
REPORT TO	Council Resources Overview and Scrutiny Commission
DATE:	10 April 2006
REPORTING OFFICER:	Chairman of The Recruitment and Retention Panel Councillor S F O Theakston
SUBJECT:	RECRUITMENT AND RETENTION REVIEW: Final Report
WARDS AFFECTED:	All
FORWARD PLAN REF:	N/A

1.0 PURPOSE OF REPORT

- 1.1 In response to a request by Councillor J Clark the Council Resources Overview and Scrutiny Commission established a Panel to consider recruitment and retention issues facing Harrogate Borough Council in May 2002
- 1.2 The Recruitment and Retention Panel has undertaken a review of the issues regarding recruitment and retention within the Council and this report is the Final Report detailing the work undertaken and relevant Findings

2.0 RECOMMENDATION/S

- 2.1 It is recommended that The Commission:-
- (1) Agrees the report
 - (2) Endorses the Recommendations in Section 5.68-5.79
 - (3) Refers the Report to Cabinet for approval with the following additional recommendation:
 - I. If Cabinet agree the recommendations then it should develop an Action Plan for implementing them and reports back to the Commission within two months of receiving the report

3.0 RECOMMENDED REASON/S FOR DECISION/S

- 3.1 To enable the Commission to address the request from Councillor J Clark to consider the issue

3.2 To enable the Commission to agree relevant Findings to recommend to Cabinet

4.0 **ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION**

4.1 Not to consider the issue of recruitment and retention was not considered for the following reasons:

a) It would not address the request by Councillor J Clark to review the issue

b) It would not enable the Commission to agree relevant Findings to recommend to Cabinet

5.0 **THE REPORT**

BACKGROUND

Meetings of the Panel

5.1 In May 2002 The Council Resources Overview and Scrutiny Commission established a Panel to consider recruitment and retention issues facing Harrogate Borough Council. The methodology for the review was also agreed and a copy of this is attached at **APPENDIX A** for information.

5.2 Due to the local elections and the subsequent availability of Members the first meeting did not take place until November 2002 when the Panel considered local and national statistics and research concerning recruitment and retention.

5.3 The second meeting of the Panel took place in February 2003 and received further background information regarding recruitment and retention issues within the Council as a whole from the Chief Executive, the Head of Human Resources and the two main unions (UNISON and GMB). Information was also received from another local major public sector employer (Harrogate Healthcare NHS Trust) and a company specialising in Staff Opinion Surveys (Pay and Workforce Review). A copy of the information received is available on request

5.4 The result of this meeting was that the appointment of an external consultant, Pay and Workforce Review (PWR) to undertake a Staff Opinion Survey for Harrogate Borough Council was recommended for funding by the Coordinating Board. This was approved and the process for designing and implementing the survey commenced in February 2003.

- 5.5 The Panel considered a draft staff opinion survey questionnaire at a meeting in April 2003 together with the process for distribution and reporting. These issues were again reviewed by the new Panel after the May 2003 elections together with comments received from the Human Resources Group at a meeting in July 2003. This resulted in additional funding being sought and approved by the Coordinating Board for individual Departmental reports and presentations. . PWR had also advised that the survey be undertaken after the summer and so a date for distribution was identified for September 2003 It was also agreed that individual Departments would be invited to meet with the Panel once the results of the Staff Opinion Survey were received and any issues identified
- 5.6 The next meeting of the Panel in August 2003 agreed a framework/checklist for the Panel to use when receiving evidence from individual Departments.
- 5.7 Evidence from The Head of Human Resources regarding corporate recruitment and retention issues was received at the Panel meeting in October 2003
- 5.8 In November 2003 the Panel Members and representatives from all Departments received a presentation of the Outline results of the Staff Opinion Survey from PWR.
- 5.9 The next meeting of the Panel was held in October 2004 where the Panel considered an interim report to the Main Council Resources Overview and Scrutiny Commission.
- 5.10 The Council Resources Overview and Scrutiny Commission considered the interim report at its meeting held on 16 December 2004. The Commission agreed the interim Findings in the report and that they should be referred to Cabinet for action/comment. This was subsequently reported to Cabinet on 2 February 2005 who agreed with the report and interim Findings. A copy of the interim report is attached at **APPENDIX B**.
- 5.11 The Panel then held a series of four meetings between December 2005 and March 2006 to consider the work undertaken by the Panel and meet with representatives from all Departments to consider specific recruitment and retention issues within Departments and for the whole Council

Recruitment and Retention Review - Methodology

- 5.12 The agreed scope for the review (**APPENDIX A**) identified a methodology that has been progressed by the Panel. This has included:
- Review of relevant research and statistics
 - Presentation to the Panel from Harrogate Healthcare NHS Trust regarding recruitment and retention issues within a large public sector employer locally

- Presentation to the Panel from The Head of Human Resources at Harrogate Borough Council concerning recruitment and retention issues facing the Council
- Presentation to the Panel from Pay and Workforce Research concerning recruitment and retention issues in particular staff opinion surveys
- The development, commissioning and undertaking of a full Harrogate Borough Council Staff Opinion Survey
- Meeting with representatives from all Departments to consider specific recruitment and retention issues within Departments and for the whole Council

Copies of all information received is available on request

Staff Opinion Survey

- 5.13 The Staff Opinion Survey was commissioned by the Panel in February 2003 and a questionnaire was agreed with the Panel and staff groups. The survey was undertaken by a firm of external consultants, Pay and Workforce Research (PWR). The process for progressing the survey is detailed in **APPENDIX C**.

Staff Opinion Survey – Results

- 5.14 Due to the success of the work and publicity regarding the Staff Opinion Survey it achieved a very good response rate of 53.4% that was 10.6% higher than the Local Authority benchmark average and 5% higher than the next highest return rate by any one authority (within the benchmark authorities). This was a significant achievement particularly as Harrogate Borough Council had at least twice as many staff as the next largest authority.
- 5.15 The results indicated that overall the Council was a good employer and that it performed very well when compared with other similar Councils in the benchmark sample. The newsletter outlining the results was also included in the information considered as part of the CPA process. The results were also identified in the Council's People Management Strategy.
- 5.16 Detailed analysis of the results was undertaken and reported to the Panel for consideration when meeting with Departmental representatives. Analysis was undertaken on the basis of comparison with other similar authorities. A summary copy of the results is attached at **APPENDIX D**

Recruitment and Retention Review – Meetings with Departmental Representatives

Corporate Issues – Meeting 14 December 2005

- 5.17 The overall analysis of the Staff Opinion survey was discussed and it was noted that with most other authorities pay and reward were the most significant areas of staff concern. It was considered that the pay and grading review would address some of the issues concerning pay and reward. The Panel were informed that the staff opinion survey would be repeated in 2006.
- 5.18 It was noted that significant changes had taken place to address recruitment and retention issues. This included changes to the exit interview questionnaire to take into account the issues raised in the Staff Opinion survey. Pay and grading and job satisfaction had not been identified as an issue since the exit interview process had been revised.
- 5.19 The Panel noted that exit interviews had indicated issues around working environment, management change, harassment, bullying and possible stress and pressure at work as issues why staff were leaving the authority.
- 5.20 The Panel was informed that partnership working had been undertaken with the Health and Safety Executive in relation to dealing with stress in the workplace and the adoption of management standards.
- 5.21 The Panel noted that the recruitment advertising process had now been centralised and streamlined and that this would be reviewed in 2007 after the pay and grading review had been completed. It was considered that more dynamic adverts were required to attract applicants for posts within the authority and to reinforce and develop the Council's image.
- 5.22 From the evidence received the Panel considered that perhaps recruitment and retention may not be as significant as first anticipated but this would be tested when individual departments were consulted.

Department of Community Services – Meeting 9 February 2006

- 5.23 The Director of the Department of Community Services and the Business Support Officer presented evidence to the Panel at its meeting on 9 February 2006. A copy of the information received is attached at **APPENDIX E**. Copies of the minutes are available on request
- 5.25 It was noted that there were some areas within the Department where particular turnover rates were higher than the average but these could be explained due to individual circumstances.

It was noted that the Department had experienced a trend where the recruitment of individuals were those who were not the principal wage earners in the household and therefore would not be affected by any actions undertaken by the department.

- 5.26 The Panel were informed that in terms of administrative and clerical levels the Council paid well in comparison with other organisations and that it was

not so much trades that dictated the turnover of staff but the individual's circumstances.

- 5.27 The Panel was concerned that staff should be encouraged to stay within the employment of the Council as much as possible. The director informed the Panel that this had been undertaken using career grades and training and that in exit interviews staff leaving the authority had indicated that they had received good training. Market supplements had been used to attract the right number and calibre of applicant where the Council found difficulties.
- 5.28 It was noted that a large number of the people leaving the employment of the Council within the last five years a large number of these had been under the age of 25 and had left within one year of joining the Council.
- 5.29 It was acknowledged that there were certain areas where it was expected that staff would leave to pursue their careers due to the level of work and opportunities for advancement.
- 5.30 The Director informed the Panel that although there were concerns about the difficulties in retaining staff, there were no problems in attracting new employees and it was possible to manage vacant posts without any detriment to service provision.
- 5.31 The Panel was advised that one of the most difficult aspects in recruiting and retaining staff was the Council's ability to match an individual's ambition.
- 5.32 In relation to social/sport events and other similar activities the Panel was advised that the size of the department and the organisation tended to dictate how people socialised and people tended to do this within smaller working teams.
- 5.33 The Director considered that staff felt reasonably well informed about issues taking place due to the availability of the intranet. He also advised that he personally ensured that he attended his attendance at all staff meetings at least twice per year to ensure that he got the opportunity to see staff during the course of the year.
- 5.34 The Panel was informed that an area that tended to de-motivate staff was the requirement to undertake Government initiatives that employees did not perceive to be a priority
- 5.35 The Panel considered that a sense of belonging amongst staff working for an organisation was important to retain staff.
- 5.36 It was concluded that high turnover of staff was not necessarily an issue within the Department of Community Services.

Department of Development Services – Meeting 14 February 2006

- 5.37 The Business Support Manager (Development Services) presented evidence

to the Panel at its meeting on 14 February 2006. A copy of the information received is attached at **APPENDIX F**. Copies of the minutes are available on request

- 5.38 The Business Support Manager highlighted certain posts that had proved problematic in terms of recruiting staff these included Planning Officers, parking attendants and cleaners and the reasons for these difficulties. It was noted that once appointed the challenge would be to retain these employees. It was acknowledged that there were occasions where the Council had been unable to appoint cleaners and relied upon agency staff which was far more expensive.
- 5.39 The Panel was informed that the Council was working towards reducing advertising costs by using strapline adverts directing applicants to the Council website or individual Officers rather than the larger adverts that had usually been in the press. It was noted that appropriate advertising for each post was considered individually according to the job type.
- 5.40 The Business Support Manager detailed the work of the Departmental Resource Management Group which monitored recruitment and retention information on a regular basis.
- 5.41 It was noted that the main reasons for leaving quoted in exit interviews had been higher salaries, personal reasons and commuting
- 5.42 It was noted that market supplements and the promotion of local Government terms and conditions had been useful in attracting applicants for vacancies.
- 5.43 The Panel was informed that work had been undertaken with Leeds City Council to recruit staff in the Estates Division but this had been more to do with sharing expertise rather than combined recruitment and retention initiatives.
- 5.44 It was noted that some Members were not aware of members of staff who had left the authority that they had been able to develop a working relationship with.
- 5.45 The Panel again considered that a sense of belonging amongst staff working for an organisation was important to retain staff

Harrogate International Centre - – Meeting 14 February 2006

- 5.46 The Director of Harrogate International Centre (HIC) and the Head of Management Services presented evidence to the Panel at its meeting on 14 February 2006. A copy of the information received is attached at **APPENDIX G**. Copies of the minutes are available on request
- 5.47 It was noted that the number of staff employed by HIC depended on the business needs at the time and there were recruitment problems particular to

it such as the appointment of stage, lighting and sound technicians. It was anticipated that the establishment of an apprentice post together with the establishment of career grades would assist in the recruitment and retention of staff in these areas.

- 5.48 It was acknowledged that leave and pension rights were strong selling points to attract applicants to HIC as it could not always compete with other venues regarding salary levels. The Director emphasised that there was a significant benefit in promoting the sick pay scheme which was a major difference between HIC and other similar employers.
- 5.49 It was suggested that increasing awareness within schools of opportunities within HIC using presentations every 2-3 years could be undertaken and this could be extended to include the Council as a whole.
- 5.50 The Panel considered that the HIC image assisted the recruitment process and that the image of the Council was probably more bureaucratic and less glamorous.
- 5.51 It was noted that HIC was considering involvement at local job fairs to promote it such as those at the Cedar Court Hotel and this could be extended to promote the Council as a whole.

Department of Resources – Meeting 9 March 2006

- 5.52 The Head of Legal and Democratic Services and the Business Support Manager (Resources) Services presented evidence to the Panel at its meeting on 9 March 2006. A copy of the information received is attached at **APPENDIX H**. Copies of the minutes are available on request
- 5.53 The Panel was informed that of the 70 staff that had left during the period April 2004 to January 2006 50 had given reasons that the Council was unable to influence indicating the problems that the Council had in addressing these issues.
- 5.54 Specific areas where recruitment and retention difficulties were being experienced included the Revenues and Benefits section, Information Technology, Legal and Democratic Services and Financial Management.
- 5.55 It was noted that there was an unpredictable response rate for posts, the increasing use of the internet as a means of job hunting and the time taken between interview and appointment.
- 5.56 The Panel was informed that initiatives aimed at recruiting and retaining staff had included flexible working hours, career grades, good working conditions, training and health and safety care.
- 5.57 Pay levels and the cost of housing were listed as issues that did lead to staff departures.

Department of Corporate Policy and Improvement – Meeting 9 March 2006

- 5.58 The Executive Director (Corporate Policy and Improvement) presented evidence to the Panel at its meeting on 9 March 2006
- 5.59 It was acknowledged that the Department had only been in existence since 1 April 2005 and since that time two staff had transferred internally to suit their own specific needs and one member of staff had left the authority for promotion. It was noted that when members of staff transferred within the authority the Council retained the expertise even though individual sections would lose staff in the short term.
- 5.60 The Executive Director informed the Panel that staff in the Department used flexible working and task and finish type arrangements to retain staff of high skill levels with family care issues.
- 5.61 The Executive Director referred to the wider issues to be addressed as part of the Council's Improvement Plan these included long service awards, improvements to Council Talk and improvements to office working conditions generally. He considered that an important quality not often recognised by the Council was staff loyalty.
- 5.62 The Panel was informed that there were a number of posts at middle management and junior levels corporately which proved to be consistently difficult in terms of staff retention
- 5.63 It was considered that the Council was a good employer with regards to training and staff development and the importance of emphasising these strengths when recruiting staff was acknowledged.
- 5.64 The Executive Director informed the Panel of the work to be undertaken regarding the Council's image and corporate identity that could also be used to promote the Council's achievements or success stories.

Overall Consideration by the Panel - Meeting 5 April 2006

- 5.65 The Panel considered the information that it had received at its meeting held on 5 April 2006. It was noted that the review had taken a number of years to complete and a considerable amount of work including the Council's first comprehensive staff opinion survey.
- 5.66 The review had been undertaken as a result of a request from Councillor J Clark to the Council Resources Overview and Scrutiny Commission in May 2002. At the time the Council was experiencing significant problems with the recruitment and retention of staff and it was considered that this was a major issue. The Council Resources Overview and Scrutiny Commission therefore agreed to review recruitment and retention and set up the Panel to undertake the work.

- 5.67 The Panel recognises that the review has taken a significant amount of time to complete but this has been required to ensure that the appropriate work has been carried out. A large proportion of this work has been the inception, design, and completion of a full staff opinion survey by the Panel on behalf of the Council. The work of the Panel has also spanned a number of local elections and been subject to changes in membership as these elections have taken affect.

Conclusions and Recommendations

- 5.68 As the review has progressed the Panel has received evidence both from staff through the staff opinion survey and from all Departments as they have given evidence to the Panel. Overall, staff indicated that Harrogate Borough Council is a good employer and a good place to work. Departments have also indicated that although there are specific groups of staff in all Departments where there are recruitment and retention issues it is not a major issue at the present time and service provision has not been affected. The Panel therefore consider that although when it was set up there were perceived significant recruitment and retention issues within the Council during the course of the review these appear to have now settled down and they are not such a major issues within the Council. The Panel does, however recognise that there are recruitment and retention issues with some posts within each Department and that individual initiatives have been developed to deal with these. The Panel has considered improvements that could be made in the recruitment and retention of staff and have agreed appropriate recommendations but considers that it is in the development of initiatives to retain staff that is the most important area that the Council can influence.
- 5.69 The Panel conclude that the staff opinion survey had been a significant success and felt that it had informed the development of a number of Council initiatives. It considered therefore that this should be a regular piece of work with the existing survey used as a benchmark for improvement. The Panel also considered that staff exit interviews should be reviewed on a more structured basis and used to inform action/business plans.
- 5.70 One of the major themes within the review was the image of the Council and how it was perceived by members of the public and potential applicants. The Panel recognised the work that was being undertaken in these areas and felt that this should be progressed as a priority.

Recommendations

1. A confidential staff opinion survey should be undertaken every 2 years and that together with information from similar authorities previous results should also be used as a benchmark to assess progress in performance. The results should be used in action/business plans for Departments and the Council as a whole with measurable targets.
2. The outcomes of exit interviews should be reviewed on an annual

basis and the measures to address the results incorporated into appropriate action/business plans with measurable targets

3. The Council should continue with the work to improve its image and corporate identity as a priority

5.71 The Panel concluded generally that staff should be encouraged to remain within the employment of the authority and from the evidence received it felt that more consideration should be given to establishing mechanisms to support/retain those members of staff in their first year of employment and/or who were under 25.

5.72 The Panel also concluded that there were posts within the authority that were known to be used by post holders as “career” posts due to the level of work and lack of opportunity within the Council (one of the reasons being the Councils’ inability to match people’s ambitions). The Panel felt that these posts should be recognised and managed appropriately. In all cases the Panel was keen to emphasise that when developing appropriate processes the Council should be promoted as a good employer to potential new applicants and existing post holders. It did not want to discourage potential applicants from joining the Council for short periods of time but the intention should be to make their time with the Council as enjoyable as possible.

Recommendations

4. Methods to encourage staff to remain within the employment of the organisation should be explored. These should be particularly concerned with those members of staff within their first year of employment and/or under 25. The Panel felt that these could include:

- A dedicated mentoring scheme for new staff in their first year
- A dedicated monthly review to discuss progress/issues

5. Posts should be identified that are “career” posts ie used by employees to gain experience and then leave the authority. Methods should be established to manage these posts appropriately to reduce the long-term affect on the Council. This could include more frequent meetings with line managers to identify those intending to leave at an earlier stage, etc

5.73 The Panel felt that the recruitment and retention information monitored within the Department of Development Services was a good example of how it should be monitored across the Council and that it could be used as a framework by other Departments and for the Council as a whole.

5.74 The Panel recognised that the Council employed a number of agency staff as required and that potentially these could be at a higher rate of pay than similar jobs within the Council. It considered that there should be a regular comparison with the cost of employing agency staff with those similar staff

employed by the authority.

- 5.75 The Panel welcomed the work done to reduce advertising costs in response to comments/recommendations made in the interim report from the Panel. It considered however that an analysis should be undertaken regarding the cost of sending additional application packs to potential applicants due to the lack of information contained in the advert compared to the savings achieved from not providing a full advert. The Panel also concluded that applications submitted via e-mail should be encouraged.
- 5.76 The Panel considered that although some recruitment and retention initiatives had been undertaken with other Councils these should be developed further. The Panel also considered that at present there was no mechanism for informing Members when staff left the authority and this made it difficult when they had been used to dealing with a particular Officer.

Recommendations

6. A recruitment and retention information matrix should be developed (based on the information monitored in the Department of Development Services) and reported on a regular basis to the senior management team in every Department, and for the whole Council
 7. A cost benefit analysis should be undertaken in relation to the savings achieved from placing smaller articles in the local press compared with the increase in cost of sending a higher number of application packs to applicants.
 8. Applications submitted via e-mail should be encouraged
 9. A comparison of the cost of employing agency staff with employing similar staff within the authority should be undertaken and reported on a regular basis to the senior management team in every Department, and for the whole Council.
 10. Combined recruitment and retention initiatives should be explored with other Councils. This could include the sharing of staff and staff rotation on a regular basis.
 11. Members should be informed when staff have left the authority using a list in the Members Handbook that is updated as required.
- 5.77 The Panel concluded that the full package of benefits should be promoted when recruiting staff. This should include flexible working, training and development of staff and paid sick leave.
- 5.78 The panel considered that the Council should promote awareness of the work that it does and the potential career opportunities that it provides. This could be undertaken within schools and part of local job fairs.

Recommendations

12. The full package of benefits should be promoted when recruiting staff. This should include flexible working, training and development of staff and paid sick leave
13. Work to raise the awareness of the Council within schools should be undertaken possibly using presentations every 2-3 years.
14. Work to promote the Council should be undertaken at local job fairs.

5.79 The Panel considered that Harrogate Borough Council had a good reputation for the training and development of staff and felt that this should be developed. It also considered that formal mechanisms for rewarding staff loyalty should be established. It welcomed the recent “employee of the year” award but felt that the Council could do more to encourage and reward staff loyalty

The Panel also considered the staff discount scheme and agreed that it was a good way of promoting the Council as a good employer and a good recruitment and retention incentive.

Recommendations

15. The Council should develop its reputation for being a good trainer of staff and flexible working and training should be emphasised as a major benefit of working for the Council when recruiting staff
16. The Council should develop methods to reward staff loyalty including long term service awards
17. The staff discount scheme should be reviewed and a discount of 50% considered

6.0 CONCLUSIONS

6.1 This report is the final report of the Council Resources Recruitment and Retention Panel and details the work that has been undertaken since it was established. It was set up to review the recruitment and retention issues within the Council as it was perceived at the time that there was a significant problem in these areas.

6.2 Overall, the Panel considers that when it was set up there were perceived significant recruitment and retention issues within the Council but during the course of the review these appear to have settled down and they are not such major issues within the Council. The Panel does, however recognise that there are recruitment and retention issues with some posts within each Department and that individual initiatives have been developed to deal with these. The Panel has considered improvements that could be made in the recruitment and retention of staff and have agreed appropriate

recommendations but considers that it is in the development of initiatives to retain staff that is the most important area that the Council can influence.

- 6.3 The Panel would like to thank all those who have contributed to the review and in particular all staff who took part in the staff opinion survey

Background Papers – None

OFFICER CONTACT: Please contact Mr M Codman, Scrutiny Officer if you require any further information on the contents of this report. The officer can be contacted at the Council Offices Crescent Gardens Harrogate HG1 2SG by telephone on 01423 556153 or by Email – mark.codman@harrogate.gov.uk

SUSTAINABILITY ASSESSMENT / POLICY CONSIDERATIONS

		Implications are		
		Positive	Neutral	Negative
A	Economy		✓	
B	Environment		✓	
C	Social Equity		✓	
i)	General			
ii)	Customer Care / People with Disabilities			
iii)	Health Implications			
D	Crime and Disorder Implications		✓	

If all comments lie within the shaded areas, the proposal is sustainable.