

**CABINET MEMBER FOR RESOURCES - CLLR JOHN NOEKEN**

**DEPARTMENT OF RESOURCES**

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**REFERENCE: R002-10**

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## **R-002-10 - PROVISION OF TEMPORARY AGENCY STAFF**

### **Purpose of Report**

Cabinet approved the adoption of a neutral vendor managed service (NVMS) for the provision of temporary agency staff using the EU 'Restricted Tender' route on 23<sup>rd</sup> February 2010. This was a joint collaborative project with Bath & North East Somerset Council (BANES). This paper set outs the reasons for requesting a change to the approved procurement route.

A project meeting with BANES in June 2010 identified structural changes to its procurement unit having an immediate impact on knowledge, capacity and the project timescales. As such, BANES have withdrawn from the project and it will not continue any further. This withdrawal removes the Council's opportunity to gain the benefits expected from a collaborative procurement exercise.

### **Options Considered**

#### (i) Tender Exercise (Wiltshire Council only)

Due to the loss of the collaborative opportunity to approach the market this will impact on the Council's ability to obtain better pricing through increased economies of scale. This option also represents the longest lead time to establishing a new contractual arrangement. It is anticipated that a replacement tender exercise will take approximately 6 - 8 months to conclude and implement the new service. This timescale will not allow the Council to establish a new contractual arrangement prior to expiry of the current framework arrangement which is due to end in February 2011.

#### (ii) Join National Contract

The national contract being developed by the OGC and the Eastern Shires Purchasing Organisation (ESPO) is set to 'go live' in March 2011 and Wiltshire Council (WC) will be a named authority in the OJEU notice to provide access to the agreement. Whilst WC will have access to the use of this agreement, it is anticipated that joining the national contract at the 'go live' stage in March 2011 may pose a risk to the council. It is likely that the demand to join this framework nationally will be very high. This will

negatively impact on the quality of support received and timescales involved in the implementation process for each of the client organisations involved.

(iii) Join a Pre-Tendered Framework

The quickest and most cost effective option is to join a pre-tendered framework as there are no joining fees and it enables the council to commence implementation of a new service immediately. Consideration has already been given to two pre-tendered frameworks with ESPO and Dorset County Council (DCC) that were discussed in the original Cabinet paper.

ESPO's Framework

This was originally discounted as it had a short contract term remaining and it was unclear at the point of investigation whether the contract would be extended. A contract extension has now been awarded until December 2011.

DCC's Framework

DCC's was also discounted as it was believed to be open to challenge under the EU Procurement Directives. The extent of this risk has been clarified at paragraph 7 below. The DCC arrangement is due to expire in May 2012.

**Reason for Decision**

1. In order for the council to receive the benefits described above at the earliest opportunity it is proposed that a contract is signed with Comensura under the DCC framework arrangement. It is envisaged that WC will remain in this contractual arrangement for a minimum 12 month period at which point it will consider the risks and benefits associated with transferring to the National contract. It is envisaged that implementation of a NVMS will take approx 45 days and roll-out can commence in September 2010.

**DECISION MADE**

I approve the decision set out above.

This decision was published on the 13<sup>th</sup> August and will come into force on the 23<sup>rd</sup> August, 2010.

**The following supporting documents are attached:**

R-002-10 - Provision of Temporary Agency Staff - report

Background reports:

Cabinet report 23 February 2010

<http://cms.wiltshire.gov.uk/mgConvert2PDF.aspx?ID=2193>

Cabinet minute 23 February 2010

<http://cms.wiltshire.gov.uk/ieListDocuments.aspx?CId=141&MId=250&Ver=4>

Date: .....13<sup>th</sup> August, 2010.....

Cllr John Noeken  
Cabinet Member for Resources