

Report to Cabinet
14 March 2018
Report of Head of HR and learning
Subject Award of contract for agency workers

Item

17

KEY DECISION

Purpose

To consider delegating authority to establish an agency framework and award contracts to up to four agencies as the preferred suppliers for the provision of agency workers.

Recommendation

To delegate authority to establish a framework agreement and award contracts to up to four suppliers for provision of agency workers to the director of business services, in consultation with the leader.

Corporate and service priorities

The report helps to meet the corporate priority value for money services

Financial implications

Based on current agency usage, the annual value of this contract would be in the region of £467k. The length of contract is for 4 years, with the option to extend for a further year therefore the total value of the contract for four years is £1,868k. This cost is borne by the budgetary provision in individual services areas.

Ward/s: All Wards

Cabinet member: Councillor Waters - Leader

Contact officers

Anton Bull, Director of business services 01603 212326

Dawn Bradshaw, Head of HR and learning 01603 212434

Background documents

None

Report

Background

1. Norwich City Council has had preferred supplier arrangements in place since 2003 for the supply of agency workers. This has been provided through an agency framework agreement with multiple agencies since 2012.
2. The current agency framework contract primarily covers administrative and customer service posts. Other agencies outside of the framework agreement are used on an ad hoc basis for the provision of specialist roles or when the preferred suppliers are unable to provide the required workers.
3. The framework contract has provided the council with competitive charge rates and has worked well to ensure the council fill temporary vacancies effectively.
4. The council is seeking to appoint up to four suppliers to create a framework agreement to provide its temporary staffing needs as and when required. The framework will be owned and managed by the council and will also be available to UK public sector organisations.
5. All public sector bodies will have access to the framework under the same terms and conditions available to the council. There shall be a one off fee payable to the council by any public sector body wishing to access the framework agreement. At this stage there is potential interest from four local public sector bodies.
6. Agencies outside of the framework agreement will continue to be used where there is a requirement for a specialist role or if the preferred suppliers cannot meet our requirements.
7. The agency framework contract will be for a period of 4 years with an option to extend for a further year
8. Analysis of the cost of agency workers under the current framework agreement for the period January to December 2017 shows the anticipated spend to be circa £467k per annum. Usage of temporary workers will fluctuate depending on the Council's requirements and this level of expenditure may vary.
9. It is expected that this framework will result in:
 - Cost savings for Norwich City Council and other UK public sector bodies who choose to access the framework, through competitive agency charge rates.
 - Timely fulfilment of agency worker requirements for Norwich City Council and any other UK public sector bodies who choose to access the framework.

Tender process and timescales

10. The current framework contract is due to end and we will need to tender for new suppliers to ensure agency worker requirements can continue to be met in the most cost effective way. The invitation to tender is expected to be advertised in March 2018
11. A contract will be awarded to up to four suppliers who submit the most economically advantageous tenders in terms of quality and price. The evaluation of submitted tenders will be on the basis of 60% for quality and 40% for price.
12. The council will invite the four highest scoring suppliers who meet the requirements of the specification to join the framework.
13. Delegated authority to approve the contract award is requested due to the timing and absence of Cabinet meetings during April and May.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Cabinet
Committee date:	14 March 2018
Director / Head of service	Anton Bull, Director of Business Services
Report subject:	Award of contract for agency workers
Date assessed:	2 March 2018

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Enables fixed competitive rates to be agreed with a number of suppliers of agency workers
Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Enable managers to access multiple agencies to meet agency worker requirements
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Potential for smaller agencies not to be selected due to price criteria – social value. Quality criteria has been set as a higher percentage than price and requirement to demonstrate diversity of placements within Norwich should provide some mitigation
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The council provides pay and terms and conditions parity to agency workers at the 12 week qualifying period.
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The assessment of providers includes the requirement for respondent agencies to prove that they are taking action to ensure that they are attracting candidates from under-represented groups.
Eliminating discrimination & harassment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	as above
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	as above
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The risk of supplier failure is minimised by having a framework of multiple agencies identified as preferred suppliers, if one agency fails during the life of the contract, there are other suppliers providing agency workers at competitive rates under the framework.

Recommendations from impact assessment	
Positive	
none	
Negative	
none	
Neutral	
none	
Issues	
none	