

 Employment Committee - 15th September 2009		Agenda Item No.
Title	Homeworking Policy	
For further information about this report please contact	Karen Warren	
Service Area	Chief Executive's	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	SMT 22 nd July 2009	

Contrary to the policy framework:	Yes/No
Contrary to the budgetary framework:	Yes/No
Key Decision?	Yes/No
Included within the Forward Plan? (If yes include reference number)	Yes/No

Officer/Councillor Approval

With regard to officer approval all reports *must* be approved by the report author's relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).

Officer Approval	Date	Name
Relevant Deputy Chief Exec	22 nd July 2009	Andrew Jones
Chief Executive	22 nd July 2009	Chris Elliott
CMT	22 nd July 2009	All
Section 151 Officer	22 nd July 2009	Mike Snow
Legal	22 nd July 2009	Peter Oliver
Finance	22 nd July 2009	Mike Snow
Portfolio Holder(s)	25 th Aug 2009	Cllr Doody

Consultation Undertaken

Please insert details of any consultation undertaken with regard to this report.

Full consultation with the recognised trades unions.

Final Decision?	Yes/No
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Suggested next steps (if not final decision please set out below)

1. SUMMARY

- 1.1 The report introduces a revised Homeworking Policy to encourage a greater number of staff to commit to regularly working from home to release office accommodation with a view to maximising potential income. Whilst this supports the move to Agile Working, *it an underpinning policy, that needs to be considered in conjunction with other initiatives to achieve the Council's objectives.*

This report relates to a Regular Home Worker. That is, those employees who have a contractual arrangement where the home is either, the main place of work, or where a regular pattern of home working is established (e.g. part of the week, every week, is spent working from home) through a formal home working agreement.

2. RECOMMENDATION

- 2.1 The Employment Committee endorse the attached policy.

3. REASON(S) FOR THE RECOMMENDATION

- 3.1 The Council is constantly seeking to demonstrate value for money in the delivery of services. One way to seek a reduction in costs or to increase income is to look at how it can better use its property which is a considerable cost to the Council.
- 3.2 The promotion of a Homeworking Policy would further support the Council in providing equality of opportunity in access to work, promoting a work life balance that supports the health and wellbeing of its employees and reduces the environmental impacts and costs of travel.
- 3.3 The increased potential for homeworking requires a more cohesive understanding of contractual changes and requirements. The revised Policy provides greater clarity as to how requests would be agreed, processed, managed and funded.
- 3.4 This report relates to the requirements of 'regular homeworkers', no change is proposed to 'flexible homeworkers'. That is those who 'take a piece of work home' although care should be taken to agree this on each occasion to avoid any implied contractual variations.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Council already has a Homeworking Policy that has been taken up by 26 members of staff. This does not require members of staff to forgo the right to a permanent 'personal' workspace, thereby not realising the potential benefits of freeing up office space.

5. BUDGETARY FRAMEWORK

- 5.1 The Policy introduces a 'Home as Office Allowance' paying an annual allowance of £300 per annum. This would only be payable to staff who work a minimum of 80% (usually four days) of their contractual hours regularly at home and give up a personal desk within the Council Offices. This is intended to cover heating, lighting, broadband and all costs incurred as a result as using the home as an office.

- 5.2 Members of staff may request to work less than 80% of their time from home in order for this to be supported it is still expected that the right to a personal desk in the office would be given up, but at less than 80% no 'Home as Office Allowance' is payable. This is because there has been no financial benefit to the Council in allowing the individual to work from home and it is perceived that the time and travel costs, together with associated benefits, would compensate for any additional home costs incurred. This is a matter of individual choice.
- 5.3 The Home as Office Allowance would be payable by a corporate budget rather than the service area, as any savings accrued through letting office accommodation would be accrued corporately.
- 5.4 Currently, for security reasons, employees' home computers cannot be used to access Council systems. Therefore, to enable staff to home work, the Council is required to provide an appropriate PC, usually this is a laptop.
- 5.5 The table(s) below shows the mandatory ICT costs associated with home working and the optional peripheral costs. It is anticipated that the council's current PC replacement programme would provide funds for the mandatory costs, subject to a member of staff giving up a desktop PC, but individual Service Areas would need to fund the peripheral costs. The table excludes any costs associated with telephony, which again the Service Areas would need to fund.

Item	Cost
Laptop	£700 – minimum specification
RAS Security Fob	£100
NAC Agent	£ 25
Terminal Services CAL	£ 40
Sub total	£865
Peripheral Items	Cost
Docking Station	£130
Screen	£170
Mouse and Key Board	£ 20
Sub total	£320
Other Items	Cost
Secure Wireless Router	£ 35
Sub total	£35
Total Capital Cost	£1,220

Providing a member of staff gives up their desktop PC at a cost of £520, thereby utilising their laptop PC for both home and office use, then the additional cost to the council of purchasing a laptop and associated items for home working is £345 (£865 – 520). If the peripheral items are included the cost difference between a laptop PC and a desktop PC increases to £700 (£1220 – £520). If the staff member refuses to give up their desktop PC for personal or operational reasons, the Service Area will be required to fund the laptop and peripheral costs (£1220). Once again, telephony costs would need to be added to the cost of the solution.

If a tablet PC was required instead of a laptop, which costs £1,100, the minimum cost would be increased by £400. It should be noted that the cost difference between a laptop and a tablet PC needs to be paid for by Service Area.

Additional capital costs that are not factored into the calculations:

- RAS Security Fobs need renewing every 5 years. Currently the council has 200 fobs at a capital cost £20,000. However, the renewal figured is staggered due to the purchasing profile. e.g. purchased in different years. The renewal amounts and payment profile will need to be added to the Equipment Renewal Reserve.
- Users that require access to business applications will also require a Terminal Server Licence. This costs £40 per user.

Revenue Costs

- RSA fobs attract an annual maintenance fee of approximately £20 per fob. The current cost of 200 fobs (£3,500) is paid for by ICT Services revenue budget.

- 5.6 Currently a VDI (virtual desktop infrastructure) pilot project is being undertaken, which would enable members of staff to work from home using their own personal home computer. The associated costs and risks of this approach are still being identified and evaluated. However should the pilot prove successful the costs of working from home could be significantly reduced, with potentially only a security FOB (£100) and VDI Licence (£230) being needed to enable homeworking. However a workplace station/facilities would still need to be made available in the office environment at a potential cost of £520 for a desk top. As indicated the risks and costs of the VDI pilot are still being evaluated and therefore these details are only included for details at this stage.
- 5.7 The anticipated revenue that an individual workspace could generate equates to approximately £1,100 income per annum. The business case is based on the presumption that a laptop would need to be replaced every three years. Therefore, over a three year period, if a member of staff works full-time from home:

Income generated	£3,300.00	
Minimum Additional Capital Expenditure	£345.00	
Maximum Additional Capital Expenditure	£700.00	
Revenue Costs (Home as Work Allowance)	£900	(3years x £300)

Best case scenario is a saving of £2,055 is generated; worst case £1,700 over a three year period. After an initial three year period subsequent costs would reduce as potentially the peripheral items would not need replacing on a three year basis. However, as mentioned earlier, telephony costs would need to be reflected in the business case.

A one off start up contribution of £100 would be made toward a desk and chair on submission of receipts. This would be balanced in the cost benefit analysis by the decreased number of workstation in Riverside House.

- 5.8 The income generated would not be realised unless staff give up a work based desk. If staff worked less than full time at home, this would be balanced by no home as office allowance. However careful management of workspaces and homeworkers would be needed to release maximum space, in order to achieve a letting income.
- 5.9 In order to achieve the potential financial benefits it would be necessary to ensure that there were sufficient numbers of homeworkers to release a viable and lettable area.

6. LEGAL

- 6.1 There are potential legal issues regarding an employee's use of their home as their main place of work. The employee will need to satisfy themselves that their tenancy, mortgage, insurance allows for this in each case, and notify the appropriate bodies. There may be implications regarding income tax and council tax. The Council will provide some details but the employee will be responsible for deciding if the arrangement is in their best interests, as any such costs as aforementioned in this paragraph associated with home working will be borne by the employee.
- 6.2 Approval for homeworking will not be given until a formal risk assessment has been carried out. This will be done by the member of staff completing the Council's Homeworker – Employee Self Assessment Checklist and Assessnet.
- 6.3 Any formal regular home working arrangements will, in each case, be implemented by way of a formal legal agreement between the employee and the Council. This arrangement will be contractual.
- 6.4 It is important to ensure that flexible home working arrangements do not become contractual. The best safeguard is for the employer to insist on the requirement of permission being granted on every occasion in relation to the flexible home worker to ensure that flexible home working arrangement do not become contractual through custom and practice. This will be implemented by the requirement for the employee to e mail their manager or otherwise put in writing and for the manager to agree to the request in writing.

7. TRADE UNION CONSULTATION

Both GMB and MPO have been consulted in relation to the policy. Whilst welcoming the new policy an underlying concern would be in relation to isolation issues and it is agreed that care must be taken to ensure an appropriate level of contact with the team.

7. POLICY FRAMEWORK

- 7.1 The proposal particularly addresses the Corporate Strategy by providing clear community leadership and effective management of resources whilst delivering responsive public services in an open and transparent manner. It supports the Technology and People Management Principles by
1. giving staff the equipment and information they need to do their job effectively and efficiently, ensuring that they have the skills to exploit new technology and providing a flexible working environment that is not constrained by location.
 2. Providing a healthy work place that values diversity and seeks to minimise the environmental impact of the workforce.

7.2 Equalities

An initial Equality Impact Assessment will be undertaken to confirm the policy will not have an adverse impact on any minority groups of staff

The policy will support the Authority's commitment to employee staff with disabilities by removing barriers to employment

Home working can be seen as a staff benefit that supports a better work life balance.

7.3 **Environmental Implications**

Further promotion of homeworking could potentially contribute to reduced traffic congestion and environmental pollution by reducing the need for commuting, and reduce staff parking in public car parks.

8. **BACKGROUND**

8.1 **Reason for Decision and Options Considered**

The Council's Accommodation Strategy is dependent on the need to introduce flexible working initiatives into the organisation. Flexible working breaks away from the traditional concept of work always taking place at a fixed time and in a fixed location. Many organisations have adopted some aspects of flexible working, for instance the use of flexitime. Forward looking organisations can however take the concept much further, "taking advantage of technology to allow staff to work wherever and whenever is most effective and to improve the utilisation of accommodation."

This form of flexible working is being increasingly adopted by organisations both in the public and private sectors. It incorporates moving to a greater variety and flexibility in working patterns, which is enabled by changes in technology. Work is no longer necessarily restricted to a specific desk but can take place for instance at a touchdown location in the office, at home, at satellite touchdown locations or out with the customer.

This report provides information on the Home Working initiative, which forms one aspect of flexible working. The policy covers home working where it is a long-term working arrangement rather than an occasional or ad-hoc performance of tasks at home.

8.2 **The need for increased flexible working**

The business case for home working is extremely strong. Key drivers include:
The need to meet government requirements for local e-gov, for instance the provision of mobile technology to support workers in the field (Electronic Government Returns 2004);

The extensive accommodation savings that are dependent on reductions in the desk to staff ratio.

The potential corporate benefits in terms of increased efficiency and productivity;

The potential benefits in terms of staff morale and retention.

8.3 **Corporate benefits**

Home working can have considerable benefits for both employee and employer if appropriate on all fronts and if organised and managed properly. Recognised benefits of home working to the employer and the employee can include:

For the employer:

- an effective way of organising the work;

- retention of experienced and/or skilled employees whose personal circumstances or disability preclude them from a working commitment of 100% at the business address;
- environmental considerations.

For the employee:

- greater personal responsibility and increased job satisfaction;
- some discretion in arranging working times and patterns;
- relief from the difficulties and expense of daily travelling;
- reduced stress, working in a quiet home environment rather than a busy, and sometimes noisy, workplace;
- environmental considerations.

8.4 Staff morale and retention

Most services can gain from a more flexible approach to where work is done. The main challenge in doing this is to move towards a “management by results” culture.

The overall performance of an organisation is related to how well it is able to recruit, motivate and retain the very best people. Local authorities have traditionally offered flexible working options to some staff – part-time, term-time working, etc. – to ease these problems. If Warwick is seen as an employer offering true flexible working this will promote recruitment and retention of high quality staff.

The health and attendance of the workforce is also very dependent on a high staff morale and low job frustration. Both factors can be promoted by the reduction in unnecessary constraints to effective working and a good family-work balance – that is by a move to true flexible working.

8.5 A move from time management to output management

Most staff would like a more flexible choice of where and when they work. However in a culture where ‘time at the desk’ is seen as a key component of performance it is very difficult to give staff greater freedom in these respects. Performance needs to be assessed in terms of output rather than time spent ‘working’, and the way in which staff are managed needs to reflect this.

The move to more remote working can be particularly threatening to middle management. How can they manage teams who are not there? As staff work more flexibly, visit the office less and use electronic systems to stay in touch whenever and wherever they are working, new management skills and working methods become essential. In fact managers must themselves become more mobile and flexible. Training will be necessary to help managers move towards output based management and the direction and motivation of dispersed teams.

Consultation

Action	Outcomes	Date
Report to be submitted to SMT for approval		May 09
Consultation with unions, H&S,	Use of Assessnet, contribution to desk & chair	23 rd June 09

Resubmission to SMT		22 nd July 09
Employment Committee		15 th September 2009