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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>6 February 2024</b>
<b>Report By:</b>	<b>Head of Organisational Development, Policy &amp; Communications</b>	<b>Report No:</b>	<b>PR/10/24/RB/MR</b>
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<b>Subject:</b>	<b>Proposal – Reduction in the Standard Working Week</b>		

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## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is to provide the Committee with an update in relation to the proposal of a reduction in the standard working week with no detriment to pay.

1.3 There has been significant work undertaken to understand what implementation might mean across the Council workforce. This has included the finance and service delivery impacts, as well as the positives in terms of improved employee wellbeing and being a more attractive employer for prospective new employees.

1.4 There are a number of common anticipated impacts across services such as some tasks being stopped or reduced, and the reduction in availability or opening periods. It has also been identified that implementation of a reduction in the working week from 37 to 35 hours would have a significant negative impact on service delivery in some areas. Due to this, and the requirement in the Health and Social Care Partnership (HSCP) in particular to deliver regulated or statutory services, there are a number of areas in which the backfill of posts would be needed. These employee related costs, along with a loss in income generation and overtime costs, would total £932k.

## **2.0 RECOMMENDATIONS**

- 2.1 That the Committee
- note the employee, finance and service impacts;
  - note the anticipated costs of implementation; and
  - agree that in the context of current financial pressures these costs cannot be resourced and therefore the reduction in the standard working week with no detriment to pay cannot be progressed at this time.

**Morna Rae**  
**Head of Organisational Development, Policy and Communications**

### 3.0 BACKGROUND AND CONTEXT

- 3.1 As part of the 2021/22 national pay agreement for local government employees it was agreed that national working parties would investigate and prepare reports surrounding the implications of a no detriment reduction in working hours. The pay claim for 2023/24 repeated this ask. The nationally and internationally reported benefits of a reduction in working hours include:
- Improved employee wellbeing with reduced fatigue and stress levels, and consequent reduced absences;
  - A more engaged workforce, with increased productivity;
  - Reduced costs for employees for childcare and greater flexibility for parents and carers;
  - Increased job satisfaction levels and improved employee retention;
  - Improved worklife balance, and
  - Being a more attractive employer for prospective new employees.
- 3.2 Specific to our own Council, an initial high-level scoping exercise was undertaken in January 2023 and the Corporate Management Team took the view it would be beneficial to explore this initiative further. The ongoing work and the intention to bring together a short-life working group was outlined within the report 'Supporting Employee Recruitment and Retention Initiatives' considered by the May 2023 Policy & Resources Committee. It also highlighted the intention to bring a detailed report back to Committee clarifying any operational and financial implications.
- 3.3 A working group was then convened with cross service representation. Members were tasked with completion of a template in consultation with appropriate post-holders. This included consideration of the service implications of a reduction in working hours, including related costs. There was engagement with Directorate Management Teams and the Corporate Management Team. The collated analysis of this service feedback has informed this report.

### FINDINGS

- 3.4 A reduction in the standard working week with no detriment to pay would have a range of implications across teams. Some general themes are listed below.

<u>Impacts</u>	<u>Potential Risks or Concerns</u>
Tasks would require to be stopped or reduced.	Thorough assessment would be required to ensure no or minimal impact on service delivery. Needs to ensure employees are not expected to do same volume of tasks in the same way or without any adjustments in a shorter period.
The streamlining of processes would require to be explored	Available time and resources to undertake the activity. Potential costs for software.
Reduction in availability or opening/closing periods.	Impact on availability of services to customers. Reputational risk with the community.
Adjustment to the start and finish time of shift patterns.	UNISON and the CMT have indicated they would not support an extended lunch break period.
Caseload/tasks would require to be spread over a longer period of time	Impacting on delivery, waiting, assessment and response times. Invoice processing timescales could be affected. Responses to statutory tasks.
There would be a requirement to back-fill lost hours in some areas. During peak	See Appendix

periods, additional hours/overtime/toil will be required.	
Project timescales adjusted to account for the loss in productivity hours.	Longer timescales. Implications if grant funded or specific targets set by external organisation, e.g. Scottish Government
Changes would need to account for internal and external partner needs. Contract arrangements with external bodies/statutory requirements will need to be looked at/ revised.	Potential financial, national targets or KPI implications.
Reduction in the preparation time currently allocated to employees which may adversely affect quality of programme delivery.	Risk to the outcomes of external assessment bodies.

3.5 In addition to the general implications outlined at para 3.4 team or service specific service delivery implications were considered. For corporate services these commonly involve some reduction in service productivity and tasks being undertaken less frequently or less time allocated to tasks. This would lead to longer response times for queries or tasks, and less detailed outputs may be provided. For public facing services the impacts include longer waiting times and reduced service access.

3.6 Following assessment on the anticipated service impacts some teams identified the need for additional resource as listed below. This is because there would be a significant negative impact on service delivery. It should be noted that the HSCP have highlighted that due to requirements to deliver regulated or statutory services there are a number of areas in which they would require to backfill posts.

- Care at Home and Out of Hours

The reduction in hours is equivalent to 13.77 FTE Home Support Workers. There would be a reduction in the capacity of Care at Home services and additional pressures on waiting times. For these reasons funding of £354k is sought to cover backfill costs.

- Supported Living Service

This team includes 21 staff who cover 24/7 shift rotas at supported living services, so if their standard working week was reduced from 37 to 35, that means the service would be short by 40 hours per week. These hours are required to ensure adequate coverage to provide effective services. Due to these reasons funding of £42k to cover backfill costs has been identified as a requirement.

- Learning Disabilities

This includes Learning Disabilities day operations staff, Learning Disability Care and Support at Home & Learning Disability Management and Assessment. These are all statutory services for the HSCP and service user focused. There would be a significant impact on the service if the same number of hours were not provided. Because of these factors funding of £153k is sought to cover backfill costs.

- Criminal Justice

The Criminal Justice budget is set each year by the Scottish Government. Any increase in the costs would not be covered by the Scottish Government and would need to be funded from budget elsewhere in the HSCP. For these reasons funding of £96k is sought to cover backfill costs and maintain service provision.

- Children and Families Social Work Services

Currently employees struggle at times to deliver their core business within the existing 37 hours, resulting in overtime or TOIL. This is because of the need to respond to crisis, short notice court reports and the level of complexity and risk associated with the service user groups. The move from 37 to 35 hours per week is equivalent to 4 FTE Social Worker posts and so £220k backfill costs are sought to ensure that current provision can be continued.

- **Mental Health Services**

Additional resource would be required to maintain this statutory service, including Mental Health Officer and Social Worker hours. The backfill costs would be £53k per year.

- **Educational Resources – School Crossing Patrollers and Letting Officers**

School crossing patrollers have a fixed shift pattern which reflects the beginning and end of the school day. Letting officers are employed to be present at the entire time of a let. Backfill of the reduction in hours would be required to maintain this level of coverage. £13k funding has been identified to fulfil this.

### 3.7 Appendix 1 covers the anticipated revenue financial costs:

- Loss in income generation £85k
- Overtime costs £60k
- Backfill requirements £932k (of which £919k HSCP)

3.8 In terms of the timing of any changes significant lead in time would be required, i.e. a January 2025 implementation date. Sufficient time would be required for services to develop new approaches, processes and working patterns. There would also be significant work required in relation to the contractual changes. Local government employees who are contracted term time have their hours allocated to meet the requirements of the new academic year. All Pupil Support Assistants would need to be retimetabled and reallocated in January.

3.9 There has been trade union engagement on the proposals, including at Trade Union Liaison and Joint Budget Group meetings. There has been recent focused discussion between UNISON and the HSCP, with agreement that the backfill costs for Learning Disabilities employees could be reduced. However this would mean reduced service provision which would require a process of user consultation.

## **CONCLUSION**

3.10 These service impacts will also require to be considered in tandem with the 2024-26 budget savings proposals in terms of impacts on service delivery and the FTE hours available.

3.11 There has been significant work undertaken in relation to the employee, service and financial implications of a reduction in the working week with no detriment to pay. It is recognised that there are positives for employees in terms of reduced working hours, and for making Inverclyde Council a more attractive employer. These positives require to be assessed against the service and financial implications. As the Committee will be aware from recent reports from the Chief Financial Officer there are significant financial pressures on the Council with no identified budget to support the total costs of £932k.

## **4.0 PROPOSALS**

4.1 That the Committee

- note the employee, finance and service impacts;
- note the anticipated costs of implementation; and

- agree that in the context of current financial pressures these costs cannot be resourced and therefore the reduction in the standard working week with no detriment to pay cannot be progressed at this time.

## 5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial	X	
Legal/Risk		X
Human Resources	X	
Strategic (Partnership Plan/Council Plan)	X	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing	X	
Environmental & Sustainability		X
Data Protection		X

## 5.2 Finance

£200k has been approved in principle by the Policy and Resources Committee to meet the non-HSCP costs. These costs below total £158k.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
E&R Directorate	Employee Costs	Jan 2025	£60	N/A	Anticipated funding from Pressure contingency.
Various	Income		Up to £85		Allocate to procuring service for loss of income or increased costs
HSCP	Employee Costs		£919		HSCP estimate of increased costs
ECOD Directorate	Employee Costs		£13		ECOD estimate of increased costs

## 5.3 Legal/Risk

There are no legal implications identified at this stage.

#### 5.4 Human Resources

All Human Resources issues are included in the report.

#### 5.5 Strategic

The report helps deliver the Council Plan outcomes:

- People are supported to improve their health and wellbeing
- More people will be in employment with fair pay and conditions
- Our employees are supported and developed.

#### 5.6 Equalities, Fairer Scotland Duty & Children/Young People

##### (a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

X	YES – Assessed as relevant and an EqIA is required. An initial EqIA has been undertaken. Please note that further work will be required to develop the EqIA in line with service delivery changes as a result of the proposal should it be agreed.  <a href="https://www.inverclyde.gov.uk/council-and-government/equality-impact-assessments">https://www.inverclyde.gov.uk/council-and-government/equality-impact-assessments</a>
	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

##### (b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty for the following reasons: Provide reasons why the report has been assessed as not relevant.

##### (c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

### 5.7 Environmental/Sustainability

Summarise any environmental / climate change impacts which relate to this report.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

### 5.8 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

## 6.0 CONSULTATION

6.1 A short-life working group was developed to assess human resources, financial and service delivery implications should the proposal be agreed. Representation covered all areas of the Council and HSCP and engagement has taken place with our trade union colleagues.

## 7.0 BACKGROUND PAPERS

7.1 None.

## Appendix 1 - Financial Implications

Service	Income Generation (£s)	Overtime (£s)	Backfill requirements (£s)	Details from services
Culture Communities & Educational Resources			13	Backfill required for School Crossing Patrollers 19hrs (T/T) £9,700 and Letting Officers 5.5hrs (T/T) £3,196
Education	23			Wrap income reduced if operating at full capacity: 14 establishments x 8 top and tail of (15 minutes cost of £4.50 per hour, 15 minutes £1.12) x 190 days available = 21,280 x £1.12 = £23,833 potential loss of income
HSCP - Care at Home and Out of Hours			354	Backfill for Home Support Workers for 13.77 FTE
HSCP – Supported Living Service			42	Backfill for 1 FTE Grade 5 employee to maintain 24/7 rota coverage
HSCP – Learning Disabilities			153	Reduction in statutory capacity by 5%, related backfill costs across posts.
HSCP – Criminal Justice			96	Related backfill costs across posts
HSCP – Mental Health Services			54	Backfill for Mental Health Officer Team – 14 hours per week, £22k, Adult Community MH Team – 12 hours per week, £17k per year, Older Peoples Community MH Team – 10 hours per week, £15k
HSCP - Children and Families Social Work Services			220	Reduction in statutory social work capacity in the service by 5%. This is equivalent to 4 FTE Social Worker posts.
Regeneration & Planning (Fleet Waste and Grounds)		42		5.7%/£20,790 increase in overtime across the Service representing similar overtime hours worked but at higher rate. £21,500 increase in drivers overtime, mix of contractual and ad-hoc. This cost arises due to the timing of some of the drivers runs a later start/earlier finish would impact on service delivery and require additional overtime
Physical Assets (Roads)	24	18		£8,640 Roads Out of Hours/Winter £9,220 RAMP resurfacing Income pressure (Roads Ops) £49,000 of which £24,000 will be a revenue pressure within Roads Client and the balance contained within Capital



Physical Assets (Building Services Unit)	38			BSU £80,000 of which £37,500 will be a revenue pressure (increase CRA) with the balance being contained within Capital
<b>TOTAL</b>	<b>£85</b>	<b>£60</b>	<b>£932</b>	