

## EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 17 OCTOBER 2012

REPORT BY HEAD OF PEOPLE, ICT AND PROPERTY SERVICES

RECRUITMENT REVIEW

WARD(S) AFFECTED:      NONE

---

### **Purpose/Summary of Report**

- A review of the current recruitment service

<b><u>RECOMMENDATION FOR HUMAN RESOURCES COMMITTEE: That:</u></b>	
<b>(A)</b>	<b>the recruitment service for both permanent and temporary staff be managed in house, by the Human Resource service</b>

#### 1.0      Background

- 1.1      The Council entered into a contract with Manpower for permanent and temporary recruitment in April 2009. This was part of a framework agreement with Herts County Council (HCC). This contract is due to expire on 7 April 2013. Herts County Council will be taking permanent recruitment back in-house from this date and have entered into a contract with Carlisle Ltd for the provision of temporary recruitment. The district councils have the option of joining the Carlisle contract, either from April 2013 or at a later date.

#### 2.0      Report

##### **2.1      Manpower Contract**

- 2.2      The Manpower contract has delivered cost savings on permanent recruitment each year. The average cost per hire in 2011/12 was £520.38. This was a cost reduction of over 10% from last year, following on from cost reductions of 30% in 2010/11 and 35% in 2009/10. However the level of service has been variable.

- 2.3 Manpower's basic charge for permanent recruitment is £250 per hire. This includes administrative support (up until the offer letter) and some advertising. The advertising offered as part of the basic fee is the manpower website, HCC bulletin, the JobCentre Plus and certain free websites. It also includes access to Manpower's talent bank from which Manpower will shortlist candidates for roles such as customer service or admin.
- 2.4 Other recruitment advertising e.g. local or specialist press has been through TMP as part of the Manpower Contract. The savings have been variable and on occasion it has proved cheaper to go direct to the supplier. TMP are also used for public notices.
- 2.5 The Council does not have a great volume of temporary recruitment. Whilst the quality of the temps supplied by Manpower has been good the speed of placement and accuracy of invoicing has not always been up to standard.

### **3 Shared Service**

- 3.1 Stevenage and North Herts Councils both have permanent recruitment in-house.
- 3.2 Stevenage has a contract for recruitment advertising. This expires in July 2015. North Herts do not have a recruitment advertising contract.
- 3.3 Stevenage has a contract for temporary recruitment. This has recently been extended to fit in with the shared service timetable and will expire in August 2013.
- 3.4 North Herts use a Framework Agreement for the supply of temps. This is due to run until March 2014. They have three suppliers for Reception, Administration, Clerical, Secretarial, Financial Administration positions and three for Legal, Finance and IT positions.

### **4 Permanent Recruitment Options**

- 4.1 At present the main option for permanent recruitment is to bring recruitment back in-house once the Manpower contract ends. This will allow time for the outcome of shared service to be known and will ensure the council does not enter into any contracts with providers which could not support shared services.

- 4.2 Recruiting managers will need to be provided with the skills, training and processes to bring the recruitment process in-house. Manpower are currently responsible for all recruitment admin up to the point of offer. Prior to outsourcing recruitment basic admin for each vacancy was managed by the recruiting department (eg organising interview times and completing follow up letters to unsuccessful candidates). HR were responsible for other administrative tasks including advert preparation and placement, sending out application packs, application collation, post-offer paperwork and procedures and monitoring (equalities and advert success rates).
- 4.3 Over the last two financial years the Council has filled approximately 38 vacancies a year through internal recruitment (this includes secondments and increase in hours) and an average of 15 vacancies a year through external recruitment.
- 4.4 Since permanent recruitment was contracted out the level of admin support in the EHC HR & Payroll team has been reduced. The time required to support recruitment will need to be considered and the team's capacity reviewed prior to bringing the service back in-house. Partnership working with the Council's potential shared service partners could also be explored.
- 4.5 It is proposed that the recruitment administration be managed through a HR/Payroll IT System or through the EELGA jobs portal (see section 5.11 for further information).

## **5. Recruitment Advertising Options**

- 5.1 The Council is committed to advertising the majority of roles internally first. This is achieved through the Corporate Management Team (CMT) vacancy control process and the weekly vacancy bulletin. Each week an email is sent to all staff listing the current East Herts Council vacancies. Most roles are advertised for one to two weeks internally before progressing to external recruitment if necessary. Re-deployees receive the bulletin one day in advance. The intranet jobs page is updated weekly with the details of all roles listed in the bulletin.
- 5.2 The Council also works with other local authorities and the East of England local government association (EELGA) to advertise their own and other Council's vacancies. The Council's weekly vacancy bulletin contains links to other local authorities' jobs

pages. Specific external roles are sometimes included within the bulletin at the request of another authority or the EELGA.

- 5.3 In 2011/12 the Council spent £6,765.00 on recruitment (there were no senior management appointments). This was for 16 vacancies and can be broken down into £3,515 for advertising costs and £3,250 for Manpower's placement and administration fees. Thirteen of these vacancies were filled. This equates to an average cost per hire of £520.38.
- 5.4 Advertising is an important part of the recruitment process. East Herts currently utilise a range of advertising medias through the HCC contract with Manpower. The Council will be able to continue to secure recruitment advertising with Jobsgopublic and Network Group at competitive rates. Access to free jobs websites such as lgjobs.co.uk will also still be possible. However the loss of Manpower's talent bank and the HCC bulletin will impact on the cost of recruitment advertising. A large proportion of roles are recruited through this method, of the thirteen posts filled in 2011/12 ten were advertised solely through the HCC bulletin, the Council's external website and manpower's talent bank.
- 5.5 HCC bulletin
- 5.6 East Herts currently advertises external vacancies in the HCC bulletin, free of charge. This option is part of the current Manpower contract. It is recommended that the Council approach HCC to ascertain whether this arrangement will continue at the end of the Manpower contract. This may be done through the Council's partnership working arrangements with the County Council. The Council's potential shared service partners and other district councils could also be approached for reciprocal advertising arrangements.
- 5.7 Jobcentre Plus
- 5.8 All East Herts external vacancies are advertised at the Jobcentre Plus through the HCC bulletin. It is proposed to continue this arrangement with Jobcentre Plus either direct or through the HCC bulletin if this is an option.
- 5.9 EH C Website and Publications
- 5.10 At present all external advertising is placed on the Council's website and this would continue. It may also be possible to utilise

the Council's own publications for advertising, for example Link Magazine. This would be limited as it is a quarterly publication, however for those vacancies for which the publication date works it may be a valuable resource.

5.11 EELGA Regional Recruitment Portal

5.12 The East of England LGA is seeking to establish a regional recruitment and talent management portal. A potential provider has been selected. Consultation across the region to identify local authority needs and potential users is being undertaken before a formal specification is developed further.

5.13 The current proposal offers District Council twelve months unlimited use based on a three year commitment to the scheme.

Summary of the services included:

- Vacancy advertising on the portal and the providers websites.
- Online application form with hard copy options
- A Document Library which allows for the storage of relevant vacancy information be that campaign or organisation specific
- Online short listing for managers
- Candidate communications through selecting the appropriate Word or email template. These are delimited so that the relevant communications must be sent in the right order.
- Online interview slot selection
- Management reports

5.14 East Herts has currently indicated their potential interest in the project, with no commitment at this stage. The Council could also explore joining with our shared service partners and negotiating a group rate.

5.15 If the Council chooses to sign up to the portal it would be recommended that the recruitment module of the proposed new HR/ Payroll IT System is not purchased/ activated as this would be duplication.

5.16 Individual adverts

5.17 If the Council chooses to bring permanent recruitment back in-house the Council may chose to buy recruitment advertising as and when needed. Two examples of providers are detailed below:

## 5.18 Jobs go public

5.19 Jobs go public currently offers basic advertising at £495 per advert. Adverts can be live for up to 30 days. If a shorter period is selected and then an extension to the deadline is requested this is accommodated within the fee, provided the overall period does not exceed 30 days.

5.20 The fee reduces to £400 per advert if three are purchased together (these adverts do not need to be placed at the same time). It may be possible to increase the efficiency by purchasing a greater number of adverts at a time.

## 5.21 Network group

Network group provides the following service for £449 per advert:

- An "internet-ready", "keyword optimised" job advertisement based on requirement.
- Job advertisement is placed on all the leading Job Boards: Monster, Jobsite, Totaljobs, Reed, Fish4 & Jobs.co.uk (+appropriate niche sites linked to those major boards).
- Job advertisement appears on a number of the UK's leading "aggregator" sites including: Indeed, SimplyHired, Workhound, Workcircle, Trovit, Oodle and many others.

For an extra cost Network Group will also search 4 key CV Databases against job specification and produce a short-list of candidates from this separately to the short-list from advertised response.

## 5.22 Specialist advertising

5.23 Specialist advertising may be required (for example in planning or environmental publications). Costs per advertisement vary with publication.

# 6. Temporary Recruitment Options

6.1 East Herts currently use Manpower to source its temporary staff. The volume of temporary staff at the Council is quite low. Certain services do need temps at quick notice (customer services, Environmental Services call centre) and other services have used temps for longer periods to cover absence, vacant posts or to address a backlog. Over the 2011/12 financial year approximately

ten temps were used by the Council. At present there are approximately thirteen temps at the Council. This includes eight temps assisting with the claim volume in Revenues and Benefits two temps on long-term assignments to cover vacant posts and one temp on a project assignment

6.2 There are a number of options open to the Council to explore to provide temporary staff:

6.3 Carlisle

6.4 The Council could enter into the HCC partnership agreement with Carlisle from the start (8 April 2012). However, first the Council would need to assess the impact on any shared services. North Herts are currently considering the Carlisle option but Stevenage are not.

6.5 Other contract suppliers

6.6 The Council could explore contracts with other umbrella organisations. This would probably involve a full procurement procedure. With shared service on the horizon entering into a full procurement process may not be prudent.

6.7 Local preferred suppliers

6.8 The Council could approach local suppliers, perhaps following the model used by North Herts by setting up a framework agreement with a series of local suppliers.

## **7. Feedback from Heads of Service/managers**

7.1 In August 2012 Heads of Service were asked for their feedback on the Manpower contract. Whilst there had been cost savings on permanent recruitment, Heads of Service did not consider the contract to have performed well overall as the level of service from Manpower had not been very high. This was particularly true of managers' experience of temporary recruitment.

7.2 In general the Head of Services support bringing permanent recruitment back in-house and moving to local preferred suppliers for temporary recruitment. Some Heads of Service indicated that the HCC temporary recruitment contract with Carlisle Ltd could be explored, provided adequate Service Level Agreements and

sanctions were in place and Carlisle are able to link with temporary agencies which supply district roles.

## 8. Recommendations

- 8.1 Permanent recruitment should be brought back in-house from the 8 April 2013. Arrangements to ensure there is capacity within the HR team should be explored or partnership working with Stevenage and North Herts Councils. Managers should be reminded of the role of departments. A full review of permanent recruitment will be carried out as part of shared services.
- 8.2 All low cost advertising should be explored. This includes the HCC bulletin, Link, reciprocal arrangements with other local authorities and free websites. These will either form the basis of recruitment advertising in the near future or will provide valuable additional coverage.
- 8.3 The timeframe for the EELGA portal should be confirmed and further cost analysis done. If the portal is not an option at this stage, or if the timeframe would leave a gap in advertising provision when the Manpower contract has expired, links should be made with jobsgopublic.com, network group etc and bulk purchasing of adverts should be explored.
- 8.4 The Council should set up supplier agreements with local suppliers. It is not recommended that the Council enters into any contracts for temporary requirement until a review can be completed for all three Councils as part of shared services. This can be done quickly and is supported by recruiting managers. This need not be the final position with regards to temporary recruitment but it will allow for flexibility during the change to shared services. HCC Carlisle Ltd contract will be considered as part of the full view of recruitment services under shared services.

## 9 Implications/Consultations

- 9.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers  
None



Contact Officer: Emma Freeman, Head of People, ICT and Property  
Services  
01992 531 635  
[Emma.Freeman@eastherts.gov.uk](mailto:Emma.Freeman@eastherts.gov.uk)

Report Author: Jaleh Nahvi, Human Resources Officer  
[Jaleh.Nahvi@eastherts.gov.uk](mailto:Jaleh.Nahvi@eastherts.gov.uk)

## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):	<b><i>People</i></b> This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable. <b><i>Prosperity</i></b> This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic and social opportunities.
Consultation:	As detailed in the report
Legal:	None
Financial:	As detailed in the report
Human Resource:	As detailed in the report
Risk Management:	As detailed in the report