

North East Derbyshire District Council

Services Scrutiny Committee

19 September 2023

4 Day Work Week Pilot

Report of the Assistant Director Governance and Monitoring Officer

Classification: This report is public

Report By: Sarah Sternberg, Assistant Director Governance and Monitoring Officer

Contact Officer: Sarah Sternberg, Assistant Director Governance and Monitoring Officer

PURPOSE / SUMMARY

At the informal meeting of the Services Scrutiny Committee, Members raised the experiment being carried on by South Cambridgeshire into a 4 day week and the letter from the Minister for Local Government, Lee Rowley objecting to the experiment on best value grounds. Members asked for more information.

Attached to the agenda is a copy of the letter from the Minister to South Cambridgeshire.

RECOMMENDATIONS

1. To consider the contents of the report.

IMPLICATIONS

Finance and Risk: Yes No

Details:

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

Staffing: Yes No

Details:

There is at present a growing shortage of available applicants for most roles across the sector with Councils competing for those applicants across a whole range of job types.

In a recent survey, 9 in 10 Councils are struggling to recruit, often meaning that Councils are having to turn increasingly to agency staff to 'plug' gaps...this is more costly and places additional burden on budgets.

Increasingly, Councils, along with other organisations are looking for ways to strive for efficiencies and ways to overcome the recruitment and retention challenges experienced by all sectors at the present time.

There appears to be a growing body of research that suggests shorter working weeks cannot only lead to staff being more productive, they can also be an attractive proposition to potential candidates and a valuable recruitment and retention tool.

As Head of Paid Service, I must ensure that we have organisational consciousness and awareness of our responsibility and best value duty set out in the Local Government Act 1999. The essence of the duty is to ensure that the Council makes arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness – as such, as an organisation we must remain open minded to new ways of working options amongst other things.

Similarly, the same section of the Act requires Councils to have regard to any guidance issued by Government. Given the recent exploration and activity of other Councils regarding the 4-day working week initiative, such guidance is likely to be forthcoming.

At this stage there are no staffing impacts arising from this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet <input type="checkbox"/> SMT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	No

Links to Council Plan priorities, including Climate Change, Equalities, and Economics and Health implications.

A great place to work.

REPORT DETAILS

- 1 **Background** *(reasons for bringing the report)*
 - 1.1 South Cambridgeshire's 4 day week project commenced in January of 2023 for a 3 month trial. In May 2023 the Council agreed to extend the trial to a full year. They are the first Council to trial this approach.
 - 1.2 The 4 day week is when people deliver 100% of their work in 80%% of their contracted hours for 100% of their pay. The opening hours of the Council during the trial are being maintained so that they are at least the same as they were before the trial. The Council does not close for one day a week.
 - 1.3 Two of the drivers behind this was to reduce the spend on agency workers and improve recruitment.
 - 1.4 The Bennett Institute for Public Policy at the University of Cambridge was asked to review the results from the initial 3 months trial. They analysed 18 different areas including HR, Housing, Planning, Corporate Services and Finance.

1.5 Their results showed:

- nine out of the 16 areas monitored showed substantial improvement when compared to the 3 months the year before.
- The remaining 7 areas were at the same level or showed a slight decline.
- That not a single area fell to a level of concern.

1.6 In addition, the Council experienced a reduction in the use of its agency budget in the first 3 months of the trial.

1.7 On 30th June 2023, the Minister Local Government Minister wrote to the Leader of South Cambridgeshire. This is the letter in the agenda. The letter was a formal request to end the experiment immediately.

1.8 The letter argued that “paying employees for an extra day of work that is not carried out is unlikely to demonstrate” value for money.

1.9 The counter argument to this is that Councils should be paying for a result for the outcomes of the work and not for hours in the office/at work. Clearly the argument that 20% of capacity has been removed is fallacious.

1.10 The next argument is that local government shouldn't experiment with their own capital and capacity in this way like the private sector. Continuous improvement should be at the forefront.

1.11 The alternative argument to this is that this approach places an extra restriction on innovative ideas - some of which come from the private sector. This in turn will lead to less continuous improvement. There would therefore be less innovation in local government. Provided there is no breach of the law in the proposals, it is hard to accept this view.

1.12 The letter also states that such working arrangements could impact on the Council's best value duty in the Local Government Act 1999.

1.13 The duty is in Section 3 of the Act:

3 The general duty.

(1) A best value authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

1.14 The same section requires Councils to have regard to any guidance issued by Government.

1.15 The Minister's letter states that such guidance will be issued imminently. At the date of writing this report, the guidance has not been issued. A consultation exercise finished in August this year.

1.16 The letter also states the Department will be £exploring other, even clearer indicators to ensure that the sector is clear that this innovation should not be pursued.”

1.17 The Leader of South Cambridgeshire has written back requesting a meeting but there is no indication this meeting has taken place.

1.18 The 4 day week pilot continues.

1.19 For Members' information the Scottish Government is proposing to trial a 4 day week for its Civil Servants.

2. Details of Proposal or Information

2.1 The report gives information for Members to consider.

3 Reasons for Recommendation

3.1 For Members to consider the issues raised.

4 Alternative Options and Reasons for Rejection

4.1 Not applicable

DOCUMENT INFORMATION

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	
None.	