



Council Overview & Scrutiny Committee  
5 December 2012

**MANAGEMENT OF STAFF VACANCIES**

- 1 The Council Overview & Scrutiny Committee considered a report on staffing budgets, numbers, vacancies and associated costs at its meeting in April 2012. As a result, it was recommended that further investigation be carried out into the way staff and vacancy numbers are calculated and managed with the objective of understanding the impact these practices have on budgeting, operational efficiency and hence the actual costs for the organisation.
- 2 A review was carried out by Zully Grant-Duff and Mark Brett-Warburton on behalf of the Committee. This report sets out their findings and recommendations for the Committee's consideration.

**Conclusions:**

- 3 It is recognised that a number of improvements have been made recently to the quality and timeliness of staff monitoring information, in that the Cabinet receives monthly reporting information that provides a picture across the organisation of staff costs and FTE numbers. There is also detailed directorate-level monitoring by Strategic Directors, heads of services, and HR. For some services there is specific monitoring with reference to the optimal organisational structure, and posts within it are reviewed as part of the annual budget process.
- 4 The Council has put in place a clear process which requires approval of vacancies at Strategic Director level, and this is complied with across all directorates, although these decisions have in some cases been delegated to Heads of Service on the basis that they have the requisite knowledge to manage their operational requirements.
- 5 Whilst the review identified much good practice in the way vacancies are managed within the County Council, it is felt there needs to be a more robust approach to the way vacancies are categorised and subsequently reflected in the budget.
- 6 Vacancies are currently reported as either 'live' (i.e. actively being recruited to) or as 'not occupied by contracted FTEs'. This latter gives no indication

about how long the post has been vacant or if there is any intention to recruit to it in the future. The monitoring report presented to Cabinet and the Council Overview & Scrutiny Committee explains that some of those vacancies which aren't being actively recruited to may be filled by bank or agency staff on a short-term basis, although there is no information about the proportion of the posts filled in this way or explanation of the reasons why. As stated in paragraph 17 of the main report, data on agency staff is only monitored from the point of view of budget spend, due to the difficulties in obtaining reliable information in terms of the FTE.

- 7 There may be several reasons why a decision is made not to start the process of recruiting to a vacancy, including services needing to make short-term budget savings and the desire to avoid recruitment and potential redundancy costs if a subsequent re-organisation of the service is planned or anticipated. This is a prudent approach for managers to take. However, it is important to make a distinction between real savings and what might be considered notional savings, resulting from vacant posts remaining in the organisational structure, but for which there is no need in terms of their being critical to service delivery. It could be argued that the eventual savings if these posts are subsequently deleted are only nominal, as no expenditure was expected against these posts.

<b>Recommendations:</b>
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**RECOMMENDATIONS:**

- (a) That the Cabinet recognises the responsibility of each directorate to maintain at all times the optimal balance between staff and workload, justified by a business case determined by the parameters of its budget and strategic operational objectives.
- (b) That each directorate define a baseline period for a vacancy to be maintained before it is deleted or requires a revised business case to justify its continuation.
- (c) That each directorate identify not only vacancy numbers but the period a vacancy has existed.
- (d) That prior to setting the annual budget, Select Committees ensure a zero-based budget is used to determine the staffing requirements for the next 12-months and review the business case for posts that have remained vacant for longer than the baseline vacancy period for the respective directorate.

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**Report contact:** Bryan Searle, Senior Manager Scrutiny and Appeals.

**Contact details:** 020 8541 9019, bryans@surreycc.gov.uk.

**Sources/background papers:** None.