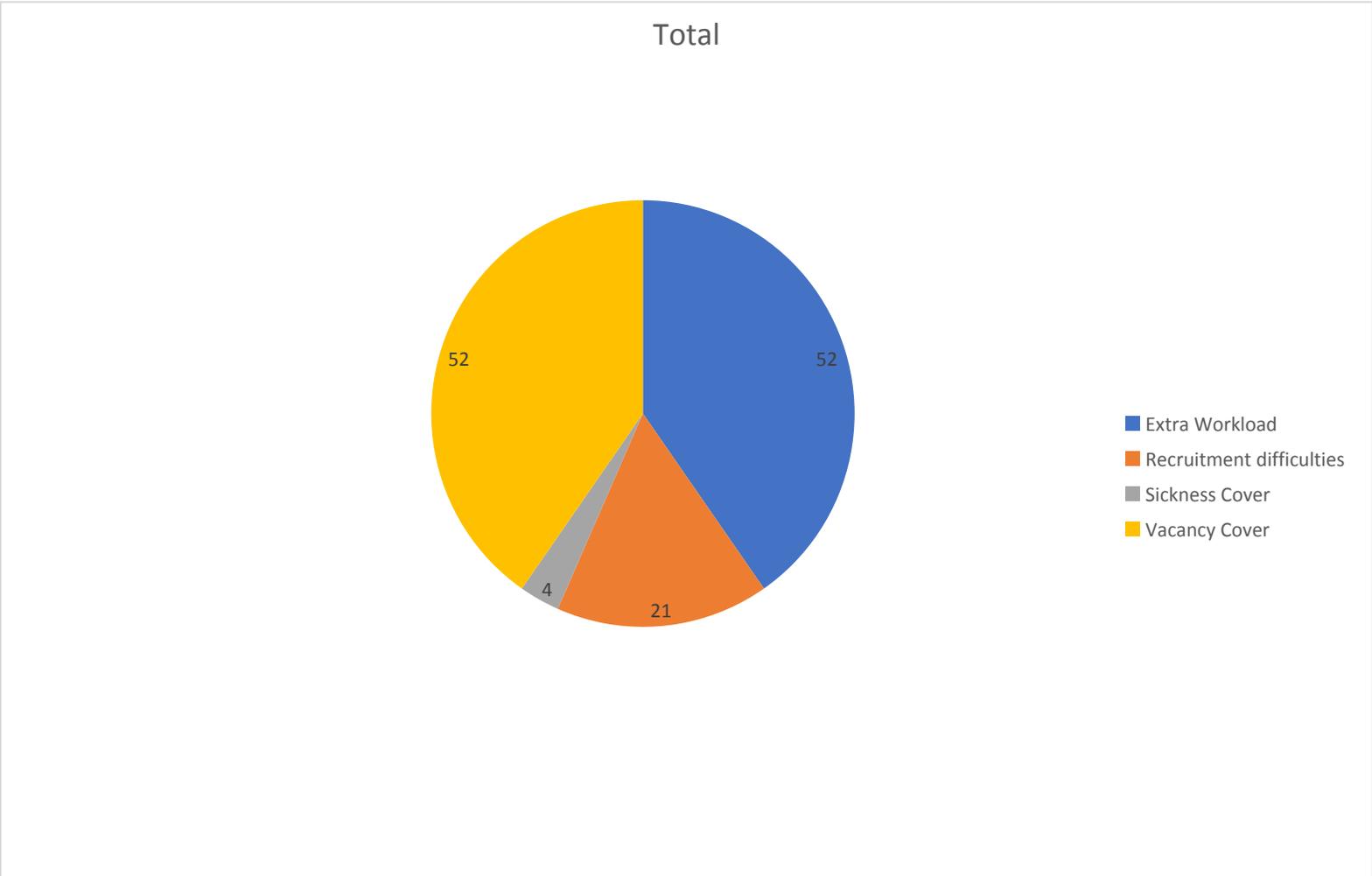
Appendix 2 – Reasons For Temp Usage

The below chart lists the reasons for temporary worker use via REED (on contract)



Appendix 3 – Reasons For Temp Useage

The below chart lists the reasons for temporary worker use via external recruitment methods (NB there were 29 orders without a reason)



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Cabinet Member for Strategic Finance and Resources

26 September, 2019

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

None

Title:

Outstanding Issues Report

Is this a key decision?

No

Executive Summary:

In May 2004 the City Council adopted an Outstanding Minutes System, linked to the Forward Plan, to ensure that follow up reports can be monitored and reported to Members. The attached appendix sets out a table detailing the issues on which further reports have been requested by the Cabinet Member for Strategic Finance and Resources so he is aware of them and can monitor progress.

Recommendations:

The Cabinet Member for Strategic Finance and Resources is requested to consider the list of outstanding issues and to ask the Member of the Management Board or appropriate officer to explain the current position on those which should have been discharged at this meeting or an earlier meeting.

List of Appendices included:

Table of Outstanding Issues.

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report author(s): Suzanne Bennett

Name and job title: Governance Services Officer

Directorate: Place

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	Subject	Date for Further Consideration	Responsible Officer	Proposed Amendment to Date for Consideration	Reason for Request to Delay Submission of Report
*1	<p>Apprenticeship Levy</p> <p>The Cabinet Member requested a report outlining how the Council can help other companies utilise their Apprenticeship Levy (Minute 27/18)</p>	September, 2019	<p>Deputy Chief Executive (People)</p> <p>Grace Haynes Rajvinder Grewal</p>	September, 2019	Work is being undertaken in this regard and a report will be provided following consideration at the Skills Board

*There is a report on this issue on the agenda

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