

# London Council collaboration

## About

London Borough Councils have a recruitment spend of > £750m pa depending historically on multiple Managed Services Providers (MSPs) access to temporary staff. They were suffering with a variety of quality and efficiency issues such as inconsistency, non-delivery and broad service problems, so needed better performance across the board. In 2015, a sub-set of councils' initiative consolidated their needs to procure a single service. Forming the London Council Collaboration (LCC), through further competition, using the Eastern Shires Procurement Organisation's (ESPO) Managed Services Temporary Agency Resources 2 (MSTAR2) framework. Adecco, who were already the incumbent on London Collaboration One contract, were re-awarded the second iteration of the contract after a competitive bid process.

## Our service

Dedicated MSP teams are responsible for running our current LCC portfolio of customers. At any point, they manage > 4500 live assignments, 3500 FTE workers across > 25 categories, invoices of > £200m pa, auditing > 2000 workers and on-boarding > 14000 VMS users. During the first year of the contract, Adecco transitioned 9 new Boroughs into the service. With the establishment of this contract, LCC have created a uniform, standardised platform; each council receives a bespoke solution where all customers received a high quality 24/7 service, delivering on-site/localised account management and robust SME-driven SCM.

## The benefits

### Cost Savings

Within just one year of live service, Adecco has identified and delivered nearly £11m in direct savings with a further £7.8m in corporate rebate savings to LCC since contract inception (LCC 1)

### Supporting SMEs

Our delivery model has increased SMEs participation from 40% to 68%, which includes the original SMEs, enabling them to deliver more staff, consolidating them into a new, overall delivery model. Their role has been enhanced and shows every sign of continuing to grow.

### Knowledge Sharing – IR35

In managing the incoming IR35 legislation, Adecco supported the transition of > 2800 workers (155 2nd tier suppliers, including > 200 Adecco direct candidates) to IR35 compliant statuses. By improving stakeholders' understanding of the legislation, we minimised resistance to change and ensured that informed and legislatively compliant decisions could be reached.

### Continuous Improvements

Throughout the MSTAR framework, Adecco delivers a "hybrid" solution to address customers' changing requirements. We found that, in particular for 2nd generation MSP customers' needs could not be fully met by either a neutral or a master vendor solution. Some statutory services relied upon highly specialised and skilled staff that could only be effectively sourced using multiple, specialist recruitment agencies in that market. Other services relied upon staff that could be effectively sourced and placed by The Adecco Group brands.

Using fulfilment statistics from our VMS we categorised roles as either core master or specialist neutral vendor and used Beeline to push roles out to Group or supply chain businesses accordingly.