



Cabinet Meeting
28 July 2025

**Report from the Corporate Director
Finance & Resources**

**Lead Member – Deputy Leader &
Cabinet Member for Finance &
Resources
(Councillor Mili Patel)**

**Authority to Award Contract for Temporary Recruitment
Services (Managed Service Provider)**

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	Four Appendix 1: Names of Contractors Appendix 2: Evaluation Criteria Appendix 3: Evaluation Grid Appendix 4: Equalities Impact Assessment
Background Papers¹:	Not applicable
Contact Officer(s): (Name, Title, Contact Details)	Andrew Baxter Senior Recruitment and Resourcing Manager 07776 664473 Andrew.baxter@brent.gov.uk

1.0 Executive Summary

1.1 This report concerns the proposed award of the contract for a Managed Service Provider (MSP) to supply temporary agency staff. This report provides an

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overview of the process undertaken in procuring a contract and following the completion of the evaluation of the bids, recommends to whom the contract should be awarded.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Approves the award of the contract for a Managed Service for Temporary Agency Staff Services to Reed Specialist Recruitment Ltd for five years in the sum of three years plus an optional two-year extension.

3.0 Detail

Cabinet Member Foreword

- 3.1 It is crucial the Council has access to a reliable and good quality agency staff workforce. Historically there has been an overdependency on agency workers, however with the costs associated and pressures on budgets, this is not sustainable in the long term. The recent corporate drive across the council to reduce agency spend has had a positive impact. Council temporary agency worker spend between April 2024 to March 2025 has reduced by more than £7m compared to the previous twelve months [April 2023 to March 2024].
- 3.2 The proposed award of the contract for a Managed Service Provider (MSP) to supply temporary agency staff will support the Brent Borough Plan 2023 – 2027 priorities 'Prosperity and Stability in Brent' and 'Thriving Communities' with a focus on achieving the desired outcomes, easing the Cost-of-Living Crisis' for our residents, Brent for Business and ensuring a Representative Workforce.

Background

- 3.3 The Council's current Managed Service Provider (MSP) contract with Comensura expires 04 February 2026 with no option for a further extension. Council officers have undertaken a procurement exercise and identified a contractor providing the most economically advantageous offer in accordance with relevant evaluation criteria and therefore recommend award of a contract for the Managed Service for temporary agency staff (the "Contract"). The current MSP contract is a neutral vendor model, with the supply of temporary agency workers through a network of approved agencies and does not include master vendor route whereby the provider can source and supply workers directly. The new MSP contract will oversee the supply of temporary agency workers through a hybrid delivery model, which includes using a network of approved agencies or by sourcing and supplying the workers directly. The hybrid model offers flexibility for the Council as it allows for a combination of neutral and master vendor elements.

The Procurement Process

- 3.4 The Contract will be called off from the YPO Managing Recruitment and Resourcing, Lot 1: Managed Service for Temporary Recruitment for Local Authorities Framework (the “Framework”), using the form of award and standard call off terms and conditions prescribed under the Framework with minor amendments

The Selection Process

- 3.5 The tender process opened on 03 April 2025 and bids had to be submitted electronically no later than 14 May 2025 at 1100hrs. The selection process consisted of bids being assessed against the following criteria - Price, Quality and Social Value.

Price

Bidders were required to complete a Pricing Schedule to be evaluated against the following criteria - Agency Fees, Managed Service Provider fees and Interim Job Category Fees. Price weighting is 55% of the total weighting.

Quality

Bidders were required to respond to six quality questions to be evaluated against the following criteria - Implementation, Service Delivery and Contract Management. Quality weighting is 35% of the total weighting.

Social Value

Bidders were required to respond to four social value quality questions against the Council’s Social Value themes – ‘Thriving Communities’, ‘Prosperity and Stability’ and ‘Cleaner, Greener Future’. Social Value weighting is 10% of the total weighting.

- 3.6 A further competition exercise was carried out using the Framework in accordance with its rules.
- 3.7 In compliance with the Framework further competition guidance, the evaluation of bidders was based on the evaluation criteria detailed in **Appendix 2**.

Evaluation process

- 3.8 Four valid bids were received, and the evaluation of bids was carried out by officers from across the council.
- 3.9 Each member of the evaluation panel carried out independent evaluations of how well they considered each of the evaluation criteria was addressed in the bids. The evaluation score awarded for each question ranged from 0 [unacceptable] to 5 [outstanding]. The evaluation panel evaluated the Quality and Social Value submissions. The Pricing Schedule submissions were evaluated separately by the Head of Procurement, with scores fed back to the evaluation panel.

- 3.10 The panel attended moderation meetings on 21 and 22 May 2025 and each submission was marked by the whole panel against the evaluation criteria.
- 3.11 The names of the bidders are contained in **Appendix 1** (exempt from publication). The scores received by the bidders are included in **Appendix 3**. It will be noted that Contractor Reed was the highest scoring bidder. **Officers therefore recommend the award of the Contract to Contractor D, namely Reed Specialist Recruitment Ltd.**
- 3.12 Subject to consideration by Corporate Management Team, the proposed award of the contract for a Managed Service Provider (MSP) to supply temporary agency workers will be considered by PCG on 25 June 2025. The proposal will be submitted for consideration by Cabinet on 14 July 2025.
- 3.13 The Contract will commence on 05 February 2026 [subject to the Council's observation of the requirements of a voluntary standstill period noted in paragraph [6.6] below].

4.0 Stakeholder and ward member consultation and engagement

- 4.1 No formal consultation has taken place with stakeholders however input has been sought from stakeholders into developing the tender specification.

5.0 Financial Considerations

- 5.1 Part 3 of the Council's Constitution state that contracts for services exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract.
- 5.2 Due to the nature of the contract, the value is dependent on the usage over the contract duration. Based on 2024-25 usage, the value of the contract is estimated at £130m, should it run to the full five-year contract term. This includes the gross amount paid to the agency worker, the fees paid to the employing agency and the fee paid to contractor for their service.
- 5.3 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 spend is committed under the contract.
- 5.4 Once the contract is awarded further work will be undertaken to review if additional ICT integration and implementation work is required. Any works are expected to be minimal and will be funded by existing HR budgets.

6.0 Legal Considerations

- 6.1 Officers intend to seek the approval of Cabinet for the award of the contract for a Managed Service for Temporary Agency Staff to Reed Specialist Recruitment Ltd
- 6.2 Officers are using a framework procured under the Public Contracts Regulations 2015 ("PCR 2015") and as such the PCR 2015 regime applies to the procurement of this call-off contract. The value of the Contract over its lifetime is in excess of the PCR 2015 threshold for Services and the award of the Contract is therefore governed by the PCR 2015.
- 6.3 Officers recommend the use of a framework to procure the Contract. The PCR 2015 allow the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full procurement process. Call offs under the framework agreement need to be carried out in accordance with the framework rules, to include using evaluation criteria specified in the framework agreement and utilising the terms and conditions set out in the framework agreement.
- 6.4 The Council's Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Director or Director and provided that the Director, of Law (and formerly the Corporate Director, Law and Governance) has previously confirmed that participation in the Framework is legally permissible. . It has been confirmed that it is legally permissible for the Council to use the Framework.
- 6.5 The award is subject to the Council's own Standing Orders and Financial Regulations in respect of High Value Contracts given the procurement is valued at more than £2 million. Part 3 the Council's Constitution state that contracts for services exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract.
- 6.6 The decision to award the Contract will be subject to call-in as provided for in the Council's Constitution. As the procurement of the Contract is from a framework, there is no requirement for the Council to observe a 10-day standstill period under the PCR 2015 although Officers intend to observe a voluntary 10-day standstill period. Subject to no challenge preventing award, Officers will seek to implement the decision to award.
- 6.7 The Transfer of Undertakings Protection of Employment Regulations (TUPE) are likely to apply here as there is a continuation of the service by a new contractor upon Contract award. All affected staff that are part of an 'organised grouping of employees' will automatically transfer to Reed Specialist Recruitment Ltd when the new contract commences. There will be no Council staff impacted by this decision.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 The Public Sector Equality Duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 7.2 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 7.3 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 7.4 EDI implications will focus on recruitment practice and outcomes which are driven by the Council’s Recruitment and Selection Policy 2022 and adherence to the IR35 and other necessary, statutory guidance, ensuring recruitment is fair, appropriate and in line with best practice and legal requirements. Additionally, the inclusion of social value quality questions as part of the assessment process will help to ensure that EDI is embedded in the practice of the successful bidder, and that there are meaningful benchmarks in place to assess progress and any areas to focus on.

8.0 Climate Change and Environmental Considerations

- 8.1 Not applicable

9.0 Human Resources/Property Considerations (if appropriate)

- 9.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.
- 9.2 As part of the procurement process, employee liability information was received from the incumbent contractor and provided to the bidders. If a new contractor is awarded the Contract, staff currently employed by the incumbent contractor may be eligible to transfer to the new service provider pursuant to the TUPE Regulations 2006. The TUPE process and any issues that may arise from it will be managed during the mobilisation phase.

- 9.3 The Council will require an on-site presence at the Civic Centre. The successful contractor will be required to enter a licence governing its presence at the Civic Centre.

10.0 Communication Considerations

- 10.1 Bidders can only be notified following the Cabinet decision. In partnership with the selected service provider, a communication strategy and plan will be developed to support hiring managers, temporary agency workers and suppliers during the implementation of the contract.

Report sign off:

Minesh Patel

Corporate Director, Finance & Resources