

Meeting:	Employment panel
Meeting date:	Wednesday 12 August 2020
Title of report:	Home Working
Report by:	Chief executive

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose

To seek the views of employment panel on the proposal to offer some staff the opportunity to move to home working contracts.

Recommendation(s)

That:

- (a) Employment panel support the proposal to offer staff the opportunity to move to home working contracts for all or part of the working week until December 2021 at which point the success of the arrangements will be reviewed by all parties. The offer will be made to staff in roles where it is possible to maintain performance, professional and customer service standards when working from home.**

Alternative options

1. Employment panel does not support the proposal to offer staff the opportunity to move to home working contracts. This is not recommended because the council will miss the opportunity to maximise the benefits that working on digital platforms have provided for staff and the council.

- Employment panel supports the proposal but on the basis that any variations to employment contracts are made on a permanent basis only. The benefit of this option is that it allows for more certainty in planning the council's future office accommodation needs. However, this option is not recommended because the benefits of working from home have been realised in the extraordinary circumstances of the COVID-19 pandemic. It is recommended that any variation to employment contracts should be temporary for 12-18 months in the first instance to give both employees and the council time to assess the long term suitability and implications of such a fundamental shift in working arrangements.

Key considerations

- Herefordshire Council directly employs 1285 staff. Of these 1285 staff, the vast majority use one of our buildings as a base for most of the working day or in between off site visits. A small number of staff in roles such as school crossing patrols work entirely in the field (estimated to be fewer than 90 staff). The council has a range of flexible working practices and policies in place which mean that before the COVID-19 pandemic some staff were able to work from home on an informal and irregular basis.
- On 16 March 2020 the government asked all those staff who can work from home to do so and as a consequence from 18 March 2020 the majority of council staff have been working productively from home. For many this was the first time they had worked from home and for most managers it was the first time they had attempted to run services and manage teams remotely. Working from home has been successful for the council. The work undertaken as part of the better ways of working project (BWOW) put us in a great starting position as the vast majority of staff already had lap tops, access to internet telephony and web based meeting facilities such as WebEx.
- In June 2020 the council conducted a staff survey to find out how well working from home was going from a staff perspective. The survey received a fantastic response with just under 60% of staff completing the survey. (The previous staff survey in the autumn of 2019 had a response rate of 32% which is our typical response rate). The survey showed that most survey respondents have found managing their work life balance has increased when working from home. It shows they also feel that they are as or more productive when working from home and that they have successfully managed their wellbeing. Some key findings of the survey are set out below:

Question	Agree/ strongly agree	Disagree/ strongly disagree	Don't know
(WFH = working from home)			
I have found working from home easy	76%	24%	-
I have space to work from home	71%	17%	12%
I have felt trusted by my manager when WFH	89%	3%	8%
I maintain regular contact with my manager when WFH	88%	5%	7%
I can manage my work life balance better when working from home	59%	21%	20%

My manager focuses on achievement & outcomes when I WFH	81%	4%	15%
I have frequently felt isolated when WFH	31%	46%	24%
I am more or as productive when WFH	85%	15%	-
I feel supported by my employer when WFH	81%	6%	13%
Number of staff indicating that after COVID-19 they would like to work from home permanently for some or all of the working week	91%	9%	-

4. Working from home does not suit all staff. Some are unable to work from home due to connectivity issues, lack of dedicated work space or distractions and responsibilities at home which make concentrating on work difficult or impossible. It is also appreciated that working from home can be challenging for those who may feel isolated or struggle to manage their wellbeing from home and the survey results showed that this is indeed the case for some. Whilst the council has created new resources on how to keep in touch, maintain wellbeing, manage teams remotely and work safely from home, any plans for offering home working contracts would be on a voluntary basis and the council would ensure support and guidance would be in place for staff and managers to support home working staff. The council would also pay due regard to wellbeing and ensure a team environment is replicated as much as possible.
5. There are a number of roles within the council where working from home is impossible or not ideal. For instance library staff will need to have a presence on site in the library and there are some 'case working' roles in occupations such as social work, legal and HR where the ability to work through scenarios and cases on an ad hoc and informal basis is not easily replicated in virtual teams. For these roles the council will be unable to invite applications to work from home or might need to put arrangements in place for a split working week, having some time at home and some dedicated team time in an office environment.
6. Between April 2019 and March 2020 Herefordshire Council staff claimed for a total of 1.2m work miles at a reimbursement cost of £563,000. Working from home and holding meetings with staff and customers virtually will reduce the number of work journeys, reduce the amount of time spent traveling between locations and will have a positive impact on Herefordshire Council's environmental policy commitments.
7. Providing office accommodation is expensive and although this has previously been viewed as an unavoidable cost, the success the council has experienced with working from home has shown that there are potential alternatives for some roles.
8. Given the benefits for staff, the council and the council's environmental objectives in moving to widespread home working arrangements, it is therefore proposed that subject to the views of employment panel, the Assistant Director, People works with the council's trade union representatives to develop an offer to staff to voluntarily move to a home working contract for all or part of the working week, on a temporary basis for 12 – 18 months. Towards the end of this time the council will work with the trade unions to assess the success of the trial and to determine the way forward which may be to move to home working contracts on a permanent basis.

9. To enable working from home on a contracted basis, the council will need to compensate staff for reasonable costs incurred. In accordance with HMRC guidance councils are able to compensate staff for costs such as heating and telephone calls. Broadband costs are not included because it is anticipated by HMRC that the employee would use that for their own use in any event. Should employment panel support this proposal, the precise nature of that compensation will be negotiated with the trade unions and it is anticipated that compensation will be guided by HMRC's rate of £26 a month pro rata. In addition the council will need to ensure that staff are working in a safe environment in accordance with the Health and Safety at Work Act 1974 and we will need to ensure that staff have the necessary equipment they need such as Display Screen Equipment regulations (DSE) compliant chairs and screens. It is expected that any equipment needs can be fulfilled from within the council's existing stock and that equipment would be 'loaned' to the home worker for the duration of the home working contract. Specialist equipment identified as a necessary in a risk assessment or as a 'reasonable adjustment' in accordance with the Equality Act will be provided and may need to be purchased (if not held in stock) by the council for disabled staff or those with a specific health condition. Such purchases will be considered on a case by case basis.
10. Currently, recruitment activity is largely being undertaken in the council via WebEx and this is proving to be a successful experience for the council and candidates. Changes in government guidance means that pre-employment checks and DBS checks in particular are being undertaken remotely and this enables us to maintain our safeguarding standards whilst complying with social distancing which keeps our staff safe. Further work needs to be undertaken to ensure that candidates are able to understand the culture of the organisation they are applying to join and that we are able to successfully induct new staff into a virtual team or a team with a mixture of home and office workers.

Community impact

11. As a community leader it is important that the way in which the council approaches the health and wellbeing of its workforce is consistent with its ambitions for the health and wellbeing of the county. This proposal supports the council's corporate plan to create an agile and flexible workforce and by providing greater workplace flexibility for employees, this proposal is a key tool in helping our staff maintain healthy lives in and outside of work.

Environmental Impact

12. Working from home using digital platforms will decrease the number of home to work journeys at peak times on Herefordshire roads and the number of journeys that take place during the day. The last 5 months has demonstrated that most meetings and events can be successfully held on virtual platforms and having large numbers of staff working remotely from home will help maintain the momentum and keep digital the default option for meetings. This is key to reducing the number of car journeys that take place during the working day which between April 2019 and March 2020 amounted to over 1.2 million miles at a direct cost of over £500k. Reducing home to work car journeys and travel during the working day will support the council's environmental policy commitments by reducing the council's carbon emissions and helping to improve the air quality within Herefordshire.

Equality duty

13. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
14. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. We do not believe that this decision will have a negative impact on our equality duty. However, we will monitor the equality considerations during this trial period and conduct an Equality Impact assessment on those taking part so that we can evidence that this proposal does not disproportionately impact on any group of staff that share a protected characteristic.
15. An impact assessment is conducted to understand how service changes will impact on users, and specifically people who have protected characteristics. It does not mean that services cannot change, but the impact of those changes need to be considered as part of the decision making process. The assessment will also outline any mitigation that could reduce any negative impacts.
16. Giving staff the opportunity to work from home on a contracted basis would support the council's equality objectives for its workforce. In the staff survey conducted in June 2020, 42% of respondents said they were able to manage their mental health better when working from home, 53% of the respondents were able to better manage their physical health when working from home and 59% of respondents were able to manage their work life balance better. We will look at the diversity makeup of the staff that responded to the survey and gather further evidence as the project progresses to ensure that the respondents reflect the make-up of our staff.

Resource implications

17. The proposal to invite staff to move to home working contracts will reduce spend on our office accommodation and the costs of business travel. The scale of the savings is not possible to gauge with any degree of accuracy until the number of staff who choose to work from home is known. For the purposes of being able to evaluate the potential costs and savings of this proposal, the following assumptions have been made:
- 50% of staff will move to working from home contracts from September 2020 until December 2021
 - Staff are reimbursed at the HMRC rate of £26 per month for working from home.
 - The council spent £563,670 reimbursing staff for business miles between April 2019 and March 2020. It is assumed the progress the council has made in making meetings with staff and customers digital by default and in person by exception that the number of work journeys will also reduce by 50%

- The need for office accommodation will reduce and in the first instance, the lease on Elgar House will be terminated. Leasing and maintaining Elgar House costs the council £205,000 a year. The savings from this are included in other plans and have not be included in the table below to avoid any possibility of double counting those savings.

Revenue or Capital cost of project (indicate R or C)	2020/21	2021/22	2021/22	Future Years	Total
	£000	£000	£000	£000	£000
£26 per month for 642 staff. (R) (26 x 642 x X months)	116	150			266
TOTAL	116	150			266

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2020/21	2021/22	2022/21	Future Years	Total
	£000	£000	£000	£000	£000
Savings from potential 50% reduction in business mileage.	164	211			375
TOTAL	164	211			375

For the avoidance of doubt, 50% of staff moving to a home working contract is not a target and the tables below show the impact on revenue budget and funding stream if the take up rate was significantly lower at 20%.

Revenue or Capital cost of project (indicate R or C)	2020/21	2021/22	2022/21	Future Years	Total
	£000	£000	£000	£000	£000
£26 per month for 257 staff. (R) (26 x 257 X months)	46	60			106
TOTAL	46	60			106

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2020/21	2021/22	2022/21	Future Years	Total
	£000	£000	£000	£000	£000
Savings from potential 20% reduction in business mileage.	65	84			149
TOTAL	65	84			149

Legal Implications

18. Paragraph 4.9.32 states that the Employment Panel will be a consultee on overall employment terms and conditions (including policies) to be determined by the Head of Paid Service.
19. Where a business employs homeworkers, it should ensure that contracts of employment reflect the changes involved in working at home and any additional obligations involved for the protection of both the employee and employer.
20. It is recommended that a homeworking policy should be developed which covers the employer/employees responsibilities fully in relation to the following areas: Health and Safety, Home Insurance/Mortgage/ Rental Agreement requirements, Home Working Contracts/Particulars (to be amended), Data Protection, Tax Implications, Equipment/

Technology, Work patterns/breaks, and clauses regarding attendance at offices for training or if there are any other employment issues.

21. The Local Authority should have detailed appendices attached to the Home Working policies regarding Health and Safety checks which are required to be carried out and for equipment to be checked, because as the employer we have the health and safety responsibilities towards employees.
22. It is also important that line managers and employees are clear of their responsibilities and that policies which are relevant to non-homeworking employees are also applicable to home working employees to ensure that there is fairness and to prevent any grievances or potential claims.

Risk management

23.

Risk / opportunity	Mitigation
Staff who work from home on a contracted basis may feel isolated and their mental and or physical health could suffer.	The council will strengthen the wide variety of resources that have been produced to support staff who are working from home. These include guidance for establishing a routine, taking breaks, establishing a work life balance, keeping in touch and how to seek help if needed. The council will further mitigate this risk by making the move to home working contracts voluntary and those staff who have not found the experience to be positive are able to remain on their current contracts.
Working from home has proved successful during a pandemic crisis. There is a risk that the same benefits will not be realised when the council is operating 'business as usual'.	By making the offer on a temporary basis for 12-18 months, the council and employees have an opportunity to review how well we can work from home during business as usual before committing to any permanent changes.
Employees who choose to work from home will not fully appreciate the implications for their personal tax, insurance or mortgage positions	The council will work with the trade unions to ensure that staff have all the necessary information they need before committing to a home working contract.
Managers may struggle to manage staff who are working from home	Resources and support will be made available to managers to support them to manage remote teams.
Recruiting new staff into virtual teams will be more difficult.	The council will work with the recruitment team to find new ways to convey the culture of the organisation to prospective candidates. Induction process will be

adjusted to manage new starters who join virtual teams.

Consultees

24. The council has surveyed staff on their experiences of working from home and the outcome is detailed in paragraph 3 above. The outcome of that survey has given the council confidence that an offer to move to a working from home contract would be widely welcomed by staff.
25. The proposal was discussed with the trade unions at the Joint Partnership Forum (JPF) meeting on 29 July 2020. The discussions have been cautiously positive and the trade unions are keen to work with the council on the detail of any offer. The trade unions have also indicated they would consult with their members before formally indicating their support or otherwise for the proposals.

Appendices

None.

Background papers

None identified.