

Temporary Staff Times

A newsletter brought to you by the OGC

SEPTEMBER
2008

For those in the public sector who use temporary agency staff

Increase to minimum wage

From 1st October 2008, the minimum wage will rise from £5.52 per hour to £5.73 for those aged 22 and over. Although many suppliers will be aware of this, we would recommend that you check with your managed service or agencies to ensure a swift and smooth implementation of the new legislation. For more information see:

<http://www.berr.gov.uk/employment/pay/national-minimum-wage/index.html>

Private Members Bill and EU Temporary (Agency) Workers Directive

On 20 May 2008 the Government announced that agreement had been reached between the CBI and TUC to secure equality of treatment for agency workers after 12 weeks in a given job. This will now form the basis of the Government's negotiations with the EU on the Temporary (Agency) Workers Directive currently before the European Parliament.

Equal treatment means at least the basic working and employment conditions would apply as if the worker had been recruited to occupy the same job as a permanent member of staff. This would extend to pay, holidays, overtime, breaks, rest periods, night work and duration of working time. It does not cover occupational security schemes.

BERR (Department for Business Enterprise & Regulatory Reform) will consult on ways for resolving disputes regarding the definition of equal treatment and compliance with the new rules. This consultation is likely to be early next year.

In the meantime, the revised Temporary (Agency) Workers Directive, which reflects the agreement reached in the UK, is currently with the European Parliament for its 2nd reading after which it will return to the Council for final agreement. It is anticipated that UK legislation implementing the Directive will be debated in the UK Parliament in 2009. It is difficult to be precise about timings given that much will depend on how the Directive progresses in Europe.

We will keep you updated within the newsletters on the progress of the legislation. If you would like further information, the BERR website is:

<http://www.berr.gov.uk/employment/employment-agencies/index.html>

AGMA Award for Collaboration for Temporary Staff Procurement

We are delighted to announce AGMA, Association of Greater Manchester Authorities, has won the 4ps award for Collaborative Procurement for their Agency Staff Project.

In 2007, AGMA awarded a vendor neutral contract to Comensura. The contract has led to savings of between 5-8% and they have started to tackle issues such as differing pay rates and overtime.

Chris Wilson, 4ps' Executive Director, added: "The winning local authorities demonstrate successful community partnerships involving the public, private and third sectors. We were very impressed with AGMA's Agency Staff Project which is an example of a highly successful project that has made a real contribution to Greater Manchester."

A case study on the collaboration, the procurement, the contract implementation, challenges, successes, lessons learnt and the contract and supplier management will be available from OGC in the near future.

If you would like to receive a copy of the case study please email tempstaff@ogc.gsi.gov.uk or phone 0845 000 4999

OGC Professional Services team

Do you have a category specific question? Would you like information on category trends nationwide? Would you like some free independent advice and guidance within the category? Do you have good tender documentation you would like to share with other

contracting authorities? Do you have category information and strategies that would benefit others? If so please do contact members of the professional services category team via the service desk

South West Professional Services event

South West RIEP and our team at OGC are hosting a Professional Services event on 6th November in Taunton. Topics such as temporary staff, and consultancy, will be covered in workshops and presentations. It will be a good opportunity to find out what is happening regionally and nationally in these areas, hear from other councils and find out more about available frameworks.

If you would like to attend please contact Claire Morecroft, on 01305 755490 or email: c.morecroft@dorsetcc.gov.uk

Update on PASA Nursing and Social Care Framework

The new NHS PASA National nursing and care framework agreement is currently undergoing an evaluation of expressions of interest. Nearly 300 agencies have provided Pre-Qualification Questionnaires (PQQ). The framework agreement will cover qualified social work agency workers and include agency workers providing social care and care in the home.

This is an exciting development and reflects the growing partnership between PCTs and local authorities and could help to further cement continuity of care for clients. In addition, NHS PASA's framework agreements typically have very stringent requirements with regards to safeguarding agency worker and patient/client safety. Regular inspections at suppliers' premises to ensure adherence to the compliance conditions of contract are regularly undertaken.

The framework agreement is expected to commence on 1st October 2009. The agreement will

be awarded 3-months prior to the commencement date to enable implementation and migration plans to be instigated. Further details will be provided in future newsletters, in the meantime if you have a question or interest in potentially using the framework email tempstaff@ogc.gsi.gov.uk

Contracts Database

The OGC Contracts Database is the first port of call for many procurement professionals, across the public sector prior to making a decision to taking their requirement to market.

It has over 250 public sector contracts and frameworks. Contracts include those for temporary staff, interims, consultancy, recruitment advertising, search and selection and other HR & professional services. In addition, there are many other contracts advertised relating to Fleet, Energy, ICT, Office Supplies and Travel. For further information look online:

<http://www.ogc.gov.uk/contractsdatabase/>

Capital Ambition Temporary Staff Forums

Collaboration is key if we are to optimise value for money during and beyond CSR 07. An excellent example of collaboration in terms of sharing best practice and ideas has been the two pan-London agency forums, which have been held so far this year.

These events have been organised by London Borough of Havering, through a Capital Ambition (formerly LCE) project, and have included workshops and presentations on demand management, status of agency workers, the use of agency workers, the Electronic Knowledge Exchange and current London contracts.

To date, 27 of the 33 London boroughs have attended as well as representatives from various government departments, the police and other public bodies.

The next forum is will be held in the near future (date TBC) so please Stephanie Favell if you would like to attend or would like a topic covered on 01708 433 438 or email: stephanie.favell@haverling.gov.uk

Home Office frameworks now available through Zanzibar

Zanzibar is the OGC buying.solutions e-trading portal that allows government departments the capability to access pan government frameworks through Internet access. Service Providers on the Home Office frameworks for agency staff and translations services have now loaded their catalogues onto Zanzibar so that user departments can now place orders, receipt services, and then Invoice and make payment on-line. For more information on access to Zanzibar please contact Carmel Sutcliffe of OGCbs on Tel: 07733 095984. For information on the Home Office agency worker framework contract contact Kim McFaul of Home Office on Tel: 0207 035 4327 or for more information on Translation Services contact Jennifer Okundaye of the Home Office on Tel: 0207 035 4311.

Alternatively more information on the Zanzibar managed service can be obtained from the website at:

www.ogcbuyingsolutions.gov.uk/zanzibar/about.asp

Procurement Policy Notes

There have recently been a couple of PPNs that are particularly relevant to Professional Services contracts, :Data Handling Review, Mandatory application of security provisions in contracts and Joint Statement on Access to Skills, Trade Unions and Advice in Government Contracting. For further information and to view other PPNs please visit:

http://www.ogc.gov.uk/procurement_policy_and_application_of_eu_rules_procurement_policy_notes.asp

Agency review within Whitehall

The First Civil Service Commissioner has announced an audit on the use of agency staff and consultants would take place with three government departments.

Procuring Consultancy – The challenge for Government

Consultancy procurement is an important but complex area of Government spend - and one that it is important we get right.

The Consultancy Value Programme (CVP) was launched by the OGC, in collaboration with Government departments, to ensure that better value for money is achieved through improved management of consultants and improved levels of commercial awareness within Government.

CVP will support departments by providing a range of initiatives and tools and improve confidence for procurement decisions. CVP is about ensuring a consistent, controlled, and effective use of consultancy within departments – making Government a more intelligent client.

Cross departmental engagement and collaboration will help ensure value is gained from every consultancy engagement putting Government in a position to achieve significant savings.

The Programme comprises a series of practical toolkits and solutions for procurement professionals to draw on when considering the use of consultants:

***A business case format of the essential considerations**

Departments will have to make when using consultants: *Used across Government this will provide a consistent approach to consultancy procurement and improved assurance for its successful delivery.*

The format enables identification, delivery and measurement of value throughout the engagement.

***A revised and consistent definition of consultancy:** *Enables the correct identification of the service requirement, and the appropriate selection of service providers.*

***Gate & Governance:** *Using a 'Gate' process, as part of the business case, approval will encourage joined up working between Departmental commercial, procurement, HR, finance & business units.*

***Pricing:** *Improving the visibility of consultancy pricing, and the components that dictate price, will enable departments to be better informed of the price they should expect to be offered.*

***Consultancy Performance Reviews:** *A standard post-assignment performance review process will enable departments to identify and capture the value delivered from consultancy assignments.*

For more information on CVP email cvp@ogc.gsi.gov.uk or the OGC Service Desk on 0845 000 4999.

VAT concession withdrawal

The current concessionary arrangements in respect of supplies of temporary workers by employment businesses will be withdrawn with effect from 1 April 2009. Currently such businesses are allowed to exclude the wages element from the supplies they make, and to account for VAT solely on their margin.

Who will be affected?

Employment bureaux who use the existing concessionary arrangements and **any of their customers** who are not able to fully recover the VAT charged to them e.g. finance sector, health and care sector, education sector, charities and some parts of the public sector. As a summary:

The staff hire concession was only available to employment bureaux that hire out their own employees. It allows them to exclude the salary and associated costs from the VAT charge.

All other employment bureaux that hire out self-employed work-seekers could not use the staff hire concession. They could choose

whether to act as agents or principals for VAT purposes.

Employment bureaux that chose to act as agents for VAT purposes accounted for VAT only on the commission or margin element of their charges to the hirer.

Employment bureaux that chose to act as principals for VAT purposes accounted for VAT on the total charges made to the hirer.

HMRC accepted that the VAT invoices issued by the employment bureaux were acceptable as evidence of the choice made as to the status of the bureaux for VAT purposes.

HMRC recognises that different providers and hirers will be impacted in different ways, depending on the extent to which the additional VAT costs are passed through to hirers, and their ability to recover the VAT. As a result, the concession will not be withdrawn until 1 April 2009, thereby giving providers and hirers time to prepare for the change, and adjust their contracts and business plans accordingly. During this transitional period HMRC will be happy to discuss the impact of the change further with those in affected sectors. For more information see: <http://www.hmrc.gov.uk/budget2008/tn-withdrawal-staff-hire.htm>

Migrant worker points system

All public sector bodies are advised to review the introduction of the Borders Agency Points Based System applicable to supply of Foreign Nationals outside of the European Economic Area (EEA), to assess if there is any impact on any of their service provision for external assistance. Although this is likely to be minimal, the Recruiter magazine advises that only 7% of Agencies have signed up as 'Sponsors' so when implemented in the autumn of 2008, there may be a backlog of service providers trying to attain this status. A link to the Borders Agency website has been provided below. For users of the Home Office framework agreement for Administrative and clerical staff, no

action will be required as the Home Office are aware of this change and will be determining any impact with the service providers.

<http://www.ind.homeoffice.gov.uk/workingintheuk/howchangesaffectyou/>

Demand management workshops

Thank you to those who registered an interest in attending these workshops. Further details of the events will be published later this year.

Other collaborative categories!

The OGC's Collaborative Procurement department has national expertise in a variety of categories, from energy, food, fleet, ICT, telecoms and more. We are independent and happy to give advice and guidance to assist you. Phone the Service Desk at 0845 000 4999 or email: servicedesk@ogc.gsi.gov.uk. We're here to help!

Add your colleagues!

If you think that your colleagues would be interested in receiving future editions of the Temp Staff Times, send an email with their contact details to tempstaff@ogc.gsi.gov.uk.