



Personnel Sub Committee – 25 November 2013

Revenue Support Group - Zero Hours Contracts

Purpose of Report

To transfer work and resources from the Revenue Support Group to Customer Services.

1.0 Background

- 1.1 For many years the Council has retained a small number of staff on “zero hours” contracts to undertake ad hoc duties that are time bound, seasonal or of a temporary nature.
- 1.2 This has been particularly used in the Revenue and Benefits service where a number of people known as the “Revenue Support Group” (RSG) have been retained to undertake various duties. These are mainly:
 - Opening, sorting and distributing the corporate post on a daily basis.
 - Filing and general administrative duties within Revenues and Benefits
 - Supporting the annual council tax billing process (Feb/March)
- 1.3 The work of the RSG is scheduled on a fortnightly rota basis. As work is identified RSG staff are offered the hours 2 weeks in advance and they are then able to confirm if they wish to take them.
- 1.4 The RSG list is made up of staff that may be retired, studying or not able to commit to regular hours and most in the past have indicated that the process suits their lifestyles. In some cases RSG staff have taken up permanent vacancies within the Council when their circumstances have changed and they want to move into permanent work.

2.0 Zero Hours Contracts Risks

- 2.1 Members will be aware that there has been a significant amount of negative publicity around zero hours contracts over recent months. They have been portrayed as being used by employers to minimise costs while giving employees no guarantee of work, and as generally bad practice from an employee perspective.
- 2.2 Many of those concerns do not apply here. The RSG staff are entitled to the same benefits as other staff; however, they rarely meet the criteria for National Insurance payments, sick pay or redundancy. They are paid an hourly rate of between £6.31 and £8.72 per hour (depending on the tasks they undertake). The lowest hourly rate for permanent staff at ENC is £7.25 and Customer Service Assistants are paid between £8.94 and £10.14 per hour. RSG staff are all able to join the Local Government Pension Scheme should they wish to do so.
- 2.3 Many RSG staff enjoy the flexibility that a zero hours contract gives them as they can choose to not work if they wish. However, the longer that RSG staff undertake work under zero hours contracts the higher the risk that they become entitled to guaranteed hours and an increase in salary. If this were to happen it would represent a considerable extra staff cost for ENC and a loss of flexibility to both ENC and the contract workers. A number of the RSG team have been with us for several years.
- 2.4 We mitigate these risks by ensuring that there is a level of flexibility among the RSG duties overall, that staff do not undertake the same duties each week, work varying hours and are always able to refuse to take up the hours.

2.5 With these risks in mind, we have gradually, over the last three years, as people have withdrawn their availability, not added any new staff to the pool and reduced the salary budget in 2012/13 from £69,000 p.a. to £59,000. In addition we have also slowly tried to transfer some of the duties to existing permanent staff.

3.0 Salary Budget

3.1 Where we have been redistributing some of the duties into the responsibilities of the permanent staff this has had some impact on the customer services team. The most significant was them now undertaking some of the distribution of the corporate incoming post and the processing of incoming cheque payments.

3.2 We have now reached a point at which the capacity of the customer services team has been stretched and this is having an impact on performance. In the last three months the statistics relating to call answering have declined. Just 76% of all calls to the contact centre were answered in 18 seconds against a target of 85% at the second quarter of this year. This is not all due to additional work allocation from the RSG. It was measured during the summer holiday period and there has been some additional work from changes to existing services. However, the transfer of work from the RSG is having a cumulative impact that now needs to be addressed.

3.4 It would now make sense to transfer some of the staff budget from the RSG group to employ a part time Customer Service Assistant in order to improve this performance. The total cost of twenty one hours of a customer service advisor amounts to £12,000 a year and this could be accommodated from the RSG staff budget.

4.0 Financial Implications

4.1 The extra cost for a part time customer services officer could all be met from within the existing annual RSG salary budget of £59,000. This would reduce to £47,000 from April 2014 and £12,000 would be transferred to Customer Services.

4.2 We would hope to recruit the Customer Services Advisor to begin work in January 2014 and could cover this cost through the transfer of £3,000 from the existing staff RSG budget for this financial year.

5.0 Legal Implications

5.1 There are no legal implications.

6.0 Equality & Diversity Implications

6.1 Any recruitment of a new Customer Service Advisor would of course comply with the Council's recruitment policy.

7.0 Recommendation

That approval be given to appoint a part time Customer Services Advisor from within the existing salary budgets.

Legal	Power: Local Government Act 1972				
	Other considerations:				
Person Originating Report: Lisa Hyde, Head of Customer & Community Services ☎ (01832) 742162 ✉ ljhyde@east-northamptonshire.gov.uk					
Date: 4 November 2011					
CFO 15.11.2013		DMO 15.11.2013		CX 15.11.2013	

