

**DMPC Decision – PCD 983**

**Title: Contract Award Temporary Agency Workers**

**Executive Summary:**

Following MOPAC support for and agreement for the collaborative cross-GLA procurement of agency workers this paper seeks the approval for the award of a call-off contract from the Transport for London (TfL) framework for the supply of temporary workers and permanent recruitment services. The call-off contract will have an estimated value of £262m over 4 years for both Metropolitan Police Service (MPS) and Counter Terror Policing (CTP) requirements. The call-off contract does not commit MOPAC/MPS/CTP to any spend.

**Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to:

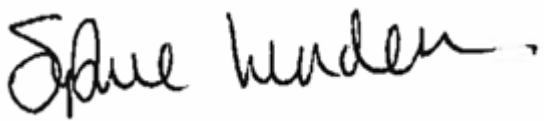
1. Approve the award of a call-off contract via the Greater London Authority (GLA) agreement for Temporary Agency Staff (the Agreement) for the supply of temporary workers and permanent recruitment services up to an estimated value for MPS and CTPHQ of £262m over 4 years, to the winning supplier outlined below.

**Deputy Mayor for Policing and Crime**

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

**Signature**



**Date**

**14/06/2021**

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC**

### **1. Introduction and background**

- 1.1. The MPS has a current contract with Reed Recruitment for the supply of agency workers which expires in September 2021. This paper sets out the procurement process and future arrangements to be put in place to ensure the continuity of this service.

### **2. Issues for consideration**

- 2.1. In July 2019 MOPAC supported the proposal for a cross-GLA procurement for the supply of agency workers and the MOPAC/MPS requirements involved [PCD614].
- 2.2. The TfL-led procurement started in August 2020 and has resulted in a framework agreement between Reed Specialist Recruitment and TfL, with the ability of the GLA and its functional bodies to call-off contracts for their requirements.
- 2.3. The provision of agency workers supports the Police and Crime Plan by providing personnel to meet specific specialist services, to address surge requirements and in the use of ex-officers, as civilian investigators, has been particularly valuable in the response to the increased demand for detectives and investigative skills.
- 2.4. The consolidation of GLA-wide requirements has enabled a contract which will continue to meet requirements and provide opportunities to derive greater value. Further detail is provided in the restricted section of the report.
- 2.5. The award of a call-off contract does not commit the MOPAC/MPS to any spend.

### **3. Financial Comments**

- 3.1. The estimated value of the MPS and CTP requirements are £40.5m and £25m p.a. Over a 4 year period this would be £262m. The funding for the costs of agency workers to be supplied via this call-off contract will be from the existing MPS devolved revenue budgets or from the approved capital programme.

### **4. Legal Comments**

- 4.1. Under the Police Reform and Social Responsibility Act 2011 ("2011 Act") MOPAC may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the Office which includes entering into contracts and other agreements (whether legally binding or not).
- 4.2. The Mayor's Office for Policing and Crime ("MOPAC") is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £189,330 or above shall be procured in accordance with the Regulations. This report confirms the value of the proposed contract exceeds this threshold.

- 4.3. This report confirms the MOPAC intends to place a call-off contract under a framework agreement procured for the benefit of itself and GLA functional bodies. The framework agreement which provides for such use by MOPAC. On this basis the MOPAC's route to market is compliant with the Regulations.
- 4.4. The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime ("DMPC") has delegated authority to approve:
- Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and
  - All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).
- 4.5. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

## **5. Commercial Issues**

- 5.1. In July 2019 MOPAC supported the proposal for a cross-GLA procurement for the supply of agency workers and the MOPAC/MPS requirements involved [PCD614].
- 5.2. The services to be provided are the supply of agency workers and recruitment services. The procurement was via a contract notice in the Official Journal of the European Union (OJEU) for the services to be provided by way of a Managed Service Provider (MSP).
- 5.3. The joint working across the GLA has included alignment of recruitment processes and approach to IR35; stream-lining invoicing processes and reducing the utilisation of non-permanent labour – in line with the Mayor's pledge to reduce non-permanent labour and consultant spend by 50%. There has also been work undertaken to determine the most beneficial delivery model, utilisation of technology, pricing model and approach to supplier performance.
- 5.4. Further information is contained in the restricted section of the report.

## **6. GDPR and Data Privacy**

- 6.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 6.2. The MPS anticipate completing a DPIA in June 2021 based on best practice from the MPS Information Sharing unit, when the processes and data requirements can be confirmed with the new supplier.

## **7. Equality Comments**

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. 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. Part of the evaluation process focused on bidders sharing the wider GLA and MPS' diversity ambitions in creating a workforce that looks and feels like London. The MPS report that there are no adverse equality or diversity implications associated with the award of this contract.

## **8. Background/supporting papers**

- Appendix 1 MPS Report Contract Award Temporary Agency Workers

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Part 1 Deferral:**

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date:

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

<b>ORIGINATING OFFICER DECLARATION</b>	<i>Tick to confirm statement (✓)</i>
<b>Financial Advice:</b> The Strategic Finance and Resource Management Team has been consulted on this proposal.	✓
<b>Legal Advice:</b> The MPS legal team has been consulted on the proposal.	✓
<b>Equalities Advice:</b> Equality and diversity issues are covered in the body of the report.	✓
<b>Commercial Issues</b> Commercial issues are covered in the body of the report.	✓
<b>GDPR/Data Privacy</b> GDPR compliance issues are covered in the body of the report	✓
<b>Director/Head of Service:</b> The MOPAC Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC’s plans and priorities.	✓

**Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

**Signature**



**Date 02/06/2021**



## CONTRACT AWARD: TEMPORARY AGENCY WORKERS

MOPAC Investment Advisory & Monitoring Meeting 11th June 2021

Report by Robin Wilkinson Chief of Corporate Services

**Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC**

### *EXECUTIVE SUMMARY*

The paper requests approval to award a call-off contract from a GLA Framework for a Managed Service Provider for the Provision of Temporary Agency Workers - to Reed Recruitment Services.

A collaborative approach with the GLA Group was adopted. The Procurement Strategy paper was prepared and approved by the GLA Collaborative Procurement Group outlining the approach for an updated Managed Service Provider (MSP). The request is to award a contract based on a 4 year term (3 years + an optional 1 year). The estimated value for the MPS is £262m over 4 years.

The contract will provide temporary agency workers to the MPS via Managed Service Provider solution. This involves one agency sourcing all requirements under a hybrid delivery model. The majority of candidates will be sourced directly by the primary supplier, supported by a range of 2nd tier suppliers. The MSP may elect a lead 2nd tier supplier(s) for categories where there is no in-house capability (such as Engineering for TfL) where requirements will go directly to the lead supplier(s) to source in this instance. A nominated supply chain can also be commissioned via this model.

Temporary Agency Workers have been supplied to the MPS via a master vendor solution for the past eight years and this model has successfully supported the MPS over that period. The master vendor model provides benefits via a single point of contact for the organisation, increased contract governance and improved performance management of the supplier.

### **Recommendations**

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

1. Approve the award of a call-off contract via the GLA agreement for Temporary Agency Staff (the Agreement) for the supply of temporary workers and permanent recruitment services up to an estimated value for MPS and Counter Terrorism Police Head Quarters (CTPHQ) of £262m over 4 years, to the winning supplier outlined below.

### **Time sensitivity**

A decision is required from the Deputy Mayor by 31<sup>st</sup> May 2021. This is because the existing Reed contract supplying contingent labour including police investigators, DP and corporate roles expires in September 2021 and the Met requires sufficient time to align with other GLA Functional Bodies on our transition and implementation approach. Procurement authority will expire and cannot be extended; it must be replaced for the service to continue.

## **Non-confidential facts and advice to the Deputy Mayor for Policing and Crime**

### **Introduction and background**

2. In July 2019, the Deputy Mayor for Policing and Crime (DMPC meeting) noted the decision by the GLA (PCD614) to initiate procurement activity via the GLA Collaborative Procurement Team in order to re-tender the contract for the provision of temporary agency staff within the MPS.
3. This tendering process has now concluded and, following evaluation, the preferred bidder is Reed Specialist Recruitment.
4. The MPS have a current agency contract with Reed that is due to expire in September 2021. This contract provisions agency workers to meet business needs across the MPS. As of end of February 2021 there were 476 agency workers in the MPS. The MPS has exhausted all options to extend our existing agency worker contract with Reed, we must go-live with the new contract from 1st October 21. We will be the first of the GLA group to do so and an implementation plan between now and October is being put in place to ensure a smooth transition.
5. The new contract will involve one overall contract agreement between TfL (as lead tendering authority) and a single provider. This agreement contains the terms governing the provision of services, including price and quality. Each functional body (FB) will enter into their own Service Specific Agreement (SSA), or call-off contract with the provider via the Framework Agreement. The Framework Agreement will be awarded for an initial period of 3 years with the option to extend for a further year.
6. The estimated value of MPS SSA is £40.5m per annum for the Met and £25m for Counter Terrorism Police Head Quarters (CTPHQ).
7. It is important to stress that this case is not asking for additional budget. The police staff budget is set as part of MPS Business Group devolved revenue budgets and agency staff required to support the Capital Programme are met from approved capital project budgets as required. The issue is purely whether spend occurs through payroll, or through this contract. Local budget managers will need to take decisions through the life of the contract that ensures spend is incurred in accordance with agreed financial controls to access the benefits envisaged from the proposed arrangements.

### **Issues for consideration**

8. Establishing and utilising a broader workforce including temporary agency workers is a cost effective option when it comes to addressing short to medium term skill / capability gaps when it does not make financial sense to retain within the substantive workforce. This resourcing option also addresses surge requirements and offsets future redundancy / outsourcing costs where change is imminent. The use of ex-officers, as civilian

investigators, has been particularly valuable in the response to the increased demand for detectives and investigative skills.

9. The flexibility to increase capacity through Temporary Agency Workers continues to provide valuable support to the MPS in a number of roles and areas aligned to the Met Direction and the strategic workforce plan. In particular, the demand for Civilian Investigators has increased in response to the rise in violent crime and the continued requirement for Investigators on the Grenfell investigation. This is in addition to a broad spectrum of technical and specialist agency workers including: Associate Trainers, Digital specialists and other roles within the sectors of Programme Management; Legal; Procurement; and Finance. The facility to engage highly specialist individuals is instrumental to service delivery.
10. As of end of February 2021 there were 476 agency workers in the Met with highest usage in Digital Policing, Transformation Directorate and Frontline Policing (civilian investigators). It is anticipated that the requirement for Digital experts will increase with the Digital and Data strategy and the CONNECT programme and the requirement for Civilian Investigators will continue. With this in mind, it is anticipated that the demand for temporary agency workers over the next 1-2 years is unlikely to see a significant reduction.
11. As part of the yearly business cycle each Business Group are required to work with Finance to outline how all temporary resourcing requirements fit within their devolved police staff pay budget. The relevant OCU Commander / Head of Unit will have approved all requests with the assigned Strategic Finance Business Partner oversight. This process ensures that funding is available and there is local accountability through the devolution of the police staff budget line.
12. The GLA contract presents an opportunity to derive greater value from the contract. This will include 'rate cards' for roles at all levels of the organisation. What this means is there are consistent and benchmarked rates of pay for agency workers, increasing transparency, making it easier for hiring managers to manage expectations upfront and negotiate, reducing the risk of creating an internal market / pay inflation.
13. Furthermore, through the governance outlined previously at both a local and central level we have far greater visibility of agency worker numbers and also the costs. We are already tracking this through business group and Corporate Workforce planning meetings. As we implement the GLA contract and on-board the supplier we expect enhanced MI increasing visibility of spends and improving local decision making.

### **Contributes to the MOPAC Police & Crime Plan 2017-2021<sup>1</sup>**

14. There are many ways that the use of temporary agency workers impacts positively across the MPS, where their roles support operational policing and assist the organisation to deliver services to the people of London. The Violent Crime Taskforce, the investigation of Grenfell, Counter Terrorism activities, Child Abuse & Sexual Offences (CASO) investigations all directly impact on the public and the assistance of temporary agency workers in these directly feeds into public confidence. Equally, the Transformation Programme change continues to introduce ways of working that directly support the public e.g. improved access to services and more modern and efficient reporting methods.

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<sup>1</sup> [Police and crime plan: a safer city for all Londoners | London City Hall](#)



## Financial, Commercial and Procurement Comments

Spend for this contract will be contained within devolved pay budgets.

15. In July 2019 the DMPC noted that the GLA were preparing to initiate procurement activity to renew the contract for temporary agency staff and that the Metropolitan Police Services requirements would be incorporated. The procurement activity was to be undertaken by the TfL Collaborative Procurement team which, since 2015, has sought to undertake procurement of common goods and services across the Functional Bodies of the GLA Group.
16. TfL and other Functional bodies, excluding MPS, have been contracted with Hays since 2016 for the delivery of temporary agency staff. The Met has held a separate contract with Reed Specialist Recruitment (also awarded in 2016).
17. Over the last 2 years the GLA Group has been working with Functional Bodies to learn lessons from existing arrangements and implement improvements in preparation to re-tender the contract. This has included alignment of recruitment processes and approach to IR35; stream-lining invoicing processes and reducing the utilisation of non-permanent labour – in line with the Mayor’s pledge to reduce non-permanent labour and consultant spend by 50%. There has also been work undertaken to determine the most beneficial delivery model, utilisation of technology, pricing model and approach to supplier performance. The re-tender process for the contract began in August 2020.
18. The new contract will involve one overall contract agreement between TfL (as lead tendering authority) and a single provider. This agreement contains the terms governing the provision of services, including price and quality. Each functional body (FB) will enter into their own Service Specific Agreement (SSA) with the provider via the Framework Agreement. The Framework Agreement will be awarded for an initial period of 3 years with the option to extend for a further year.
19. The estimated value of the contract (including the pay to staff) across the GLA Group is estimated to be £218m per annum. The estimated value of MPS SSA is £40.5m per annum for the Met and £25m for CTPHQ.

## Legal Comments

20. The Mayor’s Office for Policing and Crime (“MOPAC”) is a contracting authority as defined in the Public Contracts Regulations 2015 (“the Regulations”). All awards of public contracts for goods and/or services valued at £189,330 or above shall be procured in accordance with the Regulations. This report confirms the value of the proposed contract exceeds this threshold.
21. This report confirms the MOPAC intends to place a call-off contract under a framework agreement procured for the benefit of itself and GLA functional bodies. The framework agreement which provides for such use by MOPAC. On this basis the MOPAC’s route to market is compliant with the Regulations.  
The MOPAC Scheme of Delegation and Consent provides the Deputy Mayor for Policing and Crime (“DMPC”) has delegated authority to approve:
  1. Business cases for revenue or capital expenditure of £500,000 and above (paragraph 4.8); and

2. All requests to go out to tender for contracts of £500,000 or above, or where there is a particular public interest (paragraph 4.13).
22. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent for the approval of the award of all contracts, with the exception of those called in through the agreed call in procedure. Paragraph 4.14 of the Scheme provides the DMPC reserves the right to call in any MPS proposal to award a contract for £500,000 or above.

### **Equality Comments**

23. There are no adverse equality or diversity implications associated with the award of this contract. Part of the evaluation process focused on bidders sharing the wider GLA and MPS' diversity ambitions in creating a workforce that looks and feels like London.

### **Privacy Comments**

24. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.

Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.

The Information Assurance and Information Rights units within MPS has been consulted at all stages to ensure the project meets its compliance requirements.

The project [will ensure a privacy by design approach, which will allow the MPS to find and fix problems at the early stages of any project, ensuring compliance with GDPR. DPIAs support the accountability principle, as they will ensure the MPS complies with the requirements of GDPR and they demonstrate that appropriate measures have been taken to ensure compliance.

### **Real Estate Implications**

25. No impact anticipated to the Estate in relation to this paper.

### **Environmental Implications**

26. No impact anticipated for environmental concerns in relation to this paper.

### **Background/supporting papers**

27. No supporting papers

Report author: Rebecca Bee HR, Sara Lawn HR, James Brown Commercial Services

**Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.**

The Government Security Classification marking for Part 2 is:  
OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of Contract Award: Temporary Agency Workers is exempt from publication for the following reasons:

- Part 2 is exempt from publication under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011. The relevant section under the FOIA that would exempt this information from disclosure is Commercial Interest Section 43.

The paper will cease to be exempt until 1<sup>st</sup> May 2027.