

EXTENSION TO THE FRAMEWORK AGREEMENT FOR THE SUPPLY OF TEMPORARY AGENCY WORKERS
COUNCILLOR DAVID SEATON, CABINET MEMBER FOR RESOURCES
January 2016
Deadline date: N/A

Cabinet portfolio holder:	Councillor David Seaton – Cabinet Member for Resources
Responsible Director:	Wendi Ogle-Welbourn – Corporate Director: People and Communities
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: Yes Unique Key decision Reference from Forward Plan: KEY/25JAN16/03
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO

RECOMMENDATIONS

The Cabinet Member is recommended to:

Approve the extension of the framework agreement for the supply of social care temporary agency workers between 1 February 2016 and 30 June 2016, up to a value of £866,094,40.

Temporary agency workers will be provided by the following suppliers in respect of the categories listed under the framework agreement:

SUPPLIER NAME	CATEGORY
Sanctuary Personnel Medicare First Pulse Healthcare Eden Brown Randstad Care Service Care Solutions Capita Resourcing	Social Care

1. SUMMARY OF MAIN ISSUES

- 1.1 This report seeks approval of expenditure for the extension of the framework agreement for the supply of social care temporary agency workers with the agencies listed within the recommendation section of this report from 1 February 2016 to 30 June 2016. The estimated spend on social care temporary agency workers for the extension period, based on the annual spend of financial year 2014/15, will be up to £866,094,40. It is anticipated that subject to similar demand, the Council's spend will not exceed this value.

2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Resources to consider exercising delegated authority under paragraph 3.4.3 and 3.4.8 (a) of Section 3 – Executive Functions of the constitution in accordance with the terms of his portfolio at paragraph (r).

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. DETAILS OF DECISION REQUIRED

- 4.1 The existing framework agreement for the supply of temporary agency workers (social care non non-social care) allows hiring managers to utilise temporary agency labour in exceptional circumstances to ensure that each business unit operates effectively and service requirements are met. Therefore the use of temporary labour is permitted when existing staff levels fall as a result of long term absence (i.e. after 2 weeks of reduced labour), where the recruitment process is delayed, where there are vacancies or where there are pressures on service levels during peak periods of demand. In these circumstances a temporary resource may be assigned to fill the post. This framework expired on 30 April 2015 and the original decision details are outlined within Cabinet Member Decision Notices APR11/CMDN/045 and JUN12/CMDN/053. An extension was approved for the period between 1 May 2015 to 31 January 2016 and the decision details are outlined within Cabinet Member Decision Notice MAY15/CMDN/51.
- 4.2 The future provision for the supply of temporary agency workers has been divided into two separate procurements: (1) social care and (2) non-social care. The procurement for the non-social care element will be addressed in a separate CMDN and it is estimated the newly procured service for the provision of non-social care temporary agency workers will commence on 1 February 2016. The procurement of the social care element is underway and being carried out in accordance with the Public Contract Regulations 2015.
- 4.3 The current agreement requires an additional extension to the suppliers of social care temporary agency workers for a period of 5 months from 1 February 2016 until 30 June 2016 whilst the procurement exercise progresses for the new social care temporary agency worker solution. This extension will enable hiring managers to continue to utilise social care temporary agency workers through existing suppliers until a new solution is concluded and embedded for the supply of social care temporary agency workers. The overall aim is to reduce the expenditure on, and number of, social care temporary agency workers. The Council is therefore required to issue an extension notice to the existing suppliers of social care temporary agency workers in order to ensure that each business unit operates effectively and the council's service requirements are met until the commencement of the new contract on 1 July 2016 of the retendered service.

5. CONSULTATION

- 5.1 Consultation is key to the continued successful commissioning of services. Consultation has been undertaken with service providers and key stakeholders.

6. ANTICIPATED OUTCOMES

- 6.1 The provision of these services will continue until 30 June 2016. This will coincide with the conclusion of the social temporary agency worker retender and the commencement of the new contract on 1 July 2016 of the retendered service.

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

- 7.1 The existing framework agreement is due to end on 31 January 2016. The Council has considered various options, however the procurement for the future provision of social care temporary agency workers is in progress and due to conclude in order for the new contract to commence on 1 July 2016. Therefore the provision of these services to continue until 30 June 2016, by way of contract extension, which will coincide with the conclusion of the social care temporary agency worker retender and commencement of the newly tendered contract on 1 July 2016.

- 7.1 The framework agreement delivers a range of essential services for the Council in line with the details provided within section 4 of this report. Benefits to the Council for extending the framework agreement for the supply of temporary agency workers include:

- i. Pay rates will remain the same in relation to the specialist categories and the skill requirements.
- ii. Reduced cost having each category provider contracted to the framework.
- iii. Better control of spend and clearer management information from each supplier.
- iv. Supply of temporary resources that meets the council's requirements and expectations first time every time, reducing the level of poor performance.
- v. Improved management information supplied by the framework suppliers on a monthly basis enabling better contract management and identification of savings and service improvement.
- vi. A more efficient and responsive ordering and hiring process for recruitment and retention.
Call off from the framework will be subject to approval for each call-off contract. The process will comply with the current contract regulations, to the extent that the hiring managers must justify the use of temporary supply workers before any purchase orders can be raised. Any contract is subject to 3 month review and re-approval.
- vii. The supplier bears the risk, insofar that the Council is not liable for a minimum order, in support of the Council's outsourced services.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 To do nothing, however this was rejected on the basis that the Council is required to maintain the continuity of the service, for reasons outlined within this report. Approval will enable the recruitment and retention function to continue to be delivered, supporting the council in delivering key services.
- 8.2 In light of the fact that the social care temporary agency worker retender is currently underway, to change the suppliers at this stage or to utilise an alternative pre-tendered framework such as ESPO would cause significant disruption to the delivery of services and create potential additional expense for the Council.

9. IMPLICATIONS

Financial

- 9.1 The pricing structure is standardised, and hiring managers will be aware from the outset what the cost of the temporary resource would be in advance. The pay rates will only vary in respect of statutory charges, i.e. NIC and WTR taxes.
- 9.2 The £866,094,40 value quoted is an upper limit on possible spend, and not the contractual spend itself. All such orders can only be placed in accordance with the council's HR policy for the use of social care temporary agency workers. The Council will only use agency staff where there is an essential service need that cannot be covered through any other means.

Legal

- 9.3 The Local Government (Contracts) Act 1997 makes provision about the powers of local authorities to enter into contracts. Every statutory provision conferring or imposing a function on a local authority confers power on the local authority to enter into a contract with another person for the provision or making available of assets or services, or both, for the purposes of, or in connection with, the discharge of the function by the local authority.
- 9.4 The re-procurement of the temporary agency worker services is currently being undertaken in accordance with the Public Contract Regulations 2015.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

None

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

- Cabinet Member Decision Notice APR11/CMDN/045;
- Cabinet Member Decision Notice JUN12/CMDN/053; and
- Cabinet Member Decision Notice MAY15/CMDN/51.