

CABINET MEETING

Agenda Item 95

Brighton & Hove City Council

Subject: Agency Contract for Temporary Staffing
Date of Meeting: 16th October 2008
Report of: Director of Strategy & Governance
Director of Environment
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Key Decision: Yes Forward Plan No. CAB 2912
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 To seek approval for Brighton & Hove City Council to let a new contract for the provision of agency staff for recycling, refuse collection and street cleansing services.

2. RECOMMENDATIONS:

- 2.1 That Cabinet approve the award of the contract to Plan Personnel following the outcome of a tender submission and formal presentation.
- 2.2 That Cabinet approve that the contract start date is Monday 12th January 2009.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Hays Construction & Property provides the current agency staff for the refuse recycling and street cleansing service to CityClean. The current contract with Hays has been in operation for three years and is due to expire in January 09. The planned expenditure on agency personnel is currently £650,000 per annum.
- 3.2 Refuse collection, street cleansing agency staff are needed to:
- Cover for permanent staff who are on annual leave/ sick leave, and
 - Provide staff in response to seasonal requirements, e.g. beach cleaning and leaf clearance.

In 2007/8 sickness absence was 11.62 average days lost per head. Sickness levels continue to reduce from a figure of 16.61 days per head in 2004/5 to. Current levels are below the industry norm for heavy manual work undertaken in all weathers of 12.6 days for Local Government workers involved in manual work (CIPD Annual Survey Absence Management 2008).

- 3.3 Permanent staffing has not increased due to the current development of on-site recycling and waste transfer station now being built on site at Hollingdean Depot. There will continue to be a need for agency staffing providing a single efficient point of contact for good quality, suitably qualified and trained workers who are immediately available at short notice from 6.00am in the morning.
- 3.4 The strategy for temporary worker supply across the council is to have a single provider for all our requirements. The letting of this contract for a two year period will enable the council to tender for a single contractor at the end of our current contractual arrangements with Carlisle Managed Solutions in 2010. Following this the CityClean contract will be subsumed by the new contract arrangements.
- 3.5 The current Neutral Vendor arrangements with Carlisle Managed Solutions for agency workers apply to the remainder of the council and currently exclude CityClean. This has resulted in increased value for money as well as significant improvement in the number of workers provided. The detailed management information provided by our contractor has assisted Human Resources in initiating project work to reduce our reliance on agency workers through supported recruitment activity in areas of high reliance on agency workers. The awarding of this contract will enable these improvements to include the agency arrangements at CityClean as similar performance indicators have been included in the contract for CityClean.
- 3.6 To ensure value for money a procurement exercise was undertaken. Nine local providers were invited to submit tenders and they were evaluated using the following criteria

Evaluation Criteria – Quality	Maximum Points 100
Ability to provide staff	20
Experience	10
Account management	25
Environmental Issues	15
Innovation	5
Performance monitoring & Review	5
Induction & Training	20

The split between cost and quality was 50/50

3.7 Following an initial evaluation of the tenders the top 3 highest scoring bidders were invited to give a presentation to officers. These presentations were used to clarify points about the tenders and highlight the bidders' expertise. After the presentations the bidders' scores were adjusted accordingly

3.8 Following the evaluation the top three scores were as follows

Plan Personnel	79.48
Carlisle	78.18
Blue Arrow	77.75

As can be seen the highest score was Plan Personnel.

4. FINANCIAL & OTHER IMPLICATIONS:

4.1 Financial Implications:

The budget provision for CityClean agency workers for 2008/09 is £652,020 and the risk of the resultant new contract causing budget pressure in 2009/10 has been assessed as low. It is projected that the level of agency staff will reduce to reflect the overall reduction in workforce numbers following the changes to the refuse and recycling service.

Finance Officer Consulted: Patrick Rice.

Date: 2.9.08

4.2 Legal Implications:

A contract providing this type of service falls under 'Part A' of the EU Procurement Directive and accompanying UK Regulations. As a result, the contract is subject to the full application of both the Directive and Regulations. The report refers to the contract notice being advertised in the OJEU, which complies with the relevant legislation, as does the remainder of the procurement process. Contracts over £75,000 must be prepared in a form approved by the Head of Law. The Council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in this report.

Lawyer Consulted: Sonia Likhari

Date: 2.9.08

4.3 Equalities Implications:

The contract will be drawn up and awarded to support the council's race equality scheme and its broader equalities duties. The performance indicators set for the diversity of workers supplied through the contractual arrangements mirror those of the council.

4.4 Sustainability Implications:

The contract will be awarded to support the council's sustainability strategy.

4.5 Crime & Disorder Implications:

The contractor will be responsible for carrying out all necessary checks prior to placing an individual worker. Under the terms of the contract this includes, appropriate health checks, references and right to work in the UK.

4.6 Risk & Opportunity Management Implications:

The Key risks are:

- Failure to let the contract
- Failure to provide the service
- Failure to manage the contract effectively leading to complaints.

4.7 Corporate / Citywide Implications

The letting of this contract contributes actively to a number of the councils priorities:

- Under the terms of the contract 90% of all workers provided will be residents of Brighton & Hove enabling opportunities for local employment. The contractor has signed up to a commitment to the councils Local Employment Plan giving opportunities to local people who are currently long term unemployed or living on benefits.
- The letting of this contract will contribute to the agenda of better use of public money. The decision to award the contract is based on a mechanism that considers both value for money and the quality of services provided.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

6.1 Alternative options for the provision of workers to CityClean:

Consideration of an in-house bid has been reviewed in view of the payment complexities at CityClean and the salary costs this is not financially viable.

7. REASONS FOR REPORT RECOMMENDATIONS

7.1 Following a tender process in line with both EU and council regulations the contractor has shown through his tender submission and subsequent presentation that they are the company which has provided most evidence to support their ability to deliver on this contract.

7.2 The contract will support a number of the council's priorities in both better use of public money and increased opportunities for employment of local people contributing to the growth of the local economy.

SUPPORTING DOCUMENTATION

Appendices:

None

Background Documents

1. CIPD Annual Survey Absence Management 2008.

