

Report to the Audit and Governance Committee

Report reference: AGC-001-2009/10

Date of meeting: 22 June 2009



**Epping Forest
District Council**

Portfolio: Performance Management

Subject: Recruitment Issues

Responsible Officer: Paula Maginnis (01992 5644536)

Democratic Services Officer: Gary Woodhall (01992 564470)

Recommendations/Decisions Required:

That the Committee considers the report and makes any observations to Cabinet in relation to any risk the Council is exposed to in relation to recruitment.

Executive Summary:

At the last Audit and Governance Committee members requested a report on recruitment activity within the Council, specifically any areas of concern.

The report contains information of vacant posts from the period 1 April 2008 to 31 March 2009. The recruitment activity shows that the Council is not experiencing difficulties recruiting to the majority of jobs it advertised, however there are significant problems when recruiting to senior, professional or specialist roles. Unfortunately, the recession has not improved the labour market in these areas.

Reasons for Proposed Decision:

To comply with the request of the Committee at its last meeting.

Other Options for Action:

The Committee may wish officers to provide further information regarding recruitment.

Report:

Current Labour Market

1. Recent articles focusing on recruitment during this current recession indicate that it is not all-positive news for employers wishing to appoint to some senior, technical or professional roles. The construction industry is finding it difficult to recruit to highly specialised roles due to the lack of people in this labour market and those that are good tend to 'keep their heads down' as they do not wish to be seen searching for a new job.

2. A further article concluded that local government continues to find it difficult to recruit to non-generic professional roles. The article also stated that good people are 'keeping their heads down' as they are more wary than usual when looking for new positions. The effect of

this is that the talent pools for these types of roles are beginning to shrink.

3. Members are aware that local government competes in areas of acute skill shortages such as engineering and planning. In or out of a recession there are never enough of these people in the job market in the first instance and these areas are unlikely to be hit by large scale job cuts or downsizing.

4. The housing market is also having an effect on recruitment; people are far less likely to move home in the current climate as they are unable to sell their property. Effectively this narrows the labour market because the Council is restricted in looking to attract people from neighbouring and surrounding authorities.

5. A survey carried out by the Chartered Institute of Personnel and Development (2008) found that the reasons for recruitment difficulties in the public sector were as follows:

Reason for recruitment difficulties in public services	%
Lack of necessary specialist skills	68
Looking for more pay than was offered	43
No applicants	41
Insufficient experience	34
Image of sector/occupation	20
Unable to accept position due to high cost of living in the area	9
Lack of formal qualifications	8
Lack of interpersonal skills	5
Other	12

Implications for Epping Forest

6. At Appendix 1 is a table showing the Council's recruitment activity for 2008/2009. As can be seen there were 81 vacancies throughout the year. The majority of roles were appointed to, however difficulties were experienced in the following roles:

Directorate	Job Title	Comments
Finance and ICT	Investigations Officer	Covered by agency. The Council's salary is lower compared with other neighbouring Councils.
Corporate Support Services	Valuer and Estates Officer	Post is part-time which may not be as attractive to the labour market. Proposing to advertise as a trainee role.
Environment and Street Scene	GIS Officer	Limited applications one was appointable but declined offer. Other applicants had insufficient experience. Used agency to source candidates, appointment made in January 2009.
Environment and Street Scene	Land Drainage Engineer	Advertised twice, employee appointed on a career grade and a fixed term contract. Employee is not an EU national and therefore the Council is applying to become a Licensed Sponsor to enable the employee to work for the Council for a longer period.
Planning and Economic Development	Principal Surveyor	Post has been vacant for some time and currently covered by a consultant.
Planning and Economic	Senior Building Control Surveyors	Advertising campaign in Nov 2008 produced one application from a consultant working for the

Development		Council, 2 posts remain vacant.
Planning and Economic Development	Assistant Director Policy and Conservation	Post has been advertised twice. A number of applications received and interviewed, however applicants did not have sufficient experience and skills for the role. The Council is currently in discussion with a number of agencies to assist with recruitment. Post is covered by acting up arrangements of the 3 section heads.

7. In addition to the posts identified in the above table, the Chief Internal Auditor role became vacant. An advertising campaign took place in April 2009 which produced one internal applicant and one external applicant. Unfortunately the external candidate did not provide any details of their knowledge, skills and experience to warrant taking further. The Council is currently working with Reed to source a successful candidate. There is a short list of 7 to interview.

8. As an aside a number of agencies were asked to work with the Council to source suitable applicants for this role, one agency declined the business as they felt the salary was not appropriate for the potential candidates on their database and another agency did comment that it would be difficult to source potential candidates. It maybe useful to note that the County have recently advertised a number of Auditor Manager vacancies at £53,000 pa, the Council's salary for this post is £43 - £46,000 pa.

9. It is worth noting that Veredus has indicated that the Council's salary of £48,500 - £52,000 pa for the Assistant Director Policy and Conservation is below the current market rate. A comparable role with Chelmsford is currently £62,000 pa.

Conclusion

10. The Council is experiencing difficulties recruiting to specialist and senior roles. The reasons for this tend to be:

- (a) the Council, in some instances, is recruiting from a small specialist talent pool;
- (b) some skilled/specialist people are staying with their current employers during these uncertain times;
- (c) in some cases our salaries are below the current market value which may make it difficult to attract applicants; and
- (d) the talent pool for specialist posts has decreased due to the effect of housing market. People are unable or unwilling to move home in the current climate.

11. The Council is not experiencing difficulties recruiting to the vast majority of posts as they are the more generic and junior roles. There has been an increase in the numbers of applicants for some roles, but that has not necessarily meant an increase in quality.

Options

12. The Council has a number of options to assist recruitment at this time:

- (i) continue with the use of other methods of recruiting, i.e. an increase in the use of recruitment agencies or head-hunters where it is known that the role would be difficult to recruit;

- (ii) Officers, in conjunction with the Corporate Executive Forum, make use of the Council's Discretionary Market Linked Recruitment and Retention Salary Supplements Policy;
- (iii) continue to 'grow our own' and make use of career grades and trainee opportunities;
- (iv) Officers undertake a fundamental review of the Council's recruitment processes to make it easier for candidates to apply for roles; or
- (v) Officers to continue work on succession planning arrangements.

Resource Implications:

Recruitment is expensive in terms of advertising or agency costs and officer time, the Council needs to ensure that the appropriate methods are used to appoint the best person for the role. The costs of recruitment are met from the under spend of the salary budget.

Legal and Governance Implications:

Not applicable.

Safer, Cleaner and Greener Implications:

Not applicable.

Consultation Undertaken:

Not applicable.

Background Papers:

Not applicable.

Impact Assessments:

Risk Impact:

There are a number of risks to be considered:

- (i) not filling a role or appointing the wrong person can have a significant impact on service delivery;
- (ii) the use of agency workers as cover is usually more expensive than employees and can leave the Council in vulnerable position if they left at very short notice and their use does not support the Council with succession planning;
- (iii) in the short-term the Council is aware of the current risks in terms of posts which are difficult to fill and have put in a number of temporary arrangements to minimise the risk or are working towards filling the vacancies, however, the Council is not in a robust position with regards to long-term succession planning in skill shortage areas; and
- (iv) the Council is able to contain the current risk at the moment due to the recession, however when there is a recovery work loads in areas such as planning, building control, and valuations are likely to increase and at that time the Council may experience significant problems recruiting to these roles.

Equalities Impact:

No impact has been identified.