

WELWYN HATFIELD BOROUGH COUNCIL
RESOURCES OVERVIEW AND SCRUTINY COMMITTEE - 19 JANUARY 2017
REPORT OF THE EXECUTIVE DIRECTOR (PUBLIC PROTECTION, PLANNING &
GOVERNANCE)

EMPLOYEE TURNOVER 1ST NOVEMBER 2015 - 31ST OCTOBER 2016

1 Executive Summary

- 1.1 The purpose of this report is to provide the Committee with an analysis of employee turnover for the twelve month period ending 31st October 2016.
- 1.2 The report provides a summary of the reasons for leaving and the profiles of those employees who have left the Council.
- 1.3 The Council turnover rate for the period was 18.6%, compared to 22.87% for the same period in 2014 / 15.

2 Recommendation

- 2.1 It is recommended that the Committee notes the position in relation to employee turnover and the content of this report.

3 Financial Implication

- 3.1 None arising directly from this report, however, the cost of recruitment is met from existing budgets.

4 Link to Corporate Priorities

- 4.1 I confirm that the subject of this report is linked to the Corporate Priority for the Council.

5 Legal Implication(s)

- 5.1 None arising directly from this report.

6 Climate Change Implication(s)

- 6.1 None arising directly from this report.

7 Risk Management Implication

A risk assessment has not been prepared in relation to this report as there are no significant risks inherent in this report. However, it should be noted that the incidence of a high turnover has significant resource implications and places constraints on the ability to deliver a high quality service provision. The need to retain skilled and experienced employees is important as the Council responds to ongoing financial pressures, especially in areas where the Council could experience difficulties in recruiting, as highlighted under 8.8.

8 Explanation

- 8.1 During the period November 2015 to October 2016, fifty seven employees left the Council. This equates to a turnover rate of 18.6%.
- 8.2 For the purposes of clarity, employee turnover has been assessed on the basis of the number of employees leaving the Council as a percentage of the total number of employees (headcount) employed by the Council.
- 8.3 The details of leavers by reason, service area, their age profile and by gender are attached in Appendix 1.
- 8.4 Looking at the last report produced for the council it has revealed that, whilst the report gives a high level overview statistically which is useful to an extent, it does not give any depth to the reasons why employees leave. Predominantly employees have left through 'voluntary resignation' but that says little about what caused them to resign. Voluntary resignation could be anything from 'relocation', 'lack of job satisfaction', 'career change' or 'job security or the effects of organisational change'. Therefore it is crucial to have a better understanding of what makes an employee leave by asking follow up questions and having a robust system of recording data to make improvements wherever possible to retain employees.
- 8.5 A review of the data collected from exit interviews has highlighted the need for a more robust questionnaire that drills down into the reasons behind an employee's decision to leave. The current method of gathering the data is not giving us enough information and we do not know how leavers feel the council has dealt with certain aspects of their employment. Therefore, for HR to take a more proactive approach to leavers, with effect from January 2017 all employees will be given the opportunity to attend an exit interview with HR.
- 8.6 There are a number of reasons why HR should undertake this piece of work:
- It is important to establish the reasons why an employee leaves other than just a high level reason, i.e. 'Voluntary Resignation'.
 - An exit interview with their line manager isn't always the best option, particularly if the employee has things they would like to discuss with someone other than their manager prior to leaving.
 - If the employee raises an issue during the exit interview, it is easier to try and resolve the issue before they leave. The employee might find it easier to talk to HR about the issue rather than their line manager, particularly if the issue is with their line manager.

- We cannot easily identify if there are any patterns in the reason for leaving, for instance if there is a particular area of the organisation where people are struggling with workload, or if a particular manager is not dealing consistently or fairly with employees.
 - We should gather data on details such as length of service. This would be beneficial to see how long employees stay with the organisation.
- 8.7 Currently, we do not ask leavers if they received feedback on their performance from their manager; we do not know if leavers received the training and development they had agreed with their line manager and we don't always know the full impact on leavers of organisational change. All of these activities can influence an employee's choice to stay or leave an organisation because of how they feel they are valued.
- 8.8 It is not possible to compare data between the Council and the Trust as different questions are asked and the scoring mechanism is different. Therefore it is proposed to amend the questionnaire to be used for all exit interviews.
- 8.9 Going forward the questions asked will allow us to pinpoint more accurately why employees are leaving; how long they have been with the organisation; their age banding; gender and other equality and diversity questions.
- 8.10 All the data collected will be collated into a spreadsheet. This will allow us to report on specific areas of the organisation; length of service; age banding and to record employees answers to specific questions. We will also be able to drill down into specific reasons for leaving. The spreadsheet will be anonymous although HR will be able to identify individuals. This information will also be provided to Executive Board on a regular basis.

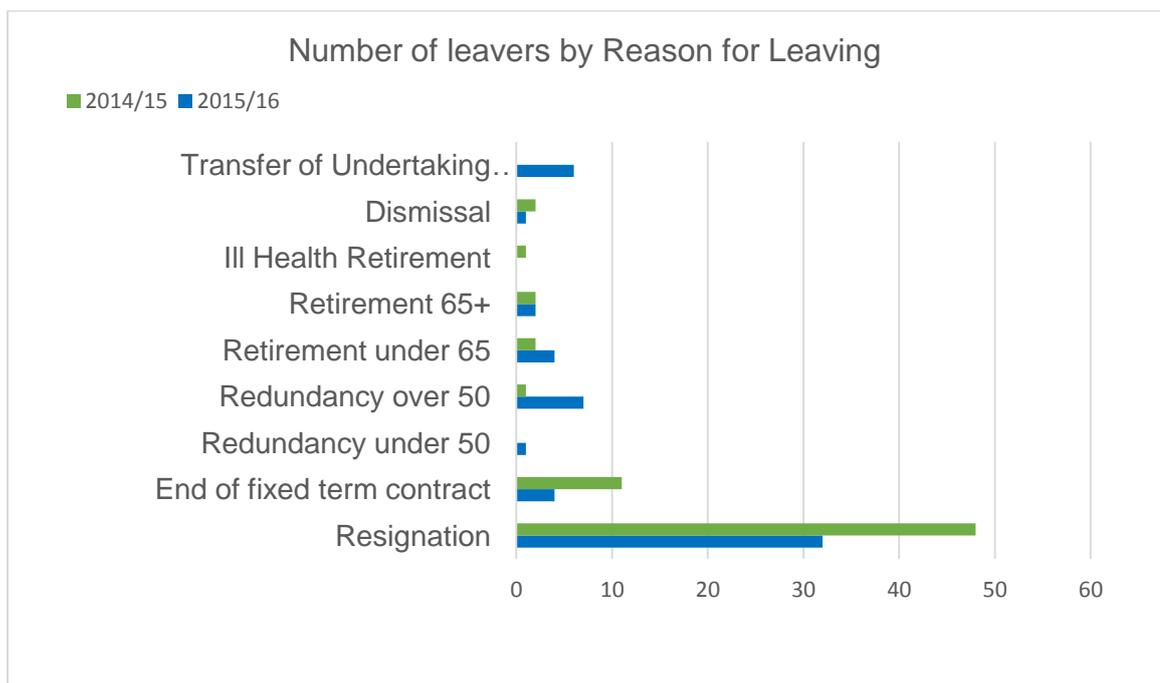
9 Equality and Diversity

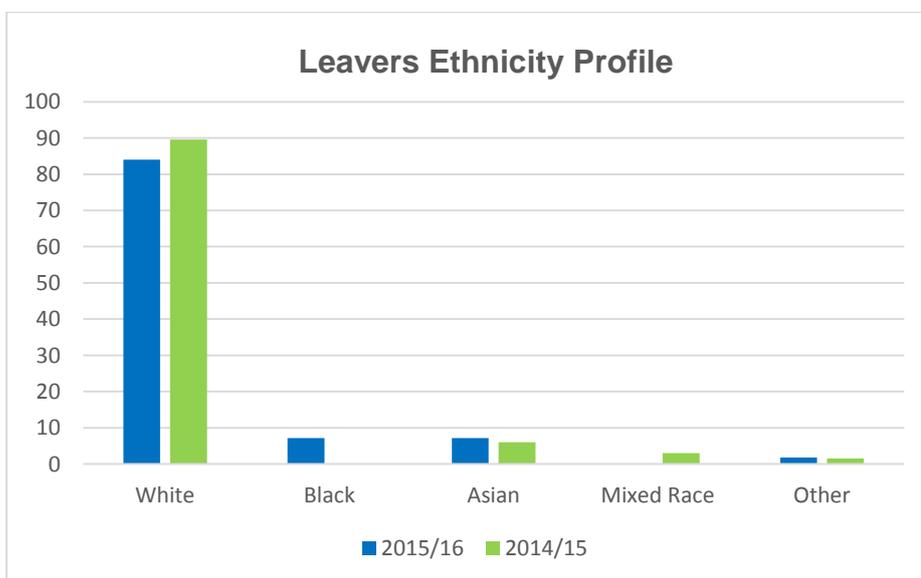
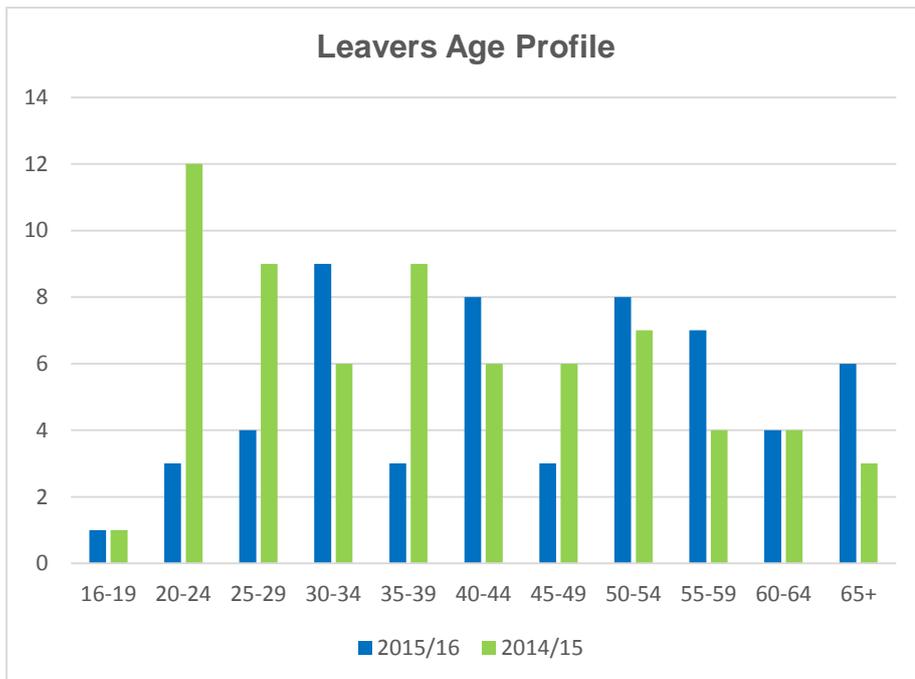
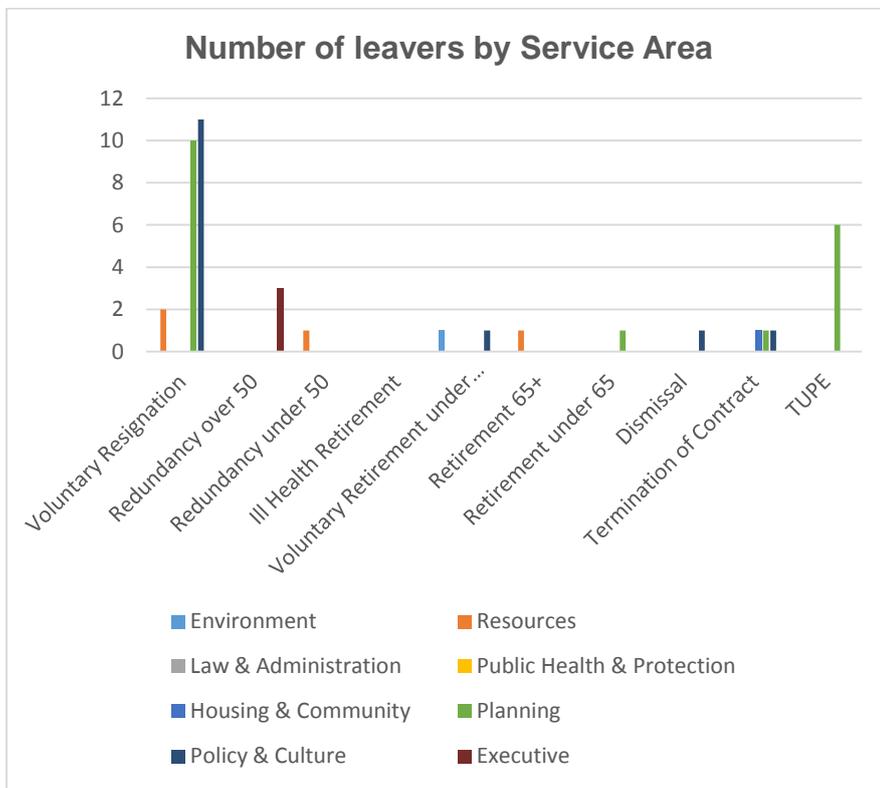
- 9.1 I confirm that an Equality Impact Assessment (EIA) has not been carried out in connection with the proposals that are set out in this report. However, it should be noted that any turnover has the potential to impact the workforce profile and diversity of the Council. A stringent recruitment and selection policy, along with the Public Sector Equality Duty Action Plan, is in place to ensure equal opportunities in the recruitment and replacement of any leavers, ensuring the Council remains compliant with its obligations under the Equality Act.

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Date	4 January 2017

Reasons for Leaving

	Resignation	End of fixed term contract	Redundancy under 50	Redundancy over 50	Retirement under 65	Retirement 65+	Ill Health Retirement	Dismissal	TUPE
2015/16	32	4	1	7	4	2	0	1	6
2014/15	48	11	0	1	2	2	1	2	0





Leavers gender profile

