
Report to:	Cabinet	Date of Meeting:	Thursday 1 December 2016
Subject:	Provision of Agency Workers	Wards Affected:	All Wards
Report of:	Head of Corporate Services		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary

To seek approval to extend the current Agency Workers Framework Agreement for a period of 12 months from 1st February 2017 until 31st January 2018. Since January 2014, the Council has used this Framework Agreement whenever it has needed to employ Agency Workers. The Framework Agreement was procured collaboratively with other Liverpool City Region authorities and this report is presented for decision in line with the collaborative procurement timetable led by another authority.

When this service was originally procured, it was procured on the basis of a core contract period of 3 years with a further optional extension period of 1 year built in and anticipated at the outset as part of the life of the contract, provided that the quality/price of services/goods provided under the contract are of a satisfactory standard and exercising the extension is considered to represent best value for the Council. The purpose of building contracts around core and extension periods is to ensure that the quality of the contract is maintained throughout the life of the contract and to ensure that the Council, particularly at times of financial uncertainty has flexibility to bring contracts to a conclusion and/or is able to refine services and or goods received under the contract. The value of this contract requires the extension to be authorised through Cabinet.

Recommendation(s)

That the Cabinet:

1. Agrees to extend the current Agency Workers Framework Agreement for a period of 12 months, 1st February 2017 to 31st January 2018
2. Notes that collaborative procurements are likely to increase and collaborative procurement processes be improved through the LCR Procurement Hub Project.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity		✓	
3	Environmental Sustainability		✓	
4	Health and Well-Being	✓		
5	Children and Young People	✓		
6	Creating Safe Communities	✓		
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy		✓	

Reasons for the Recommendation:

There is an ongoing need to employ Agency Workers in some service areas, to ensure sufficient capacity is available for those services to be provided safely and effectively.

Since February 2014 Agency Workers have been supplied through the MSTAR Framework Contract. The 3-year core period of the Contract expires at the end of January 2017 and the Council needs to determine how it will procure any necessary Agency Workers beyond that date. The current Framework Contract includes the option to extend for a 12-month period to 31st January 2018

Analysis of the options available has identified that extending the current contract would cost approximately 16% less than other options. It is therefore considered appropriate and beneficial for Sefton Council to extend the Framework Agreement for the optional 12-month period, 1st February 2017 until 31st January 2018.

During the 12-month extension period, the future provision of Agency Workers will be further considered by Liverpool City Region (LCR) authorities, within the context of the LCR Procurement Hub Project, with pre-procurement analysis, options appraisal and planning commencing early in 2017 ahead of an anticipated joint procurement of a new service to replace the current Framework Agreement at the end of its full contract term (31st January 2018). All options will be analysed and considered, including utilising existing Framework Agreements and a full OJEU collaborative procurement process.

Alternative Options Considered and Rejected:

To carry out a full EU compliant Tender exercise or adopt an alternative Framework Agreement.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional costs as a result of this report.

(B) Capital Costs

N/A

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial		
Legal		
Human Resources		
Equality		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

Impact of the Proposals on Service Delivery:

None

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD4384/16) and the Head of Regulation and Compliance (LD3667/16) have been consulted and any comments have been incorporated into the report.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer: Lynda Mitchell (Procurement Officer)

Tel: 0151 934 4070

Email: lynda.mitchell@sefton.gov.uk

Background Papers:

There are no background papers available for inspection

Introduction/Background

1. In 2013 St Helens Council led on a Pre-Procurement process for Merseyside Procurement Partnership (MPP), an informal procurement partnership of Merseyside authorities, with all members participating in the options appraisal and market review to identify the best solution available for the procurement of Agency Workers. As a result of this process, the MSTAR framework was identified as the best option for MPP members to select. The conditions of the Framework allowed for a direct award to Matrix SCM without the need to re-open further competition.
2. In January 2014, The Director of Corporate Services, in compliance with the Contract Procedure Rules, gave authority to access this collaborative Framework Agreement for the Provision of Agency Staff Workers.
3. The award was made for a period of up to 4 years, with a core period from 1st February 2014 until 31st January 2017 and provision for 1 x 12 month optional extension period from 1st February 2017. Due to the current level of spend an extension requires authorisation through Cabinet.
4. Officers within the Procurement and Personnel teams have worked during the period of the Contract to improve the process for employing Agency Workers and ensure that Client Officers comply with the requirements of the agreement.
5. The current Framework Agreement has enabled the delivery of the required service and the supplier has performed satisfactorily. Use of the Framework has resulted in greater visibility of spend through management information provided, and has also included additional elements for safeguarding vulnerable adults and children, with specified documents i.e. DBS documents, candidate's photographs and qualifications available on-line for managers to verify prior to the potential candidate being accepted.
6. An analysis exercise, ahead of the expiration of the core period of the contract has been undertaken to consider the options going forward, including extending the existing MSTAR framework, adopting alternative Frameworks or undertaking a full EU compliant Tender exercise. The Supplier has confirmed that management fees would remain unchanged during the extension period, meaning that extending the current contract would cost approximately 16% less than other options. It is therefore considered appropriate and beneficial for Sefton Council to extend the Framework Agreement for the optional year, 1st February 2017 until 31st January 2018.