

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 05 September 2023

<b>TITLE</b>	Arrangements for the supply of agency workers		
<b>Ward(s)</b>	None		
<b>Author: Steph Griffin</b>	<b>Job title: Director of Workforce and Change</b>		
<b>Cabinet lead: Councillor Craig Cheney</b> (Deputy Mayor – City Economy, Finance and Performance)	<b>Executive Director lead: Stephen Peacock</b>		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> Cabinet			
<b>Purpose of Report:</b> This report seeks permission to procure and award a contract for the supply of agency workers to the Council when the Initial Term of the current contract expires on 11 May 2024.			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. The Council has a need for agency workers (which includes those variously called consultants, contractors, interims, and locums) to provide temporary cover for a wide variety of vacant established or supernumerary roles.</li> <li>2. Since April 2016, the Council has engaged Guidant Global (Carlisle Staffing PLC) to supply temporary contingent workers. Guidant acts as a managed service supplier and hires agency workers, principally via their supply chain.</li> <li>3. The current contractual arrangements began on 21 May 2020 and the Initial Term is due to end on 11 May 2024. The Council has the option to give notice to the contractor if it wishes to extend the agreement by a further period or periods of one year each, with a maximum of two years in total. However, in the current economic climate in particular the Council has an obligation to secure best value and therefore intends to test the market with the aim of making further efficiency savings and improvements.</li> <li>4. Invoices paid over the past 12 months have totalled £13.7m. For comparison purposes, the Council spends around £260m per year on its own employees and workers.</li> <li>5. Professional advice is to seek a 3–5-year contract on a 3+1+1 basis. The maximum value over the life of such a contract considering current rates of inflation is estimated to be £83.4m.</li> <li>6. Due to the value of the contract exceeding the Public Contract Regulations 2015 threshold for services a compliant tender process is required to award the contract. The Procurement &amp; Contract Management Service will manage the tender process. Routes to market will be considered but is likely to either be an open tender process or a framework call-off.</li> <li>7. The specification will include the provision of all agency workers, including how we expect the supplier to assist us with finding candidates for hard to fill roles. The specification will also include a requirement for compliance with the Council’s Equality and Inclusion and Social Value policies. It is proposed to continue the</li> </ol>			

existing commitment to pay agency workers supplied to the Council the relevant rate of basic pay for the equivalent Council roles, noting that all Council jobs are subject to a joint job evaluation process but not all agency roles will have a Council equivalent.

- It is recognised that the agency worker route can be a key pipeline of talent for Council roles, and there is therefore an over-riding need to ensure a diverse and inclusive approach to hiring to ensure the agency worker cohort reflects as closely as possible the diversity of the city we serve.

**Cabinet Member / Officer Recommendations:**

That Cabinet:

- Authorises the Chief Executive in consultation with the Deputy Mayor – City Economy, Finance and Performance to procure and enter into the contract(s) for the supply of agency workers for 3+1+1 years at a cost of up to £83.4m, in-line with the procurement routes and maximum budget envelopes outlined in this report.
- Authorises the Chief Executive to invoke any subsequent extensions/variations specifically defined in the contract(s) being awarded, up to the maximum budget envelope outlined in this report.

**Corporate Strategy alignment:**

- World Class Employment:** To role model, influence and promote the highest levels and standards of employment. Work with partners to drive for workforces that reflect the population, and workplaces that are healthy and inclusive, offering opportunities to progress and providing a Real Living Wage as standard.
- Theme 7: Effective Development Organisation.** From city government to city governance: creating a focused council that empowers individuals, communities, and partners to flourish and lead.
- Employer of Choice.** Live our organisational values and show leadership on equality, diversity and inclusion across the council and city, becoming a recognised employer of choice. Make sure we have an inclusive, high-performing, and motivated workforce that is representative of the city we serve. Support people to learn, develop in their careers and maximise their wellbeing.

**City Benefits:** An effective arrangement will contribute to the resilience and improvement of Council services, providing high quality, diverse and inclusive work and career opportunities whilst ensuring good value for the taxpayer.

**Consultation Details:** This proposal does not impact on Council staff, so consultation is not required. Nevertheless, trade union representatives will be briefed and kept updated on progress.

**Background Documents:** Record of Cabinet decision taken 2 July 2019 [Agenda Template \(bristol.gov.uk\)](https://www.bristol.gov.uk/agenda-template)

<b>Revenue Cost</b>	<b>Up to £83.4m over the life of the contract</b>	<b>Source of Revenue Funding</b>	Existing service budgets
<b>Capital Cost</b>	£zero	<b>Source of Capital Funding</b>	Not applicable
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input checked="" type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** The existing contract for the managed service provider for contingent workers and search services for permanent recruitment expires in May 2024. Whilst a contract extension is available, in the current economic

climate the service would like to test the market to determine whether better value for money is available.

The re-procurement of this contract will be a competitive process and is the most cost-effective route to the provision of appropriately skilled temporary resources. The proposal is for a 3-5 year contract at a cost of up to £83.4m, which is an estimated value including allowance for inflation etc., subject to the market response.

Current annual expenditure for the prior year was £13.7m, which over a 5 year period would equate to £68.5m.

Services will make use of the contract as needed with the related costs being borne by the service, the cost of this is required to be managed within services allocated budgets.

**Finance Business Partner:** Sarah Chodkiewicz, Head of Financial Management / Deputy s151 Officer, 17 August 2023

**2. Legal Advice:** The procurement process must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements.

**Legal Team Leader:** Husinara Jones, Team Manager/Solicitor 1 August 2023

**3. Implications on IT:** "I.T. are supportive and available to aid in progressing relevant work and can be engaged through the existing work request process."

**IT Team Leader:** Alex Simpson (Lead Enterprise Architect), 3 August 2023

**4. HR Advice:** "This proposal does not impact on the employment of Council staff. Where following a procurement process the contract for service provision is awarded to a contractor who is not the current contractor, the implications arising from the Transfer of Undertakings (Protection of Employment) legislation will be handled between the current contractor and the new contractor – though the Council will want to maintain oversight to ensure that affected staff are treated fairly/in line with the law."

**HR Partner:** James Brereton (Head of Human Resources), 31 July 2023

<b>EDM Sign-off</b>	Tim Borrett (Director: Policy, Strategy & Digital)	19 July 2023
<b>Cabinet Member sign-off</b>	Cllr Craig Cheney (Deputy Mayor)	31 July 2023
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	7 August 2023

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>NO</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>No</b>
<b>Appendix J – HR advice</b>	<b>NO</b>

<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>