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|------------------------------------|---|---|
| Classification: Open | Date: 28 March 2023 | Decision Maker: Chief Executive |
| Report title: | Gateway 2 – Contract Award Approval Contract for the Supply of Agency Workers | |
| Ward(s) or groups affected: | N/A | |
| From: | Director, People and Organisational Development | |

RECOMMENDATIONS

That the Chief Executive in consultation with the Cabinet Member for Communities, Equalities and Finance:

1. Approves the award of a contract for the supply of agency workers via Lot 1 of the Eastern Shires Purchasing Organisation (ESPO) framework Managed Services for Temporary Agency Resources (MSTAR3) to Matrix SCM Ltd commencing on 4 April 2023 for a period of three years and three months with service delivery commencing on 1 July 2023 at an estimated annual value of £38m
2. Approves the inclusion of an option to extend the contract for up to two years in one year increments, making a total estimated maximum contract value of £190.5m inclusive of the extensions
3. Notes that no fees will be payable to Matrix SCM Ltd until service delivery commences on 1 July 2023
4. Notes the large majority of contract spend will be paid by Matrix SCM Ltd to the agencies in their supply chain who provide temporary workers to the council

BACKGROUND INFORMATION

5. Currently, the council has a contract for the supply of agency workers with Comensura Ltd (Comensura) procured via a framework established by the Yorkshire Purchasing Organisation (YPO). This contract began on 1 April 2018 and was originally due to end on 31 March 2021. Since then, the contract has been extended a number of times and it is now due to end on 30 June 2023. Under the terms of the contract, Comensura are not responsible for directly providing agency workers to the council; rather, they manage a supply chain of agencies that are able to provide temporary workers who meet the council's requirements.

6. In August 2022, an options appraisal was completed to assess the council's ongoing requirement for agency workers and the best approach to sourcing this service. The findings from this options appraisal informed the development of a procurement strategy, which was the subject of a Gateway 1 report approved by the council's Cabinet on 17 January 2023. The approved procurement strategy was to run a further competition via Lot 1 of the ESPO MSTAR3 framework agreement.
7. In approving the Gateway 1 report, Cabinet agreed to delegate authority to the Chief Executive to approve the contract award via a Gateway 2 report in consultation with the Cabinet Member for Communities, Equalities and Finance.

Procurement project plan

8. Key milestones in the procurement of this contract are as follows:

| Activity | Complete by: |
|--|---------------------------------|
| Gateway 2 decision (proposed contract award) entered on the Forward Plan | October 2022 |
| Cabinet Member briefed | 20 December 2022 |
| Approval of Gateway 1 report | 17 January 2023 |
| Invitation to tender issued | 25 January 2023 |
| Closing date for return of tenders | 14 February 2023 |
| Completion of evaluation of tenders | 1 March 2023 |
| Gateway 2 proposal considered by the Directorate Contract Review Board | 2 March 2023 |
| Gateway 2 proposal considered by the Corporate Contract Review Board | 3 March 2023 |
| Debrief notice and standstill period | 24 March 2023 |
| Urgent implementation procedure | 28 March 2023 |
| Approval of Gateway 2 report | 28 March 2023 |
| Contract award | 4 April 2023 |
| Addition of contract to the council's contract register | 4 April 2023 |
| Contract start date | 4 April 2023 |
| Service delivery commences | 1 July 2023 |
| Contract completion date | 30 June 2026 |
| Contract completion date if extension(s) exercised | 30 June 2027 or 30 June 2028 |

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

9. The new provider will be responsible for supplying agency workers to the council. The new provider's service will operate seven days a week and enable hiring managers to quickly and cost-effectively secure temporary workers who meet the council's requirements. The provider will operate a system that is intuitive and easy to use. Hiring managers will be able to use this system to raise orders for agency workers, select candidates, schedule interviews, and approve timesheets. The new provider will be required to:
 - improve hiring managers' experience of sourcing agency workers
 - provide an account management service that includes a team of three full-time equivalent (FTE) employees
 - offer workforce planning advice and support to help reduce the council's use of agency workers
 - enable Southwark Works to support local residents into temporary employment opportunities with both the council and local businesses
10. The proposed contract will deliver savings of 18.35%. Please refer to the closed version of the Gateway 2 report for further details.

Key/Non-key decision

11. This report represents a key decision because the proposed contract value exceeds £500,000.

Policy framework implications

12. The council's workforce – both permanent and temporary – plays a critical role in delivering essential public services and enabling the achievement of priorities and commitments in the Council Delivery Plan.
13. As part of the procurement process for this contract, the new provider's employment practices were assessed, including how the provider ensures recruitment is always fair and transparent – both within its own organisation and across the agencies in its supply chain.
14. The council's Fairer Futures Procurement Framework includes a range of workforce issues that must be addressed when procuring a contract of this value and significance. All of these issues were assessed as part of the tender process or addressed by ESPO when the MSTAR3 framework was originally let.

Tender process

15. The ESPO MSTAR3 framework agreement expires on 10 April 2023 and any contract let through this agreement must be awarded by this date. The procurement of a new contract for the supply of agency workers is a significant undertaking, which can typically take between six and nine months. On this occasion, the council has worked to an accelerated timetable of just over three months in order to award a contract by the framework expiry date of 10 April 2023. As the contract award is a key decision, it is necessary to utilise the council's Urgent Implementation Procedure in order to complete a contract award by the framework expiry date of 10 April 2023. This is in part because, following the contract award decision, the council wishes to undertake a voluntary 10 day standstill before the contract award is confirmed.
16. To initiate the procurement process, tender documents were uploaded to the council's e-portal system and made available to all bidders listed on the ESPO framework on 25 January 2023. The closing date for tender submissions was midday on 14 February 2023.
17. Of the 14 companies listed on the ESPO framework, six returned a tender. These were all submitted via the council's e-portal system on or before midday on 14 February 2023. Following the closing date, all responses were opened on the same day and checked for compliance.
18. There were eight potential tenderers who chose not to bid. For some of these tenderers, this was due to their lack of experience in delivering London-based contracts and their resulting lack of a suitable supply chain across the region. In addition, one tenderer on the ESPO framework has decided not to bid for any more public sector contracts.
19. The evaluation process commenced on 14 February 2023 and was completed on 1 March 2023.

Tender evaluation

20. Tenders were evaluated on the basis of the most economically advantageous response, with the evaluation weighted as follows: 35% price, 50% quality, and 15% social value.
21. The price element of each bid was evaluated by council finance officers, while the quality and social value elements were evaluated by senior officers from across council departments with experience of the council's service delivery requirements.

Price evaluation (35%)

22. Tenders were evaluated on the basis of four criteria, as shown in the table below. Tenders were evaluated out of 100% against the four criteria. The total price score was then weighted to generate 35% of the final score.

| Pricing criteria | Maximum score available |
|--|--------------------------------|
| Managed service provision and agency pricing | 60% |
| Interims | 20% |
| Tenure discounts | 10% |
| Qualitative pricing evaluation | 10% |
| Maximum price score available | 100% |

23. All returned tenders were checked for arithmetic accuracy and consistency.
24. Criterion one, managed service provision and agency pricing, consisted of the following elements to give a total service fee, which generated a final score for this criterion:
- a. annual agency fees
 - b. tenderer's annual management fees
 - c. annual early payment discount
25. A price evaluation model was designed to help the council carry out a robust evaluation of price. This model was prepared using historical data in relation to the council's use of agency workers by job category.
26. Criterion two, interims, consisted of the following elements:
- a. agency fees (%)
 - b. tenderer's management fees (£)
27. Criterion three, tenure discounts, consisted of the following elements:
- a. highest average discount of agency fees (%)
 - b. highest average discount of tenderer's management fees (%)
28. Criterion four, qualitative pricing evaluation, was a method statement asking bidders to break down the tenderer's management fee to ensure the cost of the account management team (3 FTE) was covered within the tenderer's management fee.

29. In relation to criterion one and two, the lowest price for each criteria was awarded the maximum score in accordance with the weightings. Every other tender was then compared against the lowest price tender (for its respective criteria) in accordance with the following formula to arrive at a score to one decimal point:

$$\left(\frac{\text{Lowest Submitted Price}}{\text{Tenderer's Submitted Price}} \right) \times \text{Pricing Section Weight}$$

= *Weighted Score*

30. In relation to criterion three, the average highest discount was awarded the maximum score in accordance with the weightings. Every other tender was then compared against the highest discount tender in accordance with the following formula to arrive at a score to one decimal point:

$$\left(\frac{\text{Tenderers Submitted Discount}}{\text{Highest Submitted Discount}} \right) \times \text{Pricing Section Weight}$$

= *Weighted Score*

31. In relation to criterion four, the method statement was evaluated out of five using the following scoring guidelines:

| Score | Scoring principles |
|-------|--|
| 0 | Cannot be scored The tenderer has provided no information, or not answered the question appropriately, or not provided basic details. |
| 1 | Unsatisfactory The tenderer has provided basic details but there are some major areas of risk or there are omissions in the answer and we would not be confident of the product they could deliver. |
| 2 | Adequate The tenderer has answered the question by providing basic details. |
| 3 | Satisfactory The tenderer demonstrates a satisfactory understanding of our requirements and has a credible methodology to deliver the scheme. |
| 4 | Good The tenderer demonstrates a good understanding of our requirements, has a credible methodology to deliver the scheme alongside a clear process, and a plan to deliver additional benefits and value. |
| 5 | Excellent The tenderer has demonstrated the ability to take our requirement and brief and shown how they can comprehensively deliver a high quality scheme, exceeding our requirements and/or offering significant added value. |

32. All scores within each sub-criteria were then added together and the section weighting was applied to arrive at the weighted section score before adding all the section scores together to generate the final price score.

Summary of price evaluation

33. Please refer to the closed version of the Gateway 2 report.

Quality evaluation (50%)

34. The quality evaluation was based on information provided by tenderers in response to six method statements, which covered:
- a. service implementation
 - b. account management
 - c. fulfilment of orders
 - d. vetting requirements
35. Tenderers were awarded a score out of five against each method statement, as shown in the table below. Each method statement was weighted to provide an overall score out of 50.

| Section | Method statement | Weighting | Maximum evaluator score | Maximum score available |
|--|-------------------------|------------------|--------------------------------|--------------------------------|
| Implementation | 1 | 1 | 5 | 5 |
| Account management | 2 | 4 | 5 | 20 |
| Fulfilment of orders | 3 | 1 | 5 | 5 |
| | 4 | 1 | 5 | 5 |
| | 5 | 1 | 5 | 5 |
| Vetting requirements | 6 | 2 | 5 | 10 |
| Maximum quality score available | | | | 50 |

36. Each method statement was evaluated out of five using the following scoring guidelines:

| Score | Scoring principles |
|-------|--|
| 0 | Cannot be scored The tenderer has provided no information, or not answered the question appropriately, or not provided basic details. |
| 1 | Unsatisfactory The tenderer has provided basic details but there are some major areas of risk or there are omissions in the answer and we would not be confident of the product they could deliver. |
| 2 | Adequate The tenderer has answered the question by providing basic details. |
| 3 | Satisfactory The tenderer demonstrates a satisfactory understanding of our requirements and has a credible methodology to deliver the scheme. |
| 4 | Good The tenderer demonstrates a good understanding of our requirements, has a credible methodology to deliver the scheme alongside a clear process, and a plan to deliver additional benefits and value. |
| 5 | Excellent The tenderer has demonstrated the ability to take our requirement and brief and shown how they can comprehensively deliver a high quality scheme, exceeding our requirements and/or offering significant added value. |

37. Once the quality evaluation was complete, a spreadsheet was used to record the evaluation process and scores. Each method statement was evaluated by two members of the evaluation panel. Where the evaluators disagreed on a tenderer's score, they met to discuss their score and agree on a consensus unweighted score for that method statement.
38. The scores out of five were weighted in accordance with the table set out at paragraph 35 to generate each tenderer's quality score.

Summary of quality evaluation

39. Please refer to the closed version of the Gateway 2 report.

Social value evaluation (15%)

40. The social value evaluation was based on information provided by tenderers in response to three method statements. Tenderers were awarded a score out of five against each method statement, as shown in the table below. Each method statement was weighted to provide an overall score out of 15.

| Section | Method statement | Weighting | Maximum evaluator score | Maximum score available |
|---|------------------|-----------|-------------------------|-------------------------|
| Social value | 1 | 1 | 5 | 5 |
| | 2 | 1 | 5 | 5 |
| | 3 | 1 | 5 | 5 |
| Maximum social value score available | | | | 15 |

41. Each method statement was evaluated out of five using the following scoring guidelines:

| Score | Scoring principles |
|-------|--|
| 0 | Unacceptable The tenderer's response is absent or incomplete, and/or the tenderer's response is not relevant to the authority's requirements. |
| 1 | Poor The tenderer's response addresses some parts of the question but contains insufficient detail. The response provides limited evidence that the tenderer can deliver the services. The authority has low confidence in the tenderer's ability to provide the services. |
| 2 | Fair The tenderer's response addresses most parts of the question but lacks detail in some aspects. The response demonstrates that the tenderer can deliver the services to a fair standard. The authority has a fair level of confidence in the tenderer's ability to deliver the services. |
| 3 | Satisfactory The tenderer's response addresses all aspects of the question to a satisfactory level and in satisfactory detail and is supported by satisfactory evidence. The response demonstrates that the tenderer can deliver the services to a satisfactory standard. The authority has some level of confidence in the tenderer's ability to deliver the services. |
| 4 | Good The tenderer's response addresses all aspects of the question well and in good detail and is supported by good evidence. The response demonstrates that the tenderer can deliver the services to a good standard and that it will bring some added value/benefit to the authority and will enhance the quality of the service to some extent. |

| Score | Scoring principles |
|-------|--|
| 5 | Excellent The tenderer's response addresses all aspects of the question extremely well and in excellent detail and is supported by excellent evidence. The response demonstrates that the tenderer can deliver the services to an excellent standard and that it will bring significant added value/benefit to the authority and will enhance the quality of the service to a significant extent. The authority has a high level of confidence in the tenderer's ability to deliver the services. |

42. Once the social value evaluation was complete, a spreadsheet was used to record the evaluation process and scores. Each method statement was evaluated by two members of the evaluation panel. Where the evaluators disagreed on a tenderer's score, they met to discuss their score and agree on a consensus unweighted score for that method statement.
43. The scores out of five were weighted in accordance with the table set out at paragraph 40 to generate each tenderer's social value score.

Summary of social value evaluation

44. Please refer to the closed version of the Gateway 2 report.

Summary of the price, quality and social value evaluation (100%)

45. Please refer to the closed version of the Gateway 2 report.

Plans for the transition from the existing to the new contract

46. All tenderers were required to provide a transition plan as part of their tender response. Tenderers were asked to include the following:
- a. project initiation documentation
 - b. a project timeline and milestones to achieve a full service go-live date of 1 July 2023
 - c. stakeholder communication plans, including examples of communication templates
 - d. an action log
 - e. a risk register
47. A detailed plan for implementation will be communicated across the council following the contract award and announcement of the successful supplier.

Plans for monitoring and management of the contract

48. The council has well-established arrangements in place to manage the performance of this contract, including ongoing review of management information and regular contract review meetings. To further strengthen the council's approach, a new Contract Specialist role has been created and appointed to within the HR and Organisational Development service. This role will be responsible for day-to-day monitoring and management of the proposed contract.
49. Annual performance reports will be presented and considered in line with the requirements of the council's Contract Standing Orders.

Identified risks for the new contract

50. The following risks have been identified and assessed:

| Risk no. | Risk identified | Risk level | Mitigation |
|----------|---|------------|--|
| R1 | Supplier ceases to trade, goes into administration/ liquidation | Low | ESPO regularly complete credit checks to ensure all MSTAR3 suppliers remain on a sound financial footing. In addition, the council has conducted further checks, which confirm the successful supplier is financially secure. |
| R2 | Implementation of the new contract and service is unsuccessful | Low | A project plan for implementation already exists in draft form. To ensure the implementation is successful, a project team will be established immediately following the contract award. |
| R3 | The contract fails to meet the council's requirements and does not support the council's long-term goal of reducing its use of agency workers | Low | Robust contract monitoring and management arrangements will be established during the implementation of the new contract. Annual performance reports will be presented and considered in line with the requirements of the council's Contract Standing Orders. |

| Risk no. | Risk identified | Risk level | Mitigation |
|-----------------|--------------------------------------|-------------------|--|
| R4 | Price increase/ inflation | Low | The fees payable to the successful provider and the agencies in its supply chain are fixed for the duration of the contract. |
| R5 | Challenge to the procurement outcome | Low | The procurement, including the tender evaluation process, has been conducted in line with the requirements of the MSTAR3 framework and checked for consistency. Framework terms have been complied with. |

Community, equalities (including socio-economic) and health impacts

51. The successful tenderer will not be directly responsible for service delivery to residents; however, they will impact on community outcomes, firstly, by enabling the council to source the agency workers it requires, and secondly, through the delivery of social value activities, including engagement with Southwark Works and local voluntary and community sector organisations.

Community impact statement

52. In sourcing agency workers who meet the council's requirements, the successful tenderer will be expected to demonstrate exemplary recruitment practices – both within its own organisation and across the agencies in its supply chain. In addition, the tenderer will be expected to engage with local recruitment agencies and create opportunity for these agencies to join its supply chain. The delivery of social value activities – including engagement with Southwark Works and local voluntary and community sector organisations – will be monitored and managed in line with the requirements of the council's Fairer Futures Procurement Framework.

Equalities (including socio-economic) impact statement

53. Under section 149 of the Equality Act 2010, the council has a duty when exercising its functions to have due regard to:
- the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010
 - the need to advance equality of opportunity between persons who share protected characteristics and those who do not
 - the need to foster good relations between those who have protected characteristics and those who do not

54. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
55. The council's tender documentation placed significant emphasis on this aspect of the council's duties, and required tenderers to demonstrate, for example, the inclusive nature of their recruitment practices, and their experience of reaching those furthest from the labour market and helping them into work.
56. The proposal to let a new contract for the supply of agency workers is not anticipated to adversely impact on any of the duties defined in the Equality Act 2010.

Health impact statement

57. There are no significant health implications arising from the proposed contract award.

Climate change implications

58. There are no significant climate change implications arising from the proposed contract award.

Social value considerations

59. Before commencing a procurement process, the council is required by the Public Services (Social Value) Act 2012 to consider how wider economic, social and environmental benefits may be secured. This was an important focus of the council's tender documentation, with three questions – and 15% of the total score – assigned to social value commitments.
60. The social value benefits secured through the new contract are set out in the following paragraphs.

Economic considerations

61. The successful tenderer will be required to monitor and report against a range of social value measures, including the proportion of agency workers who are local residents and the inclusion of local recruitment agencies in its supply chain.
62. In addition, the tenderer will establish a partnership with Southwark Works to ensure that residents who are looking for a job can access temporary employment opportunities at the council. This arrangement will have a particular focus on promoting access to entry-level roles and could include, for example, temporary engagement of polling officers and clerks to support the delivery of elections.

Social considerations

63. As an accredited Living Wage Employer, the council is committed to ensuring that everyone who works for the council – whether on a permanent or temporary basis – is paid at least the London Living Wage. For this reason, as a matter of council policy, every agency worker deployed to the council through this contract will receive at least the London Living Wage.
64. In addition, the council seeks to ensure, wherever possible, that all contractors and subcontractors engaged via procurement processes also pay their employees at least the London Living Wage (or the Living Wage if based outside London). All staff employed by the successful provider and assigned to the delivery of the council's contract will receive at least the London Living Wage if they work on council premises or in the Greater London area.
65. Through the procurement process, the council has secured a range of social value commitments from the successful tenderer, including:
- regular employability workshops
 - school and college visits
 - volunteering days
 - promotion of social value activities throughout the provider's supply chain
 - collaborating with Southwark Works to help residents access temporary employment opportunities at the council
 - working in partnership with the council and voluntary and community sector organisations to reach those furthest from the labour market and help them to access temporary employment opportunities at the council
66. Please refer to the closed version of the Gateway 2 report for further details.

Environmental and sustainability considerations

67. There are no significant environmental considerations arising from the proposed contract award.

Market considerations

68. Most local authorities use a managed service provider (MSP) to supply the agency workers they require. These providers are typically procured via framework agreements established by professional buying groups, most

notably the Eastern Shires Purchasing Organisation (ESPO) and the Yorkshire Purchasing Organisation (YPO).

69. Most MSPs operate one of the following two business models:
- Neutral vendor: The MSP does not directly provide agency workers; rather they manage a supply chain of agencies on the council's behalf.
 - Master vendor: The MSP directly provides agency workers to the council; they may also manage a supply chain for the purpose of sourcing agency workers they cannot provide directly.
70. The council's tender documentation did not require bidders to operate one model or the other; rather, the focus was on specifying the council's requirements and allowing tenderers to demonstrate how their business model and approach would meet the council's needs.
71. This report proposes a contract award to Matrix SCM Ltd, who operate a neutral vendor model.

Staffing implications

72. A new Contract Specialist role within the HR and Organisational Development service will be responsible for day-to-day monitoring and management of the proposed contract. The postholder will undertake their duties with support from colleagues in finance, legal and procurement services as required.

Financial implications

73. The maximum value of the initial three year, three month contract equates to an estimated £114.3m based on the council's existing use of agency workers. No fees will be payable prior to the service commencement date of 1 July 2023. If the contract is extended for a further two years, the maximum value of the contract will increase to an estimated £190.5m over the total contract period. However, actual contract spend is expected to be lower than this due to the implementation of a new agency worker reduction programme.
74. Please refer to the closed version of the Gateway 2 report for further details.
75. There are no capital implications arising from the proposed contract award.

Investment implications

76. Not applicable.

Legal implications

77. Please refer to the concurrent provided by the Assistant Chief Executive – Governance and Law at paragraphs 85 to 89.

Consultation

78. There is no requirement to consult on the proposals set out in this report.

Other implications or issues

79. None.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (CE22/073)

80. This report seeks the approval of the Chief Executive in consultation with the Cabinet Member for Communities, Equalities and Finance to approve the award of a contract for the supply of agency workers to Matrix SCM Ltd commencing on 4 April 2023 for a period of three years and three months with service delivery commencing on 1 July 2023 at an estimated value of £114.3m (based on existing agency worker usage). In addition, the report seeks approval to the inclusion of an option to extend the contract for up to two years in one year increments, making a total estimated maximum contract value of £190.5m inclusive of the extensions should they be exercised. No fees will be payable prior to the service commencement date of 1 July 2023. Details and background are contained within the main body of the report.
81. The financial implications at paragraph 73 to 75 provide an estimated value of the contract and note that the implementation of an agency worker reduction programme is expected to result in lower actual costs. The Strategic Director of Finance and Governance notes that there is no minimum contract value and that expenditure on this contract will be dependent on demand from business units and available funding, with the expectation that spend will be contained within the available resources of each relevant business unit.
82. Staffing and any other costs associated with this report are to be contained within existing departmental revenue budgets.

Head of Procurement

83. This report seeks the approval of the Chief Executive in consultation with the Cabinet Member for Communities, Equalities and Finance to approve the award of a contract for the supply of agency workers via Lot 1 of the ESPO framework Managed Services for Temporary Agency Resources

(MSTAR3) to Matrix SCM Ltd commencing on 4 April 2023 for a period of three years and three months with service delivery commencing on 1 July 2023 at an estimated annual value of £38m. In addition, the report seeks approval to the inclusion of an option to extend the contract for up to two years in one year increments, making a total estimated maximum contract value of £190.5m inclusive of the extensions should they be exercised.

84. The Chief Executive should note the procurement process is addressed at paragraphs 9 to 10 and 15 to 45, the transition from the existing provider to the new provider is addressed at paragraphs 46 to 47, management and monitoring of the contract are addressed at paragraphs 48 to 49, risks are addressed at paragraph 50, the impact on equalities, health and climate change are addressed at paragraphs 51 to 58, confirmation of the payment of the London Living Wage is addressed at paragraphs 63 to 64, and the social value benefits of the proposed contract award are addressed at paragraphs 65 to 66.

Assistant Chief Executive – Governance and Assurance

85. This report seeks the approval of the Chief Executive in consultation with the Cabinet Member for Communities, Equalities and Finance to the award of a contract for the supply of agency workers to Matrix SCM Ltd procured through Lot 1 of the ESPO framework as further detailed in paragraphs 1 to 4 of this report.
86. The nature and value of these services are such that they are subject to the application of the Public Contracts Regulations 2015 (PCR 2015). However, the ESPO framework, through which a further competition has been undertaken, was established following a tendering process compliant with the PCR 2015, and the council is a party able to use this arrangement without undertaking its own advertised tender process. The further competition as detailed in paragraphs 15 to 45 of this report identified Matrix SCM Ltd as having the most economically advantageous tender in response to this opportunity, and they are therefore proposed as the preferred provider of these services.
87. Contract Standing Order 2.3 requires that no steps should be taken to award a contract unless the expenditure has been approved. Paragraph 73 confirms the financial implications of this award.
88. The Chief Executive's attention is drawn to the Public Sector Equality Duty (PSED) under the Equality Act 2010, which requires public bodies to have due regard, when making decisions, to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between persons who share a protected characteristic and those who do not share it. The Chief Executive is specifically referred to the community, equalities (including socio-economic) and health impacts at paragraphs 51 to 57, which set out the consideration that has been given to equality issues and

which should be taken into account when deciding on the recommendations in this report.

89. Paragraphs 11 and 15 of this report confirm that this is a Key Decision which needs to be implemented immediately by virtue of the urgency of the actions that need to be taken. In accordance with Rule 20 of the Access to Information Procedure Rules, this decision can only be taken if agreement is obtained from the Chair of the Overview and Scrutiny Committee that the decision proposed is reasonable and should be treated as a matter of urgency.

FOR DELEGATED APPROVAL

PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS

Under the powers delegated to me in accordance with the council's Contract Standing Orders, I authorise action in accordance with the recommendations(s) contained in the above report (and as otherwise recorded in Part B below).

Signature:



Date:

28/03/2023

Designation: Chief Executive

PART B – TO BE COMPLETED BY THE DECISION MAKER FOR:

- 1) All key decisions taken by officers (including contract reports)
- 2) All non-key decisions that are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available

| |
|---|
| 1. DECISION(S) |
| As set out in paragraphs 1 to 4 of the report. |
| 2. REASONS FOR DECISION |
| As set out in the report. |
| 3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED |
| Not applicable. |

4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION

Not applicable.

5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST

If a decision maker of cabinet member is unsure as to whether there is a conflict of interest, they should contact the legal governance team for advice.

N/A

6. DECLARATION ON CONFLICTS OF INTERESTS

I declare that I was informed of no conflicts of interest.

7. CONSIDERATION GIVEN TO WHETHER AS A NON-KEY DECISION THIS DECISION SHOULD BE FORWARDED TO THE CONSTITUTIONAL TEAM FOR PUBLICATION IN ACCORDANCE WITH REGULATION 13(4)*

I consider that this decision needs to be made available for publication under Regulation 13(4).

* Under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the council is required to put in place a scheme for recording and publishing some officer executive decisions. This process is sometimes referred to as "Regulation 13(4)".

BACKGROUND DOCUMENTS

| Background Document | Held by and Contact |
|---|--|
| Gateway 1 – Procurement Strategy Approval: Contract for the Supply of Agency Workers (17 January 2023) | Southwark Council Ben Plant ben.plant@southwark.gov.uk |
| Link: https://modern.gov.southwark.gov.uk/documents/s111159/Report%20Gateway%201%20-%20Contract%20for%20the%20Supply%20of%20Agency%20Workers.pdf | |

APPENDICES

| No. | Title |
|------------|--------------|
| N/A | N/A |

AUDIT TRAIL

| | | |
|--|--|--------------------------|
| Lead Officer | Ben Plant, Director of People and Organisational Development | |
| Report Author | Ben Plant, Director of People and Organisational Development | |
| Version | Final | |
| Dated | 28 March 2023 | |
| Key Decision? | Yes | |
| CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER | | |
| Officer Title | Comments Sought | Comments Included |
| Strategic Director of Finance and Governance | Yes | Yes |
| Head of Procurement | Yes | Yes |
| Assistant Chief Executive – Governance and Assurance | Yes | Yes |
| Director of Customer and Exchequer Services (for housing contracts only) | No | No |
| Contract Review Boards | | |
| Directorate Contract Review Board | Yes | Yes |
| Corporate Contract Review Board | Yes | Yes |
| Cabinet | No | No |
| Date final report sent to Constitutional Team | 28 March 2023 | |