

Member Questions
Council 12 December 2024

Question from Councillor Kevin Pardy

On 14 October Shropshire Council announced the delay of 11 scheduled and much-needed road resurfacing projects across the county, citing the council's financial crisis and the need to save money as the reason for the delay. The delay of resurfacing was to help the council make savings (See Shropshire Council Newsroom 14/10/2024).

In number, the cancelled projects amount to 25% of the planned resurfacing for the current year. The portfolio holder made a statement linking the cancelled projects to Shropshire Council's financial crisis, in which £62.5m revenue savings are required in the current financial year

However, road resurfacing is funded by government, allocated to highways authorities such as Shropshire Council, based on the mileage of A and B class roads within each council's geography. Please explain how delaying these projects helps Shropshire Council manage its financial crisis and why the allocated budget appears to be overspent to what seems to be a very substantial degree?

Response from Councillor Dan Morris, Portfolio Holder for Highways

The council has to work within its budget envelope and that applies equally to both Capital and Revenue budgets. The prolonged wet winter of 2023 had a significant impact on the network with a significant increase in defect numbers. It was clear that addressing a significant backlog, without additional funding would not be achievable. The revenue costs associated with borrowing capital was prohibitive, due to the interest payments. Therefore the existing highways budget had to be re-profiled and resurfacing schemes have been delayed until the new financial year, in order to help fund defect repairs and other critical maintenance through the winter period

Question from Councillor Rosemary Dartnall

Staff/agency staff

This is a question about people working for Shropshire Council, comparing directly employed staff and those indirectly employed through agencies. It is also about how recruitment is managed by the council.

- Please describe briefly the HR department's involvement in all aspects of recruitment and whether third party recruitment agencies are used to provide any elements of the process?

- How many people, by directorate, are working on behalf of the council?
- How many of those people are directly employed by the council?
- How many are employed indirectly via agencies?
- How do the terms of employment differ between agency and directly employed staff?
- What is the differential cost between directly and indirectly employed staff including on-costs?

Response from Councillor Gwilym Butler, Portfolio Holder for Finance, Corporate Support and Communities

1. Please describe briefly the HR department's involvement in all aspects of recruitment and whether third party recruitment agencies are used to provide any elements of the process?

Directly employed staff:

HR Admin and Payroll team are responsible for processing all relevant forms submitted by the Appointing Officer (Line manager) and provide recruitment support to publish and monitor recruitment campaign. Once the appointing officer has determined a shortlisted candidate HR Admin and Payroll progress pre-employment checks to enable the manager to discuss a start date with the preferred candidate.

HR Advice team are responsible for ensuring the appointing officer has sought directorate workforce board approval before recruitment can proceed. The HR team provide professional HR advice on content of job descriptions, person specifications, advertising and appropriate salary levels as well as delivering recruitment training for appointing officers. Depending on the level of position being recruited to, a HR representative may be in attendance at interviews.

Appointing Officers are responsible for evaluating the need for the post(s) in the context of service delivery and adhering to the full recruitment process including:

1. Completing the necessary recruitment forms within the ERP System and ensuring applicant records are updated in the recruitment system;
2. Ensuring all new/revised posts are formally job evaluated before advertised;
3. Ensuring the job description, person specification and advert are reviewed and updated to ensure they are accurate and on the current template;
4. Using the essential criteria appropriately when shortlisting applicants;
5. Ensuring IT access/ equipment is put in place in a timely manner for new starters
6. Ensuring an employee receives a comprehensive induction plan.

Temporary Agency / Consultant appointments:

Appointing officer is required to gain approval via the directorate workforce board before proceeding with recruitment. Appointing officer then liaises directly with Opus in the recruitment process to source a temporary worker. From 21st October 2024, the council has a new provider of temporary agency resource: WMTemps, powered by Opus People Solutions. Opus has a dedicated recruitment team who work directly with the appointing officer to provide an agency worker / consultant.

If an appointing officer requires a specific calibre and/or independent consultant, they require directorate workforce board approval before contacting the relevant consultant. Appointing officer is required to comply with the Procurement contract rules:

Major contracts

£170,000 and above – a competitive advertised tendering process should be undertaken also ensuring compliance with the Public Contract Regulations, if applicable, including advertising requirement (Find A Tender, Contract Finder, council website).

Ordinary contracts

£50,000 to £169,999 - a competitive advertised tendering process should be undertaken using an open tendering procedure, including advertising requirements (Contract Finder/council website).

Minor contracts

Under £50,000 – three competitive quotations should be obtained (one should be a Shropshire contractor if at all possible). Advertise if possible (Contract Finder/council website).

Low value

Under £10,000 – at least two quotations to be obtained, advertise if possible (Contract Finder/council website).

2. How many people, by directorate, are working on behalf of the council?

Directorate	Number of employees
Health Wellbeing & Prevention	376
People (not including schools or shire services)	1,469
People (Shires Services only)	553
People (schools only)	1907

Place	523
Resources (including Corporate Budgets)	474
Strategic Management Board	114
Grand Total (not including schools)	3509
Grand Total (including schools)	5416

Directorate	Number of Agency Workers
Health Wellbeing & Prevention	0
People (not including schools)	94
Shire Services only	103
People (schools only)	unknown
Place	35
Resources (including Corporate Budgets)	3
Strategic Management Board	0
Grand Total (not including schools)	235
Grand Total (including schools)	unknown

3. How many of those people are directly employed by the council?

As above (Q2)

4. How many are employed indirectly via agencies?

235 as at 9 December 2024

5. How do the terms of employment differ between agency and directly employed staff?

From the day an agency worker commences they have Day 1 rights to use any shared facilities i.e. food/drinks machines and car parking. Agency workers are an employee of the Agency company they are recruited to and not Shropshire Council therefore all employer obligations and legislative requirements sit with the agency (Employer).

After 12 weeks in the role agency workers are entitled to 'equal pay' - at least the same pay as a permanent colleague doing the same job; automatic pension enrolment to a defined contribution scheme (not the LGPS), statutory sick pay and paid annual leave. At Shropshire we pay agency workers equal pay from Day 1. We will be picking up the low pension enrolment with OPUS, as only 2 of the 221 workers through them have opted into the pension scheme.

The terms of employment for agency staff and directly employed staff differ in several keyways:

Employment Relationship:

Agency Staff: Employed by the agency, not Shropshire council. The agency handles payroll, taxes, and benefits.

Directly Employed Staff: Employed directly by Shropshire council, which handles all aspects of employment, including payroll, taxes, and benefits.

Pay and Benefits:

Agency Staff: Typically paid by the agency, which may include a markup for their services. Benefits like health insurance and retirement plans are less common.

Directly Employed Staff: Receive pay and benefits directly from the council as their employer.

Job Security and Stability:

Agency Staff: Often hired for temporary or project-based work, leading to less job security and stability.

Directly Employed Staff: Generally, have more job security and stability, with permanent or long-term contracts.

Equal Treatment:

Agency Staff: After 12 weeks in the same role, they are entitled to the same basic working conditions as directly employed staff, including pay, working hours, and annual leave

Directly Employed Staff: Receive these benefits from the start of their employment.

Control and Flexibility:

Agency Staff: Offer more flexibility, who can adjust staffing levels based on demand without long-term commitments.

Directly Employed Staff: Provides the council with more control over their workforce but requires more commitment in terms of employment contracts and benefits.

6. What is the differential cost between directly and indirectly employed staff including on-costs?

The table below shows the average costs of 3 different posts between agency and employed staff. These costs are based on average weekly net charge for agency costs with an average weekly number of hours. The average weekly number of hours has been used when comparing the Shropshire Council employed staff to ensure consistency. There are a number of assumptions to take into account alongside the table below:

- No holiday/sickness has been included
- No allowance has been made for the recruitment and retention payments in the SC Employed costs for Social Workers

	Total Costs (£)	Difference (£)	% age difference
Social Worker Agency OPUS	71,678.57		
Social Worker Employed Band 11 SCP 33	52,091.64		
		19,586.93	37.60%
Admin Assistant Agency OPUS	22,919.31		
Admin Assistant Employed Grade 5 SCP 7	22,758.52		
		160.79	0.71%
Passenger Assistant/Driver Agency OPUS	26,392.23		
Passenger Assistant/Driver Employed Grade 7 SCP 12	26,104.64		
		287.59	1.10%

Question from Councillor Brian Williams

Now that the new procedure for Shropshire Council tax payers to obtain a time slot to visit a waste disposal site has been in operation for some weeks, could the portfolio holder give an update on the effectiveness of the procedure and indicate any teething problems or significant difficulties that have had to be overcome for both staff at the sites and those visiting to dispose of their waste.

Response from Councillor Ian Nellins, Portfolio Holder for Climate Change, Environment and Transport

- There were 24023 bookings made.
- The residual tonnage was down 25% from the previous two years, this is probably just a spike but positive.
- There were 2,245 that turned up but had not booked so 25% although this has dropped from 250 per day to 50.
- The snow on the 19th had a big impact on site usage as you would expect.
- We have one rogue van who visited the site 15 times apparently the system still allows them to book past the 12 slots allowed, something I was not aware of however, they have agreed to the T&C so we will be writing to them and let them know that they cannot make any further visits unless they provide sufficient evidence for the team to review.
- The cars that made 25 and 20 visits we suspect are small businesses, so we have agreed with Veolia to produce a protocol for dealing with these that we can.
- Only 123 bookings were from T&R.
- There were 20 abusive customers recorded again we need to consider a two or three strikes approach and 3-to-6-month site bans.

Question from Councillor Rob Wilson

Please can you confirm that both Greyfriars and Frankwell footbridges in Shrewsbury were recently closed caused they were deemed dangerous, and that no remedial action was taken? Instead Shrewsbury Town Council cleaned the bridges to make them safe after being contacted by concerned local businesses.

Response from Councillor Dan Morris, Portfolio Holder for Highways

Shropshire Council Streetscene and Highways Teams have been working through a backlog of reactive requests, following the prolonged period of bad weather. These requests have outstripped available resources and hindered our ability to respond in what some might perceive in a timely manner. The issues have been prioritised and we are working through these as quickly as possible. This process has included collaboration with Shrewsbury Town Council and colleagues will continue that important work.

Question from Councillor David Vasmer

Given the External Auditor has criticised the Council for not preparing for the possibility of the NWRR being cancelled, what consideration has the Council given to the loss of the LEP funding and what contingency plans does it have in place to mitigate the loss?

The External Auditor highlighted serious governance failures with meetings cancelled, not minuted and spending not properly authorised. What changes has the Council made to comply with the External Auditor's concerns?

The Council was planning to use £136m of funding from the Local Transport Fund (allocated after the part cancellation of HS2) to improve transport infrastructure throughout the County. This is the commitment made by Cabinet Member Cllr Ian Nellins when the funding was announced in February:

“ first indications are that it will offer the opportunity to improve the county's roads, bus and rail services, and transport infrastructure, which is great news for the county.”

Why has the Council turned its back on the rest of the County and abandoned any improvements in local infrastructure in preference for ploughing much of the Local Transport Fund money into the NWRR?

Why is the Council ignoring the instruction given by former Transport Minister Guy Opperman over the £136m allocated to Shropshire from the Local Transport Fund? In February this year the Minister was quoted in the Shropshire Star as follows: "The money can't be diverted into the controversial Shrewsbury North West Relief Road, which is a separate project".

Response from Councillor Dan Morris, Portfolio Holder for Highways

LEP funding was secured for the Oxon Link Road (OLR) rather than the NWRR as part of an approved FBC for the OLR. Even if the NWRR were cancelled, the Council could still deliver the OLR scheme and, therefore, this funding would not be at risk of being lost.

The external auditors' report considered by the Audit Committee on 28 November 2024 summarised information and reports that the Council's own audit team carried out more than 12 months ago and resulted in reports to the Audit Committee in February and September this year. The findings relate to the situation at the time and the committee has been given assurances by the NWRR project team that recommendations made by auditors have been responded to at each stage. The Committee has asked for a further update from the project team at a meeting in February 2025 on progress against the recommendations it has made.

The Local Transport Fund (LTF) funding award letter was sent to Shropshire Council dated 1 March 2024, stating in writing:

"This is a historic level of funding for these councils. The new funds can pay for the infrastructure that communities really want: from new roads to new mass transit systems, more EV charge-points or refurbished bus and train stations, to filling potholes."

As of today, there has been no further update from the current government to alter the previous government's intention to fully fund the project.

Question from Councillor Colin Taylor

In view of all the changes taking place in the restructuring of provision of services to Shropshire at all levels,

Can Council be informed of the amount of reliance being placed on PwC for advice and guidance.

How much has been paid to PwC in this financial year to date and how much is projected to be paid to them in total for this Financial year.

Has a flat fee been agreed or are they remunerated by the day, the week or the month?

What criteria are used to ensure that we are getting value for money .

Response from Councillor Gwilym Butler, Portfolio Holder for Finance, Corporate Support and Communities

The Council has a contract with PwC to be our Transformation Partner and, as such, we can use this relationship to provide advice and guidance whenever and wherever required to support us in the delivery of The Shropshire Plan and our MTFS.

Council gave approval on 29 February 2024 as part of the Financial Strategy to continue to engage PwC within a framework of delegations set out in recommendation xvii and paragraphs 4.7 and 4.8. The fee was capped at 10% of the savings target (therefore £6.2m) with an expectation that savings to that level would be delivered in-year, but would be recurrent and therefore also of greater benefit in years to come.

This year, we have mainly used PwC to provide advice, capability, and capacity in three main areas, these being;

1. to reduce our Third Party Spend,
2. to help implement our Customer Digital Transformation ambitions,
3. and to review our services in a bid to resize our establishment while preparing to implement our new operating model.

We have an agreement to pay up to £6.02m to PwC for their input, of which we have paid £4.1m to date. This is through a combination of different fees which are mainly aligned to the achievement of key milestones or agreed outcomes.

We assess value for money based on the anticipated return on investment (RoI) and anticipate that once delivered this activity will provide full year financial benefits of around £24.8m, which is an RoI of around 4:1. We have robust governance arrangements in place to monitor delivery and performance, as well as checking delivery against agreed milestones and outcomes.