

# Adding additional capacity and capability to support the recruitment and retention agenda for the organisation

Date: June 2022

Report of: Head of HR – Employee Relations and Resources

Report to: Chief Officer HR/Chief Officer Strategy and Policy

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- This report sets out proposals to amend the existing HR Structure and Communication Team Structure to include additional resource in recognition of the limited capacity and expertise available to support recruitment, entry routes and future resourcing plans.
- The recruitment and workforce capacity programme has reviewed current activity and developed recommendations to tackle issues that are exasperated by the current labour market challenges and in recognition of the long term organisational need to invest in future talent particularly to ensure statutory services are adequately staffed. To ensure we have well established entry routes into the organisation, effective recruitment strategy and an approach to support managers with both recruitment and workforce planning we need the capacity to deliver our ambitions. The additional resource will ensure we can develop talent pipelines that support our ambition to increase diversity within the organisation, as well as ensuring we maintain a contemporary approach that responds to an ever-changing and competitive labour market supported by effective workforce planning.
- These proposals will support the HR Service's BAME action plan and feedback from colleagues regarding development opportunities across the HR Service, by providing development opportunities for people within the team. Recent recruitment in the team has been done differently to make it more inclusive; we have used different assessment tools, brought in staff external to the HR team to increase diversity and impartiality of the assessors. The proposal will ensure we have sufficient capacity to deliver our 2022/23 priorities: capacity, capability and commitment and support the People Strategy 2020 – 2025 which sets out our ambition to be the best place to work. There is no detrimental impact on the workforce arising from these proposals.

## Recommendations

- The Chief Officer HR and Chief Officer of Strategy and Policy are recommended to approve the proposed structure covering the additional HR and Communication resource.

## Why is the proposal being put forward?

- 1 Since January 2022, work has been underway to review the current approach to recruitment and resourcing. A large programme of work has been identified to deal with the short-term issues that we need to respond to due to outdated process, system issues in relation to recruitment, the changing labour market, our ambition to improve diversity in the workforce and embed strategic workforce planning within the organisation. The work programme has been discussed and agreed at CLT and been subject to Scrutiny (Strategy & Resources) Board.
- 2 It has been identified that we are significantly under resourced within the organisation to support services with effective recruitment and resourcing. The market in which we operate is competitive and we can no longer continue to operate as we do if we are to secure the skills and expertise required by services. A new strategy is required to ensure we can attract, recruit and retain a skilled workforce, that is representative of the communities we serve and that we are responsive to a constantly changing marketplace.
- 3 A business case has been developed highlighting the issues that need to be dealt with both in the short and longer-term. It is recognised that this is a critical business function that is not currently resourced to meet the needs of the organisations. The Financial Performance Group has approved a business case to support the proposals included within this report, to permanently increased capacity in recognition of organisational need to ensure we can support the organisation, particularly statutory services to secure the right resource.

## What impact will this proposal have?

### Wards affected:

Have ward members been consulted?  Yes  No

- 4 The proposed structure includes additional permanent capacity both in the HR Team, and Communications Team, whilst the communications resource will sit on the Communications Team structure for professional supervision, it will be dedicated to supporting the recruitment and resourcing team within HR, details of which are set out below:
- 5 Table 1 sets out the current and additional resource requirements and the costings for the permanent resource. Note, the figures quoted are at the top of the salary scale. It is likely that any new starters will join at the first increment on the grades so full costs will not be realised for the first few years. Full year effect for first year if based on the first SCP of the grade would be £298,199 for HR and £81,231 for the communication team totalling £379,430, for nine permanent additional posts. The figures in the table represent the maximum financial exposure before the 2022 pay award is agreed and would be updated once the national pay award negotiations have concluded.

**Table 1 – Permanent recruitment and workforce capacity resource requirements**

Role and area of focus	Grade	Status	Additional costs including on costs (annually) Top of scale
Deputy HOHR <i>Talent Management &amp; Resourcing</i>	Dir 45%	1 - New	£74,849
Service Manager – <i>Recruitment</i>	PO6	1 - Existing	N/A – existing

Business Partner – <i>Entry Routes &amp; Workforce planning</i>	PO4	1 - Existing	N/A – existing
Snr HR Advisor – <i>Entry Routes, Recruitment and Workforce planning</i>	PO2 x3	2 - Existing 1 - New	N/A – existing £45,953
HR Advisors <i>Entry Routes, Recruitment and Workforce planning</i>	SO2 x5	1 - Existing 4 – New	N/A – existing £165,276
HR Advisor – <i>Entry Routes, Recruitment and Workforce planning</i>	C3 x4	3 - Existing 1 - New	N/A – existing £34,466
<b>Subtotal additional HR support</b>			<b>£320,544</b>
Snr Comms	PO2	1 – New	£45,593
Comms	SO2	1 – new	£41,319
<b>Subtotal dedicated comms support</b>			<b>£86,912</b>
<b>Grand total</b>			<b>£407,456</b>

- 6 The existing resource within the team has predominately supported the apprenticeships and talent pool. Supported by the additional resource the team will be aligned to three work strands to support a) Entry Routes, b) Recruitment and c) Workforce Planning. Appended to this report is a high-level structure chart outlining the proposed structure appendix A.
- 7 Appendix B provides a high-level overview of the work programme.
- 8 The new resource requirements have been modelled reflecting on existing workloads/activity to determine the capacity required to carry out the new activity that is currently not resourced. We know that supporting entry routes into the organisation is resource intensive, this is demonstrated though the long-established apprenticeship offer. Using this as a basis we have modelled the expected resource requirements as well as experience in managing other elements from both a HR and Communications perspective.
- 9 Developing and maintaining the employer brand and managing campaigns to ensure the most effective entry routes are used for roles and recruitment campaigns are targeted to the right talent pools, advice has been sought from the communications team with regards to the capacity that would be required to deliver this work.
- 10 All the roles outlined already exist on the HR or Communications team structure and current job descriptions will be used. However, we need to ensure we attract specialist recruitment expertise to lead the recruitment strand and have therefore developed a role specification setting out the specific focus for this role.
- 11 The Deputy Head of HR post (Dir 45%) post was created on the structure prior to the pandemic but wasn't recruited to due to the funding being removed from the HR budget and focus moving away to respond to the pandemic. However, now funding has been aligned we can move forward with recruitment as this is seen as a critical role to support the organisation to deliver this agenda. We propose that we rely on the outcome of a recent recruitment for other Deputy Head of HR posts recruited recently and appoint to this post with a suitable appointable candidate to avoid further delays.
- 12 Following recent recruitment, which includes all the same types of roles that are included in this report, where the majority of successful candidate have secured a promotion, it is proposed that we look for any expression of interest internally first to ensure there is no further interest but also link in with current external recruitment that is already underway, if suitable candidate can

be identified. If the roles can not be filled through any of these routes we will then go out for external recruitment.

- 13 The changes outlined above do not have any identified negative impacts on the workforce as there are no proposals that result in a reduction in job roles across the services. Where new roles have been created these provide development opportunities for staff across the entire HR service and security as the roles are permanent, to ensure the long-term effectiveness of the talent management cycle.

### **What consultation and engagement has taken place?**

- 14 Consultation with our Trade Union colleagues has taken place, meetings were held on the 6<sup>th</sup> July 2022 with attendance from all three unions and 18<sup>th</sup> July 2022, however due to limited attendance at this meeting the report was sent wider and comments were received. Following comments, the report has been updated to respond to some general queries. A further meeting was held with representatives from all 3 trade unions on the 28<sup>th</sup> July 2022, with further amends been made to the report. Trade Unions asked we note that pay levels and the pay structure are significant contributing factors for recruitment and retention difficulties being experienced in Leeds and needs to be reviewed with urgency. Whilst the pay element is not being picked up as part of the increased recruitment resource as detailed in this report, we have assured the trade unions that the current pay structure review work will be progressed separately as discussed recently within the HR Pay Matters meetings. In response to the Trade Unions comments we have also included an additional point in the risk section below regarding pay. Additionally, Trade Unions indicated their reservations for the funding of the new posts being made initially from the strategic reserves and the potential adverse impact on jobs in the wider Council as a consequence of a future pressure in the MTFP. The Trade Unions have been reassured that the benefits created from the work that the team takes forward will enable efficiency savings however, they will be spread across services so can not be attributed to one budget, full details of the business benefits are detailed in table 2.
- 15 Engagement has also taken place with the wider HR service through shout-out on the 29<sup>th</sup> June 2022 details are included within the meeting notes and the structure was shared. Colleagues have been given the opportunity to offer feedback to members of the HR Leadership Team and / or via their Trade Union representatives. Overall, the proposals have been met with a positive response from the Service. Other than providing additional clarity on the structure no further queries have been raised.

### **What are the resource implications?**

- 8 The proposals in the report do not have any negative implications for colleagues across the HR Service as the intention is to create development opportunities for people to apply for and progress their career.
- 9 The creation of the additional roles for the first year will be funded from the Strategic Reserve with the on-going costs included in the Medium-Term Financial Plan as a pressure from 23/24 onwards as the proposals don't meet the criteria for other funding streams available. However, there is recognition that there is a requirement for this activity to be resourced effectively to meet business needs. Several business benefits have been set out in the business case (also noted below). It is expected that as the work progresses any saving that can be attributed will be built into future savings proposals to mitigate the costs. However, at this stage whilst we think there may be some opportunities for cashable savings linked to advertising as an example, potential increased income as a result of having the correct capacity to deliver

services and wider efficiencies that will be created by more effective management of the recruitment process. The wider team looking at workforce planning and entry routes will also support longer term career progression which will in turn help support retention which will reduce hiring costs, until the work is progressed further this is difficult to quantify, the work programme includes development of KPI, which needs to be developed in line with information that we will be able to collate once some of the current recruitment system issues are resolved.

**What are the legal implications?**

10 None identified

**What are the key benefits?**

11 The table two sent out some of the key benefits that will be delivered as a result of the additional capacity.

**Table 2 – Business benefits**

<b>Benefits</b>	
<b>Entry Routes</b>	
Broaden talent pipeline	<ul style="list-style-type: none"> <li>• Additional support to managers to ensure that all opportunities to attract talent are fully utilised</li> <li>• Provide more scope for employees to access opportunities for development</li> <li>• Better relationships with schools, colleges and universities to raise awareness about the opportunities that the Council has to offer – strengthening connections with students to develop stronger talent pipelines, particularly in hard to recruit specialisms –</li> <li>• Stronger links with Job centres and job shops will help support people into employment in the city, broadening our talent pipeline and supporting ambitions to support those furthest away from employment</li> <li>• Making stronger links across the city to promote career opportunities with the council.</li> </ul>
Increase potential candidate pool	<ul style="list-style-type: none"> <li>• Through broadening the talent pipeline, this increases the talent pool available opening the organisation up to more potential candidates, also increasing the diversity of the workforce.</li> <li>• Develop our employer value proposition (EVP) to attract candidates from a wider pool, including greater connection to representative communities.</li> </ul>
<b>Recruitment</b>	
Improve efficiency of end to end recruitment process	<ul style="list-style-type: none"> <li>• Reduce the time managers spend navigating the process/system – improved experience/reduce time wasted</li> <li>• Streamlining the process will create efficiencies across the process removing any activity that is not value added</li> <li>• Reducing the ‘time to hire’ could support services to bring in extra income/maintain service levels as posts are filled sooner</li> <li>• Reduce spend on agency and overtime as vacancies are filled sooner</li> </ul>

	<ul style="list-style-type: none"> <li>• Allow for better co-ordination and join approach across the organisations to recruit to similar roles – enabling targeted campaigns</li> <li>• Improve the candidate experience – keeping potential candidates well informed and presenting the organisation as managing the process effectively and efficiently</li> <li>• Make the application process easier so not to deter potential candidates</li> <li>• Improve wellbeing on existing workforce by ensuring additional capacity can be secured quickly to avoid additional pressures for the wider team</li> <li>• Create ownership of the end to end process to ensure continuous review to ensure efficiencies and changes to the process are managed to maintain its effectiveness</li> </ul>
Communications, Advertising, Employee Value Proposition (EVP)	<ul style="list-style-type: none"> <li>• Stronger identify in our EVP and Branding will better sell the organisation as the Best Place to Work</li> <li>• Support managers to create more attractive promotional materials to ensure adverts/campaigns are inviting and vibrant and attract more candidate through a wider range of portals including social media</li> <li>• Ability to track campaigns and ensure that we develop a better understanding of which routes are most successful in attracting candidates for different roles – leading to more effective spend on campaigns</li> <li>• Increase ability to attract the right candidates with the right skills</li> </ul>
Improved on-boarding	<ul style="list-style-type: none"> <li>• Ensure candidates are engaged and relevant supporting papers are collated quickly</li> <li>• Ensuring candidates are not lost due to the length of time taken to agree start dates and issue contracts</li> </ul>
Workforce Planning	
Development of plans	<ul style="list-style-type: none"> <li>• Transform the organisations approach from transactional and reactive to strategic and planned</li> <li>• Ability to target and develop specific talent pipelines for key roles to ensure we can support the development of our own talent/in partnership with local providers</li> <li>• Develop stronger career progression opportunities internally</li> <li>• Understanding the resource requirements for the future creating lead time to develop skills</li> <li>• Improve speed and success of future recruitment in understanding skills needs and recruitment opportunities.</li> <li>• Supports job redesign and job carving which in turn will encourage supported employment for a wider talent pool including those with additional needs.</li> </ul>
On-going monitoring and maintenance of plans to ensure we adapt to both internal and external sources	<ul style="list-style-type: none"> <li>• Regular monitoring as part of service planning will ensure workforce plans remain fit for purpose and the workforce solutions can be planned to respond to changing business needs as this is identified.</li> <li>• Support more efficient and effective talent management of the existing and potential workforce</li> <li>• Supports retention of staff as clear plans are in place to support succession planning and progression</li> </ul>

## What are the key risks and how are they being managed?

- 12 **Difficulty in recruiting expertise** - Recruitment and Resourcing is a key priority for the HR team for 2022/23. Failing to increase HR capacity and capability will delay the delivery of the HR work plan.
- 13 **Delays in recruitment** - The HR team have recently undergone an internal recruitment exercise for other vacancies, successful candidates have been appointed. The service has now gone out to external advert to fill the remaining vacancies. Subject to approval for the changes mentioned in this report, it is the intention to check for internal applicants and then consider any potential candidate from the external recruitment process to expediate the recruitment to the new posts to create much needed capacity.
- 14 **Frustration and service impact** – managers are struggling with recruitment, failing to secure new resources which is impacting on service delivery and the wider workforce. If we don't resolve the current issues and provide the support to improve the organisations approach to recruitment and attracting talent, ultimately services will fail.
- 15 **Failure to attract candidates** – currently the approach to advertising posts is dated, reliant on the council jobs page and there is limited activity on social media with other opportunities not being fully exploited. If we don't rise the presence of our profile as an employer and better promote vacancies, we will fail to secure quality candidates.
- 16 **Failure to develop talent pipelines** – to support future workforce planning solutions and ensure we have a strong talent pipeline it is critical that we develop stronger relationships with communities, school, colleges and universities to raise the profile in relation to the diversity of opportunities that we have to offer and ensure that prospective candidates see the Council as a potential future employer. This work can be resource intensive and requires dedicated support to maintain links and relationships.
- 17 **Competitiveness of our pay and reward** – whilst it is recognised that currently levels of pay are causing some issues in relation to recruitment and retention, we know this is not the only factor, as different approaches and campaigns that have been piloted have attracted and resulted in appointments based on current pay and reward package. However, alongside this programme of work the HR team are also looking at options such as market supplements, attraction and retention initiatives that will help support recruitment to those posts that are more difficult to recruit to due to direct competition in relation to pay and reward. In addition, the national bargaining process is currently underway which if resolved quickly will result in salaries increasing. As part of this programme of work we are also looking to better sell the full package rather than just advertising basic salaries as many roles currently attract enhancements that would not be secured with competitors.
- 18 **Potential impact on administration resource** – the aim of this work is to ensure that the processes that we follow are streamlined and remove any duplication or inefficiencies in the process. Due to current restraints with the recruitment system we are aware that there are a number of work arounds, some of these may need to be managed in the short term until alternative solutions can be found. This shouldn't create any additional impact on administration resource, however this will be monitored.

## Does this proposal support the council's three Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

19 As already mentioned, the proposals increase HR capacity and capability to deliver our People Strategy, which supports these three pillars from an internal, employment perspective.

## **Options, timescales and measuring success**

### **What other options were considered?**

- 20 Other options have not been considered. The proposals outlined above have been developed to provide the required capacity to support the service to attract, recruit and retain a skilled workforce.
- 21 The only other options is not creating these posts which would result in the programme of work identified not been taken forward which would have a detrimental impact on the wider organisation.

### **How will success be measured?**

- 22 Success will be measured by progress against our agreed people related KPIs and delivery of the Recruitment and Workforce Capacity programme.
- 23 Regular reviews will be carried out to ensure benefits of any changes and efficiencies can be captured. Due to a large proportion the activity happening within services, efficiencies in the release of managers time will be realised locally within the team, freeing up capacity locally.
- 24 KPI's will be developed as this work progresses, we need to ensure that we can collate the data to measure the improvements made and this is currently being worked on as part of the short-term tactical improvements to ensure we have base data that can then be tracked. We are looking to improve the number of people attracted to post, create efficiencies in the time to hire, improve diversity across the council, improve retention and generally improve the efficiencies in the process to reduce the administration and release time for recruiting manager. Any savings achieved through this work will be offset within the MTFS to cover the cost of creating this team.

### **What is the timetable for implementation?**

- 25 For the new permanent roles recruitment processes will commence once consultation has concluded and the proposals are approved.

### **Appendices**

- 26 Structure Chart Outlining Proposed Changes
- 27 Equality Impact Assessment Screening Document

### **Background papers**

- 28 None