

Agenda

EXAMINATION OF RECRUITMENT CONTRACT TASK & FINISH GROUP

Date: Tuesday 26 October 2010
Time: 10.00 am
Venue: Mezzanine Room 1, County Hall, Aylesbury

Agenda Item	Time	Page No
-------------	------	---------

1	APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP	
---	--	--

2	DECLARATIONS OF INTEREST To declare any personal and prejudicial interest.	
---	--	--

3	MINUTES The minutes of the meeting held on 21 September 2010 to be agreed.	1 - 4
---	--	-------

4	FEEDBACK FROM INTERVIEWS WITH SERVICE REPRESENTATIVES	
---	--	--

Context:

During October, members of Task and Finish Group have been meeting with Service Representatives to find out about their experience of using the Hays recruitment system. The representatives chosen for interview covered both temporary and permanent staff and frequent / infrequent usage.

Purpose:

The purpose of this agenda item is to allow members to report back to the Task and Finish Group the main points raised at their meetings with the Service Representatives.

Contributors:

- Members of the Task and Finish Group.



INVESTOR IN PEOPLE



5 QUESTIONS FOR COUNCILS/PRIVATE INDUSTRIES

5 - 6

Context:

At the September meeting of the Task and Finish Group, it was decided that members would consider the questions to be posed to Councils / private businesses at this meeting. The aim is to find out about their recruitment systems, which can then be used for comparison purposes to help inform the review.

Purpose:

For members to comment on and agree the proposed questions.

6 EXCLUSION OF THE PRESS AND PUBLIC

To resolve to exclude the press and public as the following item is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

7 PRESENTATION BY ANN COBBAN, HEAD OF HUMAN RESOURCES

Context:

Ann will speak to members about the background to the introduction of the Hays contract. She will explain why the new system was introduced, and outline some of the pros and cons that have been identified since its introduction. Ann will be joined by the following officers:

- Patricia Hook - Senior Procurement Manager, Buckinghamshire County Council
- Sue Oswell - HR Manager Recruitment Compliance, Buckinghamshire County Council
- Deborah Andrews Senior Project Accountant, Buckinghamshire County Council.

Papers: None

8 INCLUSION OF THE PRESS AND PUBLIC

9 REVIEW OF KEY POINTS

Purpose:

For members to consider the main points made during the meeting and the emerging findings.

10 DATE OF NEXT MEETING

Tuesday 23 November 2010, 10.00am, Mezzanine Room 1, County Hall, Aylesbury.

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

*For further information please contact: Katy MacDonald on 01296 383604
Fax No 01296 382538, email: kmacdonald@buckscc.gov.uk*

Members

Mrs M Baldwin
Mr N Brown
Mr T Butcher
Mr D Dhillon

Mr P Hardy (C)
Mrs W Mallen
Mrs F Roberts MBE
Mr R Scott

Minutes

EXAMINATION OF RECRUITMENT CONTRACT TASK & FINISH GROUP

MINUTES OF THE EXAMINATION OF RECRUITMENT CONTRACT TASK & FINISH GROUP HELD ON TUESDAY 21 SEPTEMBER 2010, IN MEZZANINE ROOM 1, COUNTY HALL, AYLESBURY, COMMENCING AT 10.00 AM AND CONCLUDING AT 11.32 AM.

MEMBERS PRESENT

Mr N Brown, Mr D Dhillon, Mr P Hardy (Chairman), Mrs W Mallen and Mrs F Roberts MBE

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

Apologies of absence were received from Mary Baldwin, Tim Butcher and Richard Scott.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 CABINET MEMBER DECISION

The Chairman of the Task and Finish Group welcomed Members to the meeting. Members considered the Cabinet Member Decision - 'New Ways of Recruiting Contract' R03.09.

4 SETTING THE CONTEXT

The Chairman said he had received some written observations from a Member. The observations were as follows:

- How did the Hays contract turn into a 10 year contract when it was initially a 3 year contract?
- How many people have been recruited since the start of the contract?
- How efficient is the contract?
- The views of the users of the contract should be sought
- Are the customers satisfied with the contract
- What is the cost of the contract to the Council
- What is the saving of the contract to the Council
- Who monitors the KPIs of the contract.



INVESTOR IN PEOPLE



- The KPIs are too complicated
- The staff who were transferred by TUPE – are they still in place or have they been made redundant.
- The IT was to be put place by Hays – does it work?

The Chairman was asked if the cost of performance and cost would be split between permanent and temporary staff. The Chairman said he felt this was necessary. A Member said that it was important to assess the customer's views in the first instance to see if the contract was operating well for them. It was suggested that meetings with service heads from key departments be arranged. It was hoped that these meetings could be arranged prior to the next meeting of the Task and Finish Group.

Members discussed that there was likely to be a response around the fact that the view of recruitment in 2008 when the contract specification was considered was very different to the current market. Members also discussed how the cost of the contract was made up and queried if there had been an improvement in the process. The Chairman advised that the role of the Task and Finish Group was not to re-write the contract but to see if the contract objectives had been met.

The Chairman highlighted that there is a financial model and said that Members should consider if the projections have been met. A Member commented that the focus should be on performance and if the costings were as they ought to be. In response the Chairman said that Members may want to receive a written report on how the contract is operating. Members discussed the contract and it was commented that the contract is for 10 years but that there are break points in the contract. The next break point is April 2011. It was highlighted that Hays do not receive a management fee but operates under a 'pay as you go' type service.

A Member raised concern that if the County Council wanted to save money why did they attach to an agency. It was commented that many people are seeking employment and that there might have been cheaper options. The group was advised that the concept of the modern supply chain management means only payment of one invoice and that this process provides savings. It was commented that one incentive to contract out recruitment may have been if the County Council had struggled to recruit to certain posts such as social services and asked whether these services areas had seen an increase in filling vacancies.

A Member said that when talking with Heads of services and other users a balanced view needs to be taken as there may have been some resilience to the contract. It was commented that the following points need to be addressed:

- Is the contract performing
- Is the contract value for money
- Is the contract being managed appropriately

The Chairman commented that Hays had said that they would provide an Annual Services Report and said the group would need to enquire if this had been provided.

The Hays contract was envisaged to provide approximately £300k of savings to the County Council. However with Officer time spent on the contract, monitoring and legal expenses, it was queried whether this was really a saving. Concern was raised whether this was a paper saving and whether the contract was really delivering.

Members discussed the scoping document. Members agreed with the Methodology and purpose of the review as listed. It was suggested that an objective of the review should be to get quality of service and Members agreed that this point be added to the document.

It was suggested the Task and Finish Group should look to see if the County Council had transferred the risk and saved inhouse costs. It was commented that a like for like comparison would need to be made but that consideration of whether the filling of temporary posts had been reduced would be challenging as the market had changed. The biggest risk was said to be whether the contract was doing the job and whether the County Council was getting results from an improved service. Hays should be asked how many posts there are which they can not fill.

A Member suggested finding out what other Councils do. It was suggested the following be considered:

- Westminster
- Hammersmith and Fulham
- Devon and another Shire County – possibly Essex.

It was agreed that the Policy Officer would look at the procedures of the Councils and advise if there were other Councils the Task and Finish Group should look at and that this final list be circulated by email.

Action: Policy Officer

There was a discussion whether Members should look at the private sector and there was a suggestion to contact the following organisations:

- Lloyds Bank
- Virgin Airlines
- Tesco

A Member advised that British Airways recruitment is all online. Members discussed the changes which had occurred in recruitment and that many companies now carry this out online. It was observed that there are many websites which people can advertise their CVs on and that this facility is often cheaper with recruitment agencies even sourcing potential candidates this way. It was suggested that the Task and Finish Group should enquire what the rationale was when committing to this contract and if alternative options were considered.

In relation to the final point listed as the 'purpose of the review' on the scoping document it was agreed that this point be amended to read:

"To take a view as to whether the exit clause should be triggered in April 2011" to

"To take an overall view on the benefit of the contract to the County Council."

Members agreed that at the meeting to be held on 26 October internal evidence from Officers is to be presented and at the November meeting, benchmarking be considered.

It was agreed that a list of service areas to meet with be drawn up and for the topics and questions to be circulated to Members. Notes of the interviews will be taken and circulated for accuracies. The dates and times of the interviews will be circulated to Members to request volunteers.

Action: Policy Officer

With reference to permanent recruitment Members wanted to discuss with HR to get a view on the contracts and the service quality. It was suggested that Members need some figures on turnover.

Action: Policy Officer

The Chairman and the Policy Officer agreed to map the methodology to the objectives. The Policy Officer agreed to email Members to ascertain what questions they would like to raise with Officers.

Action: Policy Officer

It was agreed that at the end of the review the Group would talk with the Cabinet Member for Resources to discuss his thoughts prior to the formulation of the recommendations. It was suggested that this could be carried out by email.

Action: Policy Officer

The Chairman said that the aim was to have the recommendations drafted by December but should a final meeting be necessary Members were asked to reserve the 11 January 2010, 10-1pm in their diaries (venue to be confirmed).

The Chairman was asked if Members would have the opportunity to talk to a representative from Hays Recruitment. It was advised that this was likely to be arranged for the November meeting of the Group and that the Hays client manager would be invited to attend.

Members were thanked for their contribution.

5 EXAMINATION OF CONTRACT

This item was discussed under the previous agenda item.

6 DATES OF FUTURE MEETINGS

7 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

8 CABINET MEMBER DECISION

Members considered the confidential appendices from the Cabinet Member Decision - 'New Ways of Recruiting Contract' R03.09

CHAIRMAN

Draft Questions for Comparator Councils

- How is recruitment of permanent staff organised within your council, e.g. is it organised centrally or is it organised within services?
- How concerned is the council about the cost of permanent recruitment and what steps is the council taking to reduce that cost?
- Have you considered outsourcing permanent recruitment to a third party?
- What use do you make of the internet for permanent recruitment?
- How is temporary recruitment organised within your council, e.g. is it organised centrally or is it organised within services?
- What steps have you taken to reduce the cost of temporary staff?
- Have you considered complete outsourcing of temporary recruitment to a single third-party provider?
- If so., what do you see as the advantages and disadvantages?

Draft Questions for Private sector organisations

- Adaptation of the above questions

