

ORIGINATOR: DIRECTOR OF HR

DECISION NUMBER: 29-2018

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

SUBJECT: Contract for Managed Services for Temporary Agency Resources

SUMMARY:

Due to the expiration of the temporary staff agency contract, a replacement contract is required with effect from 1st October 2018. The current contract with Reed is under a framework agreement known as MSTAR.

In determining the proposed contract award, consideration has to be given to the possibility of contract convergence as Bedfordshire, Cambridgeshire and Hertfordshire have recently awarded their temporary staff contract to Reed under the new framework agreement MSTAR2.

It is proposed to 'direct award' a call-off contract to Reed Employment Agency as the provider for this service, as permitted by the framework agreement on a short term arrangement, which will allow time to consider the potential to collaborate across the Eastern Region for the future provision of a contract for temporary agency staff.

RECOMMENDATION:

The Police and Crime Commissioner (PCC) for Suffolk approves entering into a contract with Reed Employment Agency on behalf of both Suffolk and Norfolk PCC's for the provision of a managed service for temporary agency staff for the 24 months to 30 September 2020.

APPROVAL BY: PCC

The recommendation set out is agreed.

Signature *T.H.W. Parnore*

Date *3rd December
2018*

DETAIL OF THE SUBMISSION

1. KEY ISSUES FOR CONSIDERATION:

Currently Norfolk and Suffolk Constabularies employ on average 17 temporary agency staff.

The current contract commenced on 1 October 2014 with an end date of 30 September 2017 with an option to extend until 30 September 2018, which was taken. The contract was awarded to Reed under the ESPO/MSTAR Framework Agreement.

7 Forces

Whilst working as part of the 7 Force Pipeline Project the Category Manager identified that the use of temporary staff could be an area where savings could be made through collaboration across the Eastern Region. Bedfordshire, Cambridgeshire and Hertfordshire (BCH) Procurement team have confirmed that they have awarded their temporary staff contract to Reed under the MSTAR2 Framework.

Contract Award Stage

In determining the proposed contract award, consideration has to be given to the possibility of contract convergence as Bedfordshire, Cambridgeshire and Hertfordshire have recently awarded their temporary staff contract to Reed under the new framework agreement MSTAR2.

Under the MSTAR 2 contract, through the ESPO Framework, an award can be made either by a mini-competition or direct award.

The direct award option is recommended as it saves resources that would otherwise be spent undertaking a mini-competition process, and there would also be no cost of change.

The ESPO framework states that a call off is not predicated by lowest price and the following should also be take into account:

"If you have a managed service provision in place already then you may also consider the costs they would incur in changing provider. This can include areas such as the cost of re-tendering, re-implementation, re-training users on the new system, internal disruption etc."

2. FINANCIAL IMPLICATIONS:

A desk top assessment of the other suppliers' costings showed that Reed were still competitive and again any extra costs incurred using Reed would be mitigated by not changing supplier.

The Director of Human Resources supports the continued use of the current provider.

The potential value of this contract is variable based on a number of factors, but after meeting with Reed and based on the last three quarters expenditure the estimated value of the two Forces annual spend is in the region of £880,000. The estimated value of the 24 month contract is circa £1.75m.


The statutory officers of the Office of the PCC for Norfolk have confirmed that the PCC for Norfolk is content that the PCC for Suffolk seals the contract on their respective behalves.

3. OTHER IMPLICATIONS AND RISKS:

There are no other implications or risks associated with this contract and no change to the PCC Risk Register is required.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)	PLEASE STATE 'YES' OR 'NO'
Has legal advice been sought on this submission?	NO
Has the PCC's Chief Finance Officer been consulted?	YES
Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?	YES
Have human resource implications been considered?	YES
Is the recommendation consistent with the objectives in the Police and Crime Plan?	YES
Has consultation been undertaken with people or agencies likely to be affected by the recommendation?	YES- see Financial Implications above
Has communications advice been sought on areas of likely media interest and how they might be managed?	NO
Have all relevant ethical factors been taken into consideration in developing this submission?	YES

APPROVAL TO SUBMIT TO THE DECISION-MAKER

Chief Executive	
I am satisfied that relevant advice has been taken into account in the preparation of the report and that this is an appropriate request to be submitted to the PCC.	
Signature 	Date <i>28 March 2018</i>

CONTRACT FOR TEMPORARY AGENCY RESOURCES

REFERENCE 2018-039

AWARD REPORT

1. Introduction

Suffolk is acting as lead authority for the contract for temporary agency resources for Norfolk and Suffolk.

The contract award has been undertaken on behalf of the HR Department and the main client contact is Zoe Hack.

2. Background

The current contract started on 1st October 2014 with an end date of 30th September 2017 with an option to extend until 30th September 2018 which was taken. The contract was awarded to Reed under the ESPO MSTAR Framework Agreement. Over the past 12 months the Category Manager has been trying discuss a re-tender of the contract with HR but due to staff changes this has proved difficult.

3. Choice of Procedure /Conduct of the Procurement Process

After discussions with the Director of Human Resources it was agreed that the continued use of our current provider would be the easiest option until staffing issues were resolved and to allow for convergence across 7 Forces.

Whilst working as part of the 7 Force Pipeline Project the Category Manager identified that the use of temporary staff could be an area where significant savings could be made. This was just not the case of how much the agencies were charging per hour but why were there temporary members of staff in some areas? There are some instances where a temporary member of staff has been employed here for a number of years (one as long as 12 years) and this has been highlighted to the Director of HR who is looking into it. During discussions with a member of the Bedfordshire, Cambridgeshire and Hertfordshire Procurement team it was found that they have awarded their temporary staff contract to Reed under the MSTAR2 Framework. It was also learnt that a member of HR in B, C and H is now looking at the bigger picture regarding the use of temporary staff and they are going to look at the strategies they currently employ

4. Award Stage

- 4.1 Under the MSTAR 2 contract through the ESPO Framework an award can be made either by a mini-competition or direct award.

The direct award option has been chosen as this saves us both time and money and there would be no cost of change. As BCH are also using this contract it would then be easier to converge contracts in the future. The ESPO framework states that a call off is not predicated by lowest price and we should also take into account

"If you have a managed service provision in place already then you may also consider the costs they would incur in changing provider. This can include areas such as the cost of re-tendering, re-implementation, re-training users on the new system, internal disruption etc."

4.2 Evaluation

No actual evaluation took place but a quick assessment of the others suppliers costings showed that Reed were still competitive and again any extra costs incurred using Reed would be mitigated by not changing supplier.

4.5 Award

Taking all factors into account the most economically advantageous bidder who will be awarded the contract is Reed. It is proposed that a 12 month contract is let with the option to extend for a further 12 months.

Lesley Heywood
Category Manager
Date 3rd September 2018