

# Finance and Resources Committee

10am, Thursday, 16 January 2025

## Award of Agency, Fixed Term and Permanent Resources Contract

Executive/routine  
Wards

Routine  
All

### 1. Recommendations

---

- 1.1 It is recommended that the Finance and Resources Committee:
  - 1.1.1 Approves the award of a contract for Agency, Fixed Term and Permanent Resources to Pertemps Recruitment Partnership Limited; and
  - 1.1.2 Approves the commencement of the contract on 12 June 2025 for an initial period of three years, with one optional 12 month extension, at a total estimated value of £70,000,000.

**Deborah Smart**

Executive Director of Corporate Services

Contact: Nareen Turnbull, Service Director, Human Resources

E-mail: [nareen.turnbull@edinburgh.co.uk](mailto:nareen.turnbull@edinburgh.co.uk) | Tel: 0131 469 5522

## Award of Agency, Fixed Term and Permanent Resources Contract

### 2. Executive Summary

---

- 2.1 This report seeks approval to award a contract for Agency, Fixed Term and Permanent Resources to Pertemps Recruitment Partnership Limited to commence on 12 June 2025 for an initial period of three years, with one optional 12 month extension, at a total estimated value of £70,000,000 in salary costs and booking fees.

### 3. Background

---

- 3.1 The current contract is with Pertemps Recruitment Partnership Limited and will expire on 11 June 2025.
- 3.2 The City of Edinburgh Council (the Council) has a recurring requirement to provide temporary agency workers across the Council to support services throughout the year and to provide additional flexible resource for service areas as required.
- 3.3 Agency workers are either recruited for a specified period, normally up to 12 weeks, work on an ad hoc shift basis, or are part of an approved resourcing model within the service area, for example Waste, Cleansing, and Customer Contact use agency workers as part of their resourcing model.
- 3.4 In 2023/24 52% of agency spend was on behalf of the Edinburgh Health and Social Care Partnership. In response the Partnership has set up a Workforce Board, led by the Chief Officer for the Partnership, NHS and HR to scrutinise any request for additional resource.
- 3.5 The use of a flexible workforce is essential in running a large complex organisation however, it is recognised that proactive workforce planning is essential to ensuring the Council has the right number of employees with the right skills, at the right time.
- 3.6 Committee is asked to note that on 22 August 2025, Policy and Sustainability Committee approved a new Strategic Workforce Plan (2024-2027) and this plan includes a commitment for each service area to review the use of their flexible workforce (agency, casual and overtime), ensuring, wherever possible, the Council provides security of employment to colleagues through a fixed term or permanent contract.

- 3.7 In terms of fixed term and permanent recruitment, on occasion the Council may seek an external partner to support recruitment to either an individual role or a specific campaign and this contract covers these scenarios.
- 3.8 The Council will however in the first instance continue to recruit via existing recruitment channels, such as myjobscotland and other job boards such as S1, LinkedIn, Twitter, Facebook and via the Council's social media channels.

## 4. Main report

---

- 4.1 The Council sought a similar style managed service provision and Commercial and Procurement Services (CPS) alerted the nine service providers, named on Eastern Shires Purchasing Organisation (ESPO) Lot 1B of the MSTAR4 Framework, of the opportunity in August 2024. All service providers were invited on 9 September 2024, with a tender submission deadline of 10 October 2024. Tender submissions were received from two service providers and those who declined advised that they were unable to support a tender at this time.
- 4.2 To identify service providers offering Best Value the tender evaluation included an emphasis on quality as well as price and submissions were accessed on the basis of the most economically advantageous tender.
- 4.3 A cost/quality ratio of 50%/50% was applied to encourage competitive hourly rates and to ensure that the quality was of a high standard. To further protect the quality element, a minimum quality threshold of 60 marks out of 100 was applied, with the Council having the discretion to disqualify tenderers who did not achieve this threshold.
- 4.4 A summary of the tender process is attached at Appendix 1 and the recommendation for award of contract is based upon the completed evaluation scores for the tenders as detailed below:

Tenderer	Price Score % (out of 50)	Quality Score % (out of 50)	Combined Score % (out of 100)
Pertemps Recruitment Partnership Limited	50.00	46.25	96.25
Tenderer B	23.61	44.69	68.30

## 5. Next Steps

---

- 5.1 Subject to approval, the services will commence on 12 June 2025 and will allow the Council to meet its obligations in regard to the provision of agency, fixed term and permanent resources.
- 5.2 Human Resources (HR) will continue to work with Pertemps to ensure ongoing delivery of service and smooth transition to the new contract; coupled with

identifying improvements and efficiencies where possible. There are no TUPE implications as Pertemps is the incumbent service provider.

- 5.3 The Contract and Grants Management team (CAGM) will engage with the Council's HR Contract Manager, to ensure that effective contract management is delivered throughout the contract lifecycle as detailed and agreed in the Contract Management and Handover Report. This will include proactive service provider engagement, monitoring of management information, application of Key Performance Indicators and tracking of relevant budgets.

## **6. Financial impact**

---

- 6.1 The contract value is estimated at £70,000,000 over the contract period. The majority of this spend is in salary costs with procurement colleagues estimating that £4,705,049 relates to agency and booking fees.
- 6.2 The agency booking fees quoted by Pertemps are fixed throughout the life of the contract and extension period. The agency booking fees are a fixed amount per appointment.
- 6.3 Savings can only be achieved against the agency and booking fees element of the bids submitted. Due to the prices being fixed for the duration of the contract, the Consumer Price Index (CPI) is deemed to be the most accurate indicator of saving against market rate from this procurement exercise. Based upon an average of 5.73% over the last three years against current baseline, an estimated procurement saving of £269,599 has been identified.
- 6.4 The costs associated with procuring this contract are estimated to be between £20,001 - £35,000.

## **7. Equality and Poverty Impact**

---

- 7.1 An Integrated Impact Assessment has been prepared as part of the procurement exercise.
- 7.2 Pertemps Recruitment Partnership will pay all workers assigned to this contract the Real Living Wage. The organisation is an accredited Living Wage service provider, which signifies that they are committed to paying all directly employed staff the Real Living Wage.
- 7.3 Pertemps provided a detailed response on how they are eliminating any gender pay disparities in the workplace, investment in staff training, lifelong learning and continuous professional development; and do not make use of zero hours contracts or use fire and rehire practices.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 Climate change was identified as relevant to this procurement exercise and all service providers were required to complete a questionnaire to provide evidence that their organisation has taken steps to build the awareness of the climate change emergency. Scope 1, 2 and 3 emissions were addressed in the question as defined in the [Greenhouse Gas Protocol](#).

## **Environmental Impacts**

- 8.2 Emissions source categories and their scopes were presented and service providers were requested to indicate sources used by their organisation and steps to reduce carbon emissions during the framework period.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 The contract recommended for award is compliant with the procurement regulations and the Contract Standing Orders. The risk of challenge relating to contractual arrangements is thereby reduced.
- 9.2 Consultation and engagement was undertaken with internal stakeholders.
- 9.3 The Sustainable Procurement Strategy was considered and applied through the request of community benefits. The service provider has committed to deliver community benefits in line with the value of the contact; the benefits will be agreed at contract commencement and monitored throughout the life of the contract by the contract manager.

## **10. Background reading/external references**

---

- 10.1 [22 August 2024, Policy and Sustainability - Strategic Workforce Plan 2024 -2027](#)
- 10.2 Integrated Impact Assessment

## **11. Appendices**

---

Appendix 1 – Summary of Tendering and Tender Evaluation Process

## Appendix 1 – Summary of Tendering and Tender Evaluation Process

<b>Contract</b>	<b>Agency, Fixed Term and Permanent Resources Contract</b>	
Contract period (including any extensions)	12 June 2025 to 11 June 2029 for three years with one optional 12 month extension (3 + 1)	
Estimated Contract Value (including extensions)	£70,000,000	
Procurement Route Chosen	Mini competition utilising ESPO MSTAR4 Framework	
Tenders Returned	Two	
Name of Recommended Service Provider	Pertemps Recruitment Partnership Limited	
Price / Quality Split	<b>Price 50%</b>	<b>Quality 50%</b>
Evaluation criteria and weightings and reasons for this approach	<b>Price</b> To encourage competitive hourly rates a cost ratio of 50% has been established.	<b>50%</b>
	<p style="text-align: center;"><b>Quality</b></p> <p>It is essential that the quality is of a high standard, therefore the driving factor is quality, to further protect this element a minimum quality threshold of 60 marks out of 100 was applied.</p> <p>Service Delivery Model 27.5%</p> <p>Attraction Strategy 20%</p> <p>Project Team 10%</p> <p>Implementation 10%</p> <p>System Requirements 7.5%</p> <p>Performance Indicators and Management Information 5%</p> <p>Community Benefits 5%</p> <p>Business Continuity 5%</p> <p>Equality 5%</p> <p>Fair Work Practices and Modern Slavery Act Non Scoring</p> <p>Climate Change Questionnaire</p>	<b>50%</b>
Evaluation Team	Three Council Officers from Human Resources	