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| COMMITTEE | Finance, Policy and Resources |
| DATE | 23 April 2015 |
| ACTING DIRECTOR | Ewan Sutherland |
| TITLE OF REPORT | Recruitment Advertising Arrangements |
| REPORT NUMBER | CG/15/44 |
| CHECKLIST COMPLETED | Yes |

1. PURPOSE OF REPORT

The purpose of this report is to seek approval to move the council's recruitment advertising arrangements from an external provider to in-house provision by the Design and Marketing Team within the Office of the Chief Executive for a trial period of 12 month initially. If the trial period is successful, the situation will be reviewed to determine how best to proceed going forward.

2. RECOMMENDATION(S)

The Committee is requested to:

- a) Approve the council's recruitment advertising arrangements to be brought in-house for a 12 month trial period from 1 May 2015.
- b) Instruct the Heads of Communication and Promotion and Head of HR & OD to report back to Committee on the experience of the trial period with recommendations of how to deal with recruitment advertising going forward. .

3. FINANCIAL IMPLICATIONS

It is anticipated that this exercise will be cost-neutral and will be managed within existing staffing resources and therefore there will be no financial implications.

4. OTHER IMPLICATIONS

This demonstrates best value.

5. BACKGROUND/MAIN ISSUES

- 5.1 In 2003/4, following a tender exercise, the Council appointed an external recruitment advertising provider to provide the Council's recruitment advertising service.
- 5.2 The successful bidder was Barkers Scotland Limited and for the duration of the initial 4 year contract provided an excellent service and negotiated significant discounts from media providers on the cost of recruitment advertising. The Council had a dedicated Account Director who met with Officers of the Council on a regular basis to monitor and manage the various elements of the contract.
- 5.3 Contract terms included managing the council's day to day recruitment advertising in terms of composite job adverts (job listings) and creative adverts as well as providing new employer branding for recruitment advertising, advice to recruiting managers on writing recruitment advertisements and designing recruitment campaigns for 'hard to fill' posts.
- 5.4 The final year of the contract coincided with a Scotland Excel national framework tender exercise in which the Council participated as part of a national working group to develop and award the tender. The outcome of the exercise caused concern to many Councils in terms of quality and experience of providers and the Council along with many other local authorities chose not to award contract and continued with the existing provider, whilst considering other options such as re-tendering the contract or collaborating with other Councils.
- 5.5 In the meantime, the recruitment advertising climate has changed considerably over the last ten years since the decision to outsource the Council's recruitment advertising.
- 5.6 In particular there has been a huge reduction in the need for traditional press advertising in terms of placing adverts in newspapers and journals and at the same time a significant move towards online advertising both in the press and with job boards such as s1jobs etc.
- 5.7 Furthermore, in 2011 all 32 Councils reached a decision to use the CoSLA myjobscotland website to advertise all recruitment vacancies and to use this national portal to host and manage their recruitment process. To date, this has been very successful with excellent response rates and the website is nationally recognised as the place to search for all local government job vacancies across the board.
- 5.8 Whilst the Council has not ceased the use of traditional job adverts in newspapers and journals altogether, spend has decreased significantly over the period from £802K in 2007/08 to £338K in 2014/15. Recently, recruitment advertising spend has been increasing, which may be attributed to recruitment difficulties in Aberdeen.

- 5.9 In 2009, Barkers Scotland Limited was bought by Penna plc. The impact for the Council was that there was no longer a dedicated account director monitoring the contract or focusing on the Council's recruitment advertising requirements and the account has been managed from London, with no Scottish base. This has resulted in a very poor level of service, issues with invoicing and a failure to provide a quality recruitment advertising service to the Council. For these reasons, notice to end the contract has been served and the service with Penna plc ends on 31 March 2015.
- 5.10 In terms of a way forward, there are a number of options. These are to re-tender the external contract which is a time-consuming process and may not result in a positive outcome, or to bring the service back in-house.
- 5.11 Discussions have taken place with the Design and Marketing Team, Office of the Chief Executive and there is both the expertise and the capacity to manage the council's recruitment advertising provision in-house within this team. The team currently already handles the Council's public notice advertising and this would be an extension to that function. There are already relationships in place with the local media and it has been determined that the existing discounts the council achieves with Penna through the local and national media can be achieved directly rather than through an external agency.
- 5.12 A service level agreement would need to be developed between the Marketing Team and the HR Service, which would continue to act as the central co-ordination point between service recruiting managers and the Design and Marketing Team. The services provided by the Design and Marketing Team are set out in Appendix 1.
- 5.13 There are significant benefits in this approach in terms of an opportunity to refresh the Council's recruitment advertising branding in line with the Council's corporate branding. In operational terms, it will provide recruiting managers with a dedicated team within the Council to handle all their advertising requirements, closer communication and relationships, awareness of the Council's recruitment environment, more control over invoice management, the ability to accept offers from the external media providers and gives recruiting managers a dedicated contact when it comes to advice on advert and campaign design and placement.
- 5.14 A working group of Officers from the HR Service and the Design and Marketing Team have developed an action plan to ensure all the necessary arrangements are in place to allow the change to take place smoothly and to ensure that workflows are manageable.
- 5.15 The Design and Marketing Team will undertake the recruitment advertising cycles in April with a view to formally providing the service from 1 May 2015. It is proposed that the trial be for a 12 month period from this date to allow a reasonable period to develop the service and

ensure that the service works for all parties involved and results in a quality and affordable recruitment advertising service to the Council.

6. IMPACT

An Equality and Human Rights Impact Assessment has been completed in relation to this report.

7. MANAGEMENT OF RISK

An options appraisal has been undertaken to consider the following options:

- in-house recruitment advertising provision;
- extending the arrangement with the current supplier;
- utilising one of the national framework arrangements;
- re-tendering the recruitment advertising contract;
- re-tendering the recruitment advertising contract as a shared service arrangement with other authorities.

The outcome of the options appraisal was that undertaking a trial period of in-house provision was the option that provided the most benefits in terms of cost and quality.

8. BACKGROUND PAPERS

None

9. REPORT AUTHOR DETAILS

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Appendix 1

Advertising and Marketing services

- Support the customer in communicating its recruitment opportunities clearly, consistently and accurately to potential job applicants both locally and nationally.
- Develop bespoke recruitment advertising and marketing communication strategies to meet service requirements.
- Provide guidance on appropriate media selection.
- Create and advise on social media channels and administration.
- Support and facilitate events such as Recruitment and Careers Fairs etc.
- Establish and evaluate recruitment advertising and marketing methods including press, online and social media.
- Advertise in the local and national media - print, radio, TV, online or social media; act as the Customer's central point for media buying, developing appropriate campaigns, meeting spending limits and negotiate discounts with suppliers.
- Provide a design and artwork service. Identify and select appropriate advertising media, negotiate with suppliers on cost, discounts and schedules to meet customer deadlines providing copies of final ads if required. Placing of recruitment adverts with external suppliers shall be invoiced back to HR/client service at the end of each job. Proofs of all advertising artwork will be supplied as digital files.
- Act as a representative of Aberdeen City Council at events covering recruitment marketing related topics subject to agreement and availability between the Advertising and Admin Officer and HR Advisers.

Design Services

The supplier will:

- Provide support on logo/brand/identity development; as well as oversee corporate brand management
- Design all recruitment adverts to an agreed corporate template for all print/press reproduction to a variety of sizes and formats.
- Ensure all work is developed to a final artwork stage ready for production and will require customer sign off prior to production.
- Provide advertisers proofs on request. It should be noted that any additional alterations required by the customer after final artwork is signed off may incur additional costs which would be the responsibility of the customer. The supplier will advise of these additional costs should this situation arise.