

Report by: Head of Personnel

To: Joint Staff Employer Forum – 27 June 2002

Wards: None affected

RESULTS OF RECRUITMENT AND WORKFORCE MONITORING FOR 2001/2

1 DECISION TO BE MADE

1.1 To support the actions identified in Section 10 of the report.

2. RECOMMENDATIONS

2.1 Note the contents of the report

2.2 Support the actions identified in Section 10 of the report.

3. BACKGROUND

3.1 The purpose of this report is to present the results of the City Council's recruitment and workforce monitoring for the period 1 April 2001 to 31 March 2002 inclusive.

3.2 All applicants for vacant posts within the authority are monitored on the grounds of race, gender, disability, age (if 50 or over) and multiple-disadvantage. This complies with the Council's Equal Opportunities policy and best practice as recommended by the Commission for Racial Equality, the Equal Opportunities Commission and the Disability Rights Commission.

3.3 The Council is required, in compliance with *Corporate Health - Best Value and Audit Commission Indicators* BV11, BV16, BV17, to monitor:

- The percentage of senior management posts filled by women.
- The percentage of the workforce declaring they meet the definition of a disability under the Disability Discrimination Act 1995.
- Ethnic minority staff as a percentage of the total workforce.

3.4 Recruitment monitoring is undertaken by Designated Officers within each of the Departments who are responsible for checking that "monitored" applicants are

treated fairly throughout the selection process. The Designated Officer is also responsible for analysing and completing equal opportunity monitoring on a departmental basis. The information is forwarded to Personnel Services for corporate analysis.

3.5 Monitored applicants are those that fall into one of the following categories

- those from ethnic backgrounds
- those with a disability
- those aged 50+
- those who are multi-disadvantaged e.g. 50+ with a disability.

3.6 Managers must complete the Recruitment and Selection skills course in the Corporate Training Programme before carrying out recruitment interviews. The interview panel must, at a minimum, consist of two trained employees.

3.7 This monitoring report includes a breakdown of the existing workforce on the basis of gender, ethnic origin, disability, age and by salary level, in addition to the analysis relating to recruitment.

4.0 **ANALYSIS OF WORKFORCE INFORMATION**

4.1. **Gender**

Appendix 1 shows the gender profile for the workforce for 2001/2 compared to 2000/2001 and also gender in senior management posts. BVPI 11 focuses specifically on the percentage of senior management posts filled by women. For 2001/2 the proportion was 26% compared to a target of 34%. This is shown in Appendix 2.

The definition is being changed for 2002/3 to examine the proportion of the top 5% of earners in the authority who are women and also from ethnic minorities. No targets have yet been set for this new indicator.

4.2 **Disability**

Appendix 3 shows the disability profile of the Council's workforce as 2% as at 1 April 2002. BVPI 16 compares the percentage of employees who consider themselves disabled (according to the definition of a disability under the Disability Discrimination Act 1995) to the percentage of disabled people in the economically active local community from sample data collected for the Citizens Survey. The 2001/2 workforce proportion is 2% compared to 11.1% in the community. [The community figure is based on a question which does not specifically relate to the Disability Discrimination Act definition. However, given the wide variation in the proportions, we need to continue to improve the proportion of disabled people in the workforce in order to achieve a profile similar to the community we serve. The 2001 census analysis will confirm actual community levels much more precisely and therefore allow us to identify a realistic target.]

This year's proportion has increased by 1% compared to 2000/2001. The difference could be due to a data validation exercise undertaken with employees to check their personal information, which has resulted in more employees now

considering themselves to be disabled according to the Disability Discrimination Act definition. The City Council falls in the 'average' category for all district councils, although we are in the lower quartile for our 'family group' of authorities for this BVPI.

4.3 Ethnicity

Appendix 3 also shows the ethnic profile of the current workforce as 4% - the same figure as in the previous year. BVPI 17 compares the percentage of ethnic minority employees (4.03% for 2001/2) to the percentage of those economically active in the community (1.42%) is identified from sample data collected through the Citizens Survey and is not perceived to be entirely reliable, particularly since the 1991 census gave a figure of 5.9%. The 2001 census data will give us a more accurate figure.

The target for BVPI 17 in 2001/2 was 4%. However, as the 2001/2 figure was above this, and in view of the likely ethnic minority proportions in our local community, an increase in the target to 4.2% has been approved for 2002/3. Compared with all district councils the City Council is within the top 25%, but is average for our 'family group' of authorities.

4.4 Age Profile

Appendix 4 shows the current age profile as at 1 April 2002. From this it can be seen that 25% of the workforce is over the age of 50, and a further 10% fall into the 46 to 49 age group. By 2006 it is highly likely that over a third of the workforce will be of potential retirement or early retirement age.

According to The Labour Force Survey – Autumn 2000, 22% of the national economy is made up of people aged 50 or over, with the local government workforce averaging 30% for numbers of staff employed aged over 50. Also BVPI 14 requires the City Council to monitor early retirements within the government set target of 0.45% of the workforce (a maximum of 5 employees per annum). The demographic trend could present some long term issues for the recruitment and retention of employees within the City Council as it may reduce opportunities for career progression for younger employees creating a problem with retaining staff to replace staff approaching retirement in the medium term. This appears to be supported by an initial review of exit questionnaires. In occupational groups where there are already recruitment difficulties, this may be storing up problems for future service delivery.

4.5 Salary Levels

Appendix 1 shows that 16% of posts within the current workforce are graded SCP11 or below, and 84% are above SCP11 (£11,418+) compared to last year when 28% of posts were graded SCP11 or below and 72% were above SCP11 (£11,817+). Since last year there has been a 13% shift of employees being paid above SCP 11. The composition of the workforce has not changed significantly since last year.

5.0 ANALYSIS OF THE RECRUITMENT DATA

- 5.1 Appendix 5 shows the 2001/02 recruitment monitoring data on which the following comments are based covers 207 (80%) of new starters.
- 5.2 The data for the remaining 20% relates to a combination of paperwork that has not been returned to Personnel Services or to the 24 posts which were advertised in March 2002 that may not have been allowed sufficient time for the paperwork to be completed and submitted. This data is therefore not available to include in this report analysis.

Personnel Services have put a procedure in place to ensure that departments make their returns on a timely basis following a recruitment exercise. This has produced a higher return rate this year so that the information for our conclusions are based on a more complete dataset, and therefore are much more robust. Appendix 1 shows the data relating to this analysis.

- 5.3 The number of permanent full time appointments increased by 52% in 2001/2002 compared to the previous year. There was a similar increase in recruitment to permanent part-time posts, with a decrease of 68% in temporary full-time posts. Contrary to previous years, there were no temporary part-time posts. This is probably due to the large number of staff employed on temporary contracts whilst the major restructuring of Central Services, Environment & Planning and City Services was taking place during 2000. The number of new starters over the last four years has increased averaging around 235 per annum. In 2001/2 there was an increase of 9% in new starters compared to the previous year.
- 5.4 Staff turnover increased by 4% to 15% in 2001/02, compared to an average of 11% over the past few years. The 2001/02 BVPI target for staff turnover was 10%. The Regional Performance Indicators for 2001, coordinated by the Employers Organisation for authorities in our region have shown that the turnover in local authorities in the Eastern, Essex & Herts area varies from 5.4% to 23.02% with an average of 12.11%. The City Council's level of turnover is in the upper quartile, therefore amongst the authorities with the highest levels of turnover in our region. A BVPI target of 13% has been approved for 2002/03, which is more realistic, but still 2% lower than this year's rate.
- 5.5 In 2001/2 the total number of applicants for the monitored jobs decreased by 57% compared to 1998/99, but has increased by 17% compared to last year. The number of people who were interviewed in 2001/2 has also increased by a similar amount, with the number of people appointed increasing by 41% compared to last year. This could reflect the fact that the restructuring process within several departments has now been completed and that we are now recruiting more employees.

The data shows that we are selecting a larger number of successful applicants from a much smaller pool of potential employees. In 2000/01 the ratio of applicants to appointees was 8.5:1 whereas in 2001/02 the ratio decreased to 6:1. This may be due to better or more specific advertising attracting applicants more closely related to the requirements for the posts. It could also be an indication of recruitment difficulties. The Employers Organisation survey states the 90% of participating authorities reported some difficulties recruiting and retaining employees over the past year. Most difficulties are experienced with the "professional" occupational groups such as planners, environmental health officers, building control surveyors, accountants and legal professionals.

6. ANALYSIS OF NEW RECRUITS

- 6.1 Some analysis has been done to establish how long newly recruited employees remain with the organisation. In 2000/01 197 new employees joined the organisation. Of these 38% of employees have since left, 16% with less than 6 months' service and 28% with less than 1 year's service. Further analysis shows that 20% of new employees who started in 2001/02 have already left the City Council. 14% of these had less than 6 months service.
- 6.2 The increasing level of turnover has an impact on recruitment costs for the organisation. Advertising costs are a small proportion of the total costs of turnover and recruitment. The advertising costs for 2001/02 were £260,027, which includes media publications, Internet advertising and the internal Vacancy Bulletin. This equates to an average cost of £1,256 per post advertised. The advertising budget for 2001/02 was £71,240 and was therefore overspent by £188,787.
- 6.3 The time taken to recruit to a post has an impact on resources and adds to recruitment costs of the organisation. At present it is taking an average of 38 days from the date when an advert is placed to the date the first offer letter is sent. This has not changed since last year.
- 6.4 Since September 2001 Personnel have been seeking feedback from employees leaving the Council in the form of exit questionnaires. To date 30 exit questionnaires have been received centrally, which represents about one third of all leavers over this period. An initial review has identified the three top reasons for leaving as :
- Travel to work, car parking, Park & Ride difficulties and the effect of these have on the length of a working day
 - lack of opportunities for development or to broaden experience base, and
 - improved financial benefits and/or promotion with a new employer.

The Employers Organisation for Local Government research states that councils identified pay as the main issue behind recruitment and retention. The Councils identified as having the greatest number of recruitment and retention difficulties are, like Cambridge, in areas of low unemployment with tight labour markets, intensified by relatively high housing costs.

7.0 ANALYSIS OF MONITORED CATEGORIES

Appendix 6 shows the recruitment monitoring data relating to this analysis.

- 7.1 Disabled applicants have decreased as a proportion of total applicants from 3.2% last year to 1.1% this year. Interviewees with a disability have decreased slightly also, whilst appointees increased slightly. The Regional Performance indicators for 2000/01 show the City Council as being average for the recruitment rate of employees with a disability.
- 7.2 There has been an increase this year in ethnic minority applicants similar to the proportions of 1999/2000. In 2001/2 ethnic minority applicants as a proportion

have increased from 5% last year to 7.2% this year of total applicants. Interviewees increased also by a similar percentage and the percentage of appointees from ethnic minorities has also increased from 3% last year to 7.5% in 2001/2. The City Council is in the upper quartile of Regional Performance Indicators for 2000/01 for the recruitment rate of employees from ethnic minorities.

- 7.3 In 2001/2 the proportion of applicants for the aged 50+ monitored category was 2% lower than last year. Additionally, there are corresponding increases in the interviewees, and there was a 7% decrease in the appointed category compared to 2000/1.

8. ANALYSIS OF APPOINTMENTS BY DEPARTMENT

A breakdown of appointments by department is attached at Appendix 7.

9. ANALYSIS OF THE RECRUITMENT PROCESS

Appendices 8 and 9 relate to this analysis

- 9.1 In accordance with a recommendation of the Audit Commission in its report 'On Merit - Recruitment in Local Government', the City Council monitors the use of tests as part of the selection process and also details of internal promotions/appointments. All applicants attend an interview.
- 9.2 Since 1999/2000 there has been an increasing trend for the use of recruitment tests generally from a total of 34 tests in 1999/2000, 49 tests last year, to 56 tests this year. There was an increase in all types of tests used compared to last year.
- 9.3 Presentation exercises increased by 44% to last year, the use of psychometric tests also increased slightly higher than last year.
- 9.4 The number of internal appointments has increased 35% compared to 2001/2. There have been 34 instances of internal appointments (16% of total appointments) demonstrating that opportunities do exist within the City Council for career development.
- 9.5 This year unlike the two previous years, there have been 2 redeployments that have registered through the recruitment monitoring process. Other redeployments have taken place in 2001/02, but as employees in the redeployment pool are given consideration prior to the external recruitment advertising process, the formal recruitment monitoring process is not usually appropriate.

10. CONCLUSIONS & ACTIONS

- 10.1 1991 census information for Cambridge City indicates that 3.9% of the resident population are of Black, Indian/Pakistani/Bangladeshi or Chinese ethnic origin.

Cambridge City has a relatively high number of 16-29 year olds resident in the city (25%) but this number is boosted significantly by the size of the post-graduate population who are normally classed as resident for census purposes.

51% of the resident population is female but there are more men than women in the 16-44 age group with women being in the majority in the 45-59 age group. 4.7% of men and 4.5% of women of working age in Cambridge have some form of disability/limiting long term illness.

- 10.2 To the extent that the comparability of the data allows, this suggests that Cambridge City Council's workforce profile fits the resident profile quite closely with the exception of under-representation of 16-29 year olds and people with disabilities/limiting long term illness.
- 10.3 The City Council will continue to support Modern Apprenticeships and the New Deal programme to provide opportunities for young people to experience employment with the City Council. The City Council will continue to support technical and professional trainee posts and provide work experience placements for students and school pupils wherever possible. These are aimed at increasing the numbers of employees in the 16 - 24 age group.
- 10.4 Personnel Services will encourage departments to use the ethnic minority and disability press for placing recruitment advertisements as appropriate and will review the training and development needs of ethnic minority staff to ensure that they are being adequately met.
- 10.5 Personnel Services will continue to encourage existing and new managers to attend the Introduction to Equal Opportunities and Recruitment and Selection courses, which are offered in the Corporate Training Programme to ensure they fully understand the Council's policies and the law related to equal opportunities.
- 10.6 The Race Relations Amendment Act 2000 places a legal duty on public authorities to monitor equalities in service delivery and employment. The requirements include a prescribed set of indicators looking at equality in employment issues such as training, performance assessment, disciplinary and grievance procedures. Procedures are being put in place to record and monitor the indicators coordinated by Corporate Personnel Services. These will be reported with next year's analysis.
- 10.7 The City Council is working towards achieving Level 3 of the Commission for Racial Equality Standards for Local Government, which includes a number of actions related to employment issues. There is a proposal to replaced this with the Equality Standard for Local Government, which has been developed by the Commission for Racial Equality, The Disability Rights Commission and the Equal Opportunities Commission to broaden out and build on the Race Equality Standard. The Council is currently considering whether to sign up for the Standard.
- 10.8 Consideration is being given to ways to increase the proportion of exit questionnaires completed so that a more comprehensive analysis can be produced to establish the reasons why employees are leaving the City Council and consider what action can be taken to address these.
- 10.9 Changes will be made to the way that the workforce information is split by salary to more accurately reflect the distribution of salaries in the organisation. The changes will be incorporated in next year's report.

10.10 Over the past twelve years the pattern of recruitment within the Council has remained fairly stable. As has been said before in this report, encouraging more people from monitored groups to apply for posts with the City Council is the key to significantly changing the workforce profile and we continue to seek effective ways of achieving this.

11. IMPLICATIONS

11.1 **Financial implications** - Any financial implications arising from this report will be met from within existing budgets.

11.2 **Environmental implications** - There are no environmental implications in this report.

11.3 **Equal opportunities implications** - The City Council remains strongly committed to furthering equality of opportunity and reducing disadvantage through its employment practices and training and development activities.

11.4 **Trade union and staffing implications** - The views of the Trade Unions will be given at the meeting.

11.5 **Community Safety Implications** - There are no community safety implications.

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Head of Personnel

The following are the background papers that were used in the preparation of this report:

Recruitment Monitoring and Workforce Composition Data

INSPECTION OF PAPERS

To inspect the background papers please contact:	Contact: Michelle Wilson
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