



Brent

Officer Key Decision

Report to the Director of Legal, HR Audit and Investigations

AUTHORITY TO EXTEND CONTRACT FOR TEMPORARY AGENCY WORKERS

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	None
Background Papers:	
Contact Officer(s): (Name, Title, Contact Details)	Martin Williams Head of Human Resources Email: Martin.williams@brent.gov.uk

1.0 Purpose of the Report

1.1 This report seeks approval for the Council to extend a contract for the provision of HR Services and Solutions; Temporary and Permanent Recruitment, Consultancy and related HR Services for the period of 12 months in accordance with Contract Standing Order 112.

2.0 Recommendation(s)

That the Director of Legal, HR, Audit & Investigations:

2.1 Approves the extension to the current contract with Comensura Ltd, for a period of 12 months from 6 February 2021 to 5 February 2022.

3.0 Detail

3.1 The contract with Comensura was procured from the Yorkshire Purchasing Organisation national framework for HR services and solutions (the "Framework"). Lot 1 of the Framework was selected as it covered Managed Services for Contingent Labour. The Framework agreement commenced on

6th February 2018 for a term of 3 years plus 1 possible year's extension.

- 3.2 The Framework was procured in accordance with the Public Contracts Regulations 2015. YPO conducted extensive pre-market engagement with customers and providers to ensure the Framework met needs and outcome of both buyers and suppliers. The Framework is person focused and covered all aspects of HR services to enable flexibility for authorities to develop appropriate solutions
- 3.3 Temporary workers represent an important part of the Council's workforce. The use of temporary workers enables staffing levels to be quickly flexed in line with peaks and troughs of overall workloads. Temps are sometimes used to fill vacant posts before and during restructures to manage the risk of redundancies. They are also used where permanent posts are hard to fill. The Council spent around £21.3m on temporary staff through the Comensura contract in 2019/2020. This includes the gross amount paid to the agency worker, the fees paid to the employing agency and the fee paid to Comensura for their service
- 3.4 All agency and non-employed interim staff should be sourced via Comensura – unless agreed otherwise by the Head of Human Resources. Contingent workers are used for reasons as follows:
- Scarce expertise – market conditions sometimes mean that particular roles are hard to recruit to and/or the salary that can be offered for some roles in accordance with the council's evaluation scheme is not competitive and suitable applicants for these role cannot be attracted;
 - Urgent cover for staff whose absence has a direct and immediate service impact (e.g. refuse collection operatives and drivers)
 - Short term unusual workloads or projects
 - To manage vacancies
- 3.5 The recommendation is to utilise the 12 month extension option for the following reasons:
- HR has been working with Comensura since they became the council's managed service provider in February 2018 to reduce off-contract spend. Savings have been achieved by moving more of the off contract spend into the Comensura contract.
 - Comensura have also supported with several initiatives to improve service delivery and social value.
 - Brent works – Working to bring residents into jobs, provides them with the first opportunity to apply for roles
 - Head hunting - Comensura are helping with those hard to fill/specialist roles and supporting the teams in fulfilling these roles.
 - Virtual Meetings/Video interviewing offered which is a great piece of technology given the current recruitment climate relating to Covid-19
- 3.6 The pricing on the current framework has been compared against the main comparable frameworks. Pricing has not changed dramatically due to the margins being pushed to the lowest for a provider to still provide a quality service. Savings are difficult to achieve in recruitment Managed Service

Provider (MSP) especially for customers who are in the 2nd, 3rd or 4th generation of a call off MSP. The margins have been stretched so much that it is at risk of impacting quality. There are new players in the market but not all are experienced in the sector in delivering a quality and robust service. The main way to achieve savings is through 'buying better' and encouraging the MSP to be more proactive and offer solutions.

- 3.7 Under section 3(b) of the table at paragraph 9.5 of Part 3 of the Constitution, Strategic Directors / Operational Directors are able to extend contracts and agreements without the need for Cabinet approval:
- (a) provided that the extension would not be in breach of the European Procurement Legislation.
 - (b) provided that the extension does not substantially alter the terms and conditions of the contract.
 - (c) provided that there is sufficient existing budgetary provision.
- 3.8 It is considered that you have delegated authority to agree the extension as the contract when procured specifically provided for an extension period of one year. The extension would therefore not be in breach of European Procurement Legislation and the extension does not alter the terms and conditions of the contract. For the reasons detailed in Section 4 of this report, there is sufficient budgetary provision for the extension of the contract.

4.0 Financial Implications

- 4.1 The cost of the contract will be met from existing service budgets and is dependent on the overall use of agency staff. Each individual assignment is subject to an internal budget authorisation before any pend is committed under the contract. In general, the Council does not budget for agency staffing costs since the cost is usually funded through vacancies in staffing budgets.
- 4.2 Total spend through the contract for the one year extension period is expected to be approximately £21.3m (based on spend in 2019/20). This includes the gross amount paid to the agency worker, the fees paid to the employing agency and the fee paid to Comensura for their service.

5.0 Legal Implications

- 5.1 The Legal Implications relevant to the proposed extension of the contract for 12 months are addressed in the body of the report at paragraphs 3.7 and 3.8.
- 5.2 Paragraph 9.7 of Part 3 of Brent's Constitution provides that Officers designated as Operational Directors have delegated to them, all the powers of their Strategic Director, (or the Chief Executive if the Operational Director reports directly to her), as far as they relate to the Service Area for which they are responsible. Save as far as that is inconsistent with any other part of the Constitution or their Strategic Director (or the Chief Executive) has directed them not to exercise particular powers. The contract falls within the service area, for which the Director of Legal, HR, Audit and Investigations ("DLHRAI") is responsible and as an operational director, the DLHRAI has the delegated authority to agree the proposed extension, it not being inconsistent

with another part of the Constitution and the Chief Executive having made no declaration not to exercise the power to extend contracts.

- 5.3 The extension will need to be made in accordance with such formalities as are provided in the contract.

6.0 Equality Implications

- 6.1 It is considered that there have not been any changes in equality implications of the proposals set out in this report since the beginning of the contract and that there is no disproportionate effect on any particular protected characteristic group.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 N/A

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from extending the contract.
- 8.2 There are no property / accommodation implications resulting from any extension.

Report sign off:

DEBRA NORMAN

DIRECTOR OF LEGAL, HR, AUDIT AND INVESTIGATIONS