Human Resources Committee

14 March 2008



Review of Pilot Flexible Working Hours Scheme in Durham County Council

Report of Kim Jobson, Head of Strategic Human Resources

Purpose of the Report

- 1. The purpose of the report is to:
 - Determine if an extra-ordinary meeting of the HR Committee is needed to be scheduled for end April 2008 to further consider the pilot Flexible Working Hours Policy (FWHP) in Durham County Council (DCC)

Background

- 2. In March 2007 the HR Committee agreed to pilot the introduction of a revised FWHP for DCC with the objective of introducing greater flexibility in working practices for employees whilst continuing to effectively meet our business needs and service delivery requirements.
- 3. The main changes within the pilot included:
 - Removal of core hours:
 - Reduction of the maximum debit allowance from 11 hours to 7.5 hours;
 - Increasing the minimum working day requirements from 3 to 4 hours;
 - Crediting hospital appointments only where covered by the Disability Discrimination Act (DDA);
 - All Services to utilise the corporate flexitime sheet;
 - Where agreed with a manager, the employee can convert some debit hours into annual leave.
- 4. The pilot commenced on 25 June 2007 and in December 2007 the Corporate Management Team (CMT) recommended that the pilot FWHP be implemented within DCC on a permanent basis, subject to the approval of the HR Committee.
- 5. In December 2007 a report was presented to the HR Committee, recommending the introduction of the pilot scheme on a permanent basis. This recommendation was based on the positive employee feedback received (see Appendix 2), that there was no reported adverse effect on service delivery standards and the improvement in overall sickness absence figures for those employees covered by the flexitime scheme. At that stage, the HR Committee requested an extension of the pilot scheme through to April 2008.

Current Situation

6. This is the last scheduled HR Committee ahead of the elections to the new Council in early May. Therefore, it was felt prudent to return with a relevant update at this stage together with further proposals on how to proceed. We now have a second quarter of sickness absence information available since the pilot scheme was introduced and we can also consider our arrangements alongside the majority of the district councils.

Findings of Pilot Scheme - Sickness Absence

7. Further assessments have taken place of the apparent impact of the pilot scheme on our sickness absence data. In the first quarter (July to September 2007) there was a 6.47% improvement in the sickness figures for staff using flexitime over the corresponding quarter the previous year¹. In the second quarter (October to December 2007), there was a further improvement of 2.27% in absence against the same quarter in 2006². Looking at an average of the two quarters over these same periods in 2006 and 2007, 4.12 days of absence were lost per full-time equivalent (FTE) employee involved in the flexitime scheme against an average of 4.76 days FTE for all DCC staff.

Comparison with Other Councils

8. We have compared some of the central factors of our pilot flexitime scheme with some of the district councils. These details can be found through Appendix 2, along with the original comparisons submitted in an earlier 2007 report.

Key Issues for Consideration

- 9. As can be seen from Appendix 2, there are some differences across the various schemes. For example, the district councils still retain different degrees of core time, but the majority of councils in the study offer greater flexitime leave opportunities per accounting period than our pilot scheme.
- 10. A nationwide study in 2005³ drew attention to the inflexibility of core hours and suggested that an increasing number of organisations were looking at alternatives outside the core hours format, particularly in the public sector.
- 11. A number of key issues were highlighted in our December report and they remain relevant at this point:
 - Reduced absence during both quarters for those on FWHP, helping to bring overall sickness absence figures down to our lowest levels since 2001;
 - Positive feedback and appreciation form employees;
 - No reported adverse effects on service delivery;

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¹ During the July to September quarter in 2007, the FTE employee working within the flexitime scheme recorded 1.88 days of sickness absence.

² During the October to December quarter in 2007, the FTE employee working within the flexitime scheme recorded 2.15 days of sickness absence.

³ Flexible Employment Options Project 2005, Staffordshire University

- Policy development shows evidence of listening and responding to employee feedback forums;
- Promotion of continuous development in our employment practices.
- 12. Further consideration has been given to a quantitative assessment on workforce performance. However, the development of the LGR programme has an increasing influence when reflecting on employment policies across the Councils involved. The current relative proximity of the elections to the new Council means that it is difficult to gather any systematic evidence over a limited period of the assessment. There may also be logistical difficulties in trying to accommodate an extra-ordinary HR Committee in late April.

Recommendation

- 13. The findings to date within the pilot have been generally constructive. There appears to have been a positive effect on the sickness absence figures, employees participating in the scheme have generally responded favourably to the revised arrangements and there has been no reported adverse feedback from Services. It would appear that the LGR process will require a future consideration of flexitime principles across the eight councils, as we progress to the new unitary body.
- 14. Therefore, the HR Committee are asked whether they wish to hold a further extra-ordinary meeting later in April 2008 to consider the flexitime scheme, or allow the pilot to continue through 2008 and for a decision to be made at a future point.

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Appendix 1: Implications

Local Government Reorganisation

Yes, subject to transfer of HR policies and procedures. If the recommendation is agreed, the pilot scheme will be considered further in the future review of employment policies brought about by LGR requirements.

Finance

None directly.

Staffing

The change would create wider options for employees to balance work and life responsibilities. However this policy is not applicable to all County Council staff and many employees will not benefit directly from this change.

Equality and Diversity

If implemented on a permanent basis this would further strengthen our portfolio of family friendly policies.

Accommodation

None directly.

Crime and Disorder

None directly.

Sustainability

None directly.

Human Rights

None directly.

Localities & Rurality

None directly.

Young people

None directly.

Consultation

The Trade Unions will be advised of any potential changes.

Health

The impact of this amendment will need to be looked at over a longer timescale alongside trends within the sickness rates but would be seen as a positive move for encouraging work-life balance. However, in the short-term, sickness rates have declined amongst the staff who utilise the flexitime scheme in **both** quarters. By comparison, although sickness fell across all employees in the second quarter (to December) within our measurement period, it did increase in the first quarter to September.

Appendix 2: Extract feedback from ChildCare Voucher Survey – Oct 2007

and flexibly Much better	Q.19	Comments
 Fantastic Excellent for working parents and essential I was unaware of a flexible working pilot taking place (Teacher) It is more suitable to those people who do admin work or work that doesn't require an immediate response I feel it is much more flexible to my family and working commitments I think it provides greater flexibility generally, however I feel hospital appointments should be credited as before (non disability related) Husband is involved in it and it has made our lives easier and childcare (especially drop offs) more flexible Working extremely well – has provided me with the flexibility to deal with child's hospital appointments and after care, school sports days an greater flexibility over the 6 week school holidays when I am reliant on Grandparents helping out Already work Job Share – use flexi scheme regularly to assist with home arrangements etc. I try to stick to a routine anyway but good for the unexpected problems Finding it really useful – hope it is not withdrawn Seems good – due to nursery commitments do not have opportunity to accumulate flexi Very, very useful 	If applicable to you, have you any comments on the Pilot Flexible Working	 Very good – has enabled me to remain within the workplace A step forward in the right direction Helpful for Childcare Works better for me – taking and collecting kids from school It is a much improved scheme that allows you to manage school, appointments and other demands within the working day much more easily and flexibly Much better The current flexitime pilot is a great improvement however I have reservations with regard to having to use flexitime for doctor's appointments Fantastic Excellent for working parents and essential I was unaware of a flexible working pilot taking place (Teacher) It is more suitable to those people who do admin work or work that doesn't require an immediate response I feel it is much more flexible to my family and working commitments I think it provides greater flexibility generally, however I feel hospital appointments should be credited as before (non disability related) Husband is involved in it and it has made our lives easier and childcare (especially drop offs) more flexible Working extremely well – has provided me with the flexibility to deal with child's hospital appointments and after care, school sports days and greater flexibility over the 6 week school holidays when I am reliant on Grandparents helping out Already work Job Share – use flexi scheme regularly to assist with home arrangements etc. I try to stick to a routine anyway but good for the unexpected problems Finding it really useful – hope it is not withdrawn Seems good – due to nursery commitments do not have opportunity to accumulate flexi Very, very useful Excellent – made use of it in the first few weeks when child was ill, sharing childcare with husband without need to take valuable annual leave – couldn't be without it now An excellent improvement – thank you! Very, very good – enables me to provide ½

Appendix 3: Comparison of significant elements of flexitime schemes

COUNCIL FACTOR	Core Time	Min / Max Working Day (hrs & mins)	Flexi Leave Allowance ⁴	Credit / Debit Hours (hrs & mins)
Durham County pilot	No	4 / 11	1	11 / 7h 30m
Chester-le-Street	Yes	2 / 11h 30m	2	15 / 10
Derwentside	Yes	3h 30m / 11h 30m	1	10 / 10
Durham City	Yes	3h 45m / 10	1.5	11h 6m / 3h 42m
Easington	Yes	3h 30m / 11h 30m	3	15 / 7h 30m
Sedgefield	Yes	4 / 9h 30m	1.5	11h 6m / 7h 24m
Wear Valley	Yes	4h 30m / 9h 30m	1	11h 6m / 7h 24m
Hartlepool	Yes	3 / 9h 30m	1	10 / 4
Lancaster	Yes	3 / 11h 30m	2	12 / 4
Newcastle	No	0 / 10h 30m	2/3	37 / 15
Northumberland	No	4h 30m / 10	2/3	20 / 20
South Tyneside	No	4 / 10	2	15 / 10

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 $^{^{4}}$ Days per accounting period of 4 weeks. Some Councils have a maximum number of days that can be taken over the course of a year.