

Options Appraisal

Option	Advantages	Disadvantages
Do Nothing (Option 1)		<ul style="list-style-type: none"> - Current contract with current service provider about to run out (June 2016) - Demand for temporary workers unlikely to cease
Extend the current MSP Contract (Option 2)		<ul style="list-style-type: none"> - 12 months extension option on current contract already taken, no further extension available
In House Delivery Model (Option 3)	<ul style="list-style-type: none"> - Financial saving due to mitigation of the management margin and profit element - Direct access to candidates - Potential improvement in response times 	<ul style="list-style-type: none"> - Initial set up of the section will be time consuming - Initial set up will attract financial input - Lack of existing recruitment agency experience available in-house, recruitment and retention will take time - Build-up of talent pool will be required which will take time to implement - Council has full liability for any claims made against the Temporary worker's actions or advice - Labour intensive in terms of audit and vetting - implementation and transfer of existing work force will need to be factored in -
Single Authority Competitive Tender in the Open Market (Option 4)	<ul style="list-style-type: none"> - Specification reflects the Councils current and future needs - Tender to be conducted in house giving control to the Council in terms of evaluation and implementation - Potential cost savings in some areas 	<ul style="list-style-type: none"> - Time required to compete properly, this can take between 3 and 6 months dependant on the process used and may not be deliverable prior to expiry of the existing contract. - Economies of scale may not be achieved, which would drive the costs up against a higher

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	<ul style="list-style-type: none"> - EU Compliant process will be conducted - AWR conversant providers, which will mitigate the risk to the Council of non-compliance 	<p>volume model</p> <ul style="list-style-type: none"> - Internal expertise required for evaluating the tender returns, external support maybe required which adds to the costs. - If not the incumbent, then implementation will need to be factored in
<p>Multiple Authority Competitive Tender in the Open Market (Option 5)</p>	<ul style="list-style-type: none"> - Potential cost savings in some areas - EU Compliant process will be conducted - AWR conversant providers, which will mitigate the risk to the Council of non-compliance - Economies of scale may be achieved, but this would be dependent on how many Authorities collaborate 	<ul style="list-style-type: none"> - Specification broadly reflects the Councils current and future needs - Tender potentially to be conducted in house or may be conducted by partnering Authority - Time required to compete properly, this can take between 3 and 6 months dependant on the process used and may not be deliverable prior to expiry of the existing contract - If not the incumbent, then implementation will need to be factored in
<p>Access Alternative Open Frameworks (CCS) (Option 6)</p>	<ul style="list-style-type: none"> - EU Compliant process has been conducted - Saving on procurement costs - Reduces time taken to conclude the process - Pre-defined terms and conditions including broad based specification which can be added to - All pre audit checks completed - Economy of scale should yield beneficial costs to the Council - Collaborative hubs can easily be utilised in geographic locations such as Pan London - Pre-defined KPI's with compensatory values attached 	<ul style="list-style-type: none"> - 2nd Tier supply chain may need to be expanded due to existing temps being transferred - Some Agencies refuse to be a 2nd Tier provider to the MSP - If not the incumbent, then implementation will need to be factored in

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<p>MStar 2 Framework by ESPO Option 7</p> <p>Lot 1 – Neutral Vendor (NV)</p> <p>Lot 2- Master Service Provider (MSP) (this is the recommended option)</p> <p>Lot 3- Hybrid Model</p>	<ul style="list-style-type: none"> - Very flexible - Allows managers to approach any desired agency - Familiar processes which promote compliant spend - Single point contact- the MSP - Consistent margins for each job type - End to end supply chain - On-line IT solution and reporting e-portal - Council is able to influence on local presence - Combines the MSP and the NV approach - Offers maximum flexibility and freedom of action to council managers 	<ul style="list-style-type: none"> - May result in different margins payable for staff on the same job type - Can encourage non-compliant spend and retrospective ordering - Certain framework pre-set terms and conditions limits achievement of a truly bespoke service - Actual mark-up/margins not yet known and will become clear after the e-auction - Perceived to encourage non-compliance with Council’s Procurement Rules
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