

## Report for Resolution

**Report to** Cabinet  
14 March 2012

**Report of** Head of procurement and service improvement

**Subject** Award of contract for agency workers.

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Item

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### Purpose

To establish an agency framework and appoint up to 5 agencies as the council preferred suppliers for the provision of agency workers.

### Recommendations

To delegate to the director of corporate resources, in consultation with portfolio holders, authority to award contracts to establish an agency framework.

### Financial Consequences

Based on current agency usage, the annual value of this contract would be around £400k. The length of contract is until 31<sup>st</sup> March 2015, with the option to extend for a further year. This arrangement will result in cost saving for the council through lower charge rates due to the exclusivity of using a pool of preferred suppliers.

### Risk Assessment

#### 1) Risk of supplier failure

There is a risk one of the appointed suppliers could fail during the life of the contract. However this is low risk due to the framework containing up to 5 suppliers.

### Strategic Priority and Outcome/Service Priorities

Due to high amount of organisational change, usage of short term agency workers has risen to enable delivery of essential services while restructures are agreed, mitigating the needs to pay redundancy payments.

The report helps to meet all the strategic priorities through the provision of temporary agency workers in a value for money framework agreement.

Executive Member: **Councillor Waters** - Cabinet member for resources, performance, shared services and deputy leader.

**Ward:** All

### Contact Officers

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**Background Documents: Report – Norwich City Council agency workers framework**

## **Report – Norwich City Council agency workers framework**

### **Background**

1. Norwich city council has had preferred supplier arrangements in place since 2003 with staffing agencies. Additional agencies are also used for specialist posts or whenever the preferred suppliers are unable to provide the required expertise.
2. The flexibility of this approach allows freedom to search when covering difficult to fill posts. It is intended through this tender for services, to appoint a pool of preferred suppliers as the main source of agency temps with the option to use other agencies for specialist posts if we are not happy with the quality of the selection or if the supplier cannot meet our requirements.
3. Analysis of agency temps within the council over a recent period shows the anticipated spend to be circa £400k per annum in a variety of posts. Usage of temporary staff will fluctuate depending on the councils internal authorisation procedures and this expenditure is not guaranteed. Agency staff can remain with the council for varying periods of time, from a few days to a number of months.
4. The majority of temporary agency staff required are for general admin & clerical roles, some containing a high element of front line customer service duties. Between April and November 2011 the council have employed approximately 50 agency staff. A summary of the types of posts filled is shown below.

Customer contact adviser  
Procurement officer  
IT systems support  
Management support assistant  
Project manager  
Income assistant

### **Our requirements are**

5. To appoint up to 5 agencies as our preferred supplier for general admin, clerical, manual & front line staff. For specialist appointments NCC reserve the right to identify an alternative agency to source at the same time as our preferred supplier.

### **Existing agency temps**

6. Existing NCC temps will remain with their current agency until such time as their current assignment is completed.

### **Agency Workers Regulations**

7. Norwich City Council has embraced the AWR and ensures pay and conditions parity for agency workers once the 12 week qualifying period has been completed.

**Pre employment checks**

8. Norwich city council's recruitment and selection procedure requires rigorous pre employment checks to be completed prior to appointment and standards must be adhered to when sourcing agency staff.

**Timescales & quality process**

9. A service level agreement with the agency will be required. This will confirm response times and a clear approach for dealing with situations where an agency worker does not meet NCC standards. Performance of the agency will be monitored via a quarterly performance review.
10. Subject to satisfactory performance, the contract will expire on the 31<sup>st</sup> March 2015, with the option to extend for up to a further 3 years.