

Guildford Borough Council

Report to: Executive
Date: 9 January 2024
Ward(s) affected: 'All' Wards
Report of Strategic Director of: Finance
Report Author: Gavin Seabourne-Pugh / Dawn Adams
Head of Procurement
Email: gavin.seabourne-pugh@guildford.gov.uk
dawn.adams@guildford.gov.uk
Lead Executive Member: Councillor Lucas
Email: Richard.Lucas@guildford.gov.uk
Status: Open
Key decision: Yes

Contract for the provision of temporary agency staff

1.0 Executive Summary

- 1.1 Within the workforce of Guildford Borough Council there is a diverse and broad range of skills and expertise, much of which has built up over many years. There are, however, occasions where specialist skills or expertise, which do not exist within the Council's own workforce, are required or there are time constraints or other external factors that require external capacity.
- 1.2 The purpose of this report is to seek approval from Executive to award a contract for the provision of temporary agency staff (contractors, interims, or agency workers) to Comensura for a period of two years.
- 1.3 The compliant route of appointment is a direct award a contract under the Eastern Shires Procurement Organisation (ESPO) Managed Services for Temporary Staff Resources (MSTAR4) framework. It is estimated, subject to demand, that the total value of spend on temporary staff will be £4m per annum.

- 1.2 The intention is that over the next twelve to eighteen months that the Council will consolidate spend of temporary staff via Comensura (a requirement under the new Contract Procurement Rules) at which point GBC will go to tender. There may also be the opportunity to collaborate and consolidate spend with Waverley Borough Council (WBC).

2.0 Recommendation to Executive

That the Executive resolves to:

Authorise the Strategic Director for Finance and Resources in consultation with the Lead Councillor for Finance and Property to enter into a contract with Comensura via the ESPO MSTAR4 framework to supply temporary agency staff (temporary contractors, interims, agency workers for a period of up to two years with a contract value of up to £8,000,000.

3.0 Reasons for Recommendations

- 3.1 The council is currently reviewing its temporary staff spend and is taking a number of actions to reduce the cost of temporary staff, notably, interims/contractors and how we source them.
- 3.2 These actions include consolidating spend at the council, so that we have more of the council's required external workforce appointed via Comensura, which will give the council lower margins, and a single point of all information on external staff therefore helping to manage costs better.
- 3.3 Additionally, the costs for changing the existing supplier via a tender, may deliver a small benefit of a reduction in costs (less than £36,000) over next 18 months years. The cost of this change of is considered greater than the savings along with the disruption. In addition, tendering now would rule out any collaboration with WBC.
- 3.4 The contract rates will be the same rates as the council currently pays now with Comensura.

4.0 Status of Report

Partially exempt – Appendix 1 – Costs, holds commercially sensitive information, therefore exempt. As set out in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

5.0 Strategic Priorities

This procurement supports the council's objective of being a resilient and well-managed council as the consideration of the contracts being procedure provides best value and use of council resources.

6.0 Background

- 6.1 Comensura provides a one stop shop, for the hiring and paying of temporary staff. Comensura offers the ability to use its own supply chain of agencies on predetermined rates, as well as being able to deploy other agencies in a compliant manner.
- 6.2 The council is in the process reviewing interim/contractor spend including consolidating spend with one provider under a 'Neutral Vendor' model. This involves negotiating rates with individual agencies or them to recruit staff on behalf of the council.
- 6.3 Refer to Appendix 1 – Costs [Exempt].

7.0 Options

- 7.1 Awarding the contract to Comensura will result in continuous delivery of this service.
- 7.2 Retender – taking 6 months, plus considerable HR And procurement resources.
- 7.3 Do nothing – the council would continue to be in a non-contracted spend position and therefore have spend non-compliant as not procured under contract in accordance with Public Contract Regulations 2015 (PCR15).

8.0 Consultation

Officers of HR services, procurement, and legal services have been working together on this requirement and will continue to do so under contract award. There is no requirement to widely consult further as this a contract to purely to provide means to appoint external workforce, as and when required.

9.0 Key Risks

9.1 If the council does not contract with under single contract to consolidate spend, then the council would need to consider the Public Contract Regulations risks of contracting with agencies directly, and as such be at risk of seen to be intentionally disaggregating spend to avoid applying the regulations

9.2 In addition, the council would not have one point of authority to consolidate spend. This would be considered a retrograde step.

10.0 Legal and Governance Implications

10.1 A direct award via the Eastern Shires Procurement Organisation (ESPO) interim framework (MSTAR) is a compliant procurement route.

10.2 The new Scheme of Delegation and Contract Procedure Rules require that Executive decide whether to enter into a contract where the decision is a Key Decision. This is a Key Decision as the value of the contract exceeds £200,000.

11.0 Financial Implications

11.1 The council is currently reviewing its temporary staff spend and is taking a number of actions to reduce the cost of temporary staff, notably, interims/contractors and how external workforce requirements are sourced.

11.2 By contracting interims via a framework with Comensura we identify and limit the use of agencies charging above the average % mark up on interims.

12.0 Human Resources Implications

External contractors, interims, agency works and other external workforce such as temporary staff are required to comply with any council policies in relation of human resources.

13.0 Equality and Diversity Implications

External contractors, interims, agency works and other external workforce such as temporary staff are required to comply with any council policies in relation of equality and diversity.

14.0 Climate Change and Sustainability Implications

External contractors, interims, agency works and other external workforce such as temporary staff are required to comply with any council policies or best practice to mitigate any climate implications.

15.0 Next Steps

To direct award a contract with Comensura to ensure continuity of supply of temporary staff.

16.0 Background Papers

None

17.0 Appendices

Appendix 1 – Costs [Exempt]

Report clearance progress:

Finance	Jo Knight	09/12/24
Legal & Governance	Tom Edwards	08/11/24
Human Resources	Francesca Chapman	08/11/24
Equalities	Francesca Chapman / Ali Holman	08/11/24
Strategic director	Richard Bates	08/11/24