

<b>Agenda Item No:</b>	7	
<b>Committee:</b>	<b>Employment Committee</b>	
<b>Date:</b>	<b>6 October 2023</b>	
<b>Report Title:</b>	<b>Planning Team Recruitment and Retention – Market Supplement</b>	

**This item comprises EXEMPT INFORMATION at Appendix 1 which is not for publication by virtue of Paragraphs 1 of Part 1 of Schedule 12A of the Local Government Act, 1972 (as amended).]**

## **11 Purpose / Summary**

- 1.1 To update on recruitment and retention issues within the planning team and to request approval for the introduction of market supplement for new and existing staff.

## **12 Key Issues**

- 2.1 As updated previously, the recruitment and retention of planners is a difficult national issue, which all Councils are grappling with to ensure their planning teams are fully staffed to ensure planning applications are processed in a timely fashion and to bring growth forward.
- 2.2 Fenland has a good track record of investing in its staff and growing its own planning staff from other areas of the Council's business and also recruiting junior planners who have then gone on to be senior planners thus fulfilling key posts.
- 2.3 However, the turnover of senior staff in the planning team means that our internal workforce development programme has not been able to keep pace with the vacancies that have arisen.
- 2.4 Currently, the Planning Team have vacancies for a Principal Planner, 3 Senior Planners, Senior Enforcement Officer, Enforcement Officer, Tree Officer, and for newly created posts made by this Committee for Planning Policy Manager, Planning Policy Officer and S106 Monitoring Officer.
- 2.5 Recruitment for the Principal and Senior Planning roles have been ongoing for over 12 months with very limited interest in these posts. Similarly, recruitment for the Enforcement posts since they became vacant have yielded appointable candidates who have chosen not to join the Council. We have advertised for the Tree Officer jointly with the Open Spaces Team on two occasions and not found any appointable candidates.
- 2.6 As mentioned, the team has seen several staff members leave over recent times to work in other Councils and to retire. We have not been able to replace those staff with permanent staff due to not being able to recruit. Therefore, there is an increased emphasis on trying to retain existing staff so

the staffing situation within the team does not get worse and potentially compromise the delivery of the service.

- 2.7 Many planners have also joined the private sector in recent years especially becoming agency staff due to the flexibility and generous rates of pay which creates even more competition for a limited pool of skilled planning staff in local government.
- 2.8 The government have recognised this national issue and the Council recently bid to an external funding pot, the Planning Skills Delivery Fund for £75,000 in recognition of our resourcing challenges. The Fund is likely to be highly oversubscribed given many Councils are in a similar position.
- 2.9 Members are aware that performance in relation to Minor and Other applications is currently 71% (against a target of 80%) on the 2 year rolling government performance tracker. If the Council falls below 70%, there is a risk it will be designated by government. The recruitment situation is an aggravating factor in the performance of minor applications due to lack of permanent staff, turnover of agency staff etc, therefore the report recommendations are also supporting an improvement in performance that a settled, permanent staffing team can bring.
- 2.10 The vacancies in Planning, Enforcement and Tree Officer are being covered by agency staff, consultants and through the arrangement the Council has with Capita for the provision of planning officers. These arrangements are costly and far exceed the establishment budget.
- 2.11 Following review of the Council's approach to recruitment and retention of planning and associated staff within that team, it is suggested that a series of new initiatives are brought forward to try and successfully recruit to a series of vacant posts including the introduction of market supplement for new and existing staff.
- 2.12 Other Councils have introduced various remuneration options including market supplement to boost the remuneration offered to planning staff in recognition of the highly competitive nature of the recruitment market in this skilled area.

### **3 Recommendations**

- 3.1 To approve the introduction of market supplement payments for new staff within the planning team at a cost of £47,500 in Year 1 and £47,500 in Year 3 dependent on the timing of new starters.
- 3.2 To approve the introduction of market supplement payments for existing staff as set out in Appendix 1.

Wards Affected	All
Forward Plan Reference	N/A

Portfolio Holder(s)	Councillor Dee Laws, Portfolio Holder for Planning Councillor Chris Boden, Leader of the Council and Portfolio Holder for Finance
Report Originator(s)	Paul Medd, Chief Executive Carol Pilson, Corporate Director Peter Catchpole, Corporate Director Nick Harding, Head of Planning
Contact Officer(s)	Paul Medd, Chief Executive Carol Pilson, Corporate Director Peter Catchpole, Corporate Director Nick Harding, Head of Planning Sam Anthony, Head of HR
Background Papers	

## **1 BACKGROUND AND INTENDED OUTCOMES**

- 1.0 The Planning team have several long-standing vacancies across planning, enforcement, tree services, and now within the Local Plan team. Members and Officers have been exploring what other means are available to attract candidates to apply for planning jobs within the Council. Many of these vacancies have been open for a significant period of time and are being covered by agency staff, consultants and Capita at a significant cost to the Council. This is hampering performance in the team due to the turnover of staff and agency staff, and the additional time this takes to manage and administrate.

## **12 REASONS FOR RECOMMENDATIONS**

### **RECRUITMENT AND RETENTION**

- 2.1 The Council recognises that set against this very difficult national recruitment landscape, that a step change in our approach needs to be considered to attract candidates to these roles.
- 2.2 Alternative ideas to boost the Council's recruitment campaign includes:
- partnership with the local government press, for example, the Municipal Journal, to market the Council's vacancies in the national press to attract more candidates;
  - create a special section on the FDC website to market and promote planning vacancies;

- engage a recruitment consultant to target prospective candidates and proactively introduce them to the FDC vacancies;
- ensure all benefits to working at FDC are proactively advertised including the Council's One Team Culture;
- consider further financial incentives to be attached to these posts in the form of market supplement.

2.3 Market supplement has been introduced by some neighbouring and competing Councils which means that FDC could be now lagging behind in terms of the financial package it offers potential candidates. Market supplement can be characterised as a series of payments on top of salary that is taxed which encourages loyalty to the organisation through staged payments at intervals which are repayable to the Council if a member of staff leaves prior to the agreed period of time coming to an end.

2.4 Recent benchmarking of salaries shows:

<b>Authority</b>	<b>Level</b>	<b>Salary</b>	<b>Additional Financial incentives</b>
<b>Fenland District Council</b>	Planner	<b>£23,620 - £32,020</b>	None at present
	Senior Planner	<b>£32,020 - £46,549</b>	
<b>Local District Council</b>	Planner	<b>£33,864 - £40,167</b>	None at present
	Senior Planner	<b>£40,167 - £43,320</b>	
<b>Local District Council</b>	Planning Officers –	<b>£29,439 - £33,820 / £32,909 - £38,296</b>	Career graded posts
	Senior Planners	<b>£37,261 - £42,503</b>	A two year fixed term market

			supplement of £4,000
<b>Local District Council</b>	Senior Planners	<b>£38,339 – £43,149</b>	None at present
<b>Local District Council</b>	Planning Officers	<b>£30,151 - £33,820</b>	Golden Hello payments as recruitment incentives for both roles. £2500 upon joining and £2500 after one year service. The payment must be returned if the employee leaves within a year of receiving each payment. New starters only.  Retention payments for existing members of staff generally in senior roles.
	Senior Planners	<b>£35,411 – £39,493</b>	
<b>Local District Council</b>	Planning Officers	<b>£29,876 - £34,887 per annum</b>	Based on 4 day working week
	Senior Planners	<b>£34,887 to £39,897 per annum</b>	15% market supplement is applied to this post.

## MARKET SUPPLEMENT

2.5 Market supplement is a recruitment and retention tool that can be employed by the Council in specific circumstances where it is felt that its use may overcome issues impacting specific services. Following recruitment campaigns against a very difficult national backdrop, it is considered the Council should consider utilising market supplement as an additional tool to try and encourage applicants to apply for permanent posts and to retain existing staff so as not to exacerbate the already chronic staffing situation further.

- 2.6 Market supplement can be used in our recruitment campaigns to attract new staff as well as be applied to existing staff to retain and protect our investment in these staff and to not lose them to other organisations meaning we have further vacancies to fill and the subsequent training period.
- 2.7 The Planning team has 11 vacancies which market supplement could be applied to:
- |  |                         |
|--|-------------------------|
| Head of Planning (from 30 <sup>th</sup> Dec) | Principal Planner       |
| Senior Planner x 3                           | Planning Policy Manager |
| Planning Policy Officer                      |                         |
| Senior Enforcement Officer                   | Enforcement Officer     |
| Tree Officer                                 | S106 Monitoring Officer |
- 2.8 For new starters, market supplement would be a first payment of £5,000 in first month of starting employment at FDC and then a second payment made of £5,000 on the 3<sup>rd</sup> anniversary of their start date with FDC. For existing staff posts and market supplement please see Appendix 1.
- 2.9 All staff would be required to sign a legal agreement returning the part of the payments should they leave within a defined period, and a sliding scale of repayment incorporated. If the employee refuses to sign the legal agreement, the payment cannot be made.

## FINANCIAL IMPACT

- 2.10 The Council is employing agency staff, consultants and has an arrangement with Capita to fulfil vacant posts which is costing the Council considerably more than a fully staffed permanent team.
- 2.11 If the Planning team was fully staffed with permanently appointed staff the full year cost would be **£1,187,100**. Current budget for 2023/24 is £1,026,760 with a projected cost for 2023/24 of £828,600 based on staff currently in post, a reduction of £198,160 compared with the budget.
- 2.12 The projected cost of the Planning team due to agency staffing in 2023/24 is currently **£648,240** compared with a budget of £91,400, an increase of £556,840.
- 2.13 The total projected cost of the Planning Team (Staff plus agency) for 2023/24 is currently £1,476,840, an increase of £358,680 over the budgeted total cost of £1,118,160.

- 2.14 As Members know, Planning provides income to the Council through government set fees and charges. In 2022/23 financial year, Planning income was £1,252,284 including pre application fees.
- 2.15 The projected income for 2023/24 is £1,050,500 albeit planning income is difficult to predict due to its reliance on the submission of applications. Income to the end of August 2023 was £501,846 including pre-application fees.
- 2.16 Government consulted on an increase in planning fees in recent times which suggested a 35% uplift on fees for major applications and a 25% uplift on all other applications with an annual inflationary increase going forward. The ability to apply these increases was predicated on a certain level of performance within the service. Government have recently announced that this is now being laid before parliament and we await further guidance. This would represent a further source of income.
- 2.17 The financial impact of introducing market supplement for new starters should we be successful in recruiting to all vacant posts would be:

£55,000 in Year 1

£55,000 in Year 3

The financial impact of introducing market supplement for existing staff in identified in Appendix 1.

- 2.18 Fulfilling vacancies with alternative staffing solutions is costing the Council **£289,740** above the costs if all establishment posts were fulfilled. Having a settled permanent team with local knowledge will bring benefits in terms of performance as well as financial savings even with market supplement introduced as alternative staffing solutions are expensive, difficult to source, difficult to administer and come with instability as staff can move to other contracts with little notice.
- 2.19 Market supplement can be budgeted for from the Council's General Fund budget.

## 13 CONSULTATION

- 3.1 The Council's internal staff consultation body have been engaged on this matter.

## **14 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 It has been considered to not introduce market supplement and continue to readvertise posts in future, however, this has not brought forward any candidates and we are therefore having to finance expensive alternative staffing solutions. It is therefore felt that an alternative approach is required to improve performance, create a settled, permanent team that can deliver on Member priorities.

## **15 IMPLICATIONS**

### **5.1 Legal Implications**

- 5.2 There are no specific legal implications as regards the specific recommendations contained in this report however the council is under a duty to deliver planning related outcomes within set statutory deadlines and the recommendations are designed to assist in achieving this outcome.

### **5.3 Financial Implications**

- 5.4 The total revenue impact of these proposals is £55,000 in Year 1 and £55,000 in Year 3, depending on when new recruits start with the Council. For existing staff this is set out at appendix 1. This proposal can be funded from the General Fund Revenue Budget which will see savings from no longer needing to use expensive alternative provision.

### **5.5 Equality Implications**

- 5.6 Recruitment and retention difficulties are acute particularly to the Planning service therefore it is felt there is a specific case set out in the paper to introduce market supplement in this service.