

TITLE OF REPORT : RETENTION AND TURNOVER UPDATE**REPORT OF THE CORPORATE HUMAN RESOURCES MANAGER****Purpose**

Turnover has been regularly monitored as a broad measure for a number of years and a target was set several years ago at a rate of 9.8% per annum. The monthly target is 0.80% (2 to 3 leavers). At the last Joint Staff Consultative Committee, there was some discussion about turnover and retention rates, how it is measured and what is included etc. The purpose of this update is to provide a bit more detail on this.

Turnover

Our turnover measure includes:-

- Voluntary Resignation
- Retirement (including early retirement)
- Redundancy and other dismissals
- Death in Service

We exclude:-

- Temporary posts ending following cover for maternity leave or long term absence etc.
- The contract ending for externally funded posts
- Temporary seasonal employment of play scheme staff

Recent Performance

- Annual turnover for 1st January 2012 to 31st December 2012 was 14.35%
- Turnover for April 2012 to March 2013 was 14.09%
- Turnover April to July 2013 is at a rate of 4.32%

The following data is taken from the latest Local Government Workforce Survey, 2012.

Annual labour turnover rate by English authorities and authority type			
Annual labour turnover rate	County/single tier authorities	Shire districts	All authorities
Mean	14.3 %	11.6 %	13.1 %
Median	14.7 %	12.8 %	13.8 %

The following table shows our turnover rates for retirement and resignations and turnover in line with our normal measures. It covers 2012/13 and 2013/4 year to date. We measure turnover by the number of leavers in the month divided by the full time equivalent figure and convert it to a percentage.

	Leavers Voluntary Resignation	Leavers Retirement	Leavers (usual turn over measures)
April to March 2012/13	4.9%	2.94%	14.09%
April to July 2013	2.30%	0.98%	4.32%

Dismissals

Our turnover measure includes dismissals and in the period April 2012 to July 2013, there were a total of thirteen redundancies and two other dismissals.

Retirement

Despite there now being no default retirement age, we still have a reasonable trend of staff taking early retirement.

Staff that meet the 85 Year Rule

Staff can still retire on an unreduced pension if they meet the 85 year rule, with employer consent from age 55 and without employer consent from the age of 60 and above. (The Rule of 85 is satisfied if a LGPS members age at the date they draw their benefits and their scheme membership adds up to 85 or more) This rule is being phased out and will taper out by 2020.

Staff that don't meet the 85 Year Rule

Employees can still request to retire on a reduced pension from the age of 55, they must have employer consent and this would be dependent on the employee receiving the actuarial reduction to their pension in full. They can also elect to retire without employer consent from the age of 60 but would still get the full actuarial reduction to their pension.

In some cases staff will seek consent or elect to retire early and defer their pension to their normal pension date.

Leavers Questionnaires

For the purpose of this exercise, the period from January to June 2013 was used. Leaver questionnaires were completed by all those who resigned in this period.

For the questionnaires returned the principal reason for leaving was shown as:

- Job dissatisfaction 2
- Retirement 2
- Personal reasons 1
- Home relocation 1
- Temporary contract 1
- Other – job offer more aligned with career aspirations 1

The exit questionnaire invites leavers to provide further information and the following points were given. promotion, lack of training and career development, job dissatisfaction, need for change, similar job better pay, job located nearer home, dissatisfaction with the working environment and problems with manager/work colleagues. The information from Leaver Questionnaires and Exit interviews is used with the consent of the provider to investigate any problems or improvements that can be put in place.

Not all resignations are regarded as a poor outcome, retirements can create openings to retain staff that are showing potential for career development. Some other resignations can be regarded as a good outcome for the Council. It is not unusual for employees to resign when there are issues emerging with absence, work performance and conduct. When employees decide to move on in these circumstances, it can be the best outcome for the employer and the employee.