

ABERDEEN CITY COUNCIL

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| COMMITTEE | Finance, Policy and Resources |
| DATE | 19 April 2016 |
| DIRECTOR | Richard Ellis |
| TITLE OF REPORT | Recruitment Advertising Arrangements - Update |
| REPORT NUMBER | CG16/039 |
| CHECKLIST COMPLETED | Yes |

1. PURPOSE OF REPORT

The purpose of this report is to update Committee on the experience of the 12-month trial period of providing in-house recruitment advertising function approved at its meeting in April 2015. In addition the report, in light of the above experience, seeks approval to retain the council's recruitment advertising function in-house, managed by the Communications and Promotion Service, Office of Chief Executive.

2. RECOMMENDATION(S)

The Committee is requested to:

- i) Note the improvement in the provision of recruitment services over the past 12 month by bringing the services back in-house.
- ii) Approve the council's recruitment advertising function to be retained in-house on a permanent basis from 1st May 2016.

3. FINANCIAL IMPLICATIONS

The financial implications arising from this change show a total cost of £221,091 recruitment advertising expenditure between 1st May 2015 and 29th February 2016. It has been calculated that £15,110 in savings has been achieved in discounts through working and communicating directly with media providers.

4. OTHER IMPLICATIONS

None

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 provided an excellent service for the duration of the initial four year contract 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 In 2009 the company was taken over. 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 was managed from London, with no Scottish base. This 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 was served and the service ended on 31st March 2015.
- 5.5. Following on from this, the Committee Report of 23rd April 2015 sought approval for the Design and Marketing Team within Office of Chief Executive to manage the Council's recruitment advertising provision. This was effective for a 12-month trial period from 1st May 2015. The team was already handling the Council's public notice advertising and this was an extension to that function. There were already relationships in place with the local media and it was determined that the existing discounts available to the Council through the local and national media could be achieved directly rather than through an external agency.
- 5.6 There have been 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 has given recruiting managers 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 external media providers and a dedicated contact for recruiting managers on advice on advert and campaign design and placement.
- 5.7 A working group of Officers from the HR Service and the Design and Marketing Team developed an action plan to ensure all the necessary

arrangements were in place to allow the change to take place smoothly and to ensure that workflows were manageable.

- 5.8 It was agreed that a review would be undertaken, prior to the end of the trial period, to ensure that the service had the capacity and the expertise to deliver this service and that the Council is getting best value with regards to recruitment advertising.
- 5.9 Since 1st May 2015, the Design and Marketing Team has placed 180 external recruitment adverts at a total cost of £221,091 as of 29th February 2016. In terms of savings, it has been calculated that £15,110 has been achieved in discounts through working and communicating directly with media providers. For example, we have received 20% discount on all adverts placed with Aberdeen Journals and 12.5% with the Times Educational Supplement since 1 September 2015.
- 5.10 The Design and Marketing Team have also compiled a list of media providers through which the Council can have free recruitment advertising due to memberships. This was not available previously to our recruitment advertising partner, as the memberships are only applicable to the Council directly.
- 5.11 The Design and Marketing Team are now able to have more control over recruitment advertising, providing in-house-designed photos, leaflets, handouts and videos that the Council can use in its recruitment advertising.
- 5.12 The working group has received feedback from all parties involved in the recruitment advertising process. Feedback includes that the Design and Marketing Team's attention to detail, service delivery and work on getting best value has been positive.

6. IMPACT

Improving Customer Experience –

Recruiting managers now have a specific team that they can contact directly regarding their recruitment advertising needs. This will make the process much smoother and quicker. The recruiting manager will have a lot more control over their recruitment advertising and will be able to get detailed advice on the design and placement of their recruitment advertising that suits their required audience and budget. Services will benefit from a consultative service that has experience and knowledge of the industry in order to plan and prepare their recruitment advertising to meet their short and long-term needs.

The Design and Marketing Team will continue to work more closely with the Services to provide advice on where recruitment advertising can contribute to strategic aims and objectives.

Improving Staff Experience –

Those involved in the provision of recruitment advertising services have stated that they are confident and capable for the current trial provisions to continue on a permanent basis. For the Recruitment Team, their workload will be more manageable as they will no longer have to liaise with both recruiting managers and the external agency as the Design and Marketing Team will continue to work directly with services and external media providers. This has created a better experience for staff as it is less time-consuming and less complicated.

Furthermore, a focus can be made on promoting the Council as an employer of choice attracting the best candidates.

Improving our use of Resources –

The Design and Marketing Team have secured savings and discounts for the Council by working directly with external media providers. This has included getting agency prices and memberships to ensure that moving forward, the Council continues to get the best prices for their recruitment advertising. Costs associated with the design and creation of media will be reduced as there is no external organisation involved and the Council will not have to pay the costs of getting the provision of recruitment advertising services from an agency.

Corporate -

Having recruitment advertising services in-house ensures that there is a focus on the Council achieving best value for money. Furthermore, recruitment advertising will be in line with other Council marketing and corporate branding.

Public –

An Equality and Human Rights Impact Assessment (EHRIA) has been completed. Having in-house services ensures that our recruitment advertising complies with the Council's equality and diversity standards.

7. MANAGEMENT OF RISK

Prior to the trial period an options appraisal took place considering 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

However, having the in-house recruitment advertising provision within the Design and Marketing Team was the option that provided the most benefits in terms of cost and quality. This has proven to be the case with the savings achieved and customer and staff feedback received.

8. BACKGROUND PAPERS

Report to Finance, Policy and Resources on Recruitment Advertising Arrangements (Report Number – CG/15/44) – 23rd April 2015.

9. REPORT AUTHOR DETAILS

Jeff Capstick
HR Manager
Corporate Governance
01224 52(2106)
jcapstick@aberdeencity.gov.uk