

REPORT TO: Employment & Staffing
Committee

LEAD CABINET MEMBER: Cllr John Williams

LEAD OFFICER: Susan Gardner-Craig

11th September
2020

Retention and Turnover Report: Quarter 1 (Q1) 1 April – 30 June 2020

Executive Summary

1. This report provides an analysis of the turnover of staff between 1st April – 30th June 2020. The reason for this report and the regular reporting on an organisation's turnover is to highlight trends, inform recruitment decisions and enable SCDC to develop a resource strategy and/or to drive change in a team or area of the business and to ensure the achievement of the organisation's goals.

Key Decision

2. No

Recommendations

3. It is recommended that Employment and Staffing Committee note the report.
4. Some new reporting styles have been introduced into the Report (see Appendix A, B and C). Please provide feedback as to whether you prefer these charts, compared to the Existing Tables (see Appendix D).

Reasons for Recommendations

5. This information report forms part of the Employment and Staffing Committee framework for monitoring the Council's staffing resource.

Details

6. The Performance Indicator (PI) value for Q1 (1st April to 30th June) is 1.56% (based on a headcount of 575 on 1st April 2020). The quarterly target for voluntary leavers* is 3.25%¹.
7. The rate of all leavers (taking into account both voluntary and involuntary leavers) is 2.26% for Q1. (Including redundancies and end of fixed term contracts.)
8. We had intended to start reporting the Stability Index Value from Q1, however due to ongoing issues with Business Objects (HR reporting software), we were unable to do so for this report. We hope to be able to report this from Q2.
9. The Stability Index indicates the retention rate of experienced employees. This is calculated as:

$$\frac{\text{Number of staff with service of one year or more}}{\text{Total number of staff in post one year ago}} \times 100.$$
10. Information is recorded from Leavers Forms forwarded to HR/Payroll for processing. We are currently changing the Exit Interview process. Leavers before August 2020 should have had an Exit Interview with their Line Manager. From August 2020, employees can complete an online exit interview, and request a follow-up meeting with HR if they want to. This is following recommendations from the Q4 Report. We will keep this under review, looking at the results in Q2 and Q3 (first full quarter of new process).
11. For those leaving in this period, the HR team received 1 exit interview form (out of the 11 voluntary leavers), which is a return rate of 9.1%. There was a significant drop from 58.8% in Q4; and 43.6% across 2019-20. This can be attributed to the fact that as many managers were not in the office with their team, they did not see their staff in-person, and then they did not complete them remotely. HR has contacted managers to chase exit interview forms and will be raising any concerns with Leadership Team.
12. The exit interviews enable us to gain feedback from staff and establish why our employees have chosen to leave the organisation. In addition, exit interviews help to identify trends and areas of concern on which the Council can make improvements and improve the employee experience and level of engagement. The breakdown of reasons for leaving can be found at Appendix A. Appendix A is compiled from information contained in Leavers' Forms sent by Managers to HR.
13. We have been unable to provide much data we source from Exit Interviews, due to this low return rate. We hope with the introduction of the new online Exit Interview, this figure will increase over Q2 and Q3.

¹ Voluntary leavers do not include redundancies, ill health retirements, and ending of fixed term contracts or internal transfers. Voluntary leavers do include individuals who are leaving to access their pension (retirees).

14. There was a decrease in the number of voluntary leavers in this quarter. The number of involuntary leavers was the same compared to last quarter.
15. This would usually provide an overview of issues raised during the Exit Interview. However, as only one exit interview was received, it would not be possible to anonymise the data.
16. A section is included on the (old version) Exit Interview form for managers to provide detail on any actions they have taken as a result of the employee's feedback. The manager can also add comments in cases where the views of the manager may not be the same as the individual'. On the new forms, HR can still log issues raised as part of the new exit interview process, and record action taken/next steps, e.g. if it has been necessary to raise issues with the line manager.

Recruitment

17. Total number of staff who started new roles within the Council was 41. The number of staff joining the Council on a permanent or fixed term contract in the same quarter was 12. 29 members of staff changed positions internally. Please see Appendix C for further details.
18. There were 17 roles advertised in this period. 6 advertised in April, 3 in May and 8 in June. This is compared to 64 roles in Q4. 15 roles were appointed to, giving a vacancy fill rate of 88%. There were 2 roles that will need to be re-advertised; this was because there were no suitable candidates for these particular posts.
19. We have introduced a new Induction process for all employees. Since the implementation of the new HR induction and onboarding process we have had 27 new employees who have all had remote inductions with a member of the HR team. Follow up meetings between 2 & 4 weeks later indicate that not only do the employees feel they have a 'face' in HR to talk to, but Managers are also feeling the benefit, freeing them up to ensure the new employee settles into their role more effectively without the added stress of sorting out (e.g.) Annual Leave entitlement, flexitime sheets and processing lots of forms.
20. We have also started rolling out a "Manager Induction" training session, delivered remotely. This is for both new Managers new to the Council, and new Managers, promoted from within the organisation. This was originally rolled out earlier in 2020 to all GCSPS Managers and has been adapted for delivery across the Council.
21. The Recruitment Coordinator has been busy this quarter and there continues to be high volume of recruitment forecast for July – September, with a re-structure within the Waste & Environment Team. The Recruitment Coordinator is now preparing for future recruitment / advertising in the next quarter and looking at new ways of working with the managers to ensure a smooth and successful process.

Conclusion

22. The turnover rate is under the quarter target. Lockdown began towards the end of the quarter. The uncertainties around the economic climate and health and well-being may have had an impact on the lower turnover rate.
23. The number of staff who have internally transferred to new roles and are acting up within the Council is positive and shows that staff are keen to take on additional responsibilities and develop their skills and remain at the Council. Further analysis and review of information recorded as part of the performance review cycle will enable us to enhance and improve on this.
24. The Council has demonstrated it looks for new avenues to continue to recruit the best talent available by looking at alternative digital recruitment solutions and seeking to look at recruiting Apprentices. The Council has also streamlined its recruitment application process and offered incentives for applications, including Market Factor Supplements and a Golden Hello Bonus..
25. The Council continues to seek feedback into all aspects of the employee life cycle to make improvements to continue to support the retention of talent.
26. The Council, where appropriate, offers support to staff through flexible working policies and other options such as flexible retirement. For staff who experience health issues or have a disability, the Council has an Occupational Health service which supports staff to remain working at SCDC wherever possible.

Options

27. That the Employment and Staffing Committee either notes the report as presented or note it with the addition of appropriate comments.

Implications

28. In the writing of this report, taking into account financial, legal, staffing, risk, equality and diversity, climate change, and any other key issues, the following implications have been considered:

Financial

29. There are financial implications in terms of the costs of advertising and recruitment of replacement staff. There are also financial implications in respect of using temporary staff to cover work if standards of service are to be maintained.

Staffing

30. A certain level of turnover is healthy for an organisation as it enables new ideas and skills to be brought into the organisation. There will always be a natural number of leavers and this creates opportunities for reviewing job purpose and the skills and attributes that the organisation needs for the future. However, high turnover and the loss of important skills, knowledge and capacity can have a detrimental impact on staff morale and the Council's ability to deliver its business plan objectives.

Risks/Opportunities

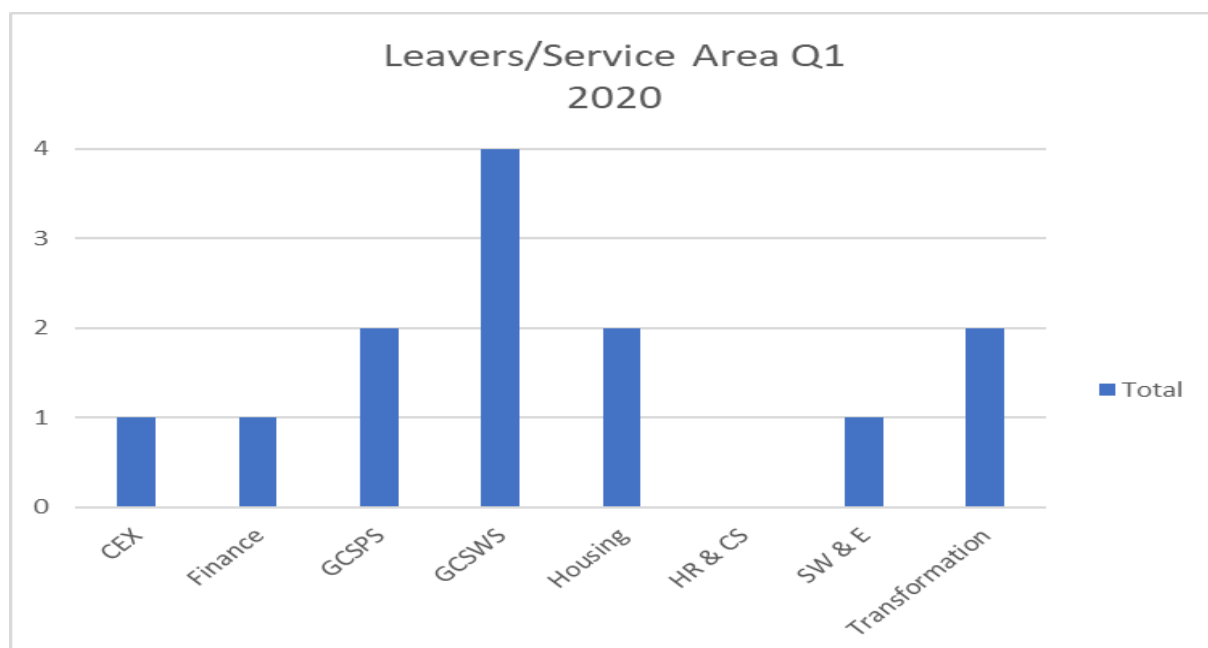
31. The council will seek to mitigate and eliminate risks associated with employment relations matters for example, change management, case management and involuntary leavers.
32. Current identified risks in relation to recruitment challenges are included on the risk register. The council continually reviews measures to mitigate this risk.
33. Proposed changes to the Government Pension Scheme (LGPS) and caps on Public Sector exit payments mean we will need to be mindful when dealing with succession planning and change management.

Equality and Diversity

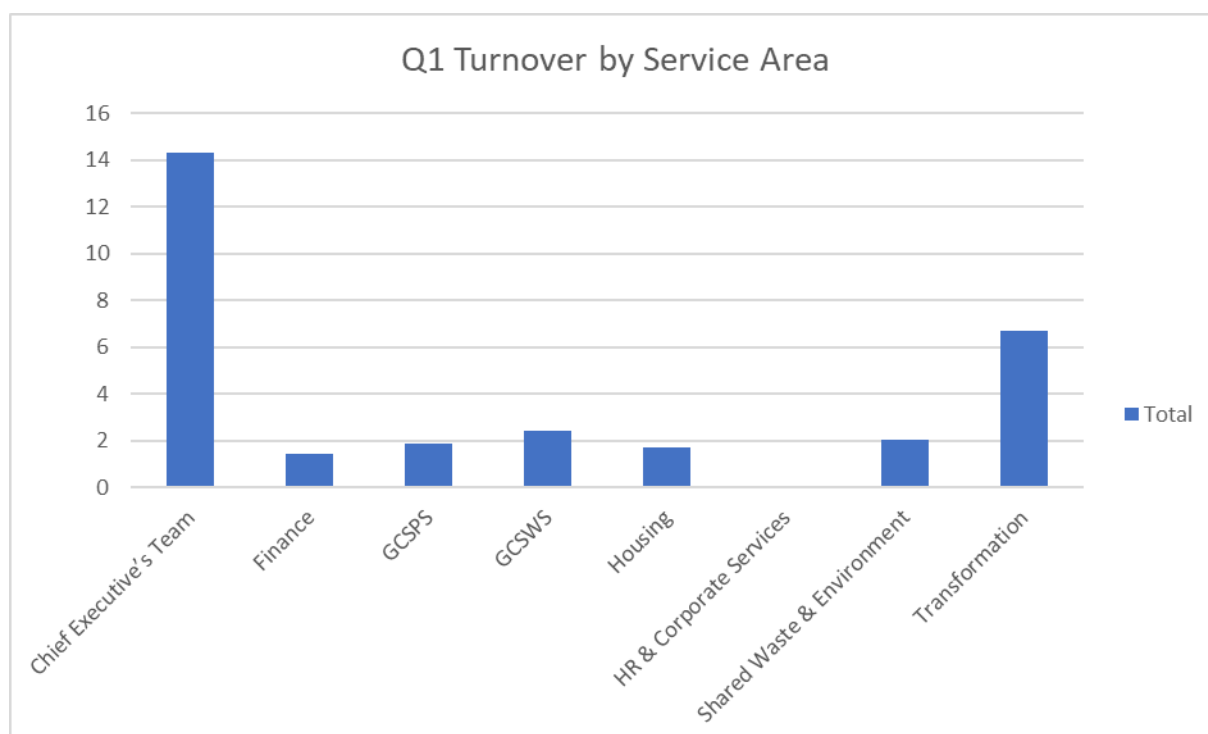
34. At present limited monitoring is done on the diversity of voluntary leavers.

Appendix A - 2020

Leavers/Service Area for Q1

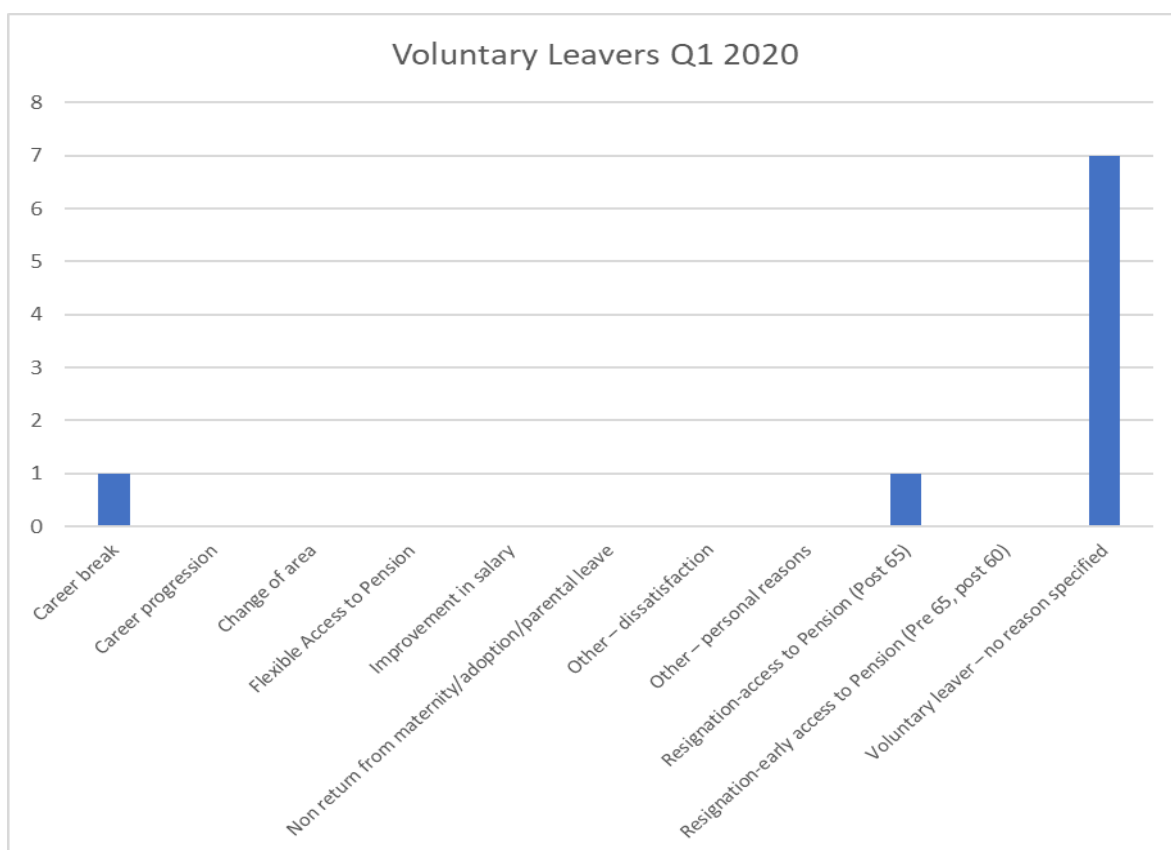
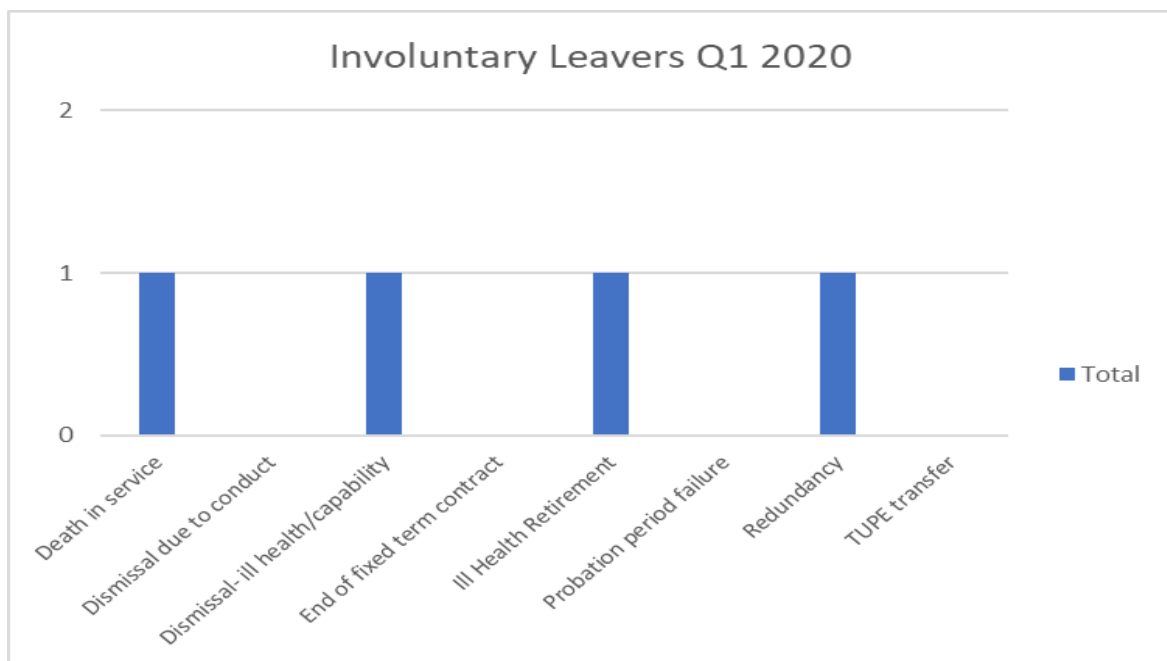


Q1 Turnover by Service Area

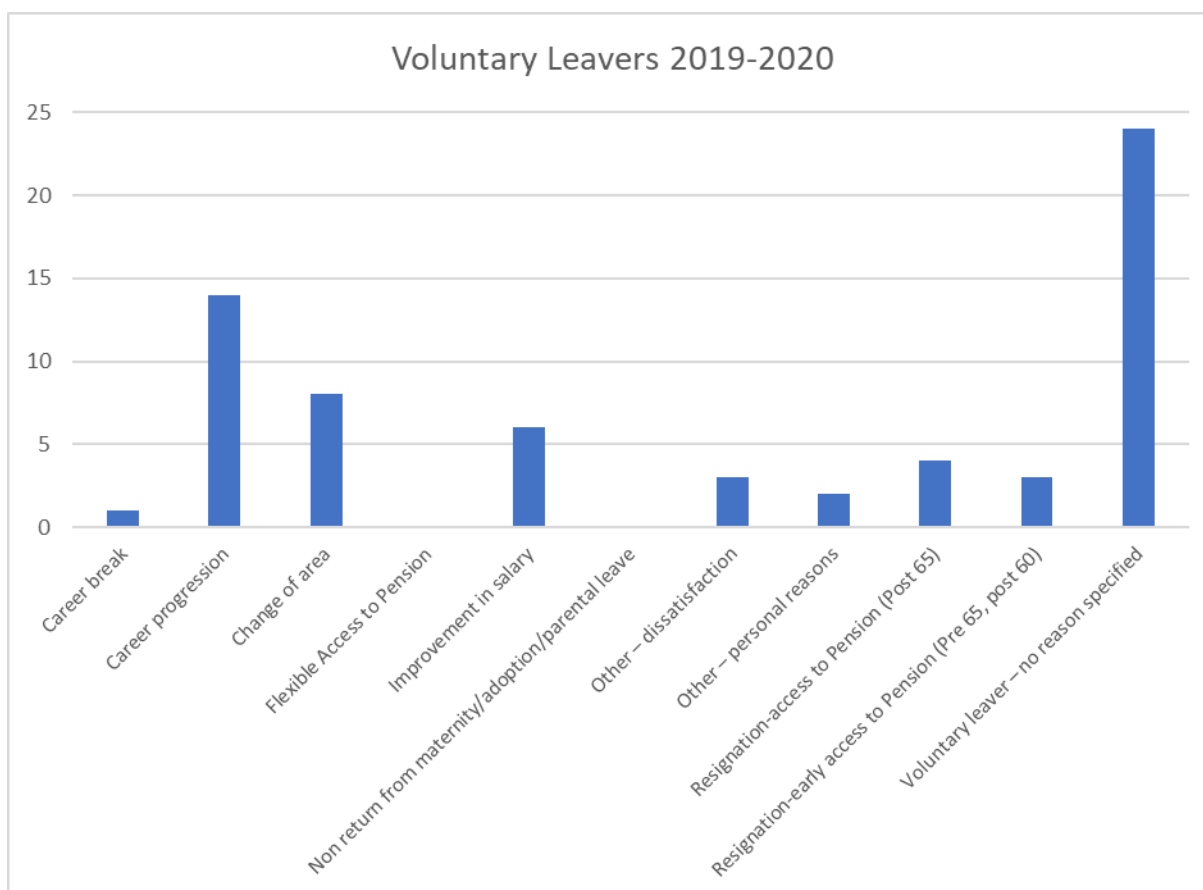
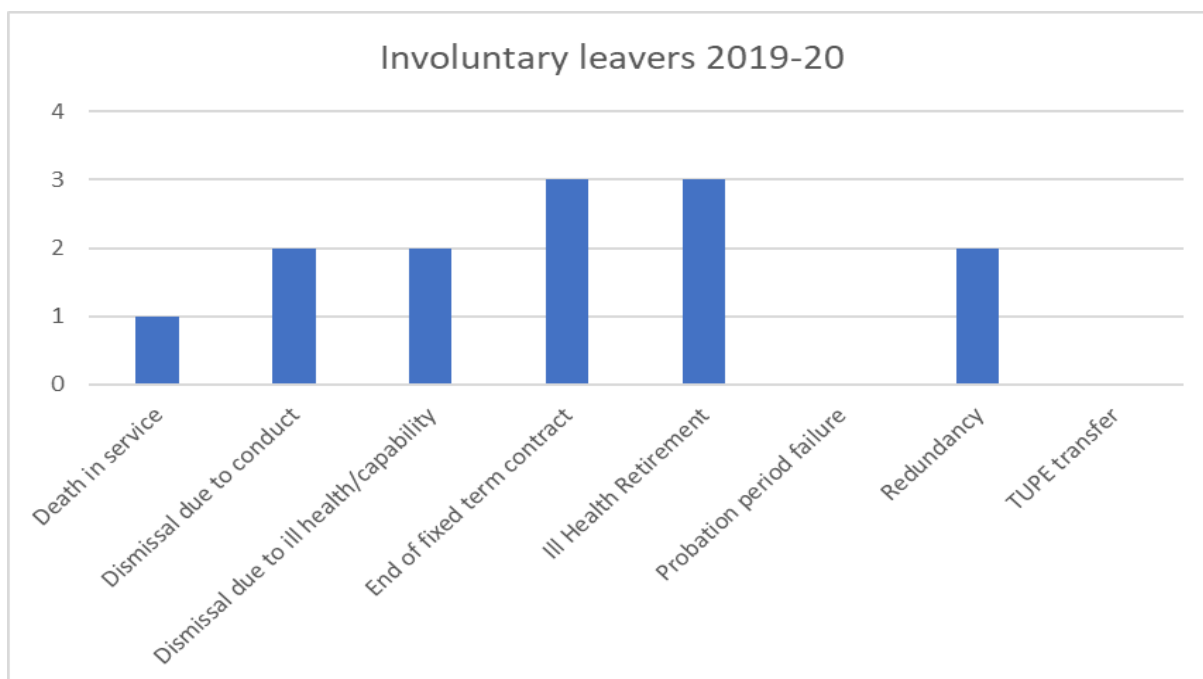


(This shows all Leavers – Voluntary and Involuntary)

Reason for leaving



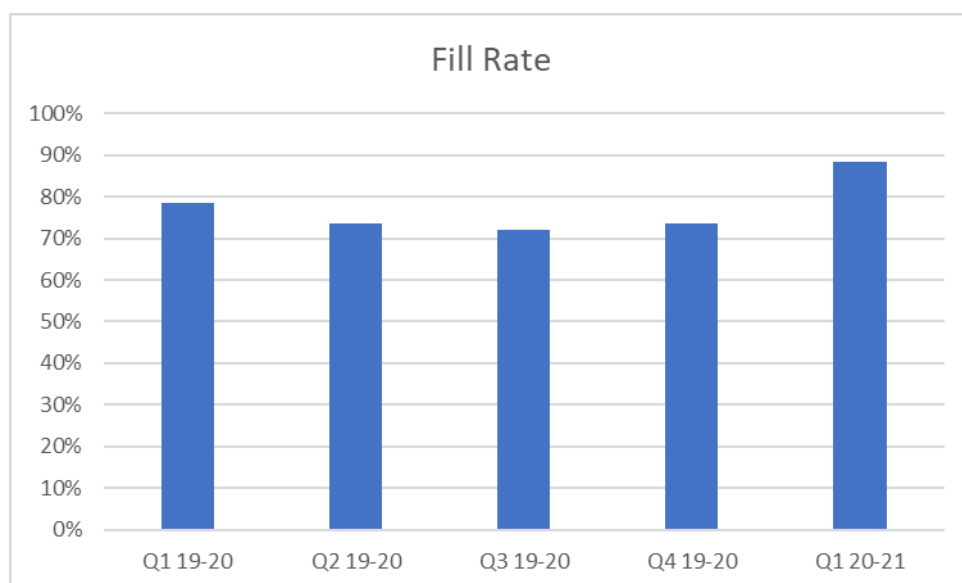
Appendix B – 2019-2020



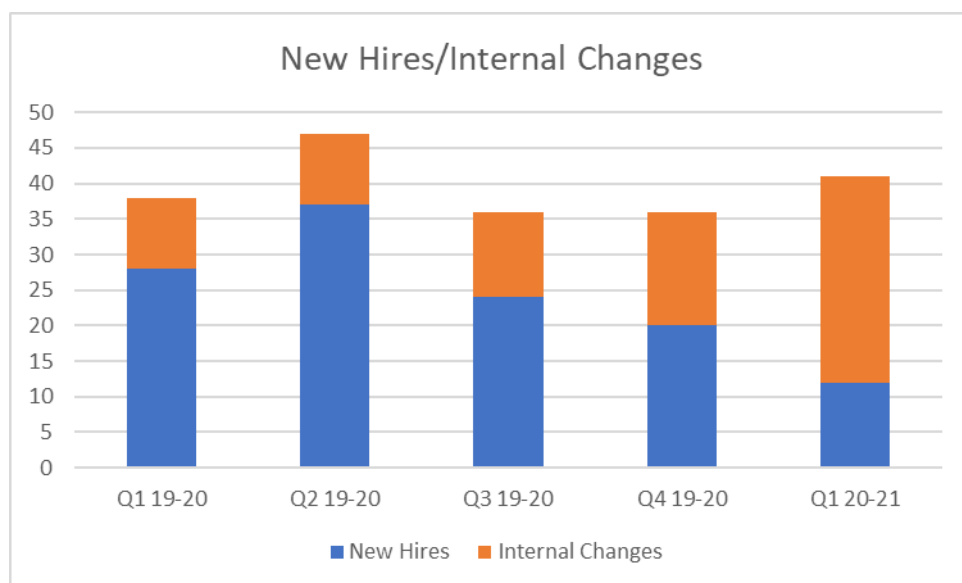
Appendix C – Recruitment

C.1 – Vacancy Fill Rate:

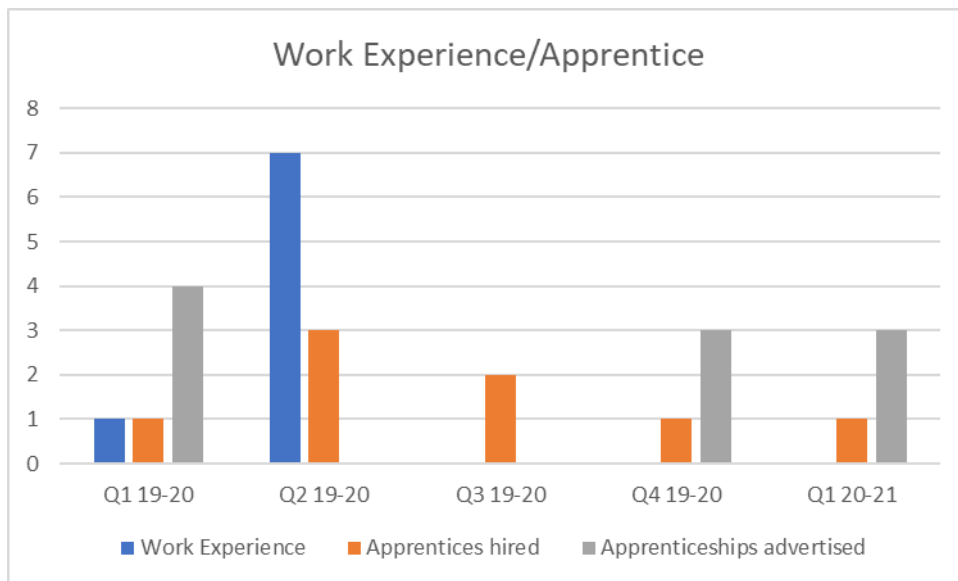
% of posts recruited successfully.



C.2 New Hires/Internal Changes

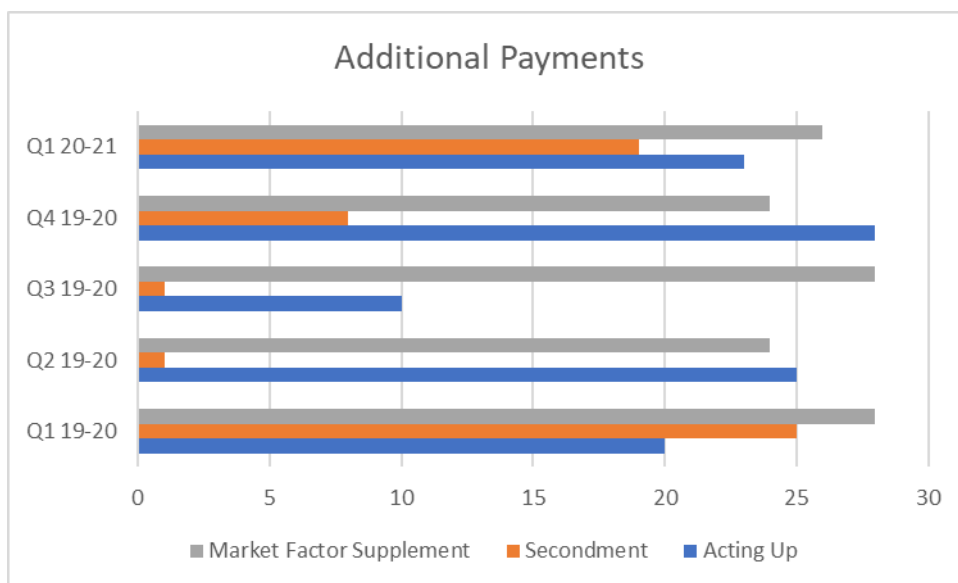


C.3 Work Experience students/Apprenticeships advertised/Apprentices started



Note – two Apprentice vacancies are on hold due to the Covid-19 outbreak.

C.4 Additional Payments distributed



Note that no Golden Hello Bonuses were paid in this Quarter. 1 role (Refuse Loader) was advertised, with 6 new hires, who will receive their Golden Hello Bonus upon the successful completing of their Probationary Period.

Appendix D

Table for Quarters 1 to 4 2019-20, Quarter 1 2020-21

Reason for leaving	2019-20	Q1
Voluntary leavers		
Change of area	8	
Improvement in salary	6	
Career progression	14	
Career break	1	1
Non return from maternity/adoption/parental leave		0
Voluntary leaver – no reason specified	24	7
Resignation with early access to Pension (Pre 65, but post 60)	3	0
Resignation with access to Pension (Post 65)	4	1
Flexible Access to Pension (left w. pension access, but returned on reduced hours/post)		0
Other – personal reasons	2	
Other – dissatisfaction	3	
Total Voluntary Leavers	65	9
Involuntary leavers		
Redundancy	2	1
Dismissal due to ill health/capability	2	1
Dismissal due to conduct	2	
End of fixed term contract	3	
Ill Health Retirement	3	1
Probation period failure		
TUPE transfer		
Death in service	1	1
Total Involuntary	13	4
Grand Total	78	13

Table showing Leavers 2020-2021; breakdown by Service Area

Service Area	Q1	Q2	Q3	Q4	Total
Chief Executive's Team	1				
Finance	1				
GCSPS	2				
GCSWS	4				
Housing	2				
HR & Corporate Services	0				
Shared Waste & Environment	1				
Transformation	2				
Total	13				

Table showing Leavers 2020-2021; breakdown by Service Area as a % of the total workforce

Service Area	Q1	Headcount	Turnover %
Chief Executive's Team	1	7	14.3
Finance	1	70	1.43
GCSPS	2	106	1.89
GCSWS	4	166	2.41
Housing	2	118	1.69
HR & Corporate Services	0	29	0
Shared Waste & Environment	1	49	2.04
Transformation	2	30	6.67

Table showing Leavers 2019-2020; breakdown by Service Area

Service Area	Q1	Q2	Q3	Q4
Health & Environmental Services	0	1	2	3
GCSWS	4	7	9	5
GCSPS	8	4	3	6
Affordable Homes	4	4	1	4
Revenues & Benefits	1	0	0	1
Finance, Policy and Performance	0	0	0	0
Business & Customer Services	1	0	1	2
Chief Executive's Team	0	0	0	0
HR	0	2	0	0
Democratic Services including Elections	1	0	0	0
Facilities	0	0	0	0
Total	19	18	16	21

Table showing reasons for leaving (Previous 5 years, and YTD)

Reason for leaving	04/15 – 03/16	04/16 – 03/17	04/17 – 03/18	04/18 – 03/19	04/19 – 03/20	04/20 – 03/21
Voluntary leavers						
Change of area	2		2	2	8	
Move within public sector	8	1	7	4		
Move to private sector	6	1	4	9		
Improvement in salary	1		1	2	6	
Career progression	1		3	9	14	
Career break	1			1	1	1
Voluntary leaver – no reason specified	10	38	24	30	24	7
Resignation to retire pre 65	n/a	n/a	n/a	n/a	n/a	
Women retiring post 60 but pre 65	n/a	n/a	n/a	n/a	n/a	
Retirement pre 60 with Council agreement	n/a	n/a	n/a	n/a	n/a	
Other – personal reasons	3			3	2	
Other - dissatisfaction					3	
Resignation with early access to pension (pre 65 but over 60)	1	1	1	2	3	
Resignation with access to pension (over 65)	6	6	2	1	4	1
Flexible access to pension (left w. pension, returned P/T)		1		0	0	
Total Voluntary Leavers	46	48	44	63	65	9
Voluntary leavers but not included in PI	n/a	n/a	n/a	n/a	n/a	
Retirement at 65 or post 65 (change in legislation Dec 2006)	n/a	n/a	n/a	n/a	n/a	
Flexible retirement – (left w. pension, returned P/T)	n/a	n/a	n/a	n/a	n/a	
Total Voluntary but not included in PI	0	0	0	0	0	
Involuntary leavers						
Redundancy		2	2	3	2	1
Dismissal due to ill health	3		1	3	2	1
Dismissal due to conduct		2	2	3	2	
End of fixed term contract	1	4	2	2	3	
Ill health retirement			1	4	3	1
Probation period failure				0		
TUPE transfer	22			0		
Death in service		3		1	1	1
Total Involuntary	26	11	8	15	13	4
Grand Total	72	59	52	78	78	13

Report Author:

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