

Name of decision maker:	Councillor Bryan Ayling
Portfolio:	Service & Performance Improvement
Date of Portfolio Holder Decision:	

Title of Decision:	Recruitment Advertising Contract
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Decision made and reasons:	
<u>Decision:</u> To give authority for a contract to be signed with Euro RSCG Communications Limited Trading as Euro RSCG Riley, in order for them to provide the Council with a recruitment advertising service.	
<u>Reason for the decision:</u> The main reasons for making this contractual appointment are:	
<ul style="list-style-type: none"> • The Council has challenged both the service delivery levels and cost of the current provider and another Hertfordshire Pathfinder authority has undertaken similar work recently • The EU procurement exercise undertaken by Three Rivers District Council has enabled this Council to make use of their agreement and thus save a separate tendering exercise 	
Reports considered: (here reference can be made to specific documents)	
Officers/Councillors/Ward Councillors/Stakeholders Consulted:	
Monitoring Officer comments:	No further comments to add
Chief Financial Officer comments:	No further comments to add
Implications:	
Finance:	The Council's budget includes a provision for recruitment advertising.
Legal:	The OJEU contract award notice that applies to this contract is 2008/S 148-198639. The procurement process undertaken by Three Rivers District Council was carried out under the EU procurement rules. In the course of this, the supplier's credentials, method statements and financial position were examined.
Risk:	The Council needs to maintain a recruitment advertising contract in order ensure that it is well placed to attract quality applications from potential employees. Failure to have access to such a service would result in additional direct costs for the Council.

Value for Money:	<p>The Council will benefit from the rates agreed as part of the tendering exercise that was undertaken by Three Rivers District Council.</p> <p>The new contract offers discounts when using certain media for some E-recruitment sites.</p> <p>The use of a framework agreement for this type of work enables the Council to place work as and when it arises.</p>
Options Considered and reasons for rejection:	
<p>The other options that were considered and rejected comprised:</p> <ul style="list-style-type: none"> ▪ In house advertising – this would require additional staff and the costs that follow this. This was rejected as a framework agreement offers better value for money as work can be placed when required without having to sustain fixed overheads. ▪ Tender on our own – this would not have secured volume pricing ▪ Continue with existing arrangements – the time was approaching when the current arrangements needed to be reviewed. The joint procurement with Three Rivers District Council and other Hertfordshire authorities provided an ideal opportunity to participate in a joint procurement exercise. 	

Portfolio Holders Signature:
Date:
Details of any interests declared and any dispensations given by the Standards Committee:

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Date Decision Record Sheet received from portfolio holder: 27 January 2009	
Date Decision Published: 2 February 2009	Decision No: PH/009/09
Date of Expiry of Call-In Period: 9 February 2009	
Date any Call-In received or decision implemented:	

BACKGROUND

For the past ten years, the Council has been using Barkers Human Resources Advertising Ltd to undertake its recruitment advertising. Barkers' primary role was to carry out the administration function of placing job adverts within local and national publications, as well as E-recruitment. The majority of local authorities use a service similar to this as it can be labour intensive to maintain individual relationships with the various media companies directly. Other added benefits of using a third party provider include:

- The negotiation of cheaper publication rates with the media due to the work being aggregated with other contracts.
- The availability of readily accessible templates
- A clear invoicing process
- Better value as an in-house solution would result in the need for additional staff time and associated on-costs.

The charging basis that is adopted by recruitment advertising business is based on a commission. The provider aggregates their whole advertising portfolio in order to negotiate lower media rates that are more competitive than the Council could secure directly. The fees that they levy are added to the media costs and, even with that, there is a saving when compared to directly managing the service in house.

The current arrangements with Barkers have worked well for us over the years and the use of a third party supplier is method of operation delivers good value to the Council.

Earlier this year, an opportunity arose for the Council to improve the performance and quality of the recruitment advertising service that it currently receives. Three Rivers District Council have tendered for a recruitment advertising service and a number of Hertfordshire Councils agreed to be party to the OJEU notice which enabled them to join into the arrangements at a later point in time. This approach provides the Council with a stronger platform for negotiating a better service due to the volume of business within a larger contract.

In the summer of this year, Three Rivers District Council awarded a four-year contract to Euro RSCG Communications Limited Trading as Euro RSCG Riley, which commenced on 1st October 2008. Five other Local Authorities in Hertfordshire, including Dacorum, are incorporated into the OJEU arrangements and have the ability to opt into the service. To that end, Dacorum have been using Euro RSCG Communications Limited Trading as Euro RSCG Riley on a trial basis since the start of the contract and have been satisfied with the service.

In light of the current financial difficulties the Council is facing, Human Resources are intend to work very closely with regard to recruitment advertising costs as this is an area where savings may be possible. Two areas for review are:

- expanded use of E-recruitment
- a revamp of the adverts to reduce size / introductions

In the event that savings are realised then these will be declared "in-year" and the base budget reduced accordingly.

The use of joint procurement with other authorities is something that Dacorum has been very proactive in. The work in respect of this contract is encouraging and it makes a useful contribution to the Pathfinder work that is ongoing.