

To: City Executive Board

Date: 9th July 2015

Report of: Head of Business Improvement

Title of Report: AWARD OF A NEW TEMPORARY AGENCY CONTRACT

Summary and Recommendations

Purpose of report: To request that the Director of Organisational Development and Corporate Services be given delegated authority to award a new temporary agency staff contract

Key decision: Yes

Executive lead member: Councillor Susan Brown, Executive Board Member for Customer and Corporate Services

Policy Framework: Corporate Plan Priority - An efficient and effective Council

Recommendation(s): The City Executive Board is asked:
to grant delegated authority to the Executive Director of Organisational Development and Corporate Services to award a new temporary agency staff contract.

Appendix 1 – Risk register

Summary

1. This report explains the proposed structure for a temporary agency staff contract available for use by Oxfordshire Councils, following the current contract coming to an end.

2. The report proposes the Council tenders for and awards call off contracts for the following categories of agency staff
 - Administrative and business support
 - Street scene
 - Professional and technical
3. This will provide the Council with the flexibility to ensure that all key specialisms can be sourced through contracts and reduce off-contract spend.
4. The City Executive Board is asked to give the Director of Organisational Development and Corporate Services delegated authority to award a contract following an EU tender process.
5. The total contract value is likely to exceed the threshold in the Executive scheme of delegation above which contract awards must be approved by the Board and this report therefore seeks a delegation to the relevant Director to approve the contract award at the conclusion of the procurement process.

Background

6. The current temporary agency contract ended on the 31st of December 2014 but was extended due to capacity issues.
7. The Council supplements its work force with between 70 to 100 agency staff at any one time to cover short term projects, absence and vacancies.
8. An average of the number of agency workers between each category in any month is as follows:

Staff Category	Example roles	Average agency workers over a month
Administrative, Business support	Executive support, administrative, reception	30 to 40 agency staff
Street scene	Refuse loader, driver, gardener, car parks	15 to 24 agency staff
Professional, technical	Asset Manager, ICT, Project Manager, Surveyor, Contract Manager,	25 to 35 agency staff

9. The incumbent provider offered a master vendor solution which over the first few years met almost all of the Council's agency requirements. However, as the Council has streamlined and automated processes the need for temporary administrative staff has reduced. However, there has been an increase in our need for additional short term specialist roles to support the Council's improvement and capital projects. This has resulted

in an increase in the number of roles having to be sourced through specialist agencies.

10. The current contract has provided over 65% of all agency staff, the advantages being:
 - No introduction fees for staff moving from temporary to permanent roles.
 - All temporary workers being paid the Oxford Living Wage and pay rates comparative to the roles covered.
 - Low fixed margins and a prompt payment discount providing value for money
 - A CV sifting service

Proposed way forward

11. The contract should be awarded by September 2015 and will include provision for all known categories of agency staff and be subject to the Council's contract terms and KPIs.
12. The contract will be managed by the HR Manager within Business Improvement and supported by the Contracts & Procurement team to ensure the Council achieves its objectives.
13. The current internal governance protocol for approving a temporary worker will be maintained and the Council will reserve the right to inspect the agencies records in relation to any temporary agency worker
14. All temporary agency workers will be required to undergo a short corporate induction covering key policies, undertake an online data protection training course and sign a confidentiality agreement.
15. There has been lots of recent activity to increase the effectiveness of our approach to permanent recruitment, including using innovative ways to attract and select good candidates (such as an open evening) and have job ready applicants held in a talent pool – this will increase the speed of recruitment and reduce the need for temporary staff.
16. Some work requires immediate cover as it is business critical such as waste and recycling and we have a pool of trained agency staff used to cover annual leave and sickness and used flexibility to ensure cost effectiveness.
17. A review of the length of temporary agency workers is underway as is their use in less business critical areas

Risk

18. This will be a call off contract with no guarantee of any level of spend by any Council. A detailed risk register is attached to this report (Appendix 1).

Equalities Impact

19. The new suppliers will be required to prepare equalities impact assessments once appointed and a regular review will take place of these as part of the contract review meetings.

Financial Implications

20. The new contract will be a call off contract which will not commit the Council to any minimum level of annual expenditure.

21. The appointment of all agency staff will be subject to internal sign off ensuring that there is both the need for the role as well as budgetary provision to cover the cost of the agency worker.

Legal Implications

22. The tender will be carried out using the new UK Public Contract Regulations 2015 and the contract will be awarded by the Director of Organisational Development and Corporate Services.

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