

ANGUS COUNCIL
RESOURCES AND CENTRAL SERVICES COMMITTEE
9 SEPTEMBER 2004
MONITORING EMPLOYEE TURNOVER 2003/04
REPORT BY CHIEF EXECUTIVE

ABSTRACT

This report analyses employee turnover within the Council during the 2003/04 financial year.

1. RECOMMENDATION

The Committee note the terms of this report.

2. INTRODUCTION

In accordance with the Council's policy for measuring employee turnover within the Council a Crude Rate Index measurement is calculated for each department and for the Council as a whole on a financial year basis.

For the Committee's reference, a Crude Rate Index is determined by dividing the number of employees who left during the financial year by the average number employed during the year and multiplying that figure by 100.

A fuller explanation is outlined in the attached Notes of Guidance, Appendix 1 refers, which is issued to departments to assist in their calculations.

3. EMPLOYEE TURNOVER FIGURES – 2003/04

[Appendix 2](#) details the employee turnover figures within Angus Council for 2003/04 on both a departmental and Council wide basis.

The Committee is asked to note that:

- Two calculations are done. The difference between the two calculations is that A allows for internal movement within the Council whereas B only measures those leaving the Council.
- The use of percentages can give a skewed effect particularly in smaller departments.

The Council's employee turnover can be compared with published national data. Although such data does tend to vary in quality and cannot be relied upon to compare on a precise basis it does give a useful indication of how we compare with other organisations.

The latest figures from HR Benchmarker DLA Consulting report a turnover rate of 15.9% in all organisations with a rate of 17.7% in large public sector organisations. A survey published by the Chartered Institute of Personnel and Development this year reports an average turnover rate of 16.1% in 2003.

As these figures relate to employee turnover out of the organisation, for comparison purposes reference should be made to the Crude Rate Index B figures which show a council-wide figure of 10.75%.

[Appendix 3](#) outlines the departmental and Council Crude Rate Index B figures for 2003/2004 and the previous years, 1999/00 to 2002/03. The Council-wide figures are also shown in graphic form in [Appendix 4](#). For the sake of completeness the Crude Rate Index A figures are also included in both Appendices.

4. FINANCIAL IMPLICATIONS

There are no direct financial implications associated with the terms of this report.

5. HUMAN RIGHTS IMPLICATIONS

There are no human rights Implications associated with the terms of this report.

6. CONSULTATION

The Director of Finance and Director of Law & Administration have been consulted on the terms of this report. The Chief Officers' Management Team have been consulted on the content of the report.

A B Watson
Chief Executive

HR/PerServMan

NOTE No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

EMPLOYEE TURNOVER: Notes of Guidance

Crude Rate Index:
$$\frac{\text{Number of employees who left} \times 100}{\text{Average number employed}}$$

Number of employees who left - include the number of employees who left the Department between 1 April 2003 and 31 March 2004. Do not include anyone who had submitted/been given their notice prior to 31 March 2004 but who was not due to leave until after that date.

Average number employed - to calculate this figure take the number employed in the Department at 1 April 2003, **{Note - take figure from last years return for 31 March 2003 and add anyone who started on 1 April 2003}** add that figure to the number employed at 31 March 2004, then divide the total by 2.

Only include permanent and temporary employees. Do not include casual/supply staff taken on to temporarily supplement the Department's establishment or to provide short term cover where an established post has not been filled.

Base all figures on actual number of employees - not full time equivalents.

Two separate calculations should be done - Calculation A should be in accordance with the above; Calculation B should be in accordance with the above but "*number of employees who left*" should exclude employees who left your Department and moved to another Department of the Council.