



CABINET – 14TH DECEMBER 2022

SUBJECT: AGILE POLICIES

REPORT BY: CORPORATE DIRECTOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to seek Cabinet agreement in relation to four policies that support agile working, namely: Agile Working Policy, Annual Leave Policy, Flexi Scheme, Mileage Scheme.

2. SUMMARY

- 2.1 The Council's *Team Caerphilly – Better Together* Transformation Strategy was adopted by Cabinet on the 12th June 2019. The strategy confirmed 10 Corporate Reviews, one of which was Flexible / Agile Working.
- 2.2 Cabinet will know that the Government directive at the start of the pandemic required many of the Council's staff to work from home almost overnight, which heightened the need to progress the Flexible / Agile Working review, with relevant fit for purpose HR policies being key to support this change in direction for the organisation.
- 2.3 Cabinet will be aware that one of the key actions in both the Employee Wellbeing Strategy 2021 – 24 and the Workforce Development Strategy 2021 – 24 is to update HR policies and procedures and the priority policies have been identified as those relating to agile working.
- 2.4 The four policies were considered by Policy and Resources Committee on 12th December 2022 as part of the consultation process and their feedback will be provided verbally to Cabinet.

3. RECOMMENDATIONS

- 3.1 Cabinet are asked to agree:
- 1) the Agile Working Policy attached at Appendix 1
 - 2) the Flexi Scheme Policy attached at Appendix 3
 - 3) the Mileage Scheme Policy at Appendix 4

- 4) the Annual Leave Policy at Appendix 2, subject to full Council agreeing the £2.459m funding required to support the Policy, as part of its 2023/24 budget setting process.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 The recommendations are made to ensure that the Council has modern and fit for purpose policies in place to effectively support agile working, that ensure continuity of service provision and fairness and equality for staff.

5. THE REPORT

- 5.1 As stated in section 2 of this report, Flexible / Agile Working is one of the 10 Corporate Reviews of the Council's *Team Caerphilly – Better Together* Transformation Strategy which was adopted by Cabinet on the 12th June 2019.
- 5.2 Whilst there was a requirement for home working to be introduced across parts of the organisation at the start of the pandemic, it has given the Council the opportunity to evidence continuity of service via flexible / agile working. Cabinet will be aware that not all services can accommodate flexible / agile working and the needs of the service are of primary and paramount importance.
- 5.3 Relevant HR policies are therefore key to provide a formal platform for agile working going forward and to provide a framework to ensure fairness and equality for staff.
- 5.4 Consequently, four draft policies are attached to this report at Appendices 1 - 4 for Cabinet's consideration:
- Agile Working Policy
 - Annual Leave Policy
 - Flexi Scheme
 - Mileage Scheme.
- 5.5. Discussions have taken place with the Trade Unions (GMB, Unison, Unite) about these policies during the pandemic and the four draft policies were sent to the three Trade Unions on 26th September 2022 as part of the formal consultation process. The feedback from GMB and Unison is attached at Appendices 5 and 6 respectively.
- 5.6 The four policies were considered by Policy and Resources Committee on 12th December 2022 as part of the consultation process and their feedback will be provided verbally to Cabinet.
- 5.6 **Agile Working Policy**
- 5.6.1 This is a new policy. It confirms the Council's commitment to agile working and provides a framework which emphasises the importance of economic growth, decarbonisation and the health and well-being of our employees.
- 5.6.2 The Policy confirms agile working as a transformational tool that allows staff to work smarter. Agile working removes a number of barriers to working efficiently and, by introducing this new modern model of working wherever possible in the Council we

can, amongst many other benefits, improve service delivery. The Council can support inclusion and diversity, better health and wellbeing for our employees, improved work life balance, better employee engagement, and also help mitigate our carbon footprint with reduced travel.

- 5.6.3 The Policy introduces categorisations of ‘Fixed’, ‘Flexible’, ‘Mobile’, ‘Home’ and ‘Community’ roles into the organisation, but acknowledges that agile working cannot be accommodated in all services and for all posts.

5.7 Annual Leave Policy

- 5.7.1 The table below summarises the proposed changes to the current policy

	Current Policy	Proposed Policy
Entitlement	<p>Less than 5 years’ service – 24 days More than 5 years’ service – 28 days CMT* – 33 days</p> <p>These include the formerly locally agreed extra statutory days</p>	<p>Less than 5 years’ service – 30 days More than 5 years’ service – 34 days CMT* 39 days</p> <p>These include the formerly locally agreed extra statutory days and the NJC 2022 pay award of one additional day, but this will be an entitlement locally agreed for all employees and not just those employees under NJC terms and conditions.</p>

*CMT do not benefit from the Flexi Scheme.

- 5.7.2 As part of the pay award for National Joint Council for local government services (NJC) pay award for 2022 / 23, the NJC agreed that from 1st April 2023, all employees covered by this National Agreement, regardless of their current leave entitlement or length of service, will receive a permanent increase of one day (pro rata for part-timers) to their annual leave entitlement. The additional 6 days’ annual leave includes this one day and is proposed to be implemented with effect from 1st January 2023 and not 1st April 2023 to coincide with the Council’s annual leave year and is also for all staff and not just those employed on NJC terms and conditions.
- 5.7.3 Cabinet will note that the changes to this Policy also benefit frontline staff who do not have the opportunity to make use of agile working approaches.
- 5.7.4 The proposal to increase leave is to assist recruitment and retention as the Council is not as competitive as other Local Authorities with its current annual leave offer.
- 5.7.5 The proposed six days additional leave will have revenue budget implications for the council due to the need to back-fill front line services, and for adjustments to term-time only contracts. The estimated additional annual cost is £2.459m. If the proposal is endorsed by Cabinet, growth will be included in the 2023 / 24 Budget Proposals which will ultimately be subject to approval by Council on the 23rd February 2023.

5.8 Flexi Scheme

- 5.8.1 The principles of this Scheme are based on equity and fairness, but it must be accepted that in the application of this Scheme, there will be different outcomes for employees relating to the job that they do, relating to the service, its business needs, and its client base. The Scheme does not apply to Corporate Management Team.
- 5.8.2 The Scheme recognises that the operation of any flexible working hours scheme would ideally apply to as many employees as possible. However, a number of services will not be able to offer maximum flexibility and, in some cases, they will only be able to offer limited flexibility or no flexibility at all. The core operational hours of a service must be met and consequently, the level of flexibility that any post offers will be confirmed by the Head of Service and led by service's business needs and the client base.
- 5.8.3 The changes in the Flexi Scheme relating to bandwidth and time accrual changes support employees to have additional flexibility where the role supports it and with manager authorisation. The removal of core times and bandwidths is merely formalising practices that have developed well during the pandemic, but it does not mean that the core hours of the employees' contract can or will automatically change. This must always be subject to consultation.
- 5.8.4 The main differences between the current scheme and the proposed scheme are listed within the table below.

	Current Scheme	Proposed Scheme
Bandwidth	Mon – Fri 7am – 7pm	None across Mon – Sun
Core times	<p>Must work at least 4 hours a day or 2.5 hours if only expected to be in for half a day.</p> <p>The above example refers to an employee who works a 7 hour 24 minute shift ordinarily.</p>	<p>Must work half of contracted shift plus 18 minutes each day. For example, 4 hours for a full time employee.</p> <p>A part time employee who works 4 hours a day, must work at least 2 hours 18 minutes a day</p>
Credit & debit hours	Employees cannot go below -10 hours and will lose any hours in excess of 37 at the end of a 12 week flexi period.	Managers will receive a notification if an employee goes below 10 hours or above 37 hours at any point over the period of the calendar leave year, January to December
Flexi leave	No more than 6 full days or 12 half days in a 12 week period (maximum of 24 per annum)	<p>No more than 12 full days or 24 half days over the period of the calendar leave year i.e. January to December.</p> <p>The maximum flexi leave an employee can take at any</p>

		<p>one time throughout the calendar year with manager approval will not exceed six full days or twelve half days.</p> <p>Staff will have the opportunities to work more flexibly to support work life balance in accordance with service needs.</p>
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5.9 Mileage Policy

5.9.1 This Policy sets out the principles and rules for claiming travel costs incurred on Council business. In accordance with the categorisation of staff outlined in the Agile Working Policy, the revised proposals outline:

- i) Employees whose roles that are designated Fixed; Flexible; Mobile have a directed workplace for the purpose of submitting travel claims which will either be a Council owned building or a Council owned workplace.

These categorisations include employees whose posts support agile working in the form of location independence. These employees will be allocated a workplace for the purpose of claiming travelling expenses in the form of a dedicated team zone or agile working space in one of our Council buildings.

- ii) Employees whose roles are designated as Home (100%) will claim mileage expenses from home.
- iii) Employees whose roles are designated 'Community', offer them no choice over where they work but who are directed to work anywhere other than in a Council owned building or Council owned workplace, for example to care for service users in their own homes, or in the community. These employees will have their 'workplace' confirmed as being in the heart of the community.

This will be 0.5 miles away from their home. The home to work and work to home return journey will be no more than 1 mile in total. The exception to this will be if the employee's first call of each day is less than 1 mile away from their home.

5.9.2 In accordance with the Policy, the home to permanent workplace and permanent workplace to home commute will not be subject to re-imburement of travel expenses or working time at any time of the working day for any employee. Where any employee chooses to return home during their working day only to return to their workplace later in the working day, they must do so at their own expense and in their own time. Recalls to work that are unexpected and manager led and which do not attract an overtime rate are the exception.

Trade Union Feedback

5.10 To assist Cabinet, Officers have offered comment on Trade Union feedback below. The full consultation responses from GMB and Unison are attached at Appendices 5 and 6 respectively.

5.11 Agile Working Policy

- 5.11.1 The Trade Unions believe that home to designated base mileage i.e. commute mileage, should not be deducted from business mileage where a commute to and from the designated place of work has not been undertaken i.e. instances when an employee is working from home and would go direct to site from their home location on Council business.

Officers would like to seek clarity on posts being referred to and how they are categorised as Officers believe this is more an issue of post categorisation than a policy issue (Mileage or Flexi).

Officers are also concerned that by supporting the staff who benefit from the agile working arrangement to claim mileage in this way, it could exacerbate existing inequalities with employees with low income and who may be experiencing Income Poverty. It is the employees who make up a large proportion of our front-line workforce who are more likely not to have the opportunity to work flexibly in their posts and who have no option but to travel to work each day at their own time and expense.

- 5.11.2 The Trade Unions appreciate the flexibility the draft policy may offer in terms of potentially spreading the working week over 7 days for some, they are resolute that this should be a choice for the employee to make and not mandated or expected in anyway by Management. They wish to be absolutely clear that an 'always on call' culture, be that blatant or subtle, cannot be supported.

Officers agree with this principle. Paragraph 34 and 35 of this Policy confirms that a simplified time recording system is proposed to replace the current time recording system to support 'greater flexibility' around working time. In the simplified system, there is no bandwidth that restricts working hours, enabling employees to record all hours worked at any time of the day throughout Monday to Sunday.

The Policy does not provide the opportunity to bypass the consultation process if a Manager wishes to change the days and hours of service delivery. Paragraph 41 of the Policy confirms this.

- 5.11.3 The Trade Unions are disappointed that a Home Working Payment/Allowance has not been considered.

Officers advise that this is being considered nationally. Officers will continue to discuss this with the Trade Unions.

- 5.11.4 The Trade Unions have requested that any additional cost an employee encounters to their home insurance as a result of working from home is reimbursed in full.

Officers can confirm that any such additional payments may be given consideration.

- 5.11.5 The Trade Unions have requested that the Council's Employer's Liability Insurance and Public Liability Insurance 'rules' are set out in detail.

Officers will include these in Frequently Asked Questions / supporting information.

- 5.11.6 The Trade Unions believe that the statement in the policy that managers must be able to *'ensure that they know where the employee is and what they are doing'* is

unnecessary and does not engender a culture of trust within the organisation. They are also concerned that some managers may take this literally and enforce unnecessary monitoring practices upon staff which will be burdensome and lead to bureaucratic and inefficient working practices. They consider such a practice to be outdated and not in keeping with a progressive outcomes-based organisation.

It is the view of officers that it is important and responsible that Managers know where employees are for health & safety reasons, including lone working. It also underpins the requirements of good management and supports staff wellbeing. It is unrealistic for a manager not to be able to know or ask where their staff members are.

- 5.11.7 The Trade Unions wish to see the Council's responsibilities as an employer clearly incorporated into the Policy

Officers believe these are set out, but will review this with the Trade Unions.

5.12 **Mileage Scheme**

- 5.12.1 The Trade Unions are less supportive of the proposals of how staff categorised as Flexible and Mobile are reimbursed for business mileage when commencing a journey from home and would like further negotiations in relation to this.

Officers would like to seek clarity on posts being referred to and how they are categorised as Officers believe this is more an issue of post categorisation than a policy issue (Mileage or Flexi).

Officers are also concerned that by supporting the staff who benefit from the agile working arrangement to claim mileage in this way, it could exacerbate existing inequalities with employees with low income and who may be experiencing Income Poverty. It is the employees who make up a large proportion of our front-line workforce who are more likely not to have the opportunity to work flexibly in their posts and who have no option but to travel to work each day at their own time and expense.

5.13 **Annual Leave Policy**

- 5.13.1 The Trade Unions would like to see discretion within the draft policy to allow a member of staff to carry forward more than 5 days

Officers have amended the Policy to reflect this.

- 5.13.2 The Trade Unions would also wish to see the possibility of staff being able to purchase additional annual leave added to the policy as a discretionary element.

Officers suggest this is included as a question in the next staff survey and a view gauged as to whether staff would wish to see it included in the policy as there is currently a proposal in the draft Policy for an additional 6 days annual leave for all staff. However, overall consideration must be given to the importance of annual leave as it offers the opportunity to take appropriate time away from the organisation to fully rest both physically and mentally.

5.14 **Flexi Scheme**

- 5.14.1 The Trade Unions would expect that should the needs of the service change and require staff to change terms and conditions of their contracted working hours this would be carried out in full consultation with the recognised Trade Unions.

Officers agree. The Policy confirms that a simplified time recording system is proposed to replace the current time recording system to support of 'greater flexibility' around working time. The Policy does not provide the opportunity to bypass the consultation process if a Manager wishes to change the days and hours of service delivery.

- 5.14.2 The Trade Unions disagree that no payment of flexi will be made to an employee upon termination of their contract, however, if the employee is in a deficit situation, the deficit hours will be reclaimed.

Officers advise that employees should be encouraged to take their flexi before they leave.

5.15 **Conclusion**

The Council recognises that our workforce has been innovative, collaborative, resilient and resourceful in the face of extreme pressure from early 2020 and it has embraced the opportunities that agile working arrangements provide. These draft policies support a modern model of working wherever possible in the Council, which can improve service delivery, support inclusion and diversity, the better health and wellbeing of our employees, improve work life balance, employee engagement, and mitigate our carbon footprint with reduced travel.

6. **ASSUMPTIONS**

- 6.1 No assumptions have been made in this report.

7. **SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 The Integrated Impact Assessment is attached at Appendix 7 and covers the 4 draft policies.
- 7.2 The implementation of a sustainable model of flexible/agile working for the Council has been identified as a priority action and the proposed Agile Working Policy and Flexi Scheme have been created and reviewed to ensure they are inclusive, fit-for-purpose and reflective of these Council's values.
- 7.3 The policies and schemes acknowledge that not all jobs or employee situations will be suitable for agile and flexible working. Whilst the principles of the Agile Working Policy and Flexi Scheme are based on equity and fairness, it must be accepted that in the application of these policies, there will be different outcomes for employees relating to the jobs that they do, the business needs of the service they work in and its client base.

- 7.4 It is important however to note that the Agile Working Policy and Flexi Scheme in the way that they are designed, support personal choice, albeit this has to be balanced against service needs.
- 7.5 These policies and schemes support the Council's vision for sustainable development which places an emphasis on the importance of economic growth, de-carbonisation and the health and well-being of our employees. The Council fully endorses and is committed to developing and resourcing agile working across our Council on a sustainable basis. The Council vision aligns to Welsh Government's vision to support agile working/remote Working across Wales.

8. FINANCIAL IMPLICATIONS

- 8.1 As mentioned in paragraph 5.7.5 the proposed six days additional leave will have revenue budget implications for the council due to the need to back-fill front line services, and for adjustments to term-time only contracts. The estimated additional annual cost is £2.459m. If the proposal is endorsed by Cabinet, growth will be included in the 2023 / 24 Budget Proposals which will ultimately be subject to approval by Council on the 23rd February 2023.

9. PERSONNEL IMPLICATIONS

- 9.1 The personnel implications are included in the report.

10. CONSULTATIONS

- 10.1 The consultation responses have been taken into consideration when drafting the policies and schemes. The written feedback from GMB and Unison is attached at Appendices 5 and 6 respectively. Views from Policy and Resources Scrutiny Committee will be provided verbally to Cabinet.
- 10.2 In addition to the consultees listed on this report, Heads of Service, HR Strategy Group and the HR Management Team have also been consulted on the policies

11. STATUTORY POWER

- 11.1 Local Government Act 1972

Author: Lynne Donovan, Head of People Services

Consultees: Christina Harray, Chief Executive
David Street, Corporate Director Social Services and Housing
Mark S. Williams, Corporate Director Economy and Environment
Cllr Nigel George, Cabinet Member for Corporate Services and Property
Stephen Harris, Head of Financial Services and S151 Officer
Robert Tranter, Head of Legal Services and Monitoring Officer
Nicola Chapman, HR Service Manager
Lisa Downey, HR Service Manager
Emma Townsend, Health and Safety Manager

Trade Unions – GMB, UNISON, Unite
Policy and Resources Scrutiny Committee

Appendices:

- Appendix 1 Agile Working Policy (draft)
- Appendix 2 Annual Leave Policy (draft)
- Appendix 3 Flexi Scheme (draft)
- Appendix 4 Mileage Scheme (draft)
- Appendix 5 GMB feedback
- Appendix 6 Unison feedback
- Appendix 7 Integrated Impact Assessment

Background Papers:

Report to Policy & Resources Scrutiny Committee 27th September 2022 'UPDATE ON AGILE WORKING'

Report to Policy & Resources Scrutiny Committee 9th November 2021 'TEAM CAERPHILLY BETTER TOGETHER TRANSFORMATION STRATEGY 6 MONTH UPDATE'

Report to Policy & Resources Scrutiny 28th September 2021 'EMPLOYEE WELLBEING STRATEGY 2021 – 24'

Report to Policy & Resources Scrutiny 28th September 2021 'WORKFORCE DEVELOPMENT STRATEGY 2021 – 24'

Report to Policy & Resources Scrutiny Committee 6TH April 2021 'TEAM CAERPHILLY BETTER TOGETHER TRANSFORMATION STRATEGY 6 MONTH UPDATE'

Cabinet 12th June 2019 'FUTURE CAERPHILLY TRANSFORMATION STRATEGY - #TEAMCAERPHILLY– BETTER TOGETHER'