# About YPO

YPO provides procurement solutions for public sector organisations to set up or renew contracts for a wide range of services. Established in 1974 by a group of 13 local authorities, we're one of the largest public sector buying organisations in the UK and we're still 100% publicly-owned today. We work closely with our suppliers and collaborate with other public sector buying organisations to achieve efficiencies and value for money, returning all our profits back into the heart of the public sector. Our team of qualified procurement professionals can offer advice, guidance and expertise on procurement, as well as regular engagement and communication to make sure your objectives are achieved.

## Overview

| | |
|---|---|
| Start date: | 6 January 2020 |
| Expiry date: | 5 January 2023 |
| Extension(s) (if applicable): | Option to extend for an additional 12 months |
| Contracting authority (CA) call-off period: | CAs can specify a contract period, based on the term that will best suit their requirements |
| Contract notice ref. no: | 2019/S 152-374956 |
| Corrigendum (if applicable): | 2019-OJS164-403586 |
| Rebate: | 0.01p per hour worked by a temporary worker. Any HR additional services will be 0.5% rebate of the total spend |
| Geographical location(s): | National |

## Framework structure

**Lot 1 –** Managing Temporary Recruitment for Local Authorities

**Lot 2 –** Managing Temporary Recruitment for Central Government

**Lot 3 –** Managing Temporary Recruitment for Housing Associations

**Lot 4 –** Managing Temporary Recruitment for Higher Education

**Lot 5 –** Managing Temporary Recruitment for Emergency Services

**Lot 6 –** Managing Temporary Recruitment for NHS

**Lot 7 –** Managing Temporary Recruitment for Schools/MATs

**Lot 8 –** Vendor Management Systems (VMS)

**Lot 9 –** Talent Pool Technology

**Lot 10 –** Managing Permanent Recruitment

**Lot 11 –** Recruitment Process Outsourcing (RPO)

**Lot 12 –** Total Talent Management

The framework was created to deliver a recruitment solution for all areas of the public sector. Lots 1–7 are a managed service for temporary recruitment, you pick which lot is relevant for your organisation.

## Specification and overview

The framework is divided into 12 lots aiming to include everything recruitment and HR:

- Managing temporary recruitment (master vendor, neutral vendor and hybrid)
- Managing permanent recruitment
- Technology based solutions such as vendor management systems and talent pool technology
- Recruitment process outsourcing
- HR additional services

This user guide is for **Lot 5 – Managing Temporary Recruitment for Emergency Services.** User guides are available for all other lots online or by email **hrsolutions@ypo.co.uk**

We decided to procure a Managed Service Provision (MSP) for temporary recruitment tailored to each area of the public sector, as our market research showed that the provider base and costs are likely to vary.

The MSP will effectively manage all temporary agency worker's requirements to meet your needs across all categories of worker.

The framework recognises that alongside your temporary labour requirements you may also wish to procure a wide range of other HR related services. This is referred to as HR additional services in the framework and user guide.

## Specification and overview

The lot allows you to procure based on:

**1.** Temporary recruitment delivery models

**2.** Temporary recruitment spend models

**3.** HR additional services (including technology solutions)

**1. Temporary recruitment delivery models**

The temporary recruitment market is traditionally described in three models; neutral vendor, master vendor and outcome focused (hybrid) model. It is likely that the models and market will evolve over the duration of the framework, CAs can either procure against the three models or detail their requirements to deliver a managed service for temporary recruitment.

If any future models become available that aim to achieve the same outcomes of an MSP for the temporary recruitment, provision can then be procured through this framework.

Neutral vendor

This is for CAs who wish to appoint an MSP that will provide all temporary agency workers via 3rd party agencies and not provide the workers themselves. The provider will manage the supply chain including 2nd tier and 3rd tier providers to fulfil the requirements of the CA. The MSP will source the correct individuals to match the requirements of the CA and do so in an equal and fair manner. All agencies will sign up to the same T&Cs and processes. The CA will work with the MSP only and all other tier providers will be managed by the MSP, so the CA has only one provider to manage.

Master vendor

This is for CAs who wish to appoint an MSP that has a supply of their own workers and then appoint 2nd and 3rd tier providers if the requirements are better met externally. Master vendors should ensure that workers provided to the CA meet requirements and the entire supply market is utilised to provide the best solution. The MSP will source the correct individuals to match the requirements of the CA and do so in an equal and fair manner, all agencies will sign up to the same T&Cs and processes. The CA will work with the MSP only and all other tier providers will be managed by the MSP, so the CA has only one provider to manage.

Outcome focused model (hybrid)

With this solution, providers understand the requirement of the CA and consider delivering a bespoke service with the desired outcome. The MSP procures all requirements using flexible methods to ensure the right people are in the right roles.

This model works for CAs that wish to have a bespoke service delivered which is tailored to their specific needs and challenges. The MSP will be the main point of contact for the CA and the provider will either fulfil requirements via internal workers or via 2nd and 3rd tier providers. The MSP will source the correct individuals to match the requirements of the CA and do so in an equal and fair manner. All agencies will sign up to the same T&Cs and processes.

## Specification and overview

**2. Temporary recruitment spend models**

The cost of delivering an MSP for temporary recruitment varies depending on the volume of spend within a public sector organisation. To allow for CAs to review pricing specific to their organisation, we procured the MSP based on the different levels below:

- £0-0.99m
- £1-4.99m
- £5-9.99m
- £10-19.99m
- £20m+

It should also be noted that providers offer a discount for public sector organisations that don't want to utilise technology as part of their MSP.

**3. HR additional services**

The framework allows the CA to add on HR additional services within their requirements. These may be outlined in the initial call-off request by the CA or be added at any point during the life of the call-off.

The aim of adding HR additional services is to allow CAs to create a bespoke HR solution if they wish. This allows a CA to procure all their HR requirements from a single provider, including temporary recruitment solutions and any other HR additional services.

We have established a list of high-level categories to structure the HR additional services. We are aware all HR departments are likely to have unique titles for different types of services. These categories are:

- Recruitment
- Corporate HR services
- Payroll and benefits
- Talent management
- People and HR management
- Outcome focused solutions

HR department aims and outcomes

Due to the nature of the HR market, it is understood that new methods of working can be implemented within public sector HR departments. However, the aims and outcomes required by those departments are well established and are unlikely to change. We have created an overarching approach to support the key aims and outcomes for any HR department within the outcome focused category, to allow for the procurement of such services. This allows CAs to think about the aims and outcomes of a project instead of the actual task required to deliver the solution.

We have created a document to establish the aims and outcomes of a HR function, this document gives an overview of the key strategic aims of a HR function.

CAs can procure any service that aims to deliver any of these key outcomes, and they can be procured as an additional service. This model was created to ensure that future innovation can be procured as HR additional services.

For a list of HR additional services and the providers able to deliver these, please contact **hrsolutions@ypo.co.uk**

## Specification and overview

Technology focused solutions

Over the last few years we have seen an increase in the use of technology within the recruitment sector. Primarily this was managed via the recruitment agencies and/or MSPs. It has become apparent to YPO that CAs may wish to manage or utilise recruitment focused technologies to support their delivery plans.

All recruitment related technology can be procured through the HR additional services via your MSP. This can be via a supply chain provider or the MSP themselves. It is envisaged that the CA may implement technology at any point throughout the lifetime of the call-off contract.

Examples of technology may include:

- Talent pool management technology
- Vendor management systems
- Vetting systems
- Applicant tracking systems

These technology solutions may be delivered by a 3rd party organisation, but the responsibility for the delivery will sit with the MSP. The responsibility of the technology can be passed onto the 3rd party organisation. There is no prescriptive list of providers that must be utilised for any of the HR additional services, including the technology.

## Tips to procuring these services

- Understand the categories of workers within your temporary recruitment spend and the fill-rates for each of the categories
- Understand the pricing structure that will best suit your requirements. We decided to use job categories and spend to ensure that all pricing was transparent depending on the customers' actual requirements
- The market is constantly evolving so ensure you have all the latest sector updates before making your decisions
- Engage with providers prior to a direct award or further competition to ensure they understand your current position and your vision moving forward
- Instead of focusing on a particular model, think about the solution that is required and let the providers in the market create you a model to fit your needs or align your needs to a model you require
- Understand the supply chain behind your MSP, this will give you a real insight into the SMEs you use and costings. It will allow the new contract provider to develop your supply chain effectively
- Understand your current management fees, agency fees and all other service costs
- Do you have any spend within the temporary agency category that is currently not procured through the framework? Can you work with hiring managers and the new provider to ensure this is incorporated onto the new contract?
- Could social value be part of the specification? How could providers help in this area?
- Ensure your temporary labour specification is in line with your recruitment strategy
- Are you aware of how technology is developing in the recruitment sector?
- Are there any other services you would like to procure alongside your temporary recruitment requirements? These could be procured as part of the HR additional services

## Benefits of using the framework agreement

- Support from YPO to help you find the right solution based on your recruitment strategy, including help to create specifications, pricing documents and all other procurement documents. We can help as much or as little as you like
- Free benchmarking based on your current usage
- We can provide market sector updates and support through conference calls, 1-2-1 meetings, emails etc
- All providers on the framework have been 'pre-qualified' to deliver a managed service for temporary recruitment
- YPO can fully manage your further competition (call-off) process if required
- Reduced timescales – you do not need to run a full OJEU procurement if procuring via the framework agreement
- Aggregation of spend – you will receive the benefits of the aggregated spend volume and increased leverage in the market
- Pre-defined terms and conditions

## Providers

Below is a list of the providers awarded to the framework for this lot. For more information including contact details please contact YPO at **hrsolutions@ypo.co.uk**

- Adecco UK Limited
- Capita Resourcing Limited
- Castlerock Recruitment Group Ltd
- Comensura
- Hays Specialist Recruitment Limited
- Matrix SCM
- Randstad
- Red Snapper Recruitment Limited
- Reed Specialist Recruitment Ltd
- Service Care Solutions

## Ways to award/call-off

To access the framework agreement, customers should complete and return the Non-Disclosure Agreement.

CAs will have the ability to direct award or carry out a further competition through this lot and each further competition will be available to all providers on the lot. It will then be down to the providers if they decide to bid based on the services you require.

While creating a further competition or direct award for their temporary recruitment requirements, a CA can include HR additional services. Please note that providers can add more HR additional services to their offerings on a six month basis. A CA may wish to add on HR additional services at any point of the call-off contract.

There are two ways in which a CA can procure through the framework for temporary recruitment:

**Direct award**

Direct award is available to be carried out with the MSP they believe is the most appropriate for the services they require.

To direct award, a CA can review all pricing and quality delivery models to make an objective decision for the basis of the direct award. HR additional services can also be taken into consideration as part of the objective analysis.

The pricing provided in the tender submission for this framework will then be the pricing that the MSP and CA adhere to. YPO will not be responsible or liable in any way for the award in relation to any direct call-off contract.

The CA where possible should list any potentially relevant HR additional services within the call-off contract.

It will be the CA's responsibility to carry out their own due diligence within this framework to ensure they have procured in compliance with the regulations.

**Further competition**

This framework will allow CAs to carry out a further competition with all MSPs. All MSPs on this lot will have the opportunity to bid for each further competition. CAs will reserve the right to identify within their specification which service delivery model they wish to implement - for example neutral vendor, master vendor and outcome focused model. CAs don't have to define a delivery model and can just specify their requirements.

CAs can carry out a further competition based on cost and quality, the scoring criteria will be provided in each further competition.

The CA can carry out a further competition on their temporary recruitment requirements only or include HR additional services as part of their further competition and call-off contract. HR additional services may be implemented at any point of the call-off contract.

The CA, where possible, should list any potentially relevant HR additional services within the call-off contract.

## Ways to award/call-off

Your further competition can be out to the market for as little or as long as you require. We haven't specified timescales but would advise that for this service at least a month is given to ensure the responses received meet your requirements.

To carry out a further competition please see the criteria below:

| CRITERION | PERCENTAGE WEIGHTINGS |
|---|---|
| Price | 20 - 60% |
| Quality | 40 - 80% |

This will allow authorities to carry out further competitions with weightings of between 20% to 60% for price and weightings of between 40% to 80% for quality. The total percentage must add up to 100%.

**Example 1 –** 40% Price / 60% Quality

**Example 2 –** 50% Price / 50% Quality

**Example 3 –** 60% Price / 40% Quality

The weightings for cost and quality can be re-opened for evaluation within the further competition. Customers can also set any appropriate KPIs and/or service levels within the quality award criteria.

YPO will not be responsible or liable in any way for the award in relation to any call-off contract. It will be the CA's responsibility to carry out their own due diligence within this framework to ensure they have procured in compliance with the regulations.

**STAGE 1**
Initial Customer Enquiry

- Customer contacts YPO for information
- YPO will send customer a copy of the user guide and NDA
- Customer completes and returns NDA
- YPO can arrange an initial call or meeting to provide an update on the recruitment sector and provide support/guidance

**STAGE 2**
NDA Returned to YPO

- Following receipt of a signed NDA, YPO will send the customer the pricing information, specification and framework agreement with call-off terms and conditions
- CA can then make contact with the provider(s) to start pre-engagement or discuss the requirements in more detail
- If a call or meeting is required to discuss the requirements, YPO or the MSP are able to provide support

**STAGE 3**
Direct Award or Further Competition

- The CA will decide whether to go ahead with a further competition or direct award
- A direct award can be made to the MSP who will understand the requirements and provide the relevant approach to the service required. The CA will complete the direct award template and submit to the provider
- A further competition can be submitted to all providers on the lot, YPO can support you on this if required. The further competition templates are available from YPO

**STAGE 4**
Contract Award

- Once the CA has completed the direct award or further competition process, the order form will be completed with all details of the requirement. This will be submitted to the awarded provider along with the call-off terms and conditions and signed by both parties to formulate the call-off agreement

## Terms and conditions

Providers awarded to the framework agreement have agreed to and signed YPO's framework terms and conditions. The terms and conditions are between YPO and the provider and cannot be amended.

Providers have also agreed and reviewed the call-off terms and conditions however, it is understood that some specific terms need amending to meet the needs of the provider and awarding CA. These can be amended by the CA and the provider by mutual agreement to include additional terms to supplement the standard call off terms and conditions. A variation form is included within the order form and call off terms and conditions document to allow customers and providers to amend any terms if required.

## Contact information

For further information or to discuss individual requirements, please use the contact details below:

**Amy Clark**
Category Buyer | Corporate Services
Tel: **07918 601 922** | Email: **hrsolutions@ypo.co.uk**