# Item 9

# RECRUITMENT AND RETENTION REPORT OF THE REVIEW GROUP

Members of the Review Group

Councillor B. Meek (Chairman) Councillor Mrs K. Conroy, Councillor V Crosby, Councillor A. Gray, Councillor G. Morgan, Councillor K. Thompson

# CONTENTS

		Page
Ch	airman's Introduction	1
Su	mmary	3
Report of the Review Group		7
1.	Comparison of Turnover	9
2.	Why do people Leave?	13
3.	Recruitment	17
Conclusions and Recommendations		19

# **Chairman's Introduction**

Recruitment and retention of suitably qualified, experienced and able people is essential in order to achieve the Council's Ambitions and Community Outcomes.

The Employment Organisation for Local Government state that "there are many aspects to improving service delivery, but recruiting the workforce with the capacity to deliver is a vital foundation. Innovative recruitment work being carried out in local authorities is an encouraging sign that authorities are improving they way they recruit, and closely connected to this, the services they deliver."

Overview & Scrutiny Committee 1 recognised a general perception that there were high numbers of staff leaving the Council, whilst at the same time difficulties had been experienced in recruiting staff to some posts, particularly in specialist areas.

With this in mind a the Committee established a Review Group to quantify staff turnover at Sedgefield Borough Council and compare levels to those of other local authorities, both locally and nationally. It also sought to identify whether there were particular posts or sections where recruitment was difficult.

I would like to thank everyone who has been involved in the Review, their contributions were sincerely appreciated by the Review Group.

Councillor Brian Meek Chairman of the Recruitment and Retention Review Group

# Membership of the Review Group

#### Members of the Review Group

Councillor B. Meek (Chairman) Councillor Mrs K. Conroy, Councillor V Crosby, Councillor A. Gray, Councillor G. Morgan, Councillor K. Thompson

# Purpose of the Review

The review examines recruitment and retention of staff at Sedgefield Borough Council. Over the last few years there has been a general perception that high numbers of staff were leaving the Council, whilst at the same time difficulties had been experienced in recruiting staff to some posts, particularly in specialist areas.

The review sought to quantify staff turnover at Sedgefield Borough Council and compare levels to those of other local authorities, both locally and nationally. It also sought to identify whether there were particular posts or sections where recruitment was difficult.

# **Contribution to the Council's Ambitions and Community Outcomes**

Recruitment and retention of suitably qualified, experienced and able people is essential in order to achieve the Council's Ambitions and Community Outcomes.

The Review contributes directly to the corporate value to 'Invest in our People [Employees]'.

# **Process/Methodology**

The Review Group gathered evidence and information as follows:-

- a) The Review Group has met on several occasions between November 2004 and May 2006.
- b) Attendance by the following to give presentations and respond to questions from the Review Group.

Alan Boddy, Head of Service Improvement Helen Darby, Principal Human Resources Officer (Strategy)

c) By considering statistical and comparative information.

# **Conclusions and Recommendations**

## 1. Comparison of Turnover

#### Conclusions

- Turnover at Sedgefield Borough Council compares favourably both nationally and locally.
- Turnover is however slightly above the 'healthy figure'.
- There was not enough data to identify trends within departments given the recent restructure.
- Turnover is higher amongst APT&C staff.

#### Recommendations

- 1. Turnover, broken down by Department, be adopted as a PI to be monitored by HR and reported periodically to Members.
- 2. Vacant posts which have not been filled within 6 months of the first advertisement be reported to Members.

#### 2. Why do people Leave?

#### Conclusions

- Biggest reason for staff leaving SBC is to take up alternative employment
- Vast majority of leavers state that they are attracted to new employment for:-
  - Improved remuneration
  - Better career prospects
  - More interesting work
- Common theme amongst managers:-
  - Lack of career prospects
  - Neighbouring authorities pay more
- The Group noted that the job evaluation exercise had reviewed professional development structures and career grades

# *Recommendations* No recommendations are being made in relation to this section.

### 3. Recruitment

#### Conclusions

- Majority (81%) of vacancies filled by external candidates
- Few jobs need to be advertised more than once (3%)
- Managers commented that it was difficult to recruit to some professional /technical/specialist posts
- Current grading structure may be an issue
- The Group noted that the job evaluation exercise had reviewed professional development structures and career grades

# Recommendations

3. Systems to put in place to monitor turnover / vacancies and recruitment so that any problem areas can be identified.

# **REPORT OF THE REVIEW GROUP**

# Scope and Purpose

The following scope and remit was agreed:

- To quantify turnover of staff within Sedgefield Borough Council and compare with neighbouring authorities in order to identify whether there is a problem.
- To examine the reasons for staff leaving the Authority through the evaluation of:
  - Leavers' questionnaires
  - Exit Interviews
  - Views of Managers

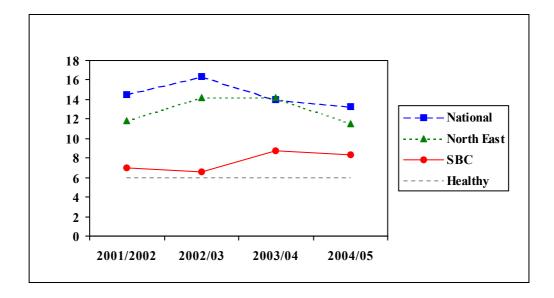
# **Review Approach**

The Review Group met on several occasions to examine statistical information and also sought contributions from the Head of Service Improvement and the Principal Human Resources Officer (Strategy). Directors and Heads of Service were also invited to submit their comments with regard to recruitment and retention of staff. A detailed analysis of turnover within the authority was undertaken, together with research to identify turnover in local authorities both nationally and within the North East Region. It is recognised that low levels of staff turnover can be healthy for an organisation as this prevents the workforce from becoming static and stale. It is generally regarded by human resource professionals that a turnover of around 6% is healthy. This would be a useful benchmark to compare turnover at Sedgefield Borough.

Turnover within Sedgefield Borough was identified using records from Human Resources detailing the number of leavers.

Information relating to national and regional average turnover was obtained through the Employers Organisation's People Skills Scoreboard, an annual document which provides information on training and development through a number of 'key indicators' which authorities can use for benchmarking purposes and target setting.

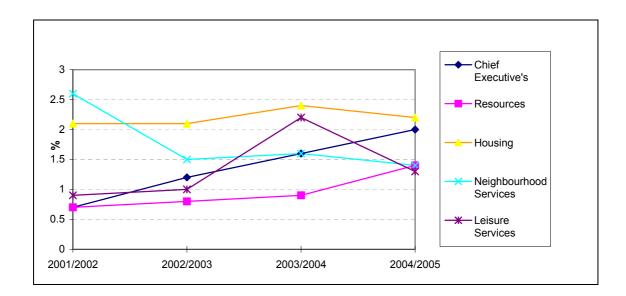
The following graph shows turnover at Sedgefield Borough Council compared with turnover nationally and locally.



The research undertaken identifies that turnover at Sedgefield Borough Council compares favourably with other shire district councils nationally and other councils in the North East Region.

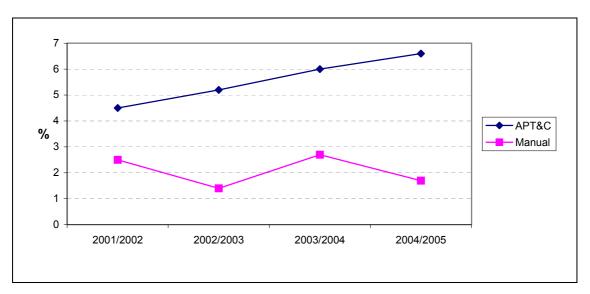
Whilst the turnover at Sedgefield Borough compares favourably, it is slightly above the accepted healthy level of 6%.

In addition to the above comparisons further analysis was undertaken to identify whether there were high instances of turnover in particular Departments or gradings. This was done by analysing leavers statistics across departments and further extrapolation of gradings of posts from Personnel records. The findings of this exercise are detailed in the following graphs.



# **Turnover by Department**

# Comparison of APT&C and Manual Staff



## **Comparison of Staff Turnover - Conclusions**

- Turnover at Sedgefield Borough Council compares favourably both nationally and locally.
- Turnover is however slightly above the 'healthy figure'.
- There was not enough data to identify trends within departments given the recent restructure.
- Turnover is higher amongst APT&C staff.

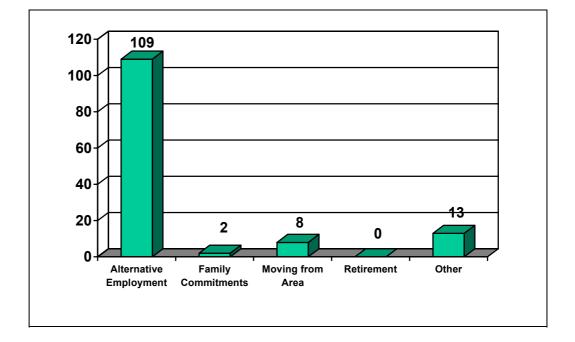
#### RECOMMENDATIONS

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A resent study by the Chartered Institute of Personnel and Development (CIPD) explain that employees resign for many different reasons. Sometimes they are attracted by another job outside the authority, career progression or a new challenge that is not available within the organisation. On other occasions it may be some kind of dissatisfaction with their present job organisation. Sometimes it may be a mixture of both of these factors. Some employees leave for domestic reasons that are outside the control of the Council, for example when someone relocates with their spouse or partner.

Sedgefield Borough Council seeks to identify the reasons for employees leaving the Authority through the use of leaver's questionnaires and exit interviews. Completed questionnaires and exit interview forms were analysed to identify the reasons why people leave. The views of managers were also sought.

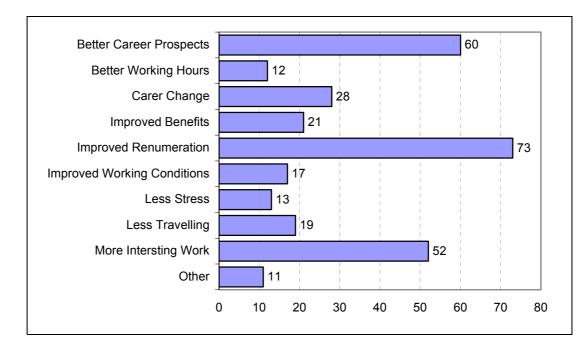
# Analysis of Leaver's Questionnaires



The Review Group analysed leaver's questionnaires.

The reason for the vast majority of employees leaving the Council was to take up alternative employment. The leavers questionnaire asks people taking up alternative employment to indicate what attracted them to their new job. It was therefore possible to analyse the reasons for people taking up alternative employment. The analysis is shown in the graph below.

## Attractions of alternative employment



#### **Exit Interviews**

An evaluation of the exit interview forms indicated that similar comments to those made on the leavers questionnaire.

# Views of Managers

The Review Group asked Directors and Heads of Service to comment upon their experiences and for their general views on recruitment and retention within the Council. In particular, they were requested to comment on their experiences in this area, i.e. has staff turnover within their service been problematic. If so, what did they think could be done to alleviate any problems encountered?

- "We do not offer the level of salary that other employers offer for the same skills"
- "The ability to retain staff is related in part to the grades payable as part of the current grading structure"
- "Other authorities seem to offer higher gradings for similar work"
- "Great effort/expense goes into training staff who are then attracted to neighbouring authorities by higher grades".

### **Comparison of Salaries with other Districts**

Given that the biggest reason for people taking up alternative employment was improved remuneration the Review Group sought a comparison of salaries for 14 randomly selected posts in other District Councils within County Durham.

Of the 14 posts Sedgefield Borough Council paid above average for 7, below average for 5. The Council offered the highest salary for 2 posts and lowest for 1 post.

### Why do People Leave? - Conclusions

- Biggest reason for staff leaving SBC is to take up alternative employment
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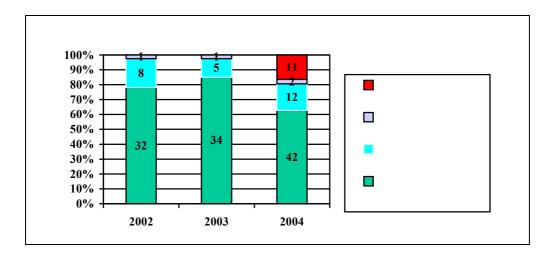
No recommendations are being made in relation to this section.

The Review Group examined recruitment, in particular looking at how vacancies were filled and taking the views of managers.

#### How are vacancies filled?

The Review Group examined the number of vacancies within the Council for a 3 year period (2002 to 2004). An analysis was undertaken of how vacancies were filled.

Over the three year period there was a total of 133 vacancies filled. Of these vacancies 81% (108) were filled externally, 19% (25) internally, with only 3% (4) needing to be advertised more than once in order to attract suitable candidates. This would suggest that the Council is able to attract suitable candidates for the majority of vacancies.



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- "I have major problems ... I cannot recruit tradesmen or supervisory staff"
- "We have had problems with specific specialist posts, its about the market and supply and demand"
- "It is accepted that advertising for part/fully qualified staff would be unlikely to attract suitable applicants in view of the grades offered"

- "We do not offer the level of salary that other employers offer for the same skills"
- "Despite high turnover in the Team, I do not think there is a retention problem. Nor has there been a recruitment problem"

### **Recruitment - Conclusions**

- Majority (81%) of vacancies filled by external candidates
- Few jobs need to be advertised more than once (3%)
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#### Recommendations

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