

EAST AYRSHIRE COUNCIL

CORPORATE SUB-COMMITTEE OF THE POLICY AND RESOURCES COMMITTEE – 25 SEPTEMBER 2001

DEPARTMENT FOR EDUCATION AND EMPLOYMENT WORK-LIFE BALANCE CHALLENGE FUND

Report by Depute Chief Executive/Director of Corporate Resources

1. PURPOSE

- 1.1** To advise the Sub-Committee of the Department for Education and Employment's Work-Life Balance Challenge Fund and the Council's success in submitting a bid for financial support from the fund to address local issues.

2. BACKGROUND

- 2.1** The Government's 1998 White Paper on "Fairness at Work," proposed a number of "Family Friendly" policies in recognition of the changing patterns of work and demographics. These policies were intended to help men and women cope with the dual demands of work and family life and to ensure that organisations recruit and retain employees with the right levels of skills and knowledge required to respond to changing business needs. This paper formed the basis of the Employment Relations Act 1999 which introduced legislation in support of a number of family friendly policies such as parental leave and time off for dependants.
- 2.2** This is a priority area for the Government. The Government's "Changing Patterns in a Changing World" campaign aims to explain the principles behind good practice in work life balance and to help the workplace culture catch up with changes in the workforce.
- 2.3** The Government recognises that many employers already support a number of work-life balance policies however also have to continuously consider ways to improve their effectiveness by making more effective use of their employees. To assist employers identify and introduce new working arrangements that benefit the business, the customer and the employee, the Government introduced the Work-Life Balance Challenge Fund (The Challenge Fund) last year.

3. THE CHALLENGE FUND

- 3.1** The Challenge Fund is a resource which enables employers to receive free advice from specialist consultants to support them in developing and implementing work-life balance policies and practices. The Challenge Fund is open to employers from the private, public and voluntary sector and successful applicants receive free advice from specialist consultants.
- 3.2** Within East Ayrshire Council, there already exists a number of work-life balance policies such as job-share, flexitime, paternity leave, adoption leave, etc. However with the increased need for efficiency, effectiveness and economy in the way in which local government provides and delivers services, the specialist consultancy advice would provide an opportunity to examine current flexibilities and explore solutions which meet both Council and employee needs. A particular driver for the review was a demand for flexibility by service departments within the recent round of consultation on the preferred Single Status Conditions of Service package.

3.3 Organisations are asked to identify up to 3 areas of business performance they are seeking to improve by introducing work-life balance policies. The list of areas of business performance organisations are asked to choose from are:

- Recruitment
- Morale
- Compliance with Employment Legislation
- Employee retention/high turnover
- Absenteeism levels
- Large number of disciplinary actions
- Public image
- Unproductive long hours culture

3.5 In light of the discussions with departments on the need for additional flexibility to support the business and ensure that policies support business needs, the Council's Work-Life Balance Fund bid highlighted the Council's key issues as:

- Absenteeism levels
- Recruitment
- Employee Morale

3.6 As previously mentioned, within East Ayrshire Council there are currently a number of work-life policies in place. However, with European legislation increasingly impacting on employment rights and an increased need for flexibility, both in delivery of services and in conditions of service, it is considered appropriate to examine further work-life balance opportunities to support the Council's business needs. In particular, with the implementation of the Single Status Agreement, it is considered that this would be an opportunity for additional flexible working options to be examined in support of the business needs.

4. THE PROCESS

4.1 Step 1 – Council submitted bid to Department for Education and Employment (DfEE).

Step 2 – DfEE appointed Price Waterhouse Coopers who visited on 13 June 2001 for an initial review of our application. This process involved:

- a) Meeting Head of Personnel
- b) Meeting representative group of employees
- c) Meeting with an employee involved in a previous change project in the Council. (Head of Leisure)
- d) Meeting with Director of Corporate Resources/Depute Chief Executive

Step 3 – DfEE selection panel met early July to consider consultant's reports.

Step 4 – Council and other selected employers invited to launch event 19 July to choose most suitable consulting firm for their organisation and to attend workshops on various work-life balance themes. Arthur Anderson UK were selected by the Council.

5. WHO HAS BENEFITED FROM THE CHALLENGE FUND SO FAR?

5.1 In the first round (2000) 180 organisations applied for the Challenge Fund and 88 were successful in their applications. In the private sector employers were selected from a variety of industry sectors including retail, finance, manufacturing, agriculture, transportation, hotel and catering, finance, electronics, automotive, mining and sport. In the public sector successful organisations included schools, universities, hospitals, local authorities, police and a fire authority.

5.2 In 2001, 93 organisations were successful in the second round of funding bids. Again, a broad range of industry sectors have been supported. It is understood that the Council is the only Scottish Local Authority to have received funding.

6. WHAT SORT OF ISSUES WILL THE CONSULTANTS SUPPORT THE COUNCIL IN REVIEWING?

6.1 Terms of engagement which includes a Project Plan have been agreed with Arthur Anderson. Key actions and reference points include: -

Phase 1 – Project Planning and Scoping

Project Plan agreed

Phase 2 – Review of current and desired work-life balance policies, practices and culture.

- a) Employee Satisfaction Questionnaire
 - Issue October payslips
 - Return Early November
 - Report on findings 16 November 2001

- b) Focus Groups with employees
 - Establish cross section of managers and employees across Council to test questionnaire results and further investigate WLB areas (Lifespan mid to end November)

Phase 3 – Defining WLB strategy, obtaining senior level buy-in and building the business case.

- a) Senior Management Session (by 12/12/01)
- b) Develop WLB strategy, principles and measures (by 18/1/01)

Phase 4 – Identifying and developing solutions to improve WLB

- a) Identifying WLB policies
 - benchmark East Ayrshire Council policies against 'Best in Class'
 - identify new opportunities (by 15/2/02)
- b) Providing expertise in behaviour and attitude change.
 - Introduction of Talking Behaviour Action Teams (to review proposal, generate ideas for consistent application). Two teams to be formed in first instance. (By 16/3/02)

Phase 5 – Communication, implementation and evaluation

- a) Development of high-level implementation and Communication Plan
(Ongoing to conclusion at 10/02)

7. CONSULTATION

- 7.1 The Head of Personnel has informed the Trade Unions as the bidding process developed.
- 7.2 The Sub-Committee will note the importance of consultation and involvement within the project. The Head of Personnel is keen to ensure that, similar to the initial consultation exercise described in 4.1 above, the employee involvement (managers and staff) is as representative as possible of the whole workforce. This may not necessitate a traditional management and this has been recognised with the Trade Unions.
- 7.3 Elected Member involvement in certain phases of the project will be of benefit to its overall success and it is recommended that the Head of Personnel liaise with the Chair of this Sub-Committee in this regard during the lifetime of the project.

8. FINANCIAL IMPLICATIONS

- 8.1 The costs of the project will be contained within the £55,000 provided by the WLB Challenge Fund.

9. POLICY IMPLICATIONS

- 9.1 Any proposed amendments or additions to the Council's employment policies will be reported to the Sub-Committee for consideration and approval.

9. RECOMMENDATIONS

- 9.1 The Sub-Committee is asked to:
 - a) note the Council's success in gaining support from the Government's Work-Life Balance Challenge Fund;
 - b) agree to support the initiative throughout the process and with an early emphasis on encouraging employees to complete and return the Employee Questionnaire to be issued in October 2001;
 - c) invite the Depute Chief Executive/Director of Corporate Resources to provide future update reports to the Sub-Committee.

Fiona Lees
Depute Chief Executive/Director of Corporate Resources
5 September 2001

H/graham/reports/jcc/work-life balance challenge fund

AGENDA