

Meeting of:	Corporate Performance and Resources Scrutiny Committee
Date of Meeting:	Thursday, 27 June 2019
Relevant Scrutiny Committee:	Corporate Performance and Resources
Report Title:	Employee Turnover Report - April 2018 to March 2019
Purpose of Report:	To provide an update on employee turnover rates within the Council, for the period 1st April 2018 to the 31st March 2019
Report Owner:	Laithe Bonni, OM HR Employee Services
Responsible Officer:	Rob Thomas, Managing Director
Elected Member and Officer Consultation:	Corporate Management Team
Policy Framework:	This report is a matter for the Executive decision by the Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This report has been prepared to provide an up to date analysis of employee turnover as part of the Council's workforce planning considerations. • The figures for the period April 2018 to March 2019 indicates a slight increase in turnover (from 8.88% to 9.27%), in comparison to the same period in the previous year. The total number of leavers increased from 457 to 472. Corporate turnover has increased from 8.65% to 10.74%, and turnover in Schools has decreased from 9.08% to 7.98%. • The report provides information on All Leavers, as well as Voluntary Leavers, with comparisons made to the previous year's data. 	

Recommendations

1. It is recommended that Scrutiny Committee consider the position in relation to employee turnover.

Reasons for Recommendations

1. To bring matters to the attention of Members of the Scrutiny Committee in line with corporate objectives.

1. Background

- 1.1 This report has been prepared to provide an up to date analysis of employee turnover as part of the Council's workforce planning considerations.
- 1.2 Employee turnover has been assessed on the basis of the number of employees leaving the Council as a percentage of the total number of staff (headcount) employed by the Council.
- 1.3 This report presents the turnover figures between April 2018 and March 2019, and compares them with those reported between April 2017 and March 2018 to assist performance monitoring over both periods.

2. Key Issues for Consideration

Overall Turnover

- 2.1 The figures for the period April 2018 to March 2019 indicates a slight increase in turnover (from 8.88% to 9.27%), in comparison to the same period in the previous year. The total number of leavers increased from 457 to 472. Corporate turnover has increased from 8.65% to 10.74%, and turnover in Schools has decreased from 9.08% to 7.98%.
- 2.2 A comparison of the employee turnover rate is set out in the table below:-

Directorate	April 2017 to March 2018		April 2018 to March 2019	
	Total Leavers Headcount	% of Headcount	Total Leavers Headcount	% of Headcount
Environment and Housing Services	49	5.89	78	9.57
Learning & Skills	41	8.60	52	11.43
MD and Resources	49	10.76	39	8.69
Social Services	70	10.75	87	13.09

Corporate Total	209	8.65	256	10.74
Schools	248	9.08	216	7.98
Overall Total	457	8.88	472	9.27

2.3 A more detailed breakdown of leavers by Directorate and Service Area can be reviewed in **Appendix A**.

Voluntary Turnover

2.4 Overall, voluntary turnover (where employees have chosen to leave the employment of the Council) has increased from 6.68% to 7.86% during the period. Corporate voluntary turnover has increased from 6.67% to 8.81%, whilst voluntary turnover in Schools has also increased from 6.70% to 7.02%.

2.5 A comparison of **voluntary** turnover is set out in the table below:-

Directorate	April 2017 to March 2018		April 2018 to March 2019	
	Total Voluntary Leavers Headcount	%	Total Voluntary Leavers Headcount	%
Environment and Housing Services	39	4.69	52	6.38
Learning & Skills	33	6.92	42	9.23
MD and Resources	35	7.68	37	8.24
Social Services	54	8.29	79	11.89
Corporate Total	161	6.67	210	8.81
Schools	183	6.70	190	7.02
Overall Total	344	6.68	400	7.86

2.6 A more detailed breakdown of Voluntary Leavers by Directorate and Service Area can be reviewed in **Appendix B**.

2.7 Voluntary turnover accounts for 85% of all leavers for 2018/19 which is an increase of on the previous year's figure of 75%.

2.8 Voluntary turnover levels have increased in all Directorate areas. As per the previous year, Social Services have the highest percentage of employees that have chosen to leave the Council (11.89%, up from 8.29%).

2.9 The level of voluntary turnover in schools has increased (7.02%) compared to the previous year (6.70%).

Turnover by Leaving Reason

2.10 The number of resignations has increased during 2018/19 compared to the same period last year from 280 (5.44%) to 303 (5.95%).

2.11 Retirements have increased from 63 leavers in 2017/2018 to 70 in 2018/19.

2.12 The level of involuntary turnover has decreased from 2.20% in 2017/2018 to 1.4% in 2018/19.

2.13 The number of dismissals has decreased slightly over the reporting period from 17 to 16.

2.14 The number of end of temporary contracts has also decreased from 34 to 18 leavers.

2.15 The number of redundancies has also decreased slightly from 42 leavers in 2017/18 to 36 in 2018/19.

2.16 The Council has a redeployment procedure which is designed to support employees who are at risk of redundancy to find suitable alternative employment opportunities in the Council. For the reporting period for 2018/19 there were 4 successful redeployment outcomes, compared to 12 in 2017/18.

2.17 A detailed overall breakdown of reasons for leaving is set out in the table below:-

Leaving Reason	April 2017 to March 2018		April 2018 to March 2019	
	Number of leavers	% of headcount	Number of leavers	% of headcount
Dismissal	17	0.33%	16	0.31%
End of temporary contract	34	0.66%	18	0.35%
Redundancy	42	0.82%	36	0.71%
Resignation	280	5.44%	303	5.95%
Retirement	63	1.22%	70	1.38%
TUPE out	1	0.02%	4	0.08%
Other	20	0.39%	25	0.49%
Total	457	8.88%	472	9.27%

2.18 In terms of resignations from specific occupational groups, these were predominantly school based with the highest resignations being Learning Support Assistants (67), followed by Teachers (43) and Midday Supervisors (21). Corporately, the highest number of resignations came from Care Assistants (8 resignations), closely followed by Kitchen Assistants (7 resignations), Cleaners (6 resignations) and Social Workers (6 resignations).

Age

2.19 The following table identifies the age breakdown for each leaving reason:-

AGE RANGE	DISMISSAL	END OF TEMPORARY CONTRACT	OTHER	REDUNDANCY	RESIGNATION	RETIREMENT	TUPE OUT	Grand Total
15-19					1			1
20-24		3			30			33
25-29	1	4		3	43			51
30-34		4	1	3	44			52
35-39	1	1	3		33			38
40-44	3	3	1	2	34			43
45-49	3	1	2	3	38			47
50-54	4	1	6	2	37	3	1	54
55-59	1		5	9	27	15		57
60-64	3	1	6	10	11	35	2	68
65-69			1	2	4	16		23
70+				2	1	1	1	5
Grand Total	16	18	25	36	303	70	4	472

Wider Staff Engagement and link to Turnover / Retention

2.20 The Staff Charter was launched in September 2016 and continues to provide a framework for the Council's staff engagement strategy and related initiatives. As Members will recall the Charter sets out the mutual expectations of staff and managers in a 'reshaped' working environment and the basis for a clearer employment relationship.

2.21 The importance of employee engagement and the link with employee retention and performance is clear and was one of the drivers behind the initial launch of the Staff Charter. Progress continues to be made in delivering the 15 actions points / commitments within the Charter and a number of associated work streams. Examples of such work are set out below:-

- Launch of a new approach to learning and development
- Delivery of the Annual Employee Awards Event
- Development of a Staff App to extend the channels of staff communication
- Continued strengthening of the Council's Appraisal Scheme (#itsaboutme)
- Improvement to the Council's Induction Programme (Welcome to the Vale)
- Six monthly management development sessions using new competency Framework
- Strengthening of the Council's Leadership Café
- Continued promotion of Employee Assistance Programme (Care First)
- Continued focus on improving employee communications

2.22 The impact of the above will continue to be measured using the Staff Charter related employee survey and will impact positively on key HR indicators over the current financial year.

2.23 As the Staff Charter has been operational since 2016, a review will be held during 2019 with the aim to refresh the aims and objectives.

Turnover in wider comparison

- 2.24** XpertHR benchmarking research survey (2018) on labour turnover rates found the average overall labour turnover rate for public sector organisations in 2017 was 15.7%. This is an increasing trend on the previous year's data which was 13.3%. The XpertHR research shows that the average voluntary turnover rate for public sector organisations was 12.9%. This also shows an increasing trend on the previous year's rate which was 9.1%.
- 2.25** On an annual basis, the Vale of Glamorgan Council and all other local authorities in Wales provide information to the regional Data Unit regarding the workforce profile of the Council. This allows comparison of information between local authorities. The data for the 2018/19 report is due to be published in autumn 2019. For 2017/18, the average percentage of turnover across authorities in Wales was 11.3%. This is a small decrease on the previous year which was 11.6%. In terms of voluntary turnover, the average percentage across local authorities in Wales was 7.8% in 2017/18. Note that 3 welsh authorities had not provided turnover data, therefore data for 2017/18 is based on 19 welsh authorities.
- 2.26** For information the 2017/18 turnover rates of authorities adjacent to the Vale of Glamorgan Council are:
- | | |
|-------------------|-------|
| Vale of Glamorgan | 8.9% |
| Neath Port Talbot | 8.9% |
| Bridgend | 10.7% |
| Cardiff | 12.6% |
| Rhondda Cynon Taf | 8.8% |
| Merthyr Tydfil | 10.2% |
| Caerphilly | 9.1% |
| WALES Total | 11.3% |
- 2.27** The overall turnover rate of 9.27% and voluntary turnover rate of 7.86% for the Vale of Glamorgan Council for 2018/19 offers a favourable comparison with the above.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

3.1 Long Term

Turnover reporting is reportable as part of the Council's performance framework, and data is also provided to the Welsh Government Data Unit for comparison purposes. Reporting accurate data will help the Council account for future trends and the need to undertake regular reviews of the policies that impact on turnover rates.

3.2 Prevention

The reporting of turnover can help the organisation understand the reasons behind staff turnover; the Council can then devise recruitment and retention activities as required.

3.3 Integration

The Council needs to be aware of employee turnover rates in the organisation, and understand how these affect the organisation's performance and ability to achieve its strategic goals.

3.4 Collaboration

A key factor in managing turnover is the support from Corporate Management Team, Managers, HR and Trade Unions. Having an understanding of any market forces that can affect turnover rates is crucial.

3.5 Involvement

Regular reporting ensures that we are open and transparent in relation to our approach to turnover. Any changes to Policies that could affect turnover will be subject to the usual consultation process with Cabinet, Scrutiny, Managers and Trade Unions.

4. Resources and Legal Considerations

Financial

- 4.1** The incidence of a high turnover rate has significant resource implications and places constraints on the ability to deliver a high quality service provision. The need to retain skilled and experienced staff is important as the Council responds to on-going financial pressures, especially in areas where the Council continues to experience difficulties in recruiting, as highlighted in the workforce plan.

Employment

- 4.2** Any turnover has the potential to impact the workforce profile and diversity of the Council. A stringent recruitment and selection policy, along with the Public Sector Equality Duty Action Plan, is in place to ensure equal opportunities in recruitment and replacement of any leavers. This ensures the Council remains compliant with its obligations under the Equality Act.

Legal (Including Equalities)

- 4.3** All legal implications including the Equality Act, Human Rights Act and Data Protection Act will have been considered within the implementation of policy provisions.

5. Background Papers

Appendix A - Breakdown by Directorate & Service of All Leavers (2018/19)

Appendix B - Breakdown by Directorate & Service of Voluntary Leavers (2018/19)

Appendix A - Breakdown of Leavers by Directorate & Service Area - April 2018 to March 2019

		April 2018 to March 2019		
Directorate	Service Area	Average Headcount	Total Leavers Headcount	%
Environment and Housing Services	Building Services	270.0	14	5.19
	Director's Office – Environment and Housing	35.5	0	0.00
	Housing Services	71.5	5	6.99
	Neighbourhood Services and Transport	246.5	38	15.42
	Shared Regulatory Services	191.5	21	10.97
	Total	815.0	78	9.57
Learning & Skills	Achievement for All	58.0	4	6.90
	Director's Office – Learning and Skills	12.0	0	0.00
	Standards and Provision	108.0	28	25.93
	Strategy, Community Learning and Resources	277.0	20	7.22
	Total	455.0	52	11.43
MD and Resources	Director's Office - Resources	23.5	4	17.02
	Financial Services	115.0	9	7.83
	Human Resources	47.0	6	12.77
	ICT Services	42.0	3	7.14
	Legal & Democratic Services	49.0	5	10.20
	Performance and Development	63.0	7	11.11
	Regeneration and Planning	109.5	5	4.57
	Total	449.0	39	8.69
Social Services	Adult Services	258.5	27	10.44
	Children and Young People Services	211.0	25	11.85
	Director's Office – Social Services	10.5	0	0.00
	Resource Management & Safeguarding	184.5	35	18.97
	Total	664.5	87	13.09
Corporate Total		2383.5	256	10.74
Schools	Schools	2705.5	216	7.98
Overall Total		5089.0	472	9.27

Appendix B - Breakdown of Voluntary Leavers by Directorate & Service Area - April 2018 to March 2019

Directorate	Service Area	April 2018 to March 2019		
		Average Headcount	Total Voluntary Leavers Headcount	%
Environment and Housing Services	Building Services	270.0	9	3.33
	Director's Office – Environment and Housing	35.5	0	0.00
	Housing Services	71.5	5	6.99
	Neighbourhood Services and Transport	246.5	19	7.71
	Shared Regulatory Services	191.5	19	9.92
	Total	815.0	52	6.38
Learning & Skills	Achievement for All	58.0	4	6.90
	Director's Office – Learning and Skills	12.0	0	0.00
	Standards and Provision	108.0	20	18.52
	Strategy, Community Learning and Resources	277.0	18	6.50
	Total	455.0	42	9.23
MD and Resources	Director's Office - Resources	23.5	4	17.02
	Financial Services	115.0	9	7.83
	Human Resources	47.0	5	10.64
	ICT Services	42.0	3	7.14
	Legal & Democratic Services	49.0	5	10.20
	Performance and Development	63.0	6	9.52
	Regeneration and Planning	109.5	5	4.57
	Total	449.0	37	8.24
Social Services	Adult Services	258.5	24	9.28
	Children and Young People Services	211.0	25	11.85
	Director's Office – Social Services	10.5	0	0.00
	Resource Management & Safeguarding	184.5	30	16.26
	Total	664.5	79	11.89
Corporate Total		2383.5	210	8.81
Schools	Schools	2705.5	190	7.02
Overall Total		5089.0	400	7.86