

	<h2>Cabinet</h2>
<b>Title</b>	Temporary and Interim Workforce (including Permanent Recruitment Services) two year contract extension with Matrix SCM
<b>Date of meeting</b>	5 September 2023
<b>Report of</b>	Councillor Barry Rawlings, Leader of the Council and Cabinet Member for Resources & Effective Council
<b>Wards</b>	All
<b>Status</b>	Public
<b>Key</b>	Key
<b>Urgent</b>	No
<b>Appendices</b>	None
<b>Lead Officer</b>	Anisa Darr, Executive Director Strategy & Resources – <a href="mailto:Anisa.Darr@barnet.gov.uk">Anisa.Darr@barnet.gov.uk</a> Jon Bell Assistant Director Human Resources, & Exchequer – <a href="mailto:jon.bell@barnet.gov.uk">jon.bell@barnet.gov.uk</a>
<b>Officer Contact Details</b>	Justin Fenton Business Partner Procurement <a href="mailto:justin.fenton@barnet.gov.uk">justin.fenton@barnet.gov.uk</a> Matthew Richards Head of Recruitment & Resourcing <a href="mailto:matthew.richards@barnet.gov.uk">matthew.richards@barnet.gov.uk</a>
<h3>Summary</h3>	
<p>The Temporary and Interim Workforce contract, including Permanent Recruitment Service, delivered by Matrix SCM, expires on 30th September 2023. The contract includes an extension option for a further period of up to 2 years. This report seeks authorisation to extend the contract for 2 years.</p>	
<h3>Recommendations</h3>	

1. That Cabinet authorise the extension of the Temporary and Interim Workforce (including Permanent Recruitment Service) contract with Matrix SCM Limited for 2 years from 1<sup>st</sup> October 2023 until 30th September 2025.

## 1. Reasons for the Recommendations

- 1.1 The contract extension will ensure the continuous supply of temporary/interim locums and a Permanent Recruitment Service to the London Borough of Barnet (LBB), preventing any service disruption and supplementing the Council's resources.
- 1.2 The contract provision through Matrix SCM Limited ('Matrix') is viewed as achieving value for money as it is Neutral Managed Vendor solution which ensures Barnet can access temporary/interim workforce agencies without additional service management costs.  
  
Matrix is a main supplier of temporary/interim locums across London. This contract was awarded under the MSTAR3 (an Eastern Shires Purchasing Organisation (ESPO) Framework), through the mini competition undertaken by the London Council's Collaboration (LCC). The LCC arrangement provides best value through economies of scale that can be delivered via the contract.
- 1.3 The Matrix contract arrangement enables the facilitation of international recruitment of Social Workers within Family Services.
- 1.4 The contract allows for one extension only for a period of up to two years.
- 1.5 An extension of the existing contract for two years will provide time to facilitate a review of requirement and conduct a competitive procurement process, starting April 2024.

## 2. Alternative Options Considered and Not Recommended

- 2.1 Do nothing - This is not recommended because the contract will expire, leaving LBB with no temporary/interim staffing solution. This in itself would create significant service disruption, loss of existing additional resources attained through the contract and will impede Barnet's ability to deliver services to its residents.
- 2.2 Make a direct award to an alternative supplier under a Framework - This is not recommended due to existing service resourcing commitments and time required to facilitate engagement of an alternative service provider, which would cause serious disruption to services and not necessarily maintain the economies of scale attained through the London Councils' Collaboration (LCC) arrangement.

## 3. Post Decision Implementation

- 3.1 Upon authorisation of the contract extension, HBPL (legal services) will be instructed to conclude contract extension arrangements, including arranging the execution and sealing of the appropriate extension agreement.
- 3.2 Upon authorisation of the contract extension, London Council's Collaboration (LCC) will be updated with Barnet's confirmed continuation of participation until September 2025.

## 4. Corporate Priorities, Performance and Other Considerations

## **Corporate Plan**

- 4.1 This report seeks authorisation of contract extension which directly supports delivery of Our Plan for Barnet 2023-2026 in that it ensures business continuity as follows:

**Caring for People** the Matrix contract provision enables resourcing for the Adults, Health, Social Care and Families services in their delivery of this objective including facilitation of international recruitment of Social Workers within Family Services

**Caring for our Places** the Matrix contract provision enables resourcing for Adults/Greenspaces, Street Scene, Strategy and returning services from Re in their delivery of this objective.

**Caring for the Planet** the Matrix contract provision enables resourcing for Adults/Greenspaces, Street Scene, Estates, Sustainability and returning services from Re and CSG in their delivery of this objective.

**Engaged and Effective** the Matrix contract provision enables resourcing across all service areas as well as project specific deliveries such as Brent Cross, support for service reviews, and technical subject matter expert engagement.

### **Corporate Performance / Outcome Measures**

- 4.2 The resourcing achieved through the Matrix contract supports Barnet in meeting local and national targets as its provisions ensure where vacancies exist that services are able to deliver through temporary/interim appointments.

### **Sustainability**

- 4.3 The Matrix contract resourcing requires temporary/interim placements to deliver services in accordance with Barnet's sustainability strategy.

### **Corporate Parenting**

- 4.4 The Matrix contract provides additional support for recruitment, for example, facilitation of international recruitment of Social Workers within Family Services, and has a payroll services function in addition to temporary/interim placement appointments through the contract which may have a direct impact on looked after children and care leavers. Where these arise appointments will be subject to DBS clearance and other appropriate accreditation confirmation prior to commencement.

### **Risk Management**

- 4.5 A risk would arise should the Matrix contract not be extended in that it would create significant service disruption, loss of existing additional resources attained through the contract and will impede Barnet's ability to deliver services to its residents.
- 4.6 This risk has been assessed with regard to exercising the extension option in the Matrix contract and the mitigation is to attain authorisation to proceed with the extension.
- 4.7 A risk does exist if the extension period concludes without having conducted and concluded a competitive procurement procedure to ensure continuity of temporary/interim workforce service provision after 30<sup>th</sup> September 2025.
- 4.8 This risk has been assessed and to mitigate the same a review will be conducted leading to a wider procurement competitive process commencing April 2024.

### **Insight**

- 4.9 Management Information reports attained through the Matrix contract confirm the continued requirement for provision of temporary/interim workforce provision across all service areas.
- 4.10 Accessing Matrix through the London Collaboration provides additional access to benchmarking data across London. This supports understanding that the contract continues to provide value for money and will provide a valuable tool for the conduct of review prior to future procurement.

#### **Social Value**

- 4.11 The requirements of the council under the Public Services (Social Value) Act 2012 were considered through the original procurement under the Framework, and Matrix was asked to submit a response on how they would meet social value requirements.
- 4.12 Matrix has to date met their social value response through activities undertaken with the LBB through engagement with the community, employability workshops, Apprenticeships, working with young people in the borough on CV writing, as well as, exploring opportunities available through working with charities and community groups.
- 4.13 Matrix has, as part of their original submission, stipulated the importance of social value and emphasised the importance of their aim of becoming a partner not only to the council, but also a partner to the communities and residents the London Borough of Barnet supports. Matrix, in partnership with the London Borough of Barnet has created a 'Social Value Action Plan' based on priority areas, including commitments to ensuring that Barnet's workforce is reflective of the communities that it serves. This plan includes ways in which suppliers can source a range of workers in particularly hard-to-reach areas.

### **5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)**

- 5.1 The Temporary/Interim workforce contract value is £18.8m per annum based on expenditure in last financial period of £18,880,132. The total value of the extension (2 years) is forecast at £38m. The placement of temporary/interim workforce costs is a direct recharge to service area budgets following placement of orders and confirmation by HR on the Matrix portal.
- 5.2 Loss of provision of the temporary/interim workforce contract will mean Barnet has an inability to supply temporary locums, subject matter experts, and consultants to LBB which would have a significant impact on business resilience and delivery of services.
- 5.3 Loss of provision of the Permanent Recruitment Service accessed through Matrix will mean an inability to facilitate agency international recruitment which is essential to manage the high demands currently experienced in securing permanent recruitment for specific roles.
- 5.4 This report seeks authorisation to extend the current contract arrangements in accordance with Contract Procedure Rules Section 11 - Extensions and Variations.
- 5.5 It is confirmed that the contract includes an extension option which can be exercised upon authorisation to proceed.

### **6. Legal Implications and Constitution References**

- 6.1 Under the Council's Contract Procedure Rules (CPRs), which are contained in part 4B of the Constitution, contracts that have been originally advertised with extension options and which contain clear extension options can be extended subject to acceptance under the Allocation of Responsibilities section of the Constitution (paragraph 11.1 CPRs). In addition, the Authorisation and Acceptance

Thresholds table confirms that the extension of a contract of this value must be via a Cabinet report if not within budget.

6.2 Under Part 2D of the Constitution, Cabinet is responsible for the following functions:

- an executive decision which is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the budget for the service or function to which the decision relates; or
- an executive decision which is likely to be significant in terms of its effects on communities living or working in an area of two or more wards of the Borough;
- a decision is significant for the purposes of above if it involves expenditure or the making of savings of an amount in excess of £1m for capital expenditure or £500,000 for revenue expenditure or, where expenditure or savings are less than the amounts specified above, they constitute more than 50% of the budget attributable to the service in question;
- award of contracts over £500,000 and all matters reserved to the Executive under the Contract Procedure Rules this may be done via the Procurement Forward Plan;

6.3 This contract was procured through the ESPO MSTAR3 Framework (653F\_19 Managed Services for Temporary Agency Resources) via a mini competition through the London Council's Collaboration (LCC) and contains an option to extend for up to 2 years from 1<sup>st</sup> October 2023. The Council must comply with the Public Contracts Regulations 2015 (PCR), particularly Regulation 33 PCR, which regulates the use of framework agreements.

## **7. Consultation**

7.1 Stakeholders and service area users, have been informed of the contract extension period being exercised.

## **8. Equalities and Diversity**

8.1 Regard has been given to the public sector equality duty in seeking the decision to extend the contract. The equalities duties are continuing duties; they are not duties to secure a particular outcome. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- a) Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- b) Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- a) Tackle prejudice, and
- b) Promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- a) Age
- b) Disability
- c) Gender reassignment
- d) Pregnancy and maternity
- e) Race
- f) Religion or belief
- g) Sex
- h) Sexual orientation
- i) Marriage and civil partnership

## **9. Background Papers**

- 9.1 Chief Officer in Consultation with Committee Chairman Delegated Powers Report 9 August 2021  
<https://barnet.moderngov.co.uk/documents/s66327/Temp%20Agency%20Workforce%20DPR%20to%20award%202021.pdf>