

Meeting of:	Cabinet
Date of Meeting:	Thursday, 19 October 2023
Relevant Scrutiny Committee:	Corporate Performance and Resources
Report Title:	Agency Worker Contract Award
Purpose of Report:	To update Cabinet on the work that has been undertaken in relation to the award of the Council's Corporate Agency Contract.
Report Owner:	Executive Leader and Cabinet Member for Performance and Resources
Responsible Officer:	Tom Bowring, Director of Corporate Resources
Elected Member and Officer Consultation:	Laithe Bonni, HR Operational Manager
Policy Framework:	This is a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • There is requirement for Agency Workers to support Council services and any agency provision is managed through external provision. • The current agency contract is via Matrix SCM Ltd which has been in place since 2019 and will expire on 31st October, 2023. • This report provides information regarding the outcome of the procurement process undertaken as part of the collaborative procurement partnership service between Cardiff, Vale of Glamorgan, Monmouthshire and Torfaen. • This Part I report should be considered alongside the Part II report. 	

Recommendations

1. That the contents of the report be noted and considered in connection with the Part II report later on the agenda.
2. That the use of the urgent decision procedure as set out in Section 15.14 of the Council's Constitution be used in respect of recommendations contained within the Part II report.

Reasons for Recommendations

1. To allow the Part I and Part II reports to be considered together.
2. To respond before the current contract expiry date of 31st October, 2023.

1. Background

- 1.1 The Council uses Agency Workers to support the work of the Directorates in the Council.
- 1.2 As is expected the majority of agency worker spend is within the Directorates of Social Services and Environment and Housing, especially within the frontline services of those directorates.
- 1.3 The Council has a contract for the provision of agency workers and the service offered will be to provide agency workers through the management of existing (and potentially new) providers across the following high level categories:-
 - Construction, Trades and Operative,
 - Catering and Hospitality
 - Social Care
 - Professional/managerial/technical
- 1.4 The Vale of Glamorgan Council is a member of the Ardal procurement partnership and Cardiff Council is the lead Authority of Ardal. Ardal is a new procurement service established by Cardiff Council to deliver the shared service for the collaborative procurement partnership with Monmouthshire County Council, Torfaen County Borough Council and the Vale of Glamorgan Council.
- 1.5 With the other Authorities' agency staff contracts also expiring at similar times, each of the Authorities were looking to run a single procurement exercise to appoint a single contractor as their neutral vendor managed service provider for temporary agency workers. Each Authority will establish its own contract with the successful provider in which Cardiff Council is the leading Authority as the vehicle to appointing a contractor under a single procurement exercise for each Authority.
- 1.6 By consolidating the agency spend for the four Council's, cost efficiencies could be gained due to the level of joint spend and reduced agency mark-up fees.

- 1.7 The current Vale of Glamorgan contract is with Matrix-SCM, which has been in place since 2019, with the current contract expiring on 31st October, 2023.
- 1.8 Matrix does not provide agency workers itself (known as a Neutral Vendor), instead it provides a brokerage service, entering into contractual arrangements with a number of different agencies and ensuring that workers are provided from these agencies as required by the Council. There are currently over 200 supplier agencies signed up with Matrix-SCM.

2. Key Issues for Consideration

- 2.1 A tendering process has taken place, with all four Council's involved in the agency specification and assessment process from the bid's received.
- 2.2 Cardiff Council took the lead in running the process, with support from the other three Councils.
- 2.3 The successful agency provider will commence work with each Council from 1st November, 2023. The award notice will be issued to the successful agency during w/c 23rd October, 2023.
- 2.4 It is proposed that each Authority will enter into a contract for a period of 5 years with the option for a 2-year extension subject to performance.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 Long-term – Having a long term agency strategy in place will enable working relationships to be achieved with the agency suppliers, with the aim to use local supply as much as possible.
- 3.2 Integration – This proposal is the result of a collaborative procurement exercise where the availability of agency staff regionally has been considered so as to understand the implications on other bodies being able to achieve their wellbeing objectives.
- 3.3 Involvement – Ensuring interactions and service planning are maintained effectively with our agencies and workers.
- 3.4 Collaboration – As well as Cross Directorate ownership, accountability and understanding of our agency worker responsibilities.
- 3.5 Prevention – To ensure public bodies adhere to the Agency Workers Regulations via the contract.

4. Climate Change and Nature Implications

- 4.1 Additionally, the Authority will be contracting with an organisation with a Carbon Neutral organisation. Bidders were asked to provide how they can support the Authority in delivering its ambition of being carbon neutral along with given the opportunity to provide copies of their carbon neutral reduction plans. Key

contract management will be needed to ensure that those commitments of support are fulfilled throughout the life of the contract.

5. Resources and Legal Considerations

Financial

- 5.1 Agency spend is managed and monitored as part of each Directorate's budget.
- 5.2 By entering into a contract as part of a wider procurement process, economies of scale can be achieved by having reduced agency mark-up fees.

Employment

- 5.3 Agency workers appointed via the contract are covered by the Agency Worker Regulations.
- 5.4 Any agency worker employed can apply for internal vacancies within the Council.

Legal (Including Equalities)

- 5.5 The Framework was advertised on Sell2Wales and through an OJEU notice dated 11th November, 2022 in accordance with relevant UK legislation reference for tender 2022/S 000-031935.
- 5.6 As part of the procurement process Social Value was included with a weighting of 10% whereby bidders were required to submit commitments that would be delivered across the Partnership over the 5 year period. The commitments covered cover a wide range of opportunities across the Well being and Future Generations Acts 2015 in which clear commitments were also made to engage with directorates in the Authority.

6. Background Papers

None.