

Report to: Executive Board - 27<sup>th</sup> September 2002**CONTRACT FOR THE SUPPLY OF TEMPORARY AGENCY STAFF**

<b>Report of:</b>	<i>Strategic Director with responsibility for Administration</i>	<b>WARDS AFFECTED ALL</b>
<b>Report Author:</b>	<i>Jane Lubbock - Ext. 2218 E-Mail: jlubbock@oxford.gov.uk</i>	
<b>Lead Member Responsible</b>	<i>Councillor William Baker Deputy Leader:</i>	
<b>Overview and Scrutiny Committee Responsibility:</b>	<i>Finance and Performance Management</i>	
<b>Key Decision:</b>	<i>Yes</i>	

**SUMMARY AND RECOMMENDATIONS**

The purpose of this report is to request that the Executive Board approves the appointment of Champion Recruitment as the preferred supplier for industrial staff in the circumstances set out in the report.

This report has financial and staffing implications which are set out in the report.

The contract arrangements for the supply of temporary agency staff directly supports the Council's strategic aim of Sound Management.

The Board is asked to agree:

- 1 That Champion Recruitment are appointed as the preferred industrial agency staff provider for the remainder of this contract.
2. That minor contract approval is given to the contract for a back-up industrial agency staff supplier.

**1. BACKGROUND**

- 1.1 The Council received tenders in April 2002 to supply the Council's temporary agency staff. The Council appointed a preferred supplier and back-up supplier for each type of staff work. The estimated total annual value of the contracts is £701,879. Since the start of the new contract arrangements the Council has placed all new requests for agency staff with the appointed suppliers.

**2. CURRENT POSITION AND OBJECTIVES**

- 2.1 Four suppliers have signed their contracts. One supplier requested a contract change which could not be agreed to because as this is a tender process – all terms must be entered into as set out in the tender documents. This supplier is the preferred supplier for industrial staff.

2.2 In addition, the Council has had to terminate the contract with the back-up supplier for industrial staff as they have been unable to maintain satisfactory account management arrangements.

2.3 The contract arrangements for administrative, legal, surveyors and accounting staff is working well. Champion Recruitment and Badenoch and Clark provide these categories of temporary agency staff. The Council is currently making savings of between £4,000 and £5,000 a month. In order to ensure that savings are made as far as possible, it is important to engage a preferred and backup supplier for the temporary industrial staff work.

3. **PROPOSED WAY FORWARD AND OTHER MEANS OF ACHIEVING THE OBJECTIVES**

3.1 As a result of both the preferred and back-up industrial temporary agency suppliers contract arrangements being terminated, the Council needs to urgently appoint a replacement preferred supplier for industrial staff.

3.2 Champion Recruitment tendered to supply industrial temporary agency staff and were the next preferred supplier to provide this category of staff in the tendering process. The Council is therefore obliged to offer this work to them at the prices they tendered as they are the next in line in this exercise. The contract prices provided by Champion will still achieve savings for the Council.

4.1 I propose to seek 4 quotes for a back-up supplier for industrial agency staff as there were no other tenders received for this type of work. The value of this contract will be less than £75,000. There is no good alternative to obtaining a back-up contractor for this work other than by seeking quotes and it is hoped that a new contractor can be in place for November.

4.2 Any feedback from placing the report in the forward plan will be reported to the Board at the meeting.

5. **STAFFING AND FINANCIAL IMPLICATIONS**

5.1 The new procurement exercise will be done by staff in-house and will not be too time consuming as the paperwork is available from the last exercise.

5.2 The estimated cost of the back up supplier contract is under £75,000 to the end of March 2004. The phasing of payments under this new agreement will be made on a monthly basis for the duration of the contract and the budget for these payments is in each relevant Business Unit.

THIS REPORT HAS BEEN SEEN AND APPROVED BY:

The Deputy Leader  
Strategic Director with responsibility for Administration  
Helen Liddar, Property Team Leader

Background papers: None