



Report to:	Employment and Staffing Committee 8 September 2022
Lead Cabinet Member:	John Williams
Lead Officer:	Jeff Membery

RETENTION AND TURNOVER REPORT: QUARTER 1 (Q1) 1st April 2022 – 30th June 2022

Executive Summary

1. This report provides an analysis of the turnover of staff between 1st April 2022 and 30th June 2022. The reason for this report is to highlight trends, inform recruitment decisions and enable SCDC to develop a resource strategy, 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 the Employment and Staffing Committee note this report.

Reasons for Recommendations

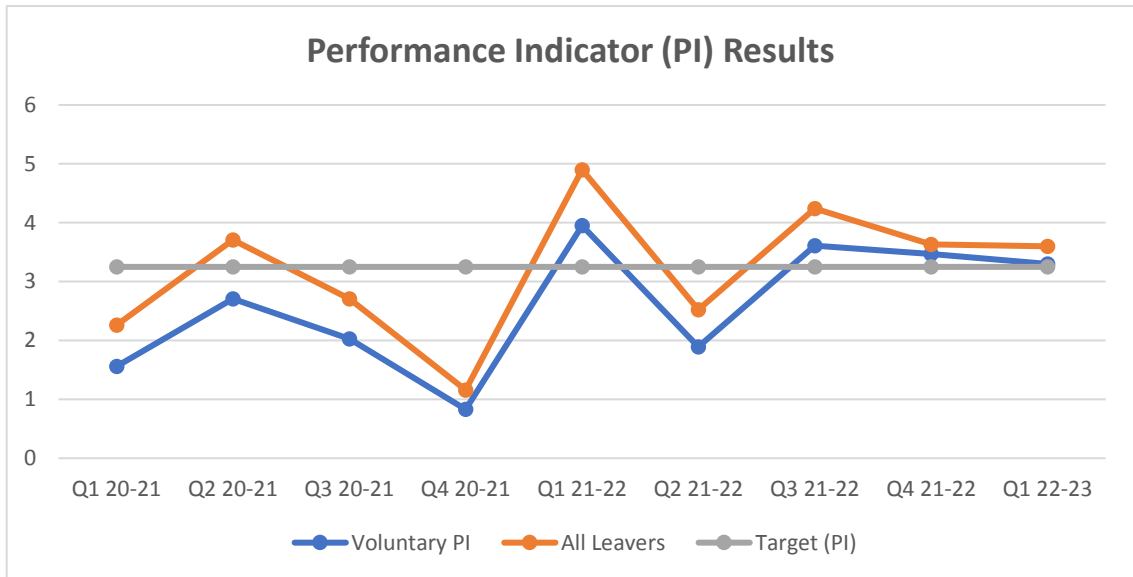
4. This information report forms part of the Employment and Staffing Committee framework for monitoring the Council's staffing resource.

Details

5. The Performance Indicator (PI) value for Q1 1st April – 30th June 2022 is 3.60 % (based on an average headcount of 637). This equates to a combined total of 23 leavers: 19 voluntary and 4 involuntary leavers. In Q4 1st January 2022 -

31st March 2022 the PI value was 3.63% (based on a average headcount of 634). The quarterly target for voluntary leavers* is 3.25%¹.

Chart 1



6. See **Chart 2** for the breakdown of Leavers and Turnover by Service Area.
7. The Stability Index indicates the retention rate of experienced employees. This is calculated as:

$$\frac{\text{Number of staff with service of one year or more}}{\text{Total number of staff in post one year ago}} \times 100.$$

The Stability Index is 86.53%. This means that since last year 13.47% of staff have either started new internal roles or have left their employment with the Council. We will be able to provide further analysis and comparisons as the year progresses. A suggested target for this index is 80%. This implies there are regular progression opportunities, but organisational knowledge is not being lost through excessive turnover.

8. There was a small decrease in the number of voluntary leavers in Q1, following on from a small increase in Q4. There were no redundancies in Q4 and 1 in Q1. **Q1 Reasons for Leaving² - see Charts 3 and 4.**
9. Information is recorded from Leavers Forms input on iTrent. The Exit interview invite is sent out to each leaver once the leavers paperwork is received.

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).

² More than one reason can be chosen at the exit interview.

For those leaving in Q1, we received 19 exit interview forms from 23 leavers; in Q4 we received 19 exit interviews from 23 leavers. The return rate for Q1 was 83% and for the last year is shown in the table below:

Q1 2022 – 23	83%
Q4 2021 – 22	83%
Q3 2021 – 22	89.3%
Q2 2021 – 22	83.3%
Q1 2021 – 22	44%

This figure is almost double that received in 2019-20 and just over double that received in 2020-21

10. The exit interviews enable us to gain feedback from staff and establish why our employees have chosen to leave the organisation and take immediate action on any issues raised. 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. See **Charts 5 and 6** for a summary of the responses including two important feedback questions “rate your perception of SCDC as an employer against a range of factors and “would you consider working for SCDC again?”.
11. We are now able to include information relating to Joiners: see **Chart 7 – Joiners per Service Area**.

Recruitment

12. Please see **Charts 8, 9 ,10 and 11** for Recruitment info. It should be noted that the number of roles advertised fell by about a third from 103 in Q4 to 69 in Q1.
13. In Q1 11 posts were re-advertised in this period. 2 were successfully filled and 2 posts were readvertised in Q2 and 4 have been put on hold. We have 3 interviews arranged for Q2 for the apprentice roles. In Q4: 12 posts were re-advertised in this period. 4 were successfully filled and 5 were re-advertised in Q1 and 3 have been put on hold.
14. We have struggled to fill Apprenticeship roles with a lack of candidates in the market. 4 Apprentice positions were advertised with interviews taking place in Q2.
15. For the first time in 2 years (following Covid), we will be taking on 6 work experience placements and are currently working closely with local schools to continue this.
16. We have advertised a Graduate role through the LGA (Local Government Association) National Graduate Development Programme later this year, to start in September 2022.

17. Concerns around retention particularly at GCSWS have led to an introduction of a Retention Scheme in Q3. This is targeted at Drivers, who will receive payments of £2400 over a 2-year period, at quarterly intervals. During Q1 37 Drivers received payment. 2 signed up in Q4.
18. For Q4 and Q1, the number of temporary workers (agency) in each department was as follows:

Service Area	Q4 (% of total agency workers)	Q1 (71)
GCSPS	29 (34.9%)	16 (23%)
Transformation	6 (7.2%)	4 (6%)
Finance	6 (7.2%)	2 (3%)
Housing	1 (1.2%)	1 (1%)
SW&E (excl GCSWS)	2 (2.4%)	2 (3%)
GCSWS	39 (47.0%)	46 (65%)
Economic Development & Investment	0	0

19. Since January 2021 the recruitment team has been working to create a new Casual Worker Bank to support the Council to reduce agency fees. In this Q1, 11 new casual workers started and in Q3, 5 new casual workers started within posts that would normally be filled with an agency worker, reducing our agency spend. We are working to add more workers to the bank to enable a pool of skilled talent that we can call upon.
20. Golden Hellos, Market Supplements and an employee referral scheme are all in use to improve both the quality and number of candidate applications. In Q1 4 roles were appointed to with a Golden Hello and 4 with a Market Supplement. In Q4 1 Golden Hello Payment was made and 3 roles were appointed to with a Golden Hello
These employees will receive their Golden Hello Payments upon the successful completion of their probationary periods.
21. The Recruitment Coordinators have been busy during this quarter and there continues to be high volume of recruitment forecast for July to September. The Recruitment Coordinators are now preparing for future recruitment and the implementation of the Recruitment module within the new HR System.
22. A new HR induction and onboarding process was implemented during Q2 2021-2 with new employees having remote inductions with a member of the HR team. This includes follow up meetings between 2 & 4 weeks later. Employees have given positive feedback that they are able to speak to a 'face' in HR. Managers are also supported as new employees are helped to settle into their new roles without having the added stress of sorting out annual leave entitlement, flexitime sheets and processing lots of forms.

23. HR deliver Manager Induction training sessions, currently remotely. This is both for newly promoted managers and new recruits to the Council. The intention is to run these sessions quarterly, and there are further sessions planned for 2022-2023. In Q1 9 managers attended manager training. More sessions are planned for Q2.
24. The Council is currently finalising its Apprenticeship strategy. We have separated the Apprenticeship data, so that we can identify external, new hire Apprentices and existing staff who are undertaking an Apprenticeship. See **Chart 11** for the detail. We have 1 Internal Apprenticeship who started in Q1. We have advertised Apprenticeships in both Quarters however, have found it difficult to recruit. We are exploring opportunities to advertise our roles more widely and looking at options including Traineeships.

Wider Context

25. The most recent Labour Market Report³ from the CIPD was published in early 2022. Recruitment difficulties are increasing, as we can see in our data as well as in the Labour Market Report. Almost half employers are reporting hard-to-fill vacancies, particularly when filling low-skilled vacancies. Our fill rate was 63% for Q1. We introduced new Retention measures in Q3 affecting GCSWS, highlighted in the Report. Other organisations are taking positive action to attract the best candidates raising pay, advertising more jobs as flexible and upskilling existing staff. Almost half of employers (46%) have hard-to-fill vacancies, including 52% in the public sector. Recruitment intentions with employers remain high, in line with pre-pandemic levels.
26. This shows that the challenges we are facing in Recruitment and Retention are mirrored in the wider context. The number of roles we advertised, particularly in Q4 at 103, is very high, and goes some way to explain why the fill rate dropped between Q4 and Q1.

Equality and Diversity

27. The new iTrent HR system enables reporting on the diversity of all joiners and leavers by age, ethnicity, gender, disability and religion. We don't have 2021 Census data to compare this to yet. However, the reporting of Leavers data is a very manual process. This is in contrast to the Joiners breakdown, which is produced as part of the Analytics Package.

Conclusion

28. The turnover rate has slightly increased since Q4.
29. The most common reasons for voluntary turnover cited in exit interviews were linked as they included more career progression, higher salary and personal reasons.

³ [Labour Market Outlook: Winter 2021](#)

30. The number of roles decreased by a third Q4 to Q1.
31. The number of staff who internally transferred to new roles was higher than Q4. This demonstrates that staff are keen to 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.
32. The Council has demonstrated it looks for new avenues to continue to recruit the best talent available by pursuing alternative digital recruitment solutions and recruiting Apprentices. The Council has also streamlined its recruitment application process and offered incentives for applications, including Market Factor Supplements and Golden Hello Payments.
33. The Council continues to seek feedback about all aspects of the employee life cycle to make improvements to continue to support the retention of talent.
34. 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

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

Implications

36. 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

37. 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

38. 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 an 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

39. The council will seek to mitigate and eliminate risks associated with employment relations matters for example, change management, case management and involuntary leavers.

40. Current identified risks in relation to recruitment challenges are included on the risk register. The council continually reviews measures to mitigate this risk.

41. Proposed changes to the Local 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.

Alignment with Council Priority Areas

A modern and caring Council

42. By monitoring Retention and Turnover levels, and making any necessary recommendations, we can ensure that the Council is structured and appropriately resourced to deliver the ambitions of our communities.

Appendices

Appendix A: Q1 22-23 Turnover Charts.

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Chart 2 – Leavers by Service Area

Org Structure	Ave Headcount Previous Qtr	Ave Headcount Current Qtr	Leavers in Period Previous Qtr	Leavers in Period Current Qtr	Turnover Previous Qtr	Turnover Current Qtr
Executive	15	16.7	0	0	0.00%	0.00%
Finance	73.7	75	1	0	1.35%	0.00%
Housing	126	124.3	0	1	0.00%	0.79%
Shared Planning	119.7	119.7	8	6	6.84%	4.98%
Shared Waste and Environment	212	212.3	9	10	4.23%	4.74%
Transformation, HR and Corporate Services	87.7	89.3	5	6	5.59%	6.63%
Total	634	637.3	23	23	3.63%	3.60%

Chart 3 – Q1 Voluntary Reasons for Leaving

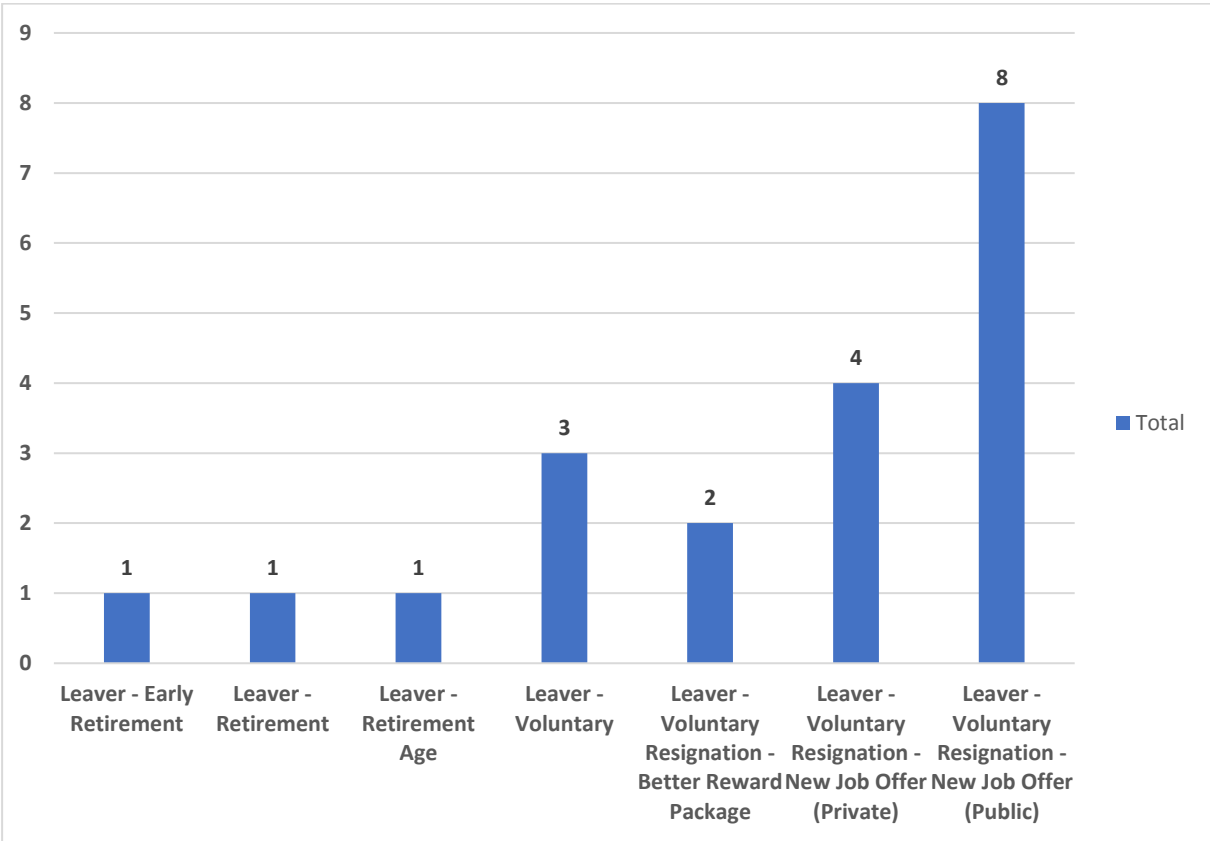


Chart 4 – Q4 Voluntary Leaver reasons

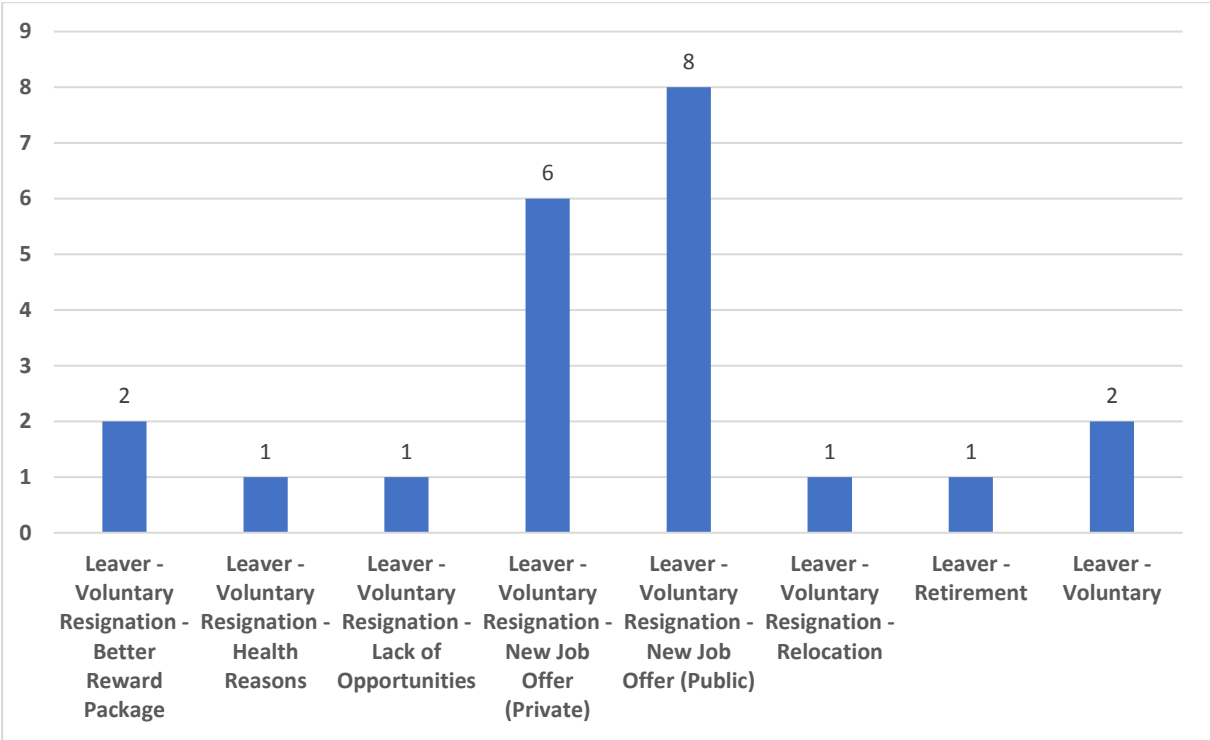
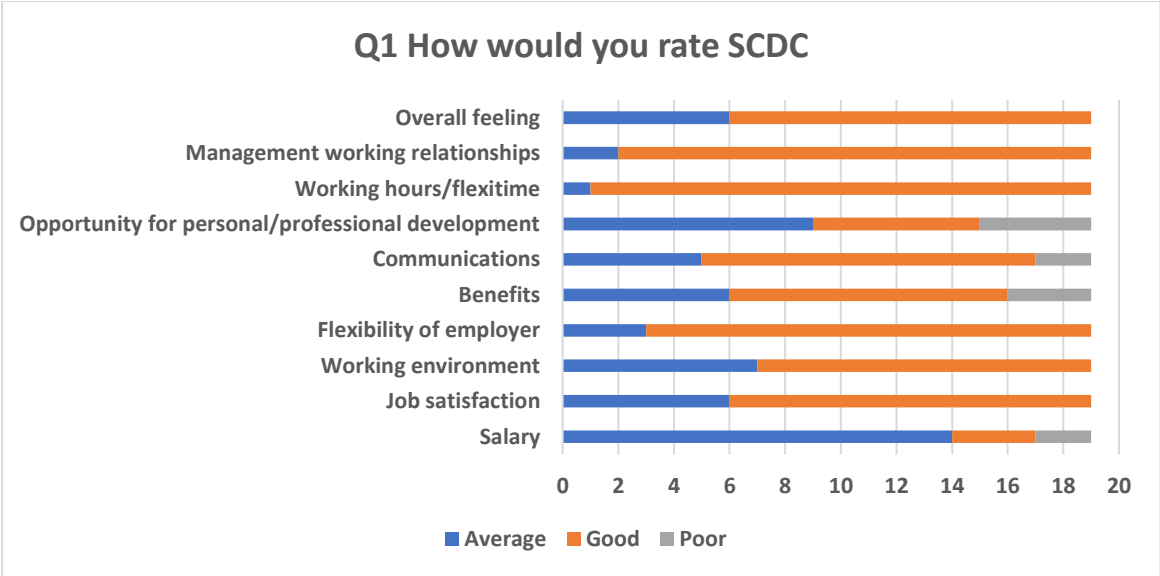


Chart 5 – Q1



Q1 Would you consider working for the Council again?

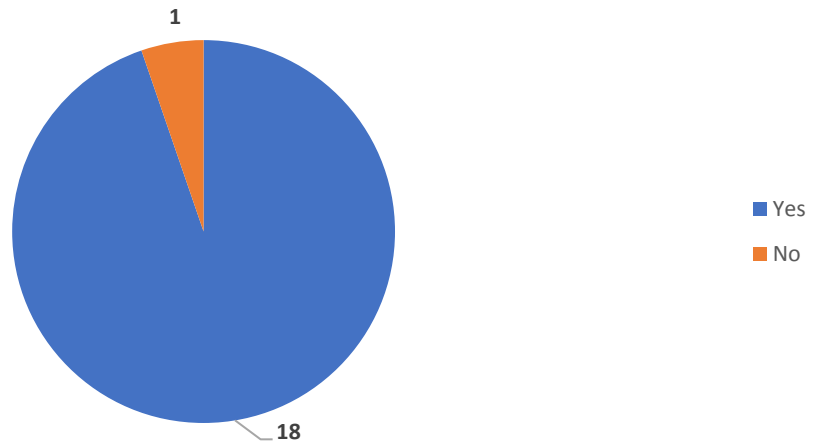


Chart 6 – Q4

Q4 How would you rate SCDC



Q4 Would you consider working for the Council again?

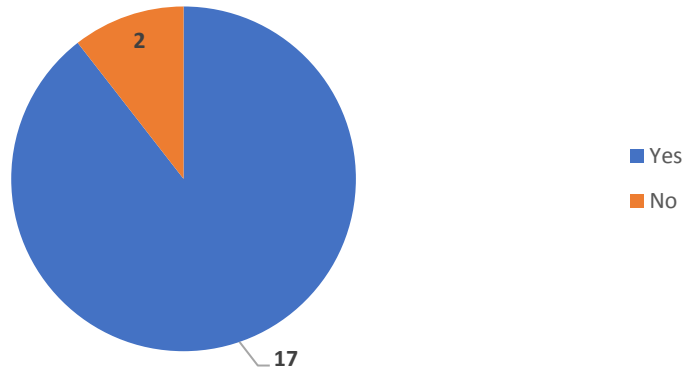


Chart 7 – Q1 Joiner by period in Service area

Org Structure	Joiners in Period Previous Qtr	Joiners in Period Current Qtr	Variance
Executive	0	0	0
Finance	0	1	+ 1
Housing	4	2	- 2
HR and Corporate Services			
Shared Planning	1	8	+ 7
Shared Waste and Environment	13	11	-2
Transformation, HR and Corporate Services	4	5	+ 1
Total	22	27	

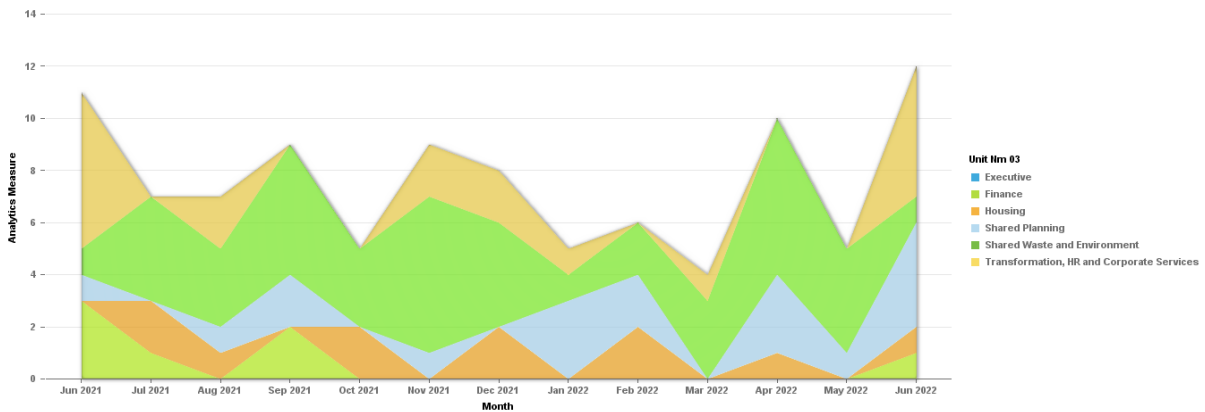


Chart 8 – Q1 Fill rate

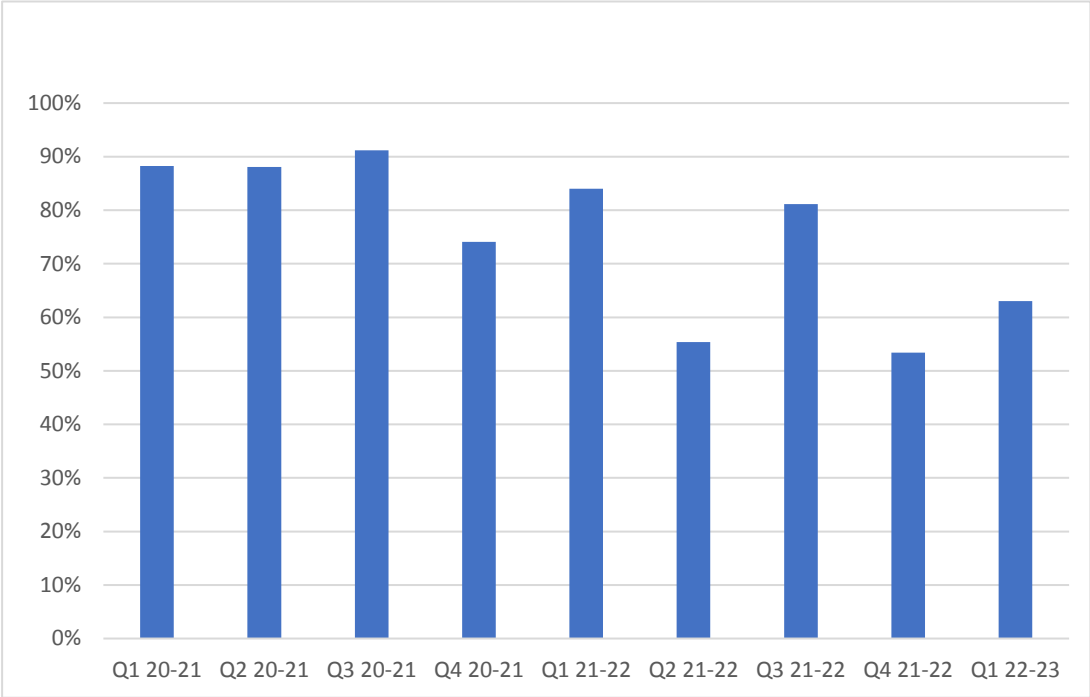


Chart 9 – Q1 New Hires/Internal Changes

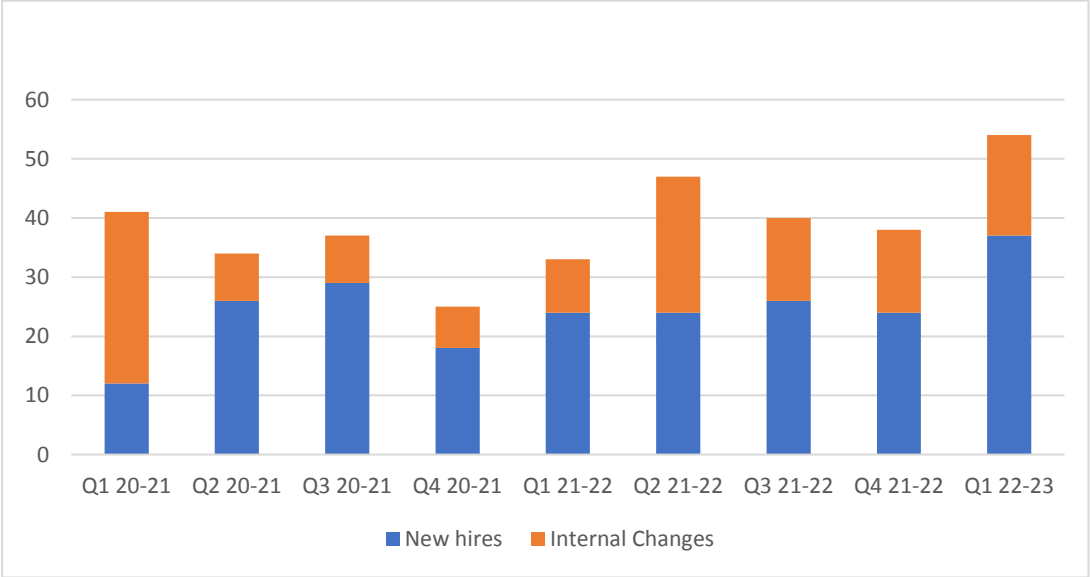


Chart 10 – Additional Payments

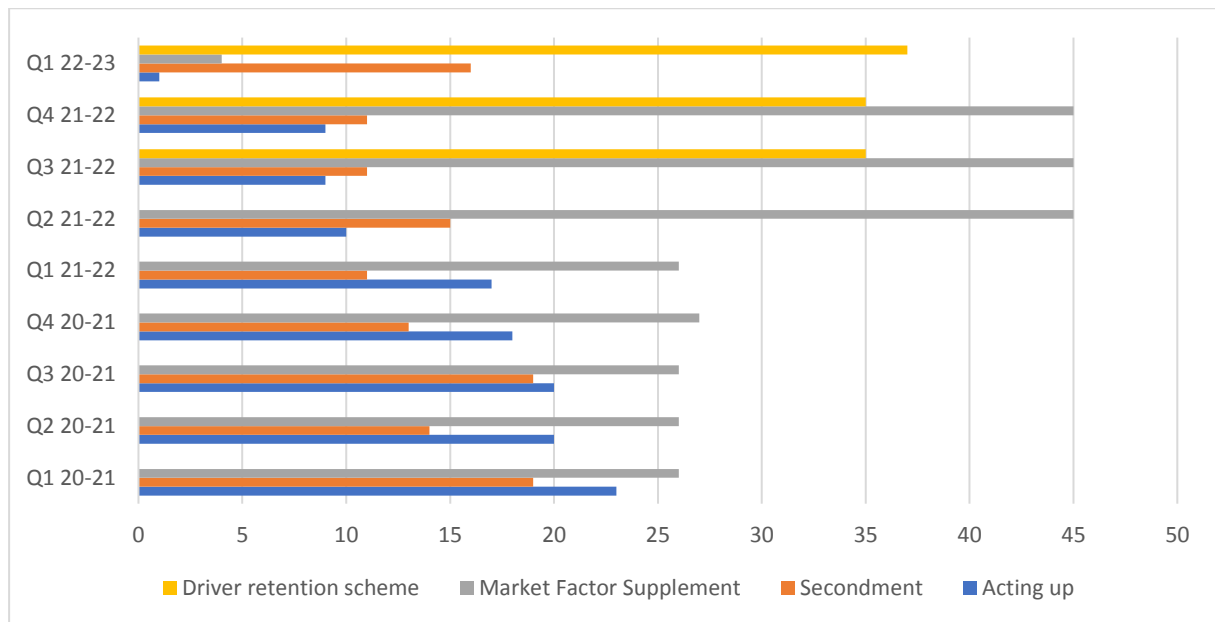


Chart 11 Work Experience/Apprenticeships



Chart 12 – Apprenticeship in progress

Apprenticeship title	Service					Grand Total
	Finance	GCSPS	Housing	Shared Waste & Environment	Transformation	
Associate Project Management					2	2
Business Administrator			1			1
Chartered Manager's Degree					1	1
Chartered Town Planner		1				1
Counter Fraud Investigator	1					1
Customer Service practitioner					2	2
Department/Operations Management		2		1		3
HR Support					1	1
Junior Content Producer					1	1
Procurement	1					1
Senior Leader		2	1			3
Team leader/supervisor	1			1		2
Grand Total	3	5	2	2	7	19