

Procurement of Agency Staffing Contracts

Cabinet Member for Climate Change and Recycling



Date:	5/10/2021
Agenda Item:	4
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Key Decision?	YES
Local Ward Members	All

CABINET

1. Executive Summary

- 1.1 The Authority's contract for the provision of agency staff for Operational Services, including the Joint Waste Service, is due to expire at the end of March 2022 and a procurement exercise is needed in order to identify suitable suppliers and award new contracts.
- 1.2 Due to the potential contract value of this service, and the delivery model required, a multi-supplier framework agreement let under the Public Contract Regulations 2015 is preferred for a maximum term of 4 years.

2. Recommendations

- 2.1 That Cabinet approves the preferred procurement route and contracting model of a 2-supplier framework for an initial 3 years, with an option to extend for a fourth year.
- 2.2 That Cabinet delegates approval to award the resultant contracts following the procurement process, subject to being within approved budgets, to the Head of Operational Services in consultation with the Cabinet Member for Climate Change and Recycling.
- 2.3 That Cabinet delegates the decision to utilise the option to extend into a fourth year to the Head of Operational Services in consultation with the Cabinet Member for Climate Change and Recycling.

3. Background

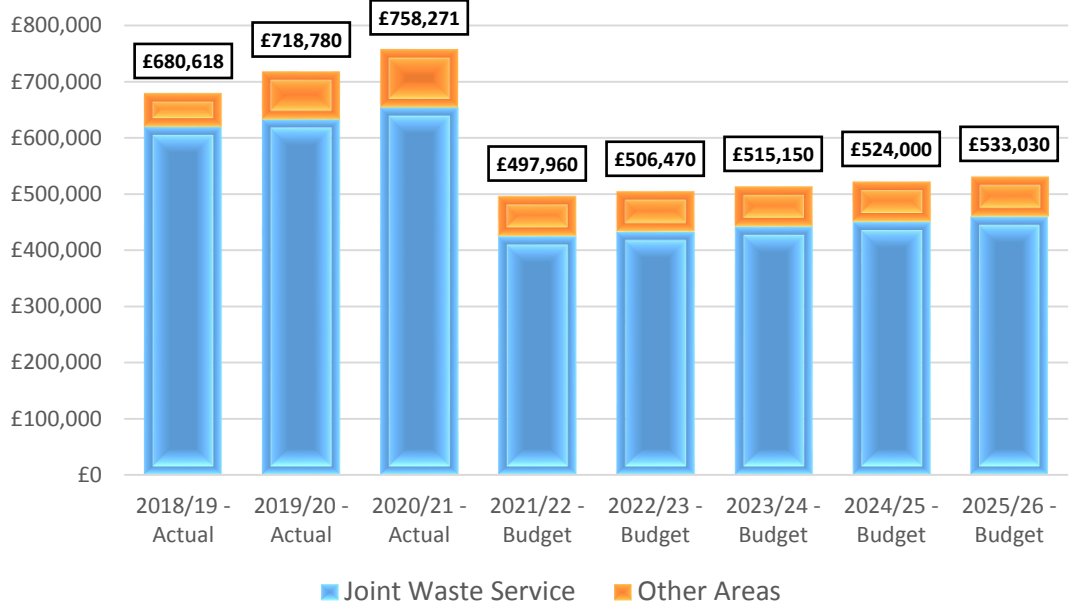
- 3.1 Operational Services – specifically the Joint Waste Service, Grounds Maintenance and Streetscene teams – require a regular supply of agency staff to cover vacancies, holidays, sick leave and seasonal variations in workload and ensure business continuity.
- 3.2 A comprehensive agency solution is therefore essential for Operational Services. The service delivers front-line services vital to residents, requiring large numbers of trained staff. For example, completing waste collections is reliant on around 70 staff starting work promptly at 6am, five days a week. Having an established agency pathway provided important workforce resilience during the Covid pandemic, allowing Joint Waste to maintain full service throughout, where more than 90% of authorities could not.
- 3.3 Whilst there will always be a need for agency staffing to provide front-line cover for absence and vacancies, the unusually high levels of agency staffing within the Joint Waste Service were identified in

the 2019 service review. Covid-related absence and the ongoing national HGV driver shortage has meant agency staffing has remained high. There are however clear business and operational benefits to reducing agency usage to more appropriate levels. An officer task and finish group has been established to review recruitment, retention and attendance within the Joint Waste Service. Where appropriate, the findings of the task and finish group will be reported to members via Employment Committee.

- 3.4 To continue to meet the needs of the Joint Waste Service and Operational Services, a Framework Agreement is proposed, with 2 suppliers attached. Work will be allocated between the two providers on an approximate 50/50 basis, with outer limits of 60/40. This will ensure both providers are motivated to maintain the required resources, which is of particular importance given the current national shortage of qualified drivers.
- 3.5 The value of the Framework Agreement to achieve this regular supply of agency staff is approximately £2.1m over the 4 year term, based on current budgets and therefore has to be procured in accordance with the Authority's Contract Procedures Rules as well as the Public Contract Regulations 2015 as the potential spend is above the EU threshold for goods & services of £189,330.
- 3.6 The maximum term for a Framework Agreement under the PCR2015 is 4 years, as such it is proposed this Framework Agreement be let for a period of 3 years with the option to extend for a further 1 year at the Authority's discretion. The Framework Agreement will be established without a commitment to a minimum spend or volume over the term.

Alternative Options	<ol style="list-style-type: none"> 1. Do nothing – This would not meet the operational needs of the service and would result in repeated service failure. 2. Further extend current contract – This would be in breach of CPR's and PCR2015, potentially leaving the council at risk of legal challenge. 3. Increase LDC employed staff to completely eliminate requirement for Agency Staff. This would be expensive and inefficient as the need for staffing varies with elements (sickness and vacancies) that cannot be planned. Agency staffing allows for a more flexible staffing resource.
Consultation	<ol style="list-style-type: none"> 1. Leadership Team
Financial Implications	<p>The actual spend on agency staffing in Operational Services over the previous three financial years 2018/19 to 2020/21 (with £56,000 related to COVID-19 in 2020/21) together with Approved Budgets from 2021/22 to 2025/26 is shown below:</p>

Operational Services Agency Staffing



It is important to note:

- Tamworth Borough Council will reimburse the Council for a share of the Joint Waste Service costs and;
- Any additional spend on agency staffing in the Joint Waste Service is funded from vacancies in the establishment.

Approved by Section 151 Officer

Yes

Legal Implications

1. Resultant Framework Agreement will be PCR2015 compliant.
2. Agency staff will be engaged in line with current Agency Workers Regulations.

Approved by Monitoring Officer

Yes

Contribution to the Delivery of the Strategic Plan

1. Ensuring the Joint Waste Services and Operational Services have the necessary Agency Staffing provision helps them to deliver their services, which in turn support the Strategic aims of;
 - Shaping Place – to keep it green and safe
 - A Good Council that is – responsive and customer focussed

Equality, Diversity and Human Rights Implications

1. As part of the Invitation to Tender pack, suppliers will be required to confirm that they adhere to all relevant Equality, Diversity and Human Rights legislation, as well as answering questions on their recruitment processes to ensure they are non-discriminatory.
2. As part of the Invitation to Tender pack, suppliers will be required to answer questions and provide documentation in relation to Modern Slavery and Human Trafficking.

Crime & Safety Issues

None

Environmental Impact	None
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GDPR / Privacy Impact Assessment	None
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	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	Lack of contract/compliant contract in place Ben Percival	Likelihood: Yellow Impact: Red Severity of Risk: Red	Carry out procurement process and award compliant contract before expiry of current agreement.	Likelihood: Green Impact: Red Severity of Risk: Yellow
B	Insufficient temporary staff available with correct qualifications Ben Percival	Likelihood: Yellow Impact: Red Severity of Risk: Red	Carry out procurement process and award compliant contract before expiry of current agreement. Procurement process will include questions on sourcing of staff that meet our requirements. Current national difficulties with HGV drivers has been noted. Continue to develop in-house training capabilities. The option to use more than one staffing agency should help to reduce the risk of being unable to obtain appropriately qualified staff	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
C	Agencies not motivated to maintain suitable resourcing. Ben Percival	Likelihood: Yellow Impact: Red Severity of Risk: Red	Establish 2 supplier framework with an estimated 50/50 work split over the contract term.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
D				
E				

None	Background documents Any previous reports or decisions linked to this item
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None	Relevant web links Any links for background information which may be useful to understand the context of the report
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