

SLOUGH BOROUGH COUNCIL

REPORT TO:	Cabinet
DATE:	27 February 2023
SUBJECT:	Resilience contract for Revenues and Benefits work
CHIEF OFFICER:	Steven Mair – Executive Director – Finance and Commercial (S151)
CONTACT OFFICER:	Andy Jeffs – Interim Head of Transactions – Revenues, Benefits and Charges
WARD(S):	All
PORTFOLIO:	Cabinet Member for Customer Services, Procurement and Performance – Councillor Ajaib
KEY DECISION:	Yes
EXEMPT:	No
DECISION SUBJECT TO CALL IN:	Yes
APPENDICES:	None

1 Summary and Recommendation

- 1.1 To seek authority from Cabinet to agree a contract to provide off-site temporary resources to process Revenues and Benefits work through a Framework Contract held by the London Borough of Tower Hamlets. The contract will deliver a saving of up to £0.890m to 28 August 2025 compared to the current costs of using interim support, £0.369m in 2023/24. The estimated contract value of from 1 April 2023 – 28 August 2025 is £1.345m, £0.557m in 2023/24.

Recommendations

Cabinet is recommended to:

- (a) authorise commencement of procurement for the provision of off-site processing resources through the Framework Contract held by the London Borough of Tower Hamlets;
- (b) delegate authority to the Executive Director for Finance and Commercial following consultation with the Cabinet Member for Customer Services, Procurement & Performance to award a contract.

Reason

- 1.2 To ensure that Cabinet has proper oversight of planned procurement activity and delegated authority is allowed where timescales are insufficient and to reduce the expenditure on Revenues and Benefits temporary resources.

Commissioner Review

The commissioners are content with this report

2 Report

Introduction

- 2.1 The Council has for some time used temporary resources and overtime within Revenues and Benefits to cover vacancies, and peaks in workload, e.g. at annual billing, deliver specific projects or to reduce the amount of outstanding work.
- 2.2 These resources have to date been secured through the Matrix temporary worker contract. Officers have identified a Framework – Remote Processing Services, Contract R5721 which is available to local authorities which if used would reduce the amount of expenditure on using temporary resources.
- 2.3 The service is undertaking a re-structure in 2023/24 which will reduce the need for temporary resources, but these staff are difficult to recruit, and most Councils have a resilience contract to provide specific temporary resources.

Background

- 2.4 The Revenues and Benefits service, including welfare rights has an establishment of 83 FTEs and currently has 23 FTE vacancies. To cover these vacancies and ensure services are delivered while a new permanent structure is developed the service has engaged 21 FTE agency contractors through Matrix. In addition, there are currently a further six FTE agency contractors working on specific time limited efficiency projects 27 FTE in total.
- 2.5 The estimated cost of the 21 FTE agency contractors covering vacancies in 2022/23 is £1.333m.
- 2.6 By moving 13 of those roles from the current Matrix contract to the London Borough of Tower Hamlets Remote Processing Services, Contract R5721 the Council can reduce the cost of these resources by approximately £0.369m per annum.
- 2.7 It envisaged that the new permanent structure will be in place by September 2023 and once in place the reliance on temporary resources will be greatly reduced.

Framework

- 2.8 The Remote Processing Services, Contract R5721 commenced on 29 August 2021 and has a maximum duration of 4-years to 28 August 2025.

2.9 At the stage of initial advertisement, it was established that there were three ways in which Councils in England and Wales were declared as potential users of the Framework, subject to each Council's determination:

- At the stage of initial advert, a "Memorandum of Association" was established with 9 other London Boroughs,
- Additionally, at section 6.3 of the initial advert the following organisations were named by weblink:
 - All London Boroughs;
 - All England and Wales Billing Authorities; and
 - Registered Social Landlords.

2.10 The appointment process is specifically designed to allow any joining Council to determine whether they appoint suppliers by:

- Direct appointment based on price;
- Direct appointment based on quality; or
- Mini competition

2.11 . There is a one-off joining fee of £7,500

2.12 As noted in paragraph 2.7 the reliance on temporary resources is planned to reduce from September 2023 thus this is likely to be a short term requirement, being a framework contract the Call-off Agreement by which the service would be provided would be signed by the Council and the Contractors appointed under the Agreement with Tower Hamlets. Legal have confirmed that the Council can enter this arrangement, see para 3.2.1

3 Implications of the Recommendations

3.1 Financial implications

3.1.1 The gross staffing budget for Revenues and Benefits is £4.071m, this assumes the use of temporary staff. A saving has been proposed in the 2023/24 budget of £0.450m of which the framework will deliver the majority.

3.1.2 The cost of temporary resources through the Framework Contract is significantly less than the current Matrix contract. By placing up to 13 temporary resources through the framework the total contract value would be £1.345m for the period to the end of the current framework in August 2025, reducing the current estimated cost by £0.890m over the same period. There is a one off license payment to Tower Hamlets, after that all payments are made directly to the interim or provider as appropriate.

3.1.3 The service will re-structure during the course of 2023/24 and more permanent staff will be appointed delivering savings compared to using agency staff. This will reduce the amount paid in the contract and the savings assumed will be achieved from employing permanent staff.

3.2 Legal implications

3.2.1 Legal have reviewed the joiners pack for the Framework Contract and have confirmed that the Council can make a Call off without competition / Direct Award under it.

3.3 Risk management implications

3.3.1 There are no specific issues arising directly from this report.

3.4 Environmental implications

3.4.1 There are no specific environmental implications arising directly from this report.

3.5 Equality implications

3.5.1 There are no equality implications arising directly from this report.

3.6 Procurement implications

3.6.1 There are no procurement implications arising directly from this report which has been confirmed by Legal.

3.7 Workforce implications

3.7.1 The report is to secure temporary resources to cover current vacancies, deliver specific projects or reduce the amount of work outstanding. Therefore, there are no workforce implications arising directly from this report. There is a planned restructure in 2023/24 the workforce implications of which will be dealt with as part of that process.

3.8 Property implications

3.8.1 There are no property implications arising directly from this report.

4 Background Papers

None