



Classification	Item No.
Open	

<b>Meeting:</b>	Cabinet
<b>Meeting date:</b>	13 <sup>th</sup> July 2022
<b>Title of report:</b>	Review of Bury Aces
<b>Report by:</b>	Cllr. Tahir Rafiq, Cabinet Member for Corporate Affairs and HR
<b>Decision Type:</b>	Key Decision
<b>Ward(s) to which report relates</b>	All

### Executive Summary:

Casual workers are defined as those who occasionally do work for a specific business, where the business does not have to offer work and they do not have to accept it. Casual workers are under the supervision or control of a manager and cannot send someone else to do their work. The employing organisation deducts tax and National Insurance contributions from their wages<sup>1</sup>.

Within Bury Council, Casual workers are, in the main, sourced via Bury Aces, the Council's in-house casual recruitment function. The Bury Aces team is responsible for attracting and interviewing and onboarding workers who have an interest in working for the Council on a casual basis. This casual 'bank' of workers is then available for services within the Council to access when they have a temporary requirement for resource. The function sits within the HR Service. In addition to the Bury Aces service, the team also provide support to schools through the Schools Supply Service which sources casual staff for Bury schools, the majority of which are supply teachers.

Whilst the Bury Aces function has proved effective in supporting Council resourcing in a number of areas, it is not consistent with the Authority's commitment to stable and high-quality employment in line with the Greater Manchester Good Employment Charter. Furthermore, the operation of this function as currently managed poses a number of risks to the Council.

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<sup>1</sup> <https://www.gov.uk/employment-status/worker>

Following a detailed analysis of the current model and available alternatives, this report sets out a proposal to cease the operation of the Bury Aces function, subject to the consultation of affected staff. In support of the Council's commitment to good employment, those casual staff with accrued employment rights will be offered the opportunity to move to permanent employment contracts. Ad-hoc and short-term staffing needs will be fulfilled, in full, through the use of agency works and, on the whole, the agreed Greater Manchester shared agency contract. This approach provides more stability, reduced risk to the Council and, as set out below, is less costly. Movement to a single model for the engagement of short-term workers will also reduce demands on key support functions including Finance and HR.

Agency Supply Teachers are not currently in-scope of the Greater Manchester shared agency contract and this is an area where resourcing is particularly challenging both locally and nationally at present. Schools' Trades Unions have recently commended the Schools Supply Service and highlighted its importance to the stability of Bury Schools. The proposal is, therefore, to retain this function until at least the end of the 22/23 academic year pending a wider review of the Council's HR support to schools.

There are a small number of casual workers engaged outside of the Bury Aces function. A review of the Council's approach to casual engagement in these areas will progress as a next stage of this work.

The impact of this proposal on the internal team engaged to coordinate the operation of Bury Aces is the subject of a separate report which will be considered by the Cabinet member for Corporate Affairs and HR as a matter for their delegated approval

## **Recommendation(s)**

### **That Cabinet:**

1. Approve the closure of Bury Aces provision subject to consultation with affected staff.
2. Establish roles and make offers of permanent employment to those individuals currently engaged as Bury Aces casual staff but with accrued employment rights.
3. Delegates authority to the Director People & Inclusion and the Cabinet Members for Human Resources and Corporate Affairs to consider responses received from the consultation, produce a final proposal and to determine whether the final version is to be implemented or returned to Cabinet for approval prior to implementation.

## **Key considerations**

### **1. Current Operating Model**

#### **1.1 Overview**

##### *Council Services*

1.1.1 Casual workers are sourced by Bury Council in a variety of ways, primarily through:

- Bury Aces; our internal recruitment team, which fills vacancy requirements for internal services and Bury schools
- Other ad-hoc arrangements between managers within service areas and their informal bank of casual workers, which are contacted directly by the service when a resourcing need arises

1.1.2 This proposal relates to casuals who are sourced through Bury Aces, including the Schools Supply service. Currently 7% of casual workers engaged by the Council are managed outside of the Bury Aces service. A subsequent piece of work will be undertaken later this year to review all local ad hoc arrangements which are in place.

1.1.3 During the 2021/22 financial year a total of 134,405 hours were facilitated by the Bury Aces function for Council services-based staff, equating to £1.5m in salary costs plus £105k in placement fees, costs are covered from within established service budgets. These staff were mainly engaged in Administrative and Care-based services, with Leisure and Waste also accessing a large volume of casual resource through Bury Aces. To give a rough sense of scale, the above hours would equate to circa. 69 full time members of staff employed on a year-round basis.

1.1.5 A total of 350 workers are currently engaged by Aces and have worked at some point within the past year.

##### *Schools' Supply Service*

1.1.6 Whilst the majority of casual provision provided by Aces is sourced for Council departments, Schools and Colleges also rely on Bury Aces for Casual Tutors and Invigilators. A separate service is provided to resource Teaching and Support Staff for schools, which is called the "Schools Supply Service" (SSS) and equates to circa. 17% of casuals currently engaged. This service is utilised by Maintained and Faith Schools and also Academies. Feedback is positive that the quality of resource provided exceed that offered by private sector recruitment agencies.

1.1.7 For the financial year 2021-22, 42,541 casual hours were facilitated via Bury Aces for Education-related support, 83% of which related to teaching staff with the remainder for dedicated exam invigilators and support staff. To give a

rough sense of scale, the above hours would equate to circa. 22 full time members of staff employed on a year-round basis.

- 1.1.8 Feedback from Bury Schools is that the Schools Supply Service is well-regarded and an affordable solution to resourcing needs, providing engaged and appropriately-paid workers to fill a short-term resourcing need. This is particularly important given well reported national shortage in sourcing supply teaching staff.
- 1.1.9 Staff engaged via the SSS are paid through Bury Council payroll with a 5% charge levied to cover the costs of the service's management within HR and Finance.
- 1.1.10 There are no schools-based staff engaged through the SSS who have potentially acquired employment rights.

## **1.2 Risks associated with the continuation of Bury Aces**

### *Commitment to Good Employment*

- 1.2.1 Meeting resourcing needs through the over-use of Casuals Workers has a potential impact on the Council's ability to align with the requirements of the Greater Manchester Good Employment Charter.
- 1.2.3 Under the Secure Work criteria of the charter, Members must evidence that employees have security over their income and can manage their work and non-work commitments more easily through:
  - Contracts that reflect actual hours worked, including the ability to have contracts reviewed and adjusted if actual hours regularly exceed or are below contracted hours, with zero hours contracts ultimately only for those who want them. The review would take place after 12 weeks of employment and following that every six months.
  - A guaranteed minimum number of hours in the advert and job description for any role and no exclusive zero hours contracts.
- 1.2.4 Members are also required to answer whether we offer "a guaranteed minimum of 16 hours a week" (unless the worker requests otherwise), this aligns to the Real Living Wage Foundation's 'Living Hours' scheme. Bury Aces does not currently offer a guaranteed minimum of 16 hours a week to our casual workforce. In securing membership of the Good Employment Charter the Council noted its commitment to review the operation of the Bury Aces function.

### *Accrued Employment Rights*

- 1.2.5 As Bury Aces casual workers are directly engaged as Bury Council employees, accrual of employment rights begins from the first day of engagement. After a period of 12 weeks continuous employment, these workers are eligible to join the Local Government Pension Scheme. The costs associated with this are

minimal, due to low take-up. However, the potential for these costs remains with this group of staff. Often placements continue beyond this 12-week period, with extensions processed at monthly intervals. Due to the casual nature of the engagement, workers do not know how long their placement will last and are therefore unlikely to make a long-term commitment to joining the LGPS. As a result of this, our current practice does not support these Casual workers to make decisions to support their long-term financial wellbeing.

- 1.2.6 In addition to this, long-term placements beyond 2 years afford the worker the entitlement to redundancy payment at the point their casual placement is terminated. This accrual of employment rights is not currently highlighted to services and, as set out below, a number of individuals are now in this position.

### 1.3 Financial Analysis

- 1.3.1 This project is not intended to deliver an immediate cost saving to the Council but rather to ensure good quality employment is offered and to mitigate a future financial risk.
- 1.3.2 Comparative analysis of the cost of ad hoc staffing via the Greater Manchester Agency Framework as opposed to Bury Aces shows that the costs vary by different professional groupings given the different rates applicable. However, looking at the five most utilised areas for Bury Aces, sourcing via Agency would represent a small net cost saving. Comparing Agency and Bury Aces commission values across the key business areas which Bury Aces supports provides an illustration of how the closure of Bury Aces will result in reduced commission costs for some areas and increased costs for others. Given the varying nature of roles Bury Aces supplies across the Council, this comparison is provided using data from the most utilised areas of supply, for illustration purposes:

<b>Business area</b>	<b>2021-22 number of casual hours</b>	<b>Bury Aces commission value</b>	<b>Reed commission value</b>
Admin	171514	£133,602.00	£94,709.00
Care	23102	£17,364.00	£25,412.00
Leisure	39020	£29,988.00	£42,921.00
Waste	62460	£46,897.00	£34,467.00
		<b>£227,851.00</b>	<b>£197,509.00</b>

## 2. Proposal

- 2.1 Based on the above analysis, the proposal is to seek Trade Union support to consult with affected staff, both Bury Aces Casual workers and the individuals engaged to manage the function, on the below broad proposals:

1. That an assessment of those Casual Workers with employment rights will be undertaken and, where ongoing service need is confirmed, offers of permanent employment are made. This assessment will take account of feedback from service managers and the availability of permanent budget.
2. That the Schools Supply Service continues to operate until at least September 2023, pending a wider review of HR support to schools and that this work will be moved to the HR Transactional Team.
3. That the Bury Aces function ceases to operate. Workers will be supported to be engaged via the Greater Manchester agency contract and business continuity maintained through a managed transition to Agency engagement.

## **2.2 *Assimilation of those With Permanent Employment Rights***

- 2.2.1 There are 14 casual workers, currently engaged through Bury Aces, who have worked in the same casual position continuously for a period of more than 2 years.
- 2.2.2 Work is underway to review these individuals and look to support them to move into permanent roles. Whilst they are not, contractually, employees, they are currently being managed and treated as such and mainstream budget provision is available. There will hence be no budgetary consequences for the Council.
- 2.2.4 The potential to convert these current casuals to permanently contracted employees is both morally and commercially motivated; their longstanding status suggesting they add value to our organisation and should be retained if budgets allow.
- 2.2.5 This conversion from casual worker to permanent employee status will provide the individuals concerned with more stability and the ability to make long-term decisions and commitments based on this guaranteed income from permanent employment with Bury Council.

## **2.3 *Continuation of the Schools Supply Service***

- 2.3.1 The proposal is to continue the operation of the Schools Supply Service given its criticality to Bury schools, the positive feedback received and the lack of a viable alternative at present. A further review of this work will be undertaken during the 22/23 Academic Year as part of a wider review of the Council's HR support to Bury Schools
- 2.3.2 As part of the transition of this function, a strengthened protocol will be established to identify and robustly manage long-term placements cognisant of the risk of accrued employment rights. Communication with individuals supply staff will also be strengthened cognisant of the Greater Manchester Good Employment Charter expectations

## **2.4 Cessation of the Bury Aces Function**

- 2.4.1 Outside of the Schools Supply Service considered above, the proposal is to cease operation of the other elements of the Bury Aces function.
- 2.4.3 If approval is gained to progress, officers in HR will work closely with the GM agency provider to transition current active workers and those registered with Aces but not currently active to engagement via the GM contract. This should see continuity of service for the Council and of pay for individuals.
- 2.4.4 A phased transition over a 5-week period will be led by representatives from the GM provider and the Council to ensure workers are onboarded with Reed and both workers and managers receive training on the systems required to submit and approve timesheets.
- 2.4.5 Whilst the priority will be to on-board casuals in existing placements, to maintain continuity of provision across the council and to ensure casuals do not see a break in payment, a process will also be progressed to enable current casuals engaged but not actively working to register with the GM provider, should they so wish.
- 2.4.6 The GM provider will conduct onboarding of these casuals onto their systems; this process will require DBS (where applicable) and right to work checks to be completed by Reed. This will enable the workers to source positions at Bury Council and any other relevant employers.

## **3. Conclusion and Next Steps**

- 3.1 As set out above, the Bury Aces function is not aligned with the Council's commitment to Good Employment and presents significant risks to the Council. An alternative provision is already available through the Greater Manchester Agency Contract and the proposal is to cease the current Aces function and move to the utilisation of this service. Where employees have legitimately accrued employment rights then this will be honoured.
- 3.2 Given the lack of a currently viable alternative, the high regard with which the function is held and the current challenging market place, the Schools Supply Service will be retained until at least September 2023, pending a full review of the Council's HR support to schools.
- 3.3 As noted above, there are a small number of casual workers engaged outside of the Bury Aces function. A review of the Council's approach to casual engagement in these areas will progress as a next stage of this work.

The timeline below summarises the next steps, subject to Cabinet's approval.

<b>Week Commencing</b>	<b>Action</b>
<b>13/07/2022</b>	Cabinet meeting takes place - review of Bury Aces consultation requested
<b>15/07/2022</b>	Local Government Services Consultation Meeting (S188)

<b>18/07/2022</b>	Launch of employee consultation
	Employee comms programme begins
	Manager comms programme begins
	Schools comms programme begins
<b>19/08/2022</b>	End of Consultation
<b>30/08/2022</b>	Final report to confirm Consultation outcomes agreed.
<b>31/08/2022</b>	(Aces staff working notice support the transition to Reed)
	Write to all active Aces workers - signpost to Reed for onboarding
	Write to internal teams - confirm Reed sign-up is necessary for any live placements
	Confirm offer of permanent employment to Aces workers with employment rights.
	Reed begin onboarding process with current Aces casual workers
	Reed remotely deliver training sessions on XMS portal usage (ordering resource and approval of timesheets)
<b>01/09/2022</b>	Implementation date - Aces closes to new staff. Phased transition
<b>06/10/2022</b>	Transition complete

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### **Community impact/links with Community Strategy**

This proposal supports the Council's commitment to lead by example in offering high-quality employment opportunities.

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### **Equality Impact and considerations:**

*Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:*

*A public authority must, in the exercise of its functions, have due regard to the need to -*

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*



*The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.*

<b>Equality Analysis</b>	<i>Please provide a written explanation of the outcome(s) of either conducting an initial or full EA.</i>
A full EIA has been undertaken and no disproportionate impacts identified.	

**Assessment of Risk:**

The following risks apply to the decision:

<b>Risk / opportunity</b>	<b>Mitigation</b>
Current Bury Aces casual workers choose not to register with the GM provider to fulfil their existing casual placements	Extensive communications programme delivered to connect existing casuals with the GM provider for on-boarding. Communications to Managers to encourage current in-placement Bury Aces casuals to continue in these assignments, albeit through the agency provider, will be led by HR. The agency provider has the ability to source alternative workers where needed.
For new casual placements: the GM provider encounter difficulties filling these posts	Extensive discussions have taken place with the GM provider to reassure Senior Officers that the existing GM collaborative agency contract can fulfil the requirements of this
For short-notice casual requirements: if the GM provider find identifying casuals available at short-notice to be a challenge	The provider currently provide short-notice cover for other GM Authorities at a similar level of demand to that which we expect from this. Should this prove to be a challenge when the provider are presented with increased demand, this will be raised through the monthly contract management meetings and escalated as a failure to meet the expectations of the contract.
Internal services choose not to go through the GM provider for casual resourcing requirements, but instead increase use of their own "bank" of casual workers to fulfil these demands	Clear processes developed to ensure that any request for casual recruitment by internal services is met with challenge. This will ensure that casual resources cannot be filled by avoiding use of the GM collaborative contract.

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**Consultation:**

Should approval to progress the closure of Bury Aces be approved by Cabinet, agreement from the Trade Unions will be sought to undertake employee consultation. The Trade Unions have been engaged in the development of this proposal.

This consultation period will be for a period of 30 days and involve the three individuals employed in the Bury Aces team within HR as well as those currently engaged as Aces works. Consultation will include a series of open sessions, one-to-one meetings with the Aces team and the offer of one-to-one meetings for all active Aces workers. Workers registered with Aces but not active will be contacted in writing and offered the opportunity to attend a number of open sessions in order to explain the process of registering with Reed to enable them to perform future casual work for Bury Council.

There will be separate open engagement sessions for managers who currently utilise Aces workers to provide further training on the Reed process, HR support with casual recruitment and use of the electronic systems to generate casual orders and review and approve timesheets.

In collaboration with the Director of Education and Skills, Schools and Colleges will be engaged to outline the proposals for service delivery post-implementation, to ensure that school provision is seamlessly maintained throughout the implementation phase. Work will also be undertaken to identify alternative provision where non-teaching casual workers can be sourced, to better support Schools and Colleges with this transition.

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**Legal Implications:**

A full equalities impact assessment has been completed. This proposal will ensure all contractual matters will be dealt with in accordance with legislation and the Councils HR policies and procedures, workers with accrued rights will become permanent members of staff. Legal advice will be provided at all stages. Statutory consultation will take place with all Members of the Bury Aces team.

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**Financial Implications:**

The table at 1.3.2 in the main body of the report identifies that moving to the Reed contract should deliver overall savings to the Council, although for care and leisure roles costs may be higher. This may be mitigated by those staff who have accrued employment rights being taken on within the establishment in the vacant roles that these staff have been filling.

There is still the availability of the GM contract to fill sporadic roles as and when they arise to fill short term vacancies.

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**Background papers:**

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

Term	Meaning