

## **RETENTION AND TURNOVER REPORT: Q2 – 1 July 2018 – 30 September 2018**

### **Purpose**

1. This report provides an analysis of the turnover of staff between 1<sup>st</sup> July 2018 – 30<sup>th</sup> September 2018. 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.
2. This is not a key decision because it is for information only.

### **Recommendations**

3. It is recommended that the Employment and Staffing Committee note the report and actions taken following exit interviews.

### **Reasons for Recommendations**

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

### **Background**

5. The Performance Indicator (PI) value for Quarter 2 (1<sup>st</sup> July – 30<sup>th</sup> September 2018) is **3.9%** (based on a headcount figure of 564 at 1<sup>st</sup> July 2018). The quarterly target for voluntary leavers is 3.25%<sup>1</sup>.
6. The rate of all leavers (taking into account both voluntary and involuntary leavers) is 4.43% for Q2. (Including redundancies and end of fixed term contracts.)
7. Information is recorded from Leavers Forms forwarded to HR for processing. Exit Interviews are compulsory for all leavers (unless inappropriate – for example in the case of Dismissal due to disciplinary or capability issues).
8. In Q1, only 5 leavers (33.3%) had exit interviews. In Q2, this number has increased to 14 leavers (63.64%). This is a positive increase, and has enabled us to gain more feedback to establish why staff 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. Managers are expected to carry out exit interviews and completion will be encouraged by HR. The employee can request to have their exit interview with a member of the HR team. The HR Team are reviewing the Leavers'

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<sup>1</sup> 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).

process, and will be following up with line managers when Exit Interviews are not received, to establish the reason for this.

9. The breakdown of reasons for leaving can be found at Appendix 1.
10. There was an increase in the number of voluntary leavers compared to last quarter and a decrease in the number of involuntary leavers.

### Considerations

11. Appendix A is compiled from information contained in Leavers' Forms sent by Managers to HR/Payroll.
12. The following information was gathered from the exit interviews during which employees raised issues pertaining to and, any action taken by the manager/HR. In some instances, staff have asked for some of the issues they have raised in the Exit Interview to not be made known to their manager.

Issue raised	Action taken by manager/HR
Lack of career progression, either from their current role, and across the organisation	Proposals have been made in the OD strategy.
Issues raised re individual managers/working environment	Feedback given to managers
Professional fees not paid	Professional fees are now paid under the 2018-19 pay agreement. This is an average cost of £343/officer.
Communication during Phase 1 of GCSPS	Feedback considered as part of the Phase 2 Consultation..

13. A section has been added to the 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's. We hope that this will improve the quality of information in the future.

## Recruitment

14. The number of staff joining the Council on a permanent or fixed term contract in this quarter was 36.
15. 14 members of staff changed positions internally.
16. Total number of staff who started new roles within the council was 22.
17. There were 3 external candidates who were working as agency temporary workers and started permanent contracts within this quarter.
18. 17 members of staff were acting up in the period.  
2 members of staff were on secondment outside of the Council.  
29 members of staff are in receipt of a market supplement.
19. 2 apprentices started with the Council this quarter and we continue to speak with recruiting managers about opportunities for new posts or opportunities within their team to start an apprenticeship. There are 5 apprentices currently in post. We will be advertising a minimum of 3 apprenticeship vacancies within the next quarter. We are currently developing a proposal regarding Management Apprenticeships, which we intend to publish in Q4. The aim is for this to increase development opportunities and learning pathways within the Council.
20. There were 6 work experience students within this period, who worked in Housing, Health & Environmental Services, Facilities and Revenues & Benefits.
21. There were 29 roles advertised in this period. 12 advertised in July, 9 in August and 8 in September.
22. 20 roles were appointed to, giving a vacancy fill rate of 68.9%
23. There were 9 roles that will need to be re-advertised; this was because there were no suitable candidates for these particular posts. There are 2 roles which are currently at shortlisting or interview stage.
24. The Recruitment Coordinator has been actively engaged with recruiting managers to advertise jobs from across the Council. She is now preparing for future recruitment / advertising in the next quarter. Review of Recruitment and Retention working group took place in October 2018 and as a result, actions are being taken forward which include changes to the Online Application process and promotion of benefits available to employees. Actions will be carried out during quarter 3 and updates will be provided within the next quarterly report.
25. Corporate Training was carried out this quarter in the following areas:
  - Equality, diversity and mental wellbeing
  - Identifying and managing challenging behaviours
  - Developing resilience during change
  - Investigation training for line managers
  - Pre-retirement
  - Managing remote and flexible workforces
  - Working in a remote and flexible workforce

## **Conclusion**

26. The turnover rate is over the target, but within the tolerance. This is an increase on Q1, and when looking at the reasons given, a significant number of the voluntary leavers (8 of 22 – 36%) have moved to the private sector. Career progression was cited as the primary reason for 3 leavers, and secondary reason for 1 leaver. 3 leavers moved within the public sector. It should be noted that a high turnover rate presents a risk to Council.
27. The number of staff who have internally transferred roles and are acting up or on secondments within the Council is positive and shows that staff are keen to develop their skills and remain at the Council. Further analysis and review of information recorded as part of the individual performance review cycle will enable us to enhance and improve on this.
28. The Council continues to explore mediums to attract and recruit the best talent available by utilising alternative digital recruitment solutions and recruiting Apprentices
29. The Council continues to seek feedback into the all aspects of the employee life cycle to make improvements to continue to support the retention of talent. In this Quarter, we have completed a Salary Review/Benchmarking programme within GCSPS. We have rolling adverts in place across GCSPS and GCSWS. We can look at taking these forward in different Service Areas across the Council. Further feedback regarding the employee life cycle will be gathered through the employee survey later on this year.
30. 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**

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

## **Implications**

32. In the writing of this report the author has taken account of the following implications:

### ***Financial***

33. 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***

34. 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.

## ***Risk Management***

35. The council will seek to mitigate and eliminate risks associated with employment relations matters for example, change management, case management and involuntary leavers.
36. Current identified risks in relation to recruitment challenges are included on the risk register. The council continually reviews measures to mitigate this risk.
37. 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***

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

#### **Consultation responses (including from the Youth Council)**

39. Consultation was not deemed appropriate in this case.

#### **Effect on Strategic Aims**

##### **Aim 1 - Commitment to being a listening council, providing first class services accessible to all.**

40. Having the right employees with the right skills and who feel valued is key to achieving high levels of productivity and customer satisfaction for the delivery of high quality services.

#### **Background Papers**

Where the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

None

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41. **Appendix A**

**Table for Quarters 3 to 4 2017-18, Quarters 1 to 2 2018-19, (1<sup>st</sup> October 2017 – 30<sup>th</sup> September 2018).**

Reason for leaving	Quarter 3	Quarter 4	Quarter 1	Quarter 2
<b>Voluntary leavers</b>				
Change of area				
Move within public sector	2	2		3
Move to private sector	1			8
Improvement in salary				0+1*
Career progression				3+1*
Career break				0
Non return from maternity/adoption/parental leave				0+1*
Voluntary leaver – no reason specified	6	9	15	5
Resignation with early access to Pension (Pre 65, but post 60)	1			1
Resignation with access to Pension (Post 65)	1	1		0
Flexible Access to Pension (left w. pension access, but returned on reduced hours/post)				0
Other – personal reasons				2
<b>Total Voluntary Leavers</b>	<b>11</b>	<b>12</b>	<b>15</b>	<b>22</b>
<b>Involuntary leavers</b>				
Redundancy			2	
Dismissal due to ill health/capability	1		1	
Dismissal due to conduct	1	1		
End of fixed term contract	2			
Ill Health Retirement			1	2
Probation period failure				
TUPE transfer				
Death in service				1
<b>Total Involuntary</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>3</b>
<b>Grand Total</b>	<b>15</b>	<b>13</b>	<b>19</b>	<b>25</b>

*N.B.: reason marked as \* in Q2 was a secondary reason for leaving on the leavers form/exit interview.*

**Table showing Leavers 2018-2019; breakdown by Service Area**

Service Area	Q1	Q2
Health & Environmental Services	2	2
GCSWS	8	7
GCSPS	4	8
Affordable Homes	2	4
Corporate Services	1	1
Revenues & Benefits	1	2
Accountancy	0	1
Business & Customer Services	1	0
<b>Total</b>	<b>19</b>	<b>25</b>

**Table showing reasons for leaving (Previous 3 years)**

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