



FRAMEWORK AGREEMENT FOR THE PROVISION OF SOCIAL CARE SPECIALIST AND CHILDREN’S RESIDENTIAL TEMPORARY AGENCY WORKERS

COUNCILLOR DAVID SEATON, CABINET MEMBER FOR RESOURCES

August 2016

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/13JUN16/01
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:

Authorise the award of a Framework Agreement for the provision of Social Care Temporary Agency Workers for a period of three years, to run from 30 August 2016 until 30 August 2019 with an option to extend for a period of up to twelve months at the Council's discretion. The total value of the contract is estimated at £12 million, approximately £3 million per year.

Temporary Agency Workers will be provided by the following contractors in respect of the categories listed under the Framework Agreement:

CONTRACTOR	CATEGORY
Kent County Trading Limited (Trading As Connect2Staff) Sanctuary Personnel Limited HCL Social Care Limited Eden Brown Limited (Trading As Eden Brown Synergy) Liquid Personnel Badenoch and Clark iPeople Solutions Limited Maxxima Limited	Lot 1 Social Care Specialists
BS Social Care	Lot 2 Children's Residential Workers
Cardea Resourcing Limited Caritas Recruitment Limited Service Care Solutions Limited Medacs Healthcare Plc	Lot 3 Social Care Specialists and Children's Residential Workers

1. ORIGIN OF REPORT

- 1.1 This report is submitted to the Cabinet Member for Resources to consider and approve the award of a Framework Agreement for the provision of Social Care Temporary Agency Workers following a competitive tender exercise which sought to replace the Council's recently expired Framework Agreement for this provision. The new framework will deliver a cost effective charge rate and better quality of temporary labour for the Council.
- 1.2 The overall budget for the People and Communities Directorate's own staff is £35.005m per year -this figure doesn't include and educational staff for the Council.
The proposed new framework contract will provide value for money for the Council and will ensure the Council can fulfil its obligations and responsibilities for Children and Adult Social Care.
- 1.3 It is worth noting that Social Care recruitment has a national prevalence, which hinders the Council to recruit to these posts permanently, as the demand is significantly outstripping supply. This is creating a social worker driven market. As a consequence and in order to respond to this issue, officers are participating in a regional working group to seek a solution to the challenge.

2. PURPOSE OF THIS REPORT

- 2.1 The purpose of this report is to provide background information to support the recommendations for the award of the Framework Agreement for the provision of Social Care Specialists and Children's Residential Temporary Agency Workers.
- 2.2 This report is for the Cabinet Member for Resources to consider exercising delegated authority under paragraph 3.4.8(a) of Part 3 of the constitution and in accordance with the terms of their 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 Council's HR policy allows hiring managers to utilise temporary agency workers in exceptional circumstances to ensure that the business unit operates effectively. Therefore the use of temporary agency workers is permitted when existing staff levels fall as result of sickness, where the recruitment process is delayed or where there are pressures on service levels during periods of increased demand. In these circumstances a temporary resource may be assigned to fill the post for a limited period to ensure the service is able to function appropriately. The Framework Agreement is designed to respond to the HR policy and the needs of hiring managers.
- 4.2 The procurement for the provision of Temporary Agency Workers has been divided into two separate procurements: (1) Social Care; and (2) Non-Social Care. The procurement for the provision of Non-Social Care Temporary Agency Workers has not been part of this procurement exercise for the provision of Social Care Temporary Agency Workers, rather the Council has made the decision to utilise a publicly procured Framework Agreement. This will be addressed in a separate CMDN. Furthermore, the Manor Drive Business Support operates an agency staff service, supplying temporary staff in administration and clerical roles.
- 4.3 The procurement for the Social Care Temporary Agency Workers element has been divided into Lots 1: Social Care Specialists only; Lot 2: Children's Residential Workers only and Lot 3: both Social Care Specialists and Children's Residential Workers. This procurement covers both Children and Adult Social Care and includes the following roles:

Children's Social Care	Adult Social Care
Team Support Worker	Team Support Worker
Residential Worker	Care Support Worker
Social Worker	Occupational Therapist
Senior Social Worker	Social Worker
Advanced Practitioner	Lead Practitioner
Team Manager	Team Manager
Head of Service	Head of Service
Assistant Director	Assistant Director

- 4.4 This procurement has been carried out in accordance with the Public Contract Regulations 2015. A tender exercise was conducted following an OJEU compliant restricted procedure procurement which commenced in April 2016. Following prequalification questionnaire evaluation a shortlist of 18 suppliers were invited to tender out of 23 applications across the Lots. Following the invitation to tender, there have been 13 successful tenders following evaluation to support the Council's requirement. Details of the evaluation are outlined below.
- 4.5 The Council outlined within the procurement documentation the intention to select and award contractors a place on the framework, which are capable of providing Social Care Specialists and/or Children's Residential Workers.
- 4.6 Following the outcome of the evaluation, the recommendation is to award places on the Framework Agreement for contractors on Lot 1: Social Care Specialists only, contractors on Lot 2: Children's Residential Workers only; and contractors on Lot 3: both Social Care Specialists and Children's Residential Workers for a 3 year period with the option of a 1 year extension.

Tender Evaluation Summary

- 4.7 The restricted procedure comprised a qualifying stage in which bidders completed a Pre Qualification Questionnaire (PQQ) in which responses were assessed against criteria covering technical capacity, professional capability, economic and financial standing and quality assurance. Following completion of the process set out in the PQQ the Council selected those qualified bidders to proceed to the next stage, in accordance with the Scoring Methodology outlined within the PQQ. Bidders were invited to qualify for a place on Lot 1: Social Care Specialists only; Lot 2: Children's Residential Workers only; or Lot 3: both Social Care Specialists and Children's Residential Workers.
- 4.8 The second stage of the restricted procedure comprised an Invitation to Tender (ITT) and was to be completed by those entities who pre-qualified to bid for a place on the framework. The ITT contained further information about the procurement process, the Services to be procured by the Council and assessment and pricing questions for tenderers to complete. Each tenderer's response was to be completed in order to allow the Council to make an informed selection on the basis of the Most Economically Advantageous Tender (MEAT), determined in accordance with the evaluation criteria and methodology detailed within the ITT documentation.
- 4.9 8 organisations submitted tenders only for Lot 1: Social Care Specialists; 1 organisation submitted a tender only for Lot 2: Children's Residential Workers; and 4 organisations submitted tenders for Lot 3: both Social Care Specialists and Children's Residential Workers . The tenders were evaluated as follows:

Lot	Provider	Overall %	Successful Yes/No
1	Supplier H	78.7	Yes
3	Supplier C	76.0	Yes
1	Supplier L	76.7	Yes
1	Supplier F	76.2	Yes
1	Supplier E	75.6	Yes
3	Supplier D	74.0	Yes
3	Supplier M	74.0	Yes
2	Supplier B	73.9	Yes
1	Supplier I	74.1	Yes
1	Supplier A	71.8	Yes
1	Supplier J	69.4	Yes
1	Supplier G	69.2	Yes

3	Supplier K	61.2	Yes
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4.10 Evaluation of the ITT submissions and the award criteria stage were carried out by a panel appointed by the Council, including social care specialists within the service area, finance and support from the procurement and legal teams. The award criteria stage was split into two main areas: (1) Quality - amounting to 70% of the total score and (2) Price - amounting to 30% of the total score. Tenders were evaluated on a Quality:Price ratio of 70%:30%.

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 new framework of contractors will provide capacity to meet the needs and requirements within the Communities Directorate for experienced and quality temporary agency workers. The social care sector is ever changing and in order to respond to this change it is paramount that the Council has the flexibility to meet the needs of the organisation, but also those of the community it serves. It is expected that within the framework, the contractors will provide the range of specialist social care resources that the Council believes will best achieve the necessary flexibility and the outcomes for the children and young people.

6.2 The Council uses temporary agency workers as a contingency measure to cover periods of sickness, long term absence, or unplanned shortfall in its internal resource levels, where there are pressures on service levels during peak periods of demand or where the recruitment process is delayed. The framework will ensure these contingency measures are readily available.

6.3 All orders can only be placed in accordance with the council's Recruitment Guidance 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.

6.4 The framework will ensure the Council meets the demands of the social care specialist work required within the Children Services and Adult Social Care Teams for a variety of social care roles and children's residential workers for the Council's Residential Behavioural Management facility, Clare Lodge. The Council's ability to provide good quality temporary staff within these two categories is crucial to delivering good quality outcomes for people who use services.

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

7.1 The new framework will ensure a range of essential social care services can be delivered by the Council and benefits of the new framework agreement include:

- i. Standardisation of the pay rates in relation to the specialist social care categories and skills requirements.
- ii. Reduced cost having each category provider contracted to the framework.
- iii. Better control of spend and clearer management information from each contractor.
- iv. Provision 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 contractors 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. Call off from the framework will be subject to approval for each call-off contract. The process will comply with the Framework Agreement terms and current regulations. The hiring managers must justify the use of temporary agency workers before any purchase orders can be raised.
- vii. The Council is not liable for a minimum order with any contractor on the framework.

7.2 The successful tenderers have individually demonstrated their ability to support and deliver these benefits.

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 framework of contractors to provide capacity to meet the needs and requirements within the Communities Directorate for experienced and quality social care temporary agency workers and ensure the Council continues to be deliver and support key services.

8.2 To call-off from an existing government framework agreement. The Council could have called-off this requirement through other framework agreements, however those identified have not included the range of staffing roles needed by the Council and have also involved an additional fee to use the framework. This did not include the suppliers fees and therefore this additional cost offered no added value and did not demonstrate value for money as the Council would still need to monitor and manage the contract usage.

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.

9.2 The estimated annual spend on social care temporary agency workers is based upon the spend in the 2014/15 financial year and it is anticipated similar demand levels for the duration of this contract.

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 framework has been undertaken in accordance with the Public Contract Regulations 2015.

9.5 Local authorities have overarching responsibility for safeguarding and promoting the welfare of all children and young people in their area. They have a number of statutory functions under the 1989 and 2004 Children Acts which make this clear. The Council is required to make arrangements with a view to improving the well-being of children in the authority's area – which includes protection from harm and neglect alongside other outcomes.

9.6 By virtue of the Care Act 2014, the Council has a legal requirement to provide certain services and information. The Act enshrines the new statutory principle of individual wellbeing, and makes it the responsibility of local authorities to promote wellbeing when carrying out any of their care and support functions. The Council therefore requires the provision of experienced social care workers to meet the requirements of the Act and the increased demand on services in the city.

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

None.