

Report of Deputy Chief Officer Human Resources

Report to Chief Officer Human Resources

Date: 14th March 2018

Subject: Approval to waive Contract Procedure Rules 8.1 and 8.2 Intermediate Value Procurement and award a contract to HELP Employee Assistance for a six month period.

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| Are specific electoral Wards affected? If relevant, name(s) of Ward(s): | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Is the decision eligible for Call-In? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Summary of main issues

1. The current contract started on 1st April 2013 and was for 3 years with the option to extend for a further 2 twelve months period. All extensions have now been taken.
2. This request is to waiver Contracts Procedure Rules and request approval to waive Contract Procedure Rules 8.1 and 8.2 Intermediate Value Procurement and award a contract to HELP Employee Assistance for a six month period.
3. The new contract will run from 1st April 2018 – 30th September 2018 and estimated value is £75,000.
4. The previous contract with Help Employee Assistance has been successful and no major concerns have been raised.
5. The decision to waiver contract rules 8.1 and 8.2 is a significant operational decision.

Recommendations

6. The Chief Officer Human Resources is recommended to give approval to waive Contract Procedure Rules 8.1 and 8.2 Intermediate Value Procurement and award a contract to HELP Employee Assistance for a six month period. The contract shall commence on the 1st April 2018 and expire on the 30th September 2018.

1 Purpose of this report

- 1.1 To request a waiver to procurement rules 8.1 and 8.2 and to award Help Employee Assistance a 6 months contract starting from 1st April-30th September 2018.

2 Background information

- 2.1 Leeds City Council (LCC) has had a contract in place for the provision of an Employee Assistance Programme (EAP) for over fifteen years. The formal contract with the current provider Help Employee Assistance is due to expire on 31st March 2018 and there are no further options to extend.

3 Main issues

- 3.1 The contract is for all LCC staff, all School staff, all Elected Members and staff of partner organisations such as Aspire.
- 3.2 The pricing models are different between LCC staff and Schools staff. This is because a decision was made for LCC staff to go on a self-referral basis two years ago while the Schools staff remained on a pay as you go service for face to face counselling.
- 3.3 The self-referral method has proved to be successful as it has raised the usage of the service and also has shown savings of around £20,000 per annum.
- 3.4 It is intended that when a new contract is scoped and will start on the 1st October 2018 then both LCC and Schools will be included within the self-referral pricing model.
- 3.5 The period for new Service Level Agreements is currently taking place. Many Schools over the last two years have been leaving the Council for their HR support and are using an alternative HR provider. Other Schools are also considering using an alternative provider to LCC HR. The pricing model is based on paying per employee. Until we are aware of which Schools are remaining with LCC then we are unaware of our staff numbers to use for the contract. A six month period will allow adequate time for calculation of staff numbers from Schools that have taken up new SLA's. Not having this information could create us paying more money over the contract life or contractors being misled over our total headcount for the contract.
- 3.6 New initiatives have also recently being investigated around financial support within the Leeds area. This and other services may be provided free and therefore these elements can be taken from the scope of the contract reducing the overall price. Discussions and further investigations will take place in April 2018.

Consequences if the proposed action is not approved

- 3.7 An independent EAP is valued by employees, managers and Trade Union colleagues (source: Corporate H&S Committee, previous staff surveys). The feedback of those using the service is generally good.

- 3.8 Having an active EAP helps the council to: manage attendance and performance, demonstrate how it values its employees, potentially defend civil claims/criminal litigation for stress-related illness, manage critical incidents, and provide managers and staff with the skills and confidence to manage difficult situations.
- 3.9 An EAP is more relevant now than ever. Levels of stress, anxiety and depression are growing in the working population throughout the UK, the organisation is going through a period of change and the external financial climate has an impact on most people.
- 3.10 An EAP is also an integral part of the Council's approach to managing people and impacts on policies such as Managing Attendance and Supporting Staff in Work.
- 3.11 The procurement timelines are too short to get a new contract in place for 1st April if the extension is not granted.
- 3.12 Our scope would be too prescriptive forcing potential providers not to bid. This could either result in no bidders or a potential reduction in quality and less competitive pricing rates.

Advertising

- 3.13 No advertising has taken place. A direct award is recommended to the existing provider under the same pricing model and terms and conditions.
- 3.14 Help Employee Assistance have been approached and agreed to a new contract based on existing T&Cs.
- 3.15 It has taken some time to develop the brand of Help and includes various forms of marketing including posters and leaflets distributed to all staff. If a new provider was brought in for this interim six months then it would cause confusion amongst our staff across the council. Communications would be limited in this timeframe. New posters, leaflets etc. would also significantly increase costs.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Consultation has taken place with a few stakeholder groups. These include:
- Human Resources Leadership Team
 - Joint Consultative Committee Meeting
 - Corporate H&S Committee
 - Comments made in paragraph 3.7 also refer

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Having an Employee Assistance Programme assists the Council with its overall inclusion priorities, in particularly around mental health and disabilities.

4.3 Council policies and the Best Council Plan

- 4.3.1 Having an EAP assists with the council being a Mindful Employer and forms part of the Council's Wellbeing Strategy. It also assists with the council value of treating people fairly contained within the Best Council Plan.

4.4 Resources and value for money

- 4.4.1 The contract will be under the same terms and conditions and pricing model of the previous contract. Not waiting until we have an accurate staff headcount based on whether Schools are included or not within the contract will cost a significant amount of extra money should we over estimate staff numbers.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The decision is a significant operational decision. It is not subject to call in.

4.6 Risk Management

- 4.6.1 The risk of the waiver not being approved will be that we will be without an employee assistance programme until a new full tender process is fulfilled. LCC has had an EAP in place for 15 years. The contract includes the following areas:
- The provision of independent and trained Counsellors that can offer face to face, telephone and online counselling for our staff.
 - A 24/7 telephone support line for both staff and their immediate family offering independent & confidential support, advice and guidance on an array of health & social issues e.g. bereavement, drugs & alcohol, health, financial issues, legal, health etc.
 - The provision of onsite support in dealing with a crisis or trauma incident.
 - Provision of onsite counselling and advice where requested for particular events, issues etc.
 - To provide wellbeing information such as on general health, exercise and healthy eating and provide regular wellbeing campaign information.
 - To provide a website for staff and their families to join to log and improve their own health & wellbeing.
- 4.6.2 The risks of approving the waiver are minimal. The contract is with the existing provider and is only for a period of six months when a full tender process will be undertaken.

5 Recommendations

- 5.1 The Chief Officer Human Resources is recommended to give approval to waive Contract Procedure Rules 8.1 and 8.2 Intermediate Value Procurement and award a contract to HELP Employee Assistance for a six month period. The contract shall commence on the 1st April 2018 and expire on the 30th September 2018.

6 Background documents¹

- 6.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.