

Leicester
City Council

WARDS AFFECTED
All Wards (Corporate issue)

Timetable:
STRATEGIC PLANNING & REGENERATION SCRUTINY
CABINET

21st JUNE 2001
2nd JULY 2001

Quality Standards in Employment Agencies

Report of the Director of Environment, Development and Commercial Services

1. Purpose of Report

To ask the Authority to endorse its support for Leicester Employment Agency Association, a group which has been established to raise and maintain quality standards in agency work in the city.

2. Summary

- 2.1 Following research on agency work in Leicester, members agreed further action with a view to improving standards in agency work in the city (Regeneration Sub-Committee, 9th September 1999).
- 2.2 A number of employment agencies in the city were concerned of the poor image that the industry had and gave positive support to the aim of promoting quality standards in agency work. This has resulted in the formation of a partnership organisation, Leicester Employment Agency Association (LEAA), which comprises employment agencies and representatives from Leicestershire TEC, Career Services and Employment Services as well as Officers from the Authority. A full list of organisations that have been involved with LEAA is given in the Supporting Information paper.
- 2.3 In working towards quality standards the limitations imposed on employment agencies has had to be recognised. Accordingly, objectives have been agreed by partners that can be realistically achieved. Nevertheless, considerable progress has been made in developing standards. These are set out in the supporting document.
- 2.4 Once adopted, information will be distributed by participating employment agencies and other members of LEAA to agency workers on the standards they can expect from agency members of the LEAA. This will include contact numbers, allowing agency workers and candidates to access independent advice. Standards will be monitored and procedures have also been agreed for dealing with complaints concerning members of the LEAA.

- 2.5 An important aspect in the implementation of the standards is the raising of awareness. More publicity is planned including holding a launch event. The Authority is being asked to declare its support for the Association by signing up as a member of the Association and having a presence at the launch. This will ensure that the Authority signals its commitment to being a good employer.
- 2.6 The report has been considered by all departments within the Authority and by the Strategic Resources Group. During these consultations a number of issues were identified and in certain areas it was felt that due to market conditions other agencies may be used that are not signatories to the standards. However, the suggestion is that Authority should attempt to encourage use of the standards by those agencies. Whilst it is recognised that these difficulties may persist efforts must be made to work towards compliance. Departments will, therefore, be urged to comply with the standards.
- 2.7 The Best Value review on Human Resources is currently underway. This report will feed some of the positive comments it has received during the consultation exercise into that review.

3. Recommendations

- (i) Strategic Planning & Regeneration Scrutiny committee is asked to comment on the proposals;
- (ii) Cabinet is recommended to agree that:
- 3.1 the Authority supports the LEAA by becoming a signatory member;
- 3.2 to follow current practice in that employment agencies should only be used to engage people when conventional recruitment practices endorsed by the Authority (for example, internal and external advertising, casual registers, secondments, acting ups etc) have been assessed as impractical and militating against the flexible and economic deployment of resources to the detriment of service delivery. The City Council requires a quality service delivery to all members of the community and will look to engage employment agencies that can meet the specified quality requirements. The Authority supports the LEAA as a body that strives to meet the required standards of service delivery. When agencies are used that are not signatory members the Authority will seek the acceptance of these agencies of the principles outlined in the standards;
- 3.3 by adopting the standards the Authority is making a commitment to quality standards and will require its practices to be adjusted accordingly.
- 3.4 it is accepted that, in the case of schools, the Authority is limited in the control it has over the actions of individual Governing bodies;
- 3.5 it is recommended that the Authority consults with the LGA about what they might contribute to the issue of standards in employment agencies nationally.

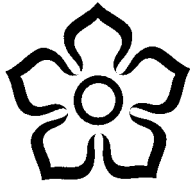
4. Financial and legal Implications

There are no financial implications connected with this report as all costs will be met from existing budgets.

Legal Services advised that if engagement of employment agencies was based on LEAA membership then the Authority could be in danger of being viewed as acting too rigidly and fettering its decision. In addition to this, Authorities cannot take non-commercial matters into account when selecting contractors. However, Legal Services agreed that selection of agencies could be dependent on them meeting specified contract criteria and have, therefore, agreed the wording in the report.

5. Report Author/Officer to contact:

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FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

**Strategic Planning & Regeneration Scrutiny
Cabinet**

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2nd JULY 2001**

Quality Standards in Employment Agencies

SUPPORTING INFORMATION

1. Report

The paper gives detail of progress that has been made in establishing quality standards in employment agency work in the city. A partnership organisation, The Leicester Employment Agency Association, has been established with the aim of establishing and maintaining quality standards. Members are asked to agree that the Authority supports this organisation and signs up as a member.

FINANCIAL, LEGAL AND OTHER IMPLICATIONS

1. Financial Implications

There are no financial implications as any costs incurred by the Authority will be met from existing budgets.

2. Legal Implications

Legal Services have been consulted and have agreed the report as indicated in the main paper.

3. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting information
Equal Opportunities	Yes	3.1
Policy	Yes	3.2
Sustainable and Environmental	Yes	3.3
Crime and Disorder	No	
Human Rights Act	No	

3.1 Equal Opportunities

Agency work covers a wide range of employment, from specialist and technical services to opportunities for those with lower skills and employment experience. It can offer a route into permanent employment for those who have been unemployed or are returning to the labour market. Quality enhancement will be of particular benefit to those who are lowly paid and also those who have no extensive employment history.

3.2 Policy Implications

The Authority will continue to engage agency workers in line with existing Authority policies, for example, giving regard to Standing Orders, Best Value and relevant legislation. The Authority will welcome the opportunity to work with members of the LEAA but will not and cannot confine itself to working with such members. However, the Authority does support the work of the LEAA and is pleased to be a founding member.

3.3 Sustainable and environmental

There is also a direct link between quality of employment and sustainability as defined to take into account social factors. This is reflected in quality of employment being used as one of the DETR's sustainability indicators.

4. Background Papers – Local Government Act 1972

4.1 Agency Work in Leicester, Regeneration Sub-Committee, 9th September 1999.

4.2 The following has been agreed as the quality standards that employment agencies which sign as members of the Leicester Employment Agency Association are required to meet.

LEICESTER EMPLOYMENT AGENCY ASSOCIATION (LEAA)

QUALITY STANDARDS

Members of the LEAA will seek to raise their standards through the following commitments:

1. Membership of the Recruitment and Employment Confederation (REC), or equivalent, following its rules and standards in both spirit and letter;
2. Provide training for consultants that meet the standards established by REC qualifications or the equivalent. Aim for
 - (i) 50% of consultants to have attained REC qualifications or
 - (ii) studying for such qualifications within 12 months of joining the LEAA.
3. Equal opportunities-
 - (i) Members of LEAA are committed to a policy of equal opportunities for all and shall adhere to such a policy at all times and will review, on an on-going basis, all aspects of recruitment to avoid unlawful or undesirable discrimination. LEAA members will treat everyone equally irrespective of gender, sexual orientation, age, disability, race,

religion, ethnic or national origin and places an obligation on all of their staff to respect and act in accordance with the policy.

(ii) LEAA members shall not discriminate unlawfully when deciding which candidate/temporary worker is submitted for a vacancy or assignment, or in any terms of employment for temporary workers. LEAA members will ensure that each candidate is assessed only in accordance with the candidate's merits, qualifications and ability to perform the relevant duties required by the particular vacancy.

(iii) LEAA members will not accept instructions from clients that indicate an intention to discriminate.

(iv) LEAA members will have in place procedures for dealing with complaints of discrimination. These, together with contact names, will be made available to temporary workers/candidates.

4. Advertising will follow REC guidelines and Employment Agencies Act regulations. For the avoidance of doubt, this means that where advertisements quote specific vacancies these will exist. All other advertisements should, therefore, be non specific to a position or vacancy;
5. With the exception of students, applicants aged 16 and 17 shall provide proof that vocational career advice has been received prior to registration or employment;
6. Where LEAA agency members recognise that an applicant is unsuitable due to the nature of the work that he/she is seeking, where appropriate they will refer that applicant to a relevant LEAA agency member who is more likely to meet that applicant's needs. For the avoidance of doubt, this shall not include the referral of candidates where that person is considered to be unsuitable on the grounds of required experience and/or attitude and/or qualifications as recognised by the interviewing LEAA agency;
7. All temporary workers will have been first issued with a contract for services prior to engagement on their first assignment;
8. LEAA members will ensure that temporary workers enjoy at least their minimum legal statutory rights/protection and be informed of their employment rights with particular regard to:
 - (i) the minimum wage
 - (ii) the Working Time Directive
 - (iii) daily and weekly rest periods
 - (iv) paid annual leave
 - (v) training when operating machinery or handling dangerous substances
 - (vi) discrimination on the grounds of gender, race or disability;
9. Ensuring that all workers pay statements clearly identify holiday, sickness, maternity and paternity payments made;

10. Operating a formal complaints procedure that is responsive to the needs of its clients and candidates. Such information will be passed on to candidates at the time of registration;
11. Trade unions play an important role and add value within the industries that they are associated. LEAA members support open dialogue with appropriate trade unions;
12. With the exception of the self-employed, pay rates quoted to candidates will not include any provision for employee's N.I., paid holiday entitlement, statutory sick pay, statutory maternity pay or transportation being provided;
13. Except where the candidate formally terminates employment, wherever possible, payment shall be made prior to the holiday taken;
14. Constructively provide references when requested to do so and, where practicable, such references to be processed within 3 working days;
15. Keep effective records
 - (i) keep records of workers' contracts/written statements including rates of pay, hours worked, holiday entitlement, gender and ethnic origin
 - (ii) keep records of workers' experience, skills, qualifications and training
 - (iii) record and analyse workers' retention
 - (iv) provide access to personal information
16. Keep detailed records of client companies which will include terms and conditions and employment requirements. Additionally, health and safety history to be noted i.e. if temporary worker has reason to complain then such complaints should be noted and any action taken to rectify the problem;
17. When transporting workers by minibus, the driver of the vehicle will hold a relevant PCV license and the agency hold a current PCV license if so required to do so;
18.
 - (i) Except where contractually obliged to do so, avoid adopting or transferring of workers from LEAA agencies with the intent of them working for the same client. If this situation arises, the host agency should be given 7 days to resolve any dispute/dissatisfaction of the worker. No charge for such transfers will be made;
 - (ii) Except where contractually able to do so, no charge will be made for the passing on of temporary workers when the contract is terminated.
19. Members will provide a representative to be present at LEAA meetings at least once a quarter.
20. In order to monitor standards of employment practices, as agreed in the constitution of the LEAA, participating employment agencies will be prepared to submit a list of workers to an advisory committee appointed by the LEAA management committee. Such information will be treated with strict confidence and any published findings will not identify any individual workers. Where necessary, the agreement of individual workers to the supply of this information will first be made.

5. Consultations

The following have been involved in the dialogue to establish quality standards in employment agency work.

Employment Agencies

- Direction recruitment
- Select Appointments
- Manpower
- Kelly Services
- The Work Partnership
- Randstad Employment Bureau
- A La Carte Recruitment
- Hays Montrose
- Ace Appointments
- 1st Call Recruitment
- Pertemps Recruitment Partnership
- Teamwork Direct
- Securicor Recruitment Services
- Barker Ross Holdings
- Initial Personnel Services
- County Recruitment
- MJ Recruitment Group
- Acclaim Employment Bureau
- People First
- Gemini Recruitment

Statutory/Voluntary Organisations

- Employment Service
- Leicestershire TEC
- Leicester Careers Service
- Apex
- Acas

Trade Unions

- TGWU
- Communication Workers Union

Internal

- Standby Register
- Human Resource Unit
- Employment Rights Service

6. Report Author

Bob Blyth (x8674)