



RECRUITMENT MATTERS

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EU DISCUSSION VITAL FOR JOBS, SAYS REC

The Recruitment & Employment Confederation is calling on members to share thoughts about the upcoming EU referendum.

It has teamed up with market research company ComRes to canvass recruiters' opinions about a potential Brexit. Its policy team has also produced a document asking members to consider both sides of the argument.

The REC also played host to a debate featuring both sides of the in-out argument.

Director of policy and professional services Tom Hadley says the REC has a vital role to play in the discussion.

"Our immediate priority

is to facilitate an open and informed discussion between members and encourage members to consider the implications of the different scenarios for their business," he says.

"Whatever the outcome of the referendum, it is crucial to ensure that the practical implications for the UK jobs market are taken into account. The insight from REC members will have a crucial role to play here."

Deputy director for Britain Stronger in Europe Lucy Thomas - who spoke on behalf of the 'In' campaign at the debate - says jobs will be a crucial factor.



"It was really interesting to see what the implications might be for jobs if we were to leave the EU. We simply don't know what any new deal with the EU would look like if we were to leave, so there are lots of uncertainties."

Vote Leave's Jon Moynihan told the debate there are plenty of opportunities for the UK outside the EU.

"We will have free trade

agreements, both with the EU and with the rest of the world. There won't be some ghastly trade war with the EU because if there was a trade war, every three jobs we lost they would lose five and they're not stupid."

The REC is asking all members to get involved with the discussion at rec.uk.com/eu-referendum.

THE VIEW

Collaborative hiring is more than a fad, says **Kevin Green**, REC chief executive



The ability of recruiters to help clients provide a better candidate experience and improve their selection processes is needed now more than ever.

There are more people in work now in the UK than at any time since records began in 1971. Jobs transform lives and the fact that more people are feeling the financial and social benefits of work is great news. However, vacancies continue to rise, and for employers it's becoming increasingly difficult to find the talent they need to compete.

Our data shows that 94% of organisations are operating close to full capacity, and that more than eight in ten companies intend to hire more permanent staff in the next three months. Without the right people, UK businesses will miss opportunities and struggle to take advantage of the UK's favorable economic climate.

With recruitment becoming more of a challenge, one innovation that employers are turning towards is what's known as 'collaborative hiring', and as recruiters we should be prepared to advise clients about the merits and challenges of adopting this approach.

Collaborative hiring is one of the strategies that made Apple so successful. In the UK, Pret A Manger has adopted a similar approach, with candidates spending 'experience days' in

a store and team members voting on whether they are taken on. The idea is that, by asking their existing team to feed back on a candidate's performance, hirers gain more insight and so are more likely to make the right decision.

Collaborative hiring also benefits the candidates. As an interviewee, you want to get a sense of the culture and values of the organisation. Engaging with the people that already work there during the selection process is a fantastic way to work out whether you would make a good match.

For businesses, there are huge benefits to empowering their existing team and encouraging collective responsibility. This approach also enables employers to avoid 'unconscious bias' – giving more people input in the hiring decision means it is a more robust and objective process.

Collaborative hiring is set to become a more familiar strategy as employers seek the capability to help them grow. By creating more engaging hiring strategies, organisations put themselves in a better position to attract the people they desperately need - which is great news for candidates, employers, the recruitment industry, and for the UK economy as a whole.

You can follow Kevin on Twitter @kevingreenrec

What will the EU referendum mean for the industry, asks **Tom Hadley**, REC director of policy and professional services

RED TAPE REMONSTRATIONS

With travel and subsistence changes taking effect in April, and with the EU debate in full swing, it's a good time to take stock of the regulatory landscape for our industry. Cutting EU regulations is often cited as one of the potential benefits of leaving the EU and is one of the reasons that a Federation of Small Businesses (FSB) survey has showed that 40.9% of SMEs would vote to leave.

Our industry has first-hand experience of regulatory 'offerings' from Brussels through our old friend AWR. Will this colour the way recruiters approach the EU referendum? The feedback from our members is that investment has been made and that avoiding further regulatory impositions in the future is key. Ensuring that the focus is on boosting competitiveness and jobs (rather than on more layers of legislation) was one of the areas covered in the Prime Minister's renegotiation package, which is why we are broadly supportive of the areas of reform that were announced.

How else might regulatory musings play out in the run up to June 23rd? Some EU regulations (like maternity/paternity rights) are seen as broadly positive and are unlikely to be repealed whatever the outcome. It's also fair to say that the major regulatory threats currently facing our industry - T&S, National Living Wage, Apprenticeship Levy, the NHS cap on agency staff - have nothing to do with the EU. Additionally, some of the biggest challenges for the UK jobs market such as skills gaps, would not be helped by a Brexit. An emerging argument for remaining within the EU is that the political class should be focusing on some of these key challenges rather than spending years agreeing the terms of our EU divorce and renegotiating trade deals.

Whatever the outcome on June 23rd, we must harness the insight of REC members to fuel an informed debate about the practical implications for the UK jobs market. One of the discussion points will be whether concerns over Brussels bureaucracy outweigh the potential implications of a Brexit for growth, business confidence and access to skills.

You can follow Tom on Twitter @hadleyscomment



THE INTELLIGENCE

DIANA BEECH, SENIOR RESEARCHER, EXPLAINS WHAT THE UPCOMING NATIONAL LIVING WAGE MEANS FOR RECRUITERS.

From 1st April employers across the UK will be required to implement the National Living Wage (NLW). This means that all workers aged 25 and over will be paid a minimum of £7.20 an hour. This figure is intended to rise incrementally and is expected to exceed £9 an hour by 2020 as part of the Government's plan to move towards a higher wage, lower tax and lower welfare society.

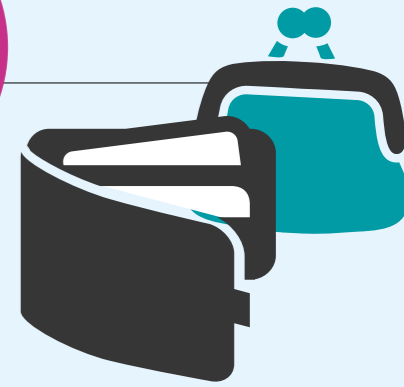
The Regulatory Policy Committee, which advises Government, estimates that the NLW will cost UK businesses well over £1bn. This comprises £804.4m in extra wages and staff costs, and a

further £243.3m in additional "spillover" costs arising from the need to maintain pay differentials.

A recent survey by the Resolution Foundation and the CIPD found that the introduction of the NLW will have the greatest impact in retail (79%) and hospitality (77%), whilst more than two thirds of employers in the health-care sector (68%) also expect to be significantly affected.

A recent survey conducted for the Department for Business, Innovation and Skills nevertheless found that, despite the extra costs involved, 93% of UK employers still believe the NLW is a good idea. 88% feel it will make staff more productive, 86% think it will boost staff morale, and 83% believe it will increase staff loyalty.

However, the poll also showed that, even by December, very few employers had actually started to make preparations for the move. Only around 45% of employers had updated payroll to



£7.20 AN HOUR
ALL WORKERS AGED 25 AND OVER WILL BE PAID THIS AS MINIMUM

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take account of the changes and just 39% had communicated these changes to their staff.

Recruiters can play an important role in clearing up the confusion around the NLW and encouraging employers to act. First, the NLW should not be confused with the 'Living Wage', which is a voluntary threshold signed up to by only about 2,000 UK employers. Second, the NLW does not mean the end of the National Minimum Wage (NMW). This will still

apply to 4 separate tiers below the NLW, set at £6.70 for 21-24-year-olds, £5.30 for 18-20-year-olds, £3.87 for under 18s, and £3.30 for apprentices (either under 19 or in their first year of an apprenticeship).

Under the Equality Act 2010 an employer must not discriminate against a worker because of their age. Recruiters should, therefore, encourage employers to meet their obligations to pay workers accordingly when the NLW comes into force this month.

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A TOUCH OF CLASS

Paola Diana is the chief executive and founder of Nanny & Butler, an agency specialising in recruiting childcare and household staff around the world. She tells RM why their approach is unique in recruitment.



“BUT WE ALSO KNOW THESE JOBS CAN TRANSFORM A LIFE AND MAKE A PERSON BETTER THAN THEY WERE BEFORE”

Recruitment Matters: How did Nanny & Butler start?

Paola Diana: I'm Italian, and ten years ago I needed a British nanny for my kids. I'm a strong believer in bilingualism and I couldn't find a nanny suitable in Italy. I thought the idea of an agency specialising in finding nannies was a clever idea and a shame something like that didn't exist in Italy. I opened the first agency and was inundated with requests – the demand was huge.

RM: Was the next step expanding?

PD: It was. I opened two offices, one in the heart of Rome and the other in London. London was a must. There is such a strong demand for British nannies, it made sense to start recruiting from there.

RM: Was the demand for nannies only?

PD: Not at all. We began fielding many, many requests for every kind of house staff, and I would say “No”. I wasn't confident in getting the right people and I wanted to be a provider of very good candidates. But I realised I couldn't stop the wave and learned how to recruit different kinds of staff.

“MANY FAMILIES WILL REQUEST PEOPLE WHO ARE FUN, NICE, ENJOY ENTERTAINING CHILDREN – AND THAT DOESN'T COME NATURALLY TO SOME PEOPLE. WE HAVE TO ACT LIKE PSYCHOLOGISTS, EXAMINING CANDIDATES' TRAITS AND CHOOSING THE RIGHT PERSON FOR THE JOB.”

We went from nannies to maternity staff, butlers, chefs, private jet crews, chauffeurs – all very good, of course. In the last year, I've noticed a huge demand for personal trainers.

RM: That sounds like a natural progression.

PD: It was. Our mission statement is “Trust Us”. When a family trusts your service and values, they are comfortable

asking all kinds of requests. They learn about the way we recruit and the way we use time.

RM: Would you agree bespoke recruitment requires a different skillset?

PD: Oh yes. Recruiting for an office is far different from recruiting someone who is going to live in your own home. It's sensitive. You not only have to be good with kids, but good with parents too, plus the other staff who work there. T

RM: What kind of candidates do you look for?

PD: We look for a person

who has experience, can take responsibility and is trustworthy. These are the three most important things. Then comes motivation. When a candidate is motivated, particularly in a home environment, they work better. We never push our candidates. We really prefer to send people who are willing to stay long term with their families. It's better for us to make a good selection and provide the very best people, and those people are the most motivated.

RM: What does good recruitment mean to you?

PD: Good recruitment for us

starts with carefully checking every candidate's paperwork – from qualifications, to references and DBS checks. But that's not enough. After that, we need to check the character of the person. Many families will request people who are fun, nice, enjoy entertaining children – and that doesn't come naturally to some people. Many of our families travel a lot and travelling with children can be very stressful. We have to act like psychologists, examining candidates' traits and choosing the right person for the job.

RM: Nanny & Butler has offices in London, Rome and New York. How do those

markets shape your approach to recruitment?

PD: Having an office in one country doesn't mean we're close to that country. Our Italy office covers Switzerland, France and Monte Carlo, for example. The important point to remember is we have candidates who are willing to do a lot of travel. Our London office works with a huge number of clients in the Middle East. Our kind of recruitment is difficult because every family is different. We really need to understand their needs, requirements and feelings. Of course, different nationalities have different approaches,

but we love the challenge and every search is unique.

RM: What is your goal for 2016?

PD: The goal for 2016 is to continue to grow and maintain our reputation for helping families find happiness. But we also know these jobs can transform a life and make a person better than they were before. We got sent a bottle of champagne and bouquet of flowers from a candidate because we placed them in a dream job with a family travelling the world in a private jet. She wouldn't have been able to do that if not for the job. It's a very exciting time.

LEGAL SUPPORT FOR SMEs



By Lewina Farrell, solicitor and head of professional services at the REC

A significant number of REC members are SMEs. They work across all sector groups, introducing candidates for permanent employment and supplying temporary workers. Recruitment supply chains can be lengthy and the regulatory landscape complex. The REC legal team can help members navigate through all of this.

How can we help? Our dedicated legal helpline is open Monday to Friday 8.30 to 5.30. In 2015 we answered almost 17,500 queries. To support this we have an online legal guide comprising almost 1000 questions across 50 employment and commercial topics, a library of 100 model documents including model contracts to supply perms and temps and related forms, internal employee contracts and model policies. We also have short webinars and

produce our bi-monthly Legal bulletin and Legal Bitesize. Finally we have topic and sector specific factsheets e.g. on ITEPA reporting, the Conduct Regulations, AWR, and operating in the Construction, Healthcare and Driving sectors. All of this is produced in-house.

We work closely with the REC Policy and Compliance teams and regularly meet with key stakeholders such as HMRC, BIS, the Dept. of Education and the Dept. of Health.

Current issues: So, what has been occupying us so far in 2016r? Tax, in particular the removal of travel and subsistence expenses relief from temporary workers working under, or subject to the right of, supervision, direction or control. This kicks in from 6 April 2016 and will impact significantly on how members engage with umbrella companies and personal service companies.

We have produced a number of briefings, including for use with clients and temporary workers so that members can explain the changes to these groups. We can probably also expect an IR35 review this year.

The NHS agency caps have also kept us busy. We have sought competition law advice on the imposition of the cap and the impact it has on the sector.

The National Living Wage is causing quite a stir. We remind agencies that this is simply another band of the National Minimum Wage – they should not be misled by the “NLW” label. Age discrimination is an issue with members telling us that clients are instructing them to send under 25s or terminate assignments once the temporary worker reaches 25.

Holiday pay questions rumble on. At the end of February we had the

Employment Appeal Tribunal decision in Lock v British Gas whereby the EAT agreed that commission should be included in holiday pay calculations. We have previously had decisions on overtime and rolled up holiday pay, the latter which was ruled unlawful a number of years ago by the ECJ, remains an ongoing issue. We have also had decision on payment for sleepovers. We expect that the Working Time Regulations will have to be reviewed to take account of all of these decisions.

In 2016/17 agencies will also have to think about gender pay audits and the apprenticeship levy.

Aside from these specific issues agencies will always have contractual matters to deal with. What terms to use, how to claim introduction or transfer fees, what do indemnities mean, where does liability lie? REC Legal can help with all of this.

BEHIND THE SCENES AT THE INSTITUTE OF RECRUITMENT PROFESSIONALS

Cassie Moore is a consultant at ARM and winner of Recruitment Apprentice of the Year at the 2015 IRP Awards



AWARD WINNER

Congratulations on your win – how has it been?

The win itself was amazing. It was one of those things that takes a while to sink in, but it's got to the point where a lot of people in the industry know who I am now. My LinkedIn requests went a bit crazy after that night.

What led you to choose an apprenticeship in recruitment?

I started in 2012 in customer service but I've always enjoyed learning, so I moved into a recruitment apprenticeship with ARM. It was well worth a go because not only do you learn how to do the job, you get the Certificate in Recruitment Practice too. I've recently been promoted to a full time consultant, so the last four years have been worth it.

Congratulations – there must have been some happy faces at work after that?

There were, yes. I showed that an apprenticeship can work and that you can be a valued member of the team regardless of what role you're in. It was great knowing ARM was with me and made sure I was on the right track.

How did you make the most of your apprenticeship?

I decided to start my own desk. I saw an opportunity to grow the business, so now I look after the shipping sector for Hong Kong, Singapore and all of Europe except the UK. It was very difficult to begin with since I don't come from a sales background. But I learned it's all about relationships. Once I got the hang of that, and getting the idea of how each culture deals with recruitment, you adapt to their demand.

What makes a good recruiter?

You need to know your candidates and what processes work best for them. You also need passion for the industry you're working for – you need to be able to talk about the sector from their perspective, not just from a recruitment point of view. Keeping that relationship strong is so important.

Jamie McGauley is a consultant for ID Medical and winner of Best Temporary Recruiter at the 2015 IRP Awards



AWARD WINNER

Congrats on the win – how has your year been?

It's been a bit hectic. A lot has changed in the medical industry, and it's very, very busy at the moment.

What sectors do you cover?

ID Medical covers everything in the medical sector, but I recruit for doctors in the NHS and private sectors. The medical market has increased in the last couple of years, especially since there's been less applications for doctors training, making it a busier place for locums.

How did you get into recruitment?

I fell into it. I started at ID Medical when I was 17 and learned about the job through my brother who worked for the company too. I couldn't see myself working in anything different.

What makes a good recruiter?

Someone who is willing to go the extra mile and provide a premier level service to candidates. You've also got to make sure you can deliver and follow through on your promises, giving adequate feedback and reassuring your candidates you're doing everything in your power to get the ideal job for them. A lot of candidates have my personal number and get in contact with me outside of work – it's all about them knowing you're there for them whenever they need you.

What piece of advice would you give to yourself on your first day?

I would tell myself that you must believe in your own abilities. You've got to be confident and know you've got plenty to offer. You never know how far this job will take you.

REC
Jobs transform lives

14 years of recruitment in 1 place

The REC's Recruitment Industry Trends interactive charts map the course of the recruitment industry over the past 14 years. They are free for all REC members to use.

Visit www.rec.uk.com/ritscharts for more.

Occupation	Total Volume
Secretary/Clerical	3472336
Other Industrial/B. Office	2207740
Technical/Engineering	1884708
Computing/IT	1420334
Other	1388057
Accounting/Finance	1249708
Health/Medical/Care	1073037
Drivers	834372
Professional/Managers	829042
Construction	817888
Health & Catering	798831



EU REFERENDUM DEBATE

THE REC HOSTED A DEBATE IN LATE FEBRUARY ABOUT THE UPCOMING EU REFERENDUM. HERE ARE SOME PICTURES FROM THE EVENING.

**WANT TO GET INVOLVED?
FIND OUT MORE AT
WWW.REC.UK.COM/EU-REFERENDUM**

Caption clockwise from top right:
Lucy Thomas, deputy director of Britain Stronger in Europe.
Jon Moynihan from Vote Leave.
Richard Maughan, head of campaigns at the CBI



IN THE ROUND COMES TO SOUTHAMPTON

Don't miss out on Scale Up: In the Round coming to Southampton on 13 April.

Join chief executive Kevin Green for an intimate and conversational update on the latest goings on in the industry. There won't be any PowerPoint presentations, but you will get to discuss the big issues shaping the market right now.

What will be covered?

Everything from issues in the East affecting recruitment, through to the wider economic and political landscape.

- How is the UK economy performing?
- What is being done about chronic skill shortages?
- Beyond the Seven secrets of successful recruitment entrepreneurs
- How to attract and keep top talent
- Jobs transform lives

Kevin will walk you through some of the challenges facing the industry and the opportunities that exist. Visit rec.uk.com/scaleup to find out more

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