

Insecurity as Policy

The Casualisation of Public Services





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Introduction

The Northern Ireland Executive, formed after the last Assembly elections in 2016, has made great play since its formation about how its new mandate will represent a significant change in how decisions are taken and government is carried out. The stated approach is re-emphasised in the Draft Programme for Government (PfG) Framework 2016-21.

NIPSA has previously responded to this draft PfG (See: [On line] Available: <http://www.nipsa.org.uk/NIPSA-in-Action/Policy-and-Research/PfG-NIPSA-Response>) and the Stormont Castle/Fresh Start documents upon which it was founded particularly in relation to its discussion of the future of public services. (See [On line] Available: <http://www.nipsa.org.uk/NIPSA-in-Action/Policy-and-Research/A-Failure-of-Imagination>). In this document we start from the basic premise that, for our members and the society in which they live, political claims of wanting to move towards “world-class” public services ring hollow in the increasingly casualised environment in which they work. For this reason we believe it useful to look across the public sector at this employment change and examine, as far as we can, its scale and cost.

Given the importance of its consequences (increased workplace stress in every sense and at all levels, dilution of universalism/collective bargaining leverage) the paper concludes with an argument for challenging this **deliberate** re-configuring of the workplace at any and all levels where there is a trade union negotiating presence and/or influence.

Data Gaps

We accept at the outset that in terms of data there are comparative problems both within and between sectors in terms of how data is defined, stored and how transparent it is to the general public. Accepting this, however, and the fact that what we are able to assess is only a retrospective “snapshot” of what is happening on the ground, the extent, duration of the use of “casual”/agency staff is still significant enough to highlight the data we can access and comment on the implications for public service that flow from this. In this context we decided to look at three large public sector employers – in the Housing Executive, in Health and Social Care and in the Northern Ireland Civil Service.

Northern Ireland Housing Executive (NIHE)

In response to our request for information we were able to establish the extent of agency staff employed within the NIHE's Directorates from April 2012 – November 2015. Both in terms of the initial available figure in each Directorate and the overall totals, we see a significant rise, year on year, of the total number of agency staff. See Table 1.

Table 1: NIHE Agency Staff by Directorate

Directorate	Start Date <1/4/13 April 2012 to March 2013	Start Date <1/4/14 April 2013 to March 2014	Start Date <1/4/15 April 2014 to March 2015	Start Date <1/12/15 April 2015 to November 2015
Housing Services	220	245	212	234
DLO	54	69	128	113
Asset Management			41	55
Regional Services			47	73
Finance	66	82	93	99
Corporate Services	20	28	23	38
Corporate Management			1	2
Period Total	360	424	545	614

We were interested to examine the length of time for which agency staff were employed by the NIHE. The figures released to us show that 112 agency staff were employed for more than 2 years, 502 staff were employed for less than 2 years. (This figure includes the 314 agency staff employed for less than one year) – see Table 2.

Table 2: NIHE Agency Staff Duration of Employment by Directorate

Based on emps April 2015 to November 2015	More than 2 years	Less than 2 years <i>(includes <1 year)</i>	Less than 1 year
Housing Services	42	192	145
DLO	45	68	20
Asset Management	17	38	22
Regional Services	4	69	62
Finance	2	97	49
Corporate Services	2	36	14
Corporate Management	0	2	2
Total	112	502	314

This staffing model involves the expedient use of agency staff provided by private sector agencies. These agencies, therefore, underwritten by public funds, benefit from the ideologically driven financial strait-jacket of austerity that public services/servants continue to endure. The price we pay for such an approach is considerable. Within the NIHE for example, we see a spend of over £29m between April 2012 and November 2015 with £11.7 million spent in the financial year 2014/5 alone. See Table 3.

Table 3: NIHE Total Costs of Agency Staff Use

Directorate	April 2012 to March 2013	April 2013 to March 2014	April 2014 to March 2015	April 2015 to November 2015
Landlord Services	2,065,882.51	5,158,123.68	8,251,191.79	5,305,124.98
Regional Services	127,056.03	485,199.56	948,333.76	796,384.58
Benefit Administration (HB)	421,215.27	937,915.56	1,561,778.63	1,004,909.43
Finance	137,476.92	141,725.09	165,309.40	108,566.08
Corporate Services	121,875.43	444,245.34	619,306.70	368,561.02
Corporate Management			162,441.00	94,901.93
Grand Total Per Month	2,873,506.16	7,167,209.23	11,708,361.28	7,678,448.02

In terms of the total “management fees” paid to recruitment agencies by the NIHE and the percentage of total “agency spend” this represents, we see costs of well over £200k a year between 2013-15 with over £280k paid out in 2014 alone - see Table 4.

Table 4: Agency Fees in NIHE

Year	Management Fee	% of Agency Spend
2013	£217,394.58	3.53
2014	£282,672.35	2.79
2015	£244,771.08	2.17

Health and Social Care

NIPSA contacted the Health Trusts to establish the cost and extent of agency employment over the last four years. Responses to this request were, to say the least, patchy in terms of responses being slow or in some cases failing, as yet, to respond at all. We may return to the full results of these requests on costs and numbers re agency staff in a future publication but at this stage for the sake of completeness we can at least explore the fullest data on this sector that is in the public domain. If, for example, we look at the evidence from the Department of Health, Social Services and Public Safety to the NHS Pay Review Body that reported earlier this year,¹ we can see the cost of agency/locum staff (including locums) from 2010/11 until September 2016. See Table 5.

Table 5: Agency/Locum Spend (including locums) 2010-September 2016

Agency Spend (includes Locums)	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16 April to Sep
Medical & Dental	23,644,956	23,093,817	32,439,996	32,558,600	38,506,733	20,212,68
Nursing & Midwifery	6,916,885	8,641,658	9,852,129	11,116,340	12,094,055	7,293,325
Prof & Tech	1,217,178	2,388,060	4,940,249	3,978,227	3,039,152	1,264,785
Admin & Clerical	5,002,680	6,618,493	10,915,492	10,830,821	10,561,767	4,649,233
Support Services	2,033,150	2,882,374	4,725,091	5,273,308	6,312,881	3,558,086
Estates & Maintenance	0	0	10,084	601	0	0
Social Services	4,082,394	4,620,066	5,529,989	5,819,582	5,811,160	2,969,775
Ambulance	140,208	89,451	140,436	101,210	135,929	50,830
Other	0	22,429	124,726	0	26,988	291,380
Total	43,037,451	48,356,348	68,678,192	69,678,689	76,508,610	40,290,101

As the table shows, agency costs have risen year on year. In addition, a key question raised by these figures relates to the lack of strategic coherence illustrated by them. For example, this sector requires planning and certainty to provide the platform for the health and social care we all need. While, of course, there will have to be some flexibility within the system, how can, for example, the agency spend in relation “Admin and Technical” double between 2010/11 and 2014/5? In this context it is little wonder that the sector can attract headlines such as “£400,000 a day for agency staff to plug chronic shortage in Northern Ireland.”² But staff shortage is neither new nor short-term as is clear when we look at the extent and duration of long-term vacancies. See Table 6 and Figure 1.

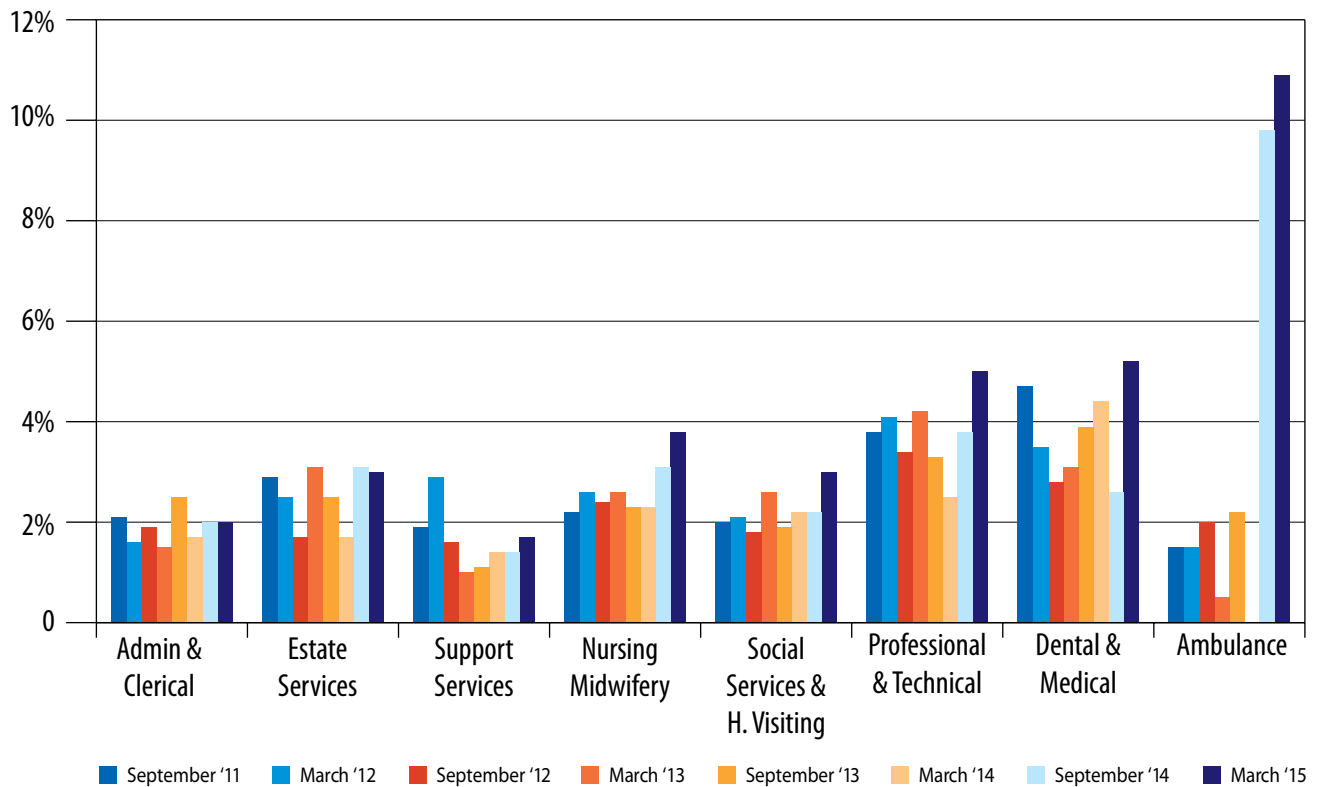
1. The NHSPRB themselves reported that “The Northern Ireland Executive were unable to provide us with their pay bill information”. See [On line] Available: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/505949/54488_Cm_9210_NHS_PRB_2016_Print_Ready_NEW.PDF p.29
2. See [On line] Available: <http://www.belfasttelegraph.co.uk/news/northern-ireland/hospitals-spend-400000-a-day-for-agency-staff-to-plug-chronic-shortages-in-northern-ireland-34547532.html> 17/3/2016

Table 6: Health and Social Care Long-term Vacancies (Whole-Time Equivalent)³

	Jun-04	Mar-05	Sep-05	Mar-06	Sep-06	Mar-07	Sep-07	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Mar-11	Sep-11	Mar-12	Sep-12	Mar-13	Sep-13	Mar-14	Sep-14	Mar-15
Generic															7.3	1.5	1.0	0.0	0.0	5.0	2.0
Admin & Clerical	70.2	89.4	68.0	104.6	154.5	102.6	103.0	81.8	101.7	40.8	75.03	27.15	58.19	103.2	62	77.1	72.7	112.4	74.3	66.4	66.6
Estates	2.0	2.0	0.0	7.0	1.0	5.0	7.0	0.0	0.0	0.0	2	1	4	10.0	8	8.0	14.0	6.0	3.0	5.0	6.0
Support Services	82.7	104.1	87.1	66.6	109.5	66.1	79.1	66.2	157.5	111.1	22.47	32.52	34.22	23.8	81.7	56.0	26.6	28.7	18.9	41.4	11.5
Nursing, Midwifery & Health Visiting	251.5	297.2	137.9	156.5	231.9	273.8	167.1	119.0	119.9	75.4	57.35	86.75	97.57	180.0	181.9	145.0	169.8	190.3	118.9	180.7	290.8
Social Services	40.2	43.4	11.6	37.7	21.8	21.2	24.9	43.7	46.6	46.8	55	35.41	47.01	65.7	60.6	69.9	151.1	96.7	56.3	66.2	96.0
Professional & Technical	108.5	136.7	93.1	95.1	92.8	89.6	81.7	61.5	50.1	29.3	45.7	33.6	73.92	101.8	109.7	93.5	158.4	127.1	41.1	85.2	107.0
Ambulance	68.0	0.0	25.0	57.0	43.0	49.0	44.0	20.0	46.0	0.0	61	12	3	10.0	8	0.0	4.0	0.0	0.0	0.0	124.1
Total	623.1	672.8	422.7	524.5	654.4	607.3	506.9	392.1	521.7	303.4	318.6	228.4	317.91	494.5	519.2	450.9	597.7	561.1	312.5	449.9	704.1

3. This is a sub-set of long term vacancy data.

Figure 1: Vacancy rates (FTE) in Northern Ireland by main staff group, 2011 to 2015⁴



This re-enforces the point made in our research on the much heralded Transforming Your Care initiative (See [On line] Available: http://www.nipsa.org.uk/NIPSA/media/NIPSA/PDFs/PR/tyc_long.pdf). We pointed out that all the visionary smoke and mirrors around the re-configuring of any public service is irrelevant without the necessary investment in staff and core resources. Without this, there are three damaging consequences. It undermines the existing public service, it allows the enemies of its ethos (i.e. the private sector and their apologists in government) to feed off a more disillusioned public willing to listen to the promises of a “new way of doing things” (including privatisation/part-privatisation) and it harms wider society which continues to experience the chipping away at the societal pillars that publicly funded, accountable, free at the point of use public services represent.

4. See [Online] Available: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/505949/54488_Cm_9210_NHS_PRB_2016_Print_Ready_NEW.PDF p.45

Northern Ireland Civil Service

The same subversion of public services applies in another huge employment sector, the Northern Ireland Civil Service. At first glance the NISRA statistics on “temporary/casual employees, full-time Equivalent” in the civil service may appear to suggest that the issue relates to specific work demands, largely within one department (the former DSD now DfC). See Table 7.

Table 7: Temporary/casual employees, Full-time Equivalent (FTE)⁵

Department ⁶	1st April 2016			1st July 2016			Change on last quarter		Change on last year ⁷	
	Male	Female	Total	Male	Female	Total	Value	%	Value	%
DAERA	1	0	1	4	0	4	3	300%	2	100%
DfC	66	27	93	66	27	93	0	0.0%	-21	-18.4%
DfE	0	0	0	0	0	0	0	N/A	-2	-100%
DE	0	0	0	0	0	0	0	N/A	0	N/A
DoF	4	2	6	5	3	8	2	33.3%	-9	-52.9%
DoH	0	0	0	0	0	0	0	N/A	0	N/A
DfI	0	0	0	0	1	1	1	N/A	0	0.0%
DoJ	0	1	1	0	2	2	1	100%	0	0.0%
TEO	0	0	0	0	0	0	0	N/A	0	N/A
PPS	0	0	0	0	0	0	0	N/A	0	N/A
Other ⁸	0	0	0	0	0	0	0	N/A	0	N/A
Total	71	30	101	75	33	108	7	6.9%	-30	-21.7%

However, these figures use a definition of employees as those “with no agreed expiry date or a fixed term contract of more than 12 months. Temporary/casual employees are those with a fixed term contract of twelve months or less, or employed on a casual basis.” This table, therefore, merely captures the numbers of staff whose contractual relationship is **directly** with the NICS. Beyond this and of greater significance in terms of the wider picture on casualisation are the figures that, as in Health, show a long-standing and significant use of agency staff where numbers are not as consistently published because the formal employment relationship

5. See [On line] Available: <http://www.nisra.gov.uk/publications/Quarter%202020Quarterly%20bulletin%20Jul%202016.pdf>

6. Indicative only for figures prior to 09/05/2016.

7. As at 1st July 2015.

8. July 2016 figures include staff in the Health and Safety Executive for Northern Ireland, the Office of the Attorney General for Northern Ireland, and the Historical Institutional Abuse Inquiry Team.

is between the worker and an employment agency. Figures obtained by NIPSA however show that, in the last three years alone this figure has only fallen below 1000 (to 952) once. See Table 8.

Table 8: NICS Total Agency Staff December 2011-January 2016

Year	Total Agency Staff
1 February 2015 – 31 January 2016	1090
1 February 2014 – 31 January 2015	952
1 February 2013 – 31 January 2014	1132
1 December 2011* – 31 January 2013	1242

**The contract commenced on 1 December 2011*

It is also important to look at the location of such staff within (the previous) Departmental structures. See Table 9.

Table 9: NICS Total Agency Staff by Department December 2011-January 2016

Department	Number of Agency Staff Placed 1 December 2011* to 31 January 2013	Number of Agency Staff Placed 1 February 2013 to 31 January 2014	Number of Agency Staff Placed 1 February 2014 to 31 January 2015	Number of Agency Staff Placed 1 February 2015 to 31 January 2016
DFP	299	268	191	179
DOJ	126	123	86	129
DHSSPS	0	10	4	2
OFMDFM	35	22	25	89
DOE	418	282	181	81
DSD	153	212	265	403
DRD	29	44	37	19
DETI	2	4	3	4
DE	8	8	21	25
DEL	16	9	9	16
DARD	97	74	57	83
DCAL	51	61	64	46
NIO	8	15	9	14
Total	1242	1132	952	1090

**The contract commenced on 1 December 2011*

In terms of the duration of placement, as of January 2016, 59 staff were placed within Departments for more than two years with 494 staff in place less than 2 years and 421 less than one year. Even allowing for the fact that the longest placed staff featuring in all three timeframes is dominated by DSD, the latter still represents less than half of agency staff use throughout the Departments over any of the analysed time periods. See Table 10.

Table 10: Agency Staff by Department and duration of placement

Department	Number of Agency Staff Placed for 2+ years as at 31 January 2016	Number of Agency Staff Placed for <2 years as at 31 January 2016	Number of Agency Staff Placed for <1 year as at 31 January 2016
DFP	13	77	69
DOJ	8	52	44
DHSSPS	0	0	0
OFMDFM	2	33	29
DOE	3	41	36
DSD	27	216	180
DRD	0	12	12
DETI	0	2	2
DE	0	7	7
DEL	0	7	6
DARD	5	30	24
DCAL	0	7	6
NIO	1	10	6
Total	59	494	421

Given the scale and duration of this use of agency staff, inevitably costs are high – never less than £9-10 million a year over the last three years – see Table 11.

Table 11: Total cost per year from April 2012 – November 2015 spent on Agency staff by Department

Department	Total Charge 1 December 2011* to 31 January 2013	Total Charge 1 February 2013 to 31 January 2014	Total Charge 1 February 2014 to 31 January 2015	Total Charge 1 February 2015 to 31 January 2016
DFP	2,584,930.73	2,973,806.02	2,280,138.35	1,943,055.34
DOJ	1,172,973.81	1,305,635.92	1,143,140.11	1,230,566.88
DHSSPS	0.00	12,453.02	56,266.56	15,005.59
OFMDFM	188,012.80	251,541.79	375,527.47	864,802.63
DOE	6,254,102.39	2,547,581.73	1,202,602.54	418,206.46
DSD	2,355,336.91	2,919,210.48	2,355,724.04	3,806,190.03
DRD	348,969.12	481,625.99	296,717.63	152,659.21
DETI	4,076.72	37,202.81	51,469.55	46,892.16
DE	106,161.76	101,535.47	217,037.73	207,468.74
DEL	182,285.16	109,466.58	35,452.00	148,875.33
DARD	513,441.96	812,002.00	585,613.46	631,443.89
DCAL	418,937.72	312,703.55	332,687.72	278,318.16
NIO	250,515.56	323,440.21	233,088.00	453,897.13
Total	14,379,744.64	12,188,205.57	9,165,465.16	10,197,381.55

**The contract commenced on 1 December 2011*

Finally in terms of costs it has to be restated that the deliberate policy choice to save money on pay, pensions and long-term investment in permanent staff coexists with the parasitic cost of the recruitment agencies that profit from this agenda. Despite such agencies being paid out of public funds, generally their costs are masked by the acceptance that their management fees can be withheld from the public record because they are “commercial in confidence” and treated, therefore, as “off-limits.” While as outlined above we got some information on this from the NIHE, our requests for data on costs met this “commercial in confidence” form of resistance from Health/Social Services and the NICS.

The move to a “casual” economy

The timeline that the latter figures capture coincides with the initiation and operation of the public service Voluntary Exit Scheme (VES). This means that at a time when staff shortages are sufficiently large to generate the numbers of agency staff/costs detailed above, the Northern Ireland Executive has seen fit to cut jobs in the public sector. A recently released report from the Comptroller and Auditor General⁹ on the VES states that while “early departure schemes should be driven by the long term needs of their organisations and their workforce plans, rather than purely by immediately budgetary considerations. This was not feasible within Northern Ireland since in 2015-6, blunt in-year adjustments in headcount and pay bill were essential to balance budgets.”¹⁰ Even in terms of whether the action the Executive has taken on VES will generate its promised savings, the NIAO report emphasises that it is essential that all staffing costs are included in such a cost/benefit analysis:

...it will only be possible for Department of Finance (DoF) to demonstrate that VE schemes have achieved value for money when it can be demonstrated that net savings, over the lifetime of loans, outweigh costs. In order to calculate the actual level of net savings, DoF will need to collate comprehensive information on staff numbers and pay bill costs for participating organisations. This should include the additional costs of employing agency and/or consultancy staff.¹¹

If the Audit Office is adopting this “wait and see” approach in relation to VES overall, as well as acknowledging that in the short term that there is a need to assess “a negative impact on staff skills, morale and service delivery”¹² workers on the ground or the public they serve, cannot wait for the scant consolation of saying “we told you so” as a future evaluation confirms this impact. It is absolutely clear that while in operational terms we cannot rule out that the expediency and strategic incompetence of “robbing Peter to pay Paul” may be at play, behind it lies a more important and deliberate policy. This is the acceptance that the price worth paying for the Executive’s stated desire to “re-balance the economy” is in effect a switch to an economy where job growth in “administrative services (which includes agency workers)”¹³ is evident amidst, a wider trend in the Northern Ireland economy of “an increase in part-time and female employment and a shift toward service sector industries...[to] lower-paid, less secure employment.”¹⁴

This economic model, built on lower pay and job insecurity, exposes the emptiness of the Programme for Government’s rhetoric. Instead of long-term strategic investment in those whose public service meets our health needs, for example, at least 10% of workers in health/social care are on or below the Minimum wage with 37% of residential care workers below two-thirds of the Median Wage. See Figure 2.

9. See [On line] https://www.niauditoffice.gov.uk/sites/niao/files/media-files/VES%20Report_WEB%20PDF.pdf

10. Ibid. p.5

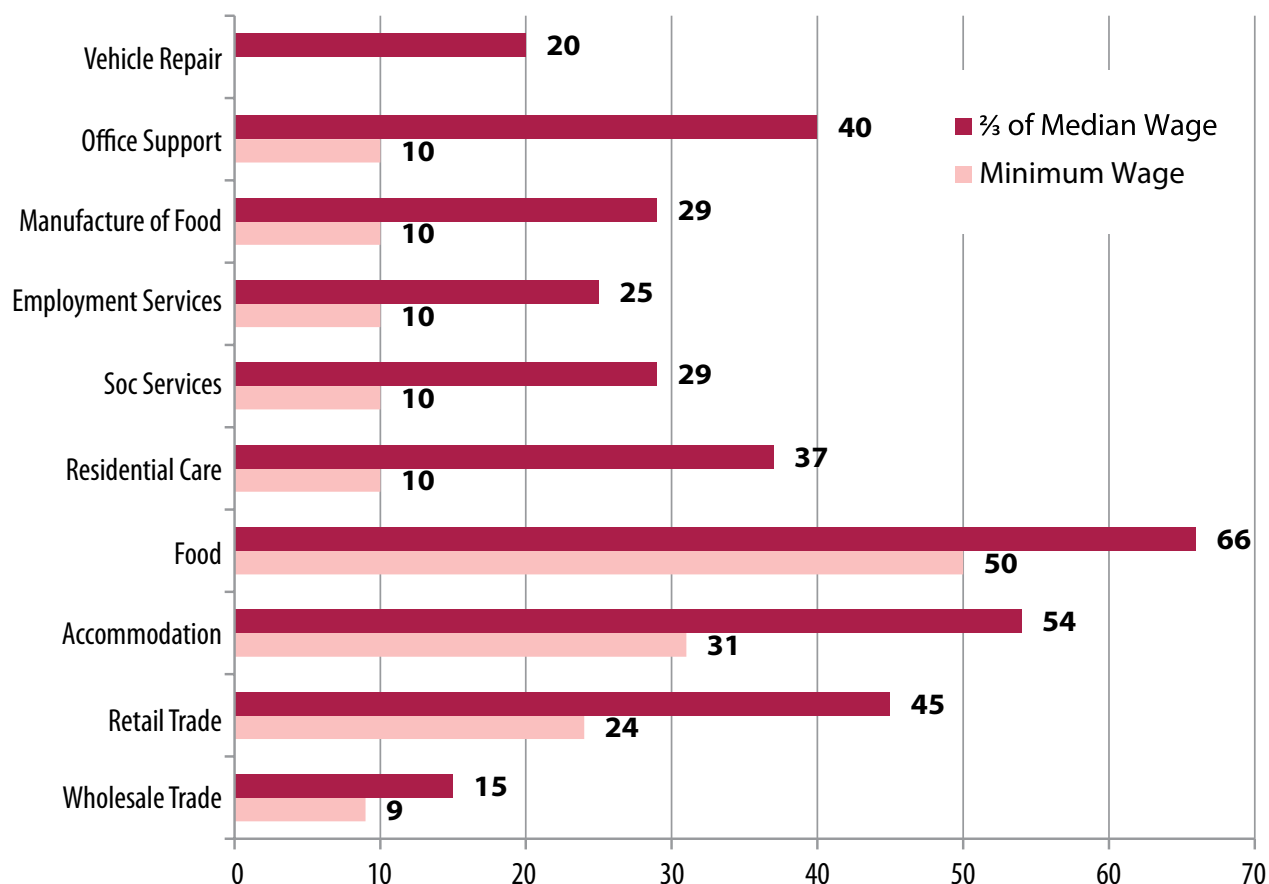
11. Ibid. p.32

12. See [Online] <http://www.bbc.co.uk/news/uk-northern-ireland-37607309> 11 October 2016.

13. See [Online] <http://www.belfasttelegraph.co.uk/business/economy-watch/why-the-jobs-weve-regained-may-not-benefit-everyone-35077364.html> 27/9/16

14. See [Online] http://www.nerinstitute.net/download/pdf/hours_and_earnings_in_ni_neri_wp17.pdf p.2.

Figure 2: Percentage Earning at or below $\frac{2}{3}$ of Median Wage and Minimum Wage by Industrial Sub Sector, Northern Ireland 2013¹⁵



The exploitation at the heart of such casualisation is exemplified by a recent case brought by homeworkers in the London Borough of Haringey. This was a dispute over wages and the alleged failure to pay minimum wage by a company called Sevacare (a company whose profits last year were over £1m) and the companies who took over the contract after Sevacare's involvement ended.

The workers: all but one of whom are women – are employed on controversial zero-hours contracts and care for elderly and disabled residents across the borough. The women visit people in their own homes and in some cases provide 24-hour live-in care. The case against the two organisations... is chiefly over the failure to pay staff a legal wage, as time spent travelling between people's houses was unpaid. This can mean... that on a typical day the women might be working away from home for as many as 14 hours, but could receive payment for only half of them... This can leave them earning as little as £3.85 an hour. (The national living wage – the legal minimum for workers aged 25 and over – is currently £7.20 an hour.) For this the workers can get as little as £3.27 an hour – well under half the legal minimum, and this hourly rate is printed on their payslips. The workers' zero-hours status means most have previously been too scared to complain about their treatment, conscious that if they did,

they were likely to have their hours reduced or be given no work at all... It has been argued that national minimum/national living wage non-compliance is endemic in the social care sector. A 2014 National Audit Office report suggested that as many as 220,000 homecare workers may be being paid an illegal wage".¹⁶

Conclusion

Throughout the public sector, particularly in the context of long-term planning, it should be feasible to analyse staffing needs and fund/resource these needs appropriately. This is not happening as the content of the PfG, the "cart before the horse" (jobs cut before strategic needs are established) of the VES process and the continuing expensive use of the agency/casual staff sticking plaster shows. A genuine exercise – a real support for the concept of properly supported public services - would not accept plugging recurrent gaps by the exploitation of agency staff and/or the overtime (paid and unpaid¹⁷) of public service workers.

This long-standing agenda, therefore, has to be opposed on the ground. Allied to our proposals for the development of fully devolved labour laws that would facilitate the restoration of trade union rights¹⁸ is the need to increase the trade union recruitment and organisation of all workers (agency or permanent) in order to increase our negotiating position. Furthermore, within negotiations we have to continue to raise the issue of appropriate staffing levels needed to deliver a quality service to the public and establish: what are the vacancy levels in terms of both number of staff and duration of vacancy? What are the agency numbers/duration of such contracts? What plans are there to fill these 'agency' posts with permanent staff? What management fees are being incurred by the use of recruitment agencies? In this way, whilst at the highest political level the Executive are content with this economic direction of travel, with an overt political agenda that treats job insecurity and diminished employment rights as policy, union activism must challenge every manifestation of this regressive approach.

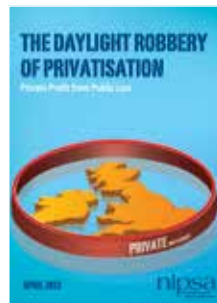
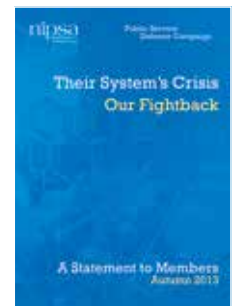
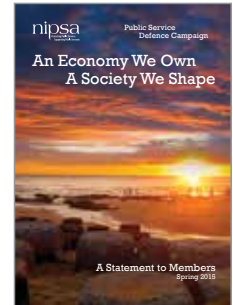
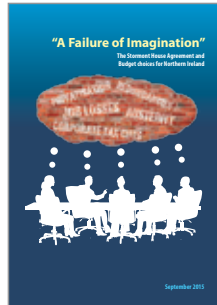
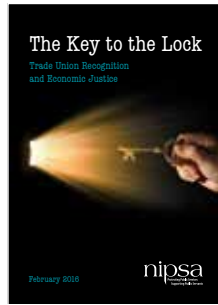
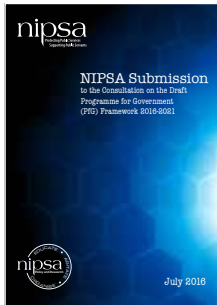
16. See [Online] <https://www.unison.org.uk/news/press-release/2016/09/unisons-biggest-ever-homecare-legal-case-over-workers-paid-as-little-as-3-27-an-hour> 14/9/16

17. NIPSA research previously discussed the scale of unpaid overtime among public sector workers. (See [On line] Available: <http://www.nipsa.org.uk/NIPSA/media/NIPSA/PDFs/PR/Trojan-web-2.pdf> p.16. Similarly a recent survey from the Northern Ireland Association of Social Workers (NIASW), that found that "Nearly nine out of 10 of those [surveyed] said they worked extra hours with no extra pay". <http://www.bbc.co.uk/news/uk-northern-ireland-37501731> 29/9/2016

18. [On line] Available: <http://www.nipsa.org.uk/NIPSA-in-Action/Policy-and-Research/The-Key-to-the-Lock> Feb. 2016



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