



To: Chief Executives
CC: Heads of Procurement, Heads of HR, Heads of Transformation

Dear Colleague

**How much could you save on your temporary agency staff spend?
Invitation to open meeting on Thursday 29 April 2010 - London**

With mounting pressure to deliver savings in an environment of reducing budgets and increased resource constraints, collaboration between public sector organisations is becoming more important than ever. Temporary agency staff, interims and specialist contractors remain a significant area of spend for local authorities, including schools. Likewise, they provide authorities with a highly flexible and often key resource to support the delivery of public services.

The Local Government Professional Services Group (LGPSG), a stakeholder group run by and for local authorities, has commissioned ESPO (on behalf of Pro5), the Office of Government Commerce (OGC) and the Department for Children, Schools and Families (DCSF), to work collaboratively with local government colleagues in order to establish a national framework contract for the managed service provision of temporary agency staff. This framework is likely to include at least two lots, one of which will be for education temporary agency staff, including supply teachers.

The aim of this framework agreement is to:

- Harness the substantial leverage of public sector spend to achieve maximum value for money.
- Provide local authorities, including schools, with access to national and local supply of temporary staff via a robust, legally-sound performance managed agreement which also addresses vetting needs for schools,
- Minimise duplication of effort by removing the need for individual organisations to tender or re-tender (there are a number of you with Neutral Vendor agreements that will shortly need renewing, providing the opportunity to combine our spending power).
- Increase market competition, particularly in the neutral vendor sector.
- Enable small councils to benefit from the leverage that ESPO and their Pro5 colleagues are best placed to secure.
- Enable authorities to have access to improved management information in order to inform the management of demand for temporary agency staff and overall workforce planning.