REMOTE WORKING

EXECUTIVE MEMBER: Cllr Williams

LEAD OFFICER: Hilary Mitchell

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Summary: To inform Members of the proposal to trial remote working at Copeland Borough Council, and to seek member approval for implementing a six-month trial.

Recommendation:	1. That the following is noted: ▪ The possible benefits of implementing a remote working policy ▪ The risk assessment associated with carrying out a remote working policy trial 2. That members support the implementation of a limited six-month trial of remote working as outlined in Option 1 below 3. That members agree to the costs of the pilot being taken from the Major Projects Fund. The current balance on the Major Projects Fund is £517,248. 4. That a further report describing management arrangements be brought to Executive Committee

Impact on delivering Corporate Plan objectives: A well-managed remote working strategy would support greater efficiency, customer service, sustainability, diversity and the delivery of IEG objectives in the Corporate Plan

Impact on other statutory objectives (e.g. crime & disorder, sustainability):   Reduced need for travelling is consistent with sustainability objectives, responding to requests from some employees for varied working arrangements is a statutory requirement. Statutory objectives under health and safety legislation may be better met by allowing greater flexibility over working arrangements

Financial and human resource implications: Costs associated with the pilot are estimated to be £650 per participant, to be taken from the Major Projects Fund.
The human resource implications of the pilot will be restricted to a number of managers being asked to undertake an adjustment in their management of work, and the individual employees will need to adjust their use of time. During the pilot phase there will be no changes to written terms and conditions of employees' contracts.

Project & Risk Management: The trial has been developed using project management techniques, and a risk assessment has been produced to support the implementation of the trial.

Key Decision Status

     - Financial: None
     - Ward: None

Other Ward Implications: None

1.   INTRODUCTION

1.1   In April 2005 Corporate Team requested that the feasibility of implementing remote working as a form of flexible working for Copeland Borough Council be assessed.

1.2   A small group of Officers has researched the potential benefits and risks with introducing remote working, and they recommend that Copeland embark on a six-month trial to test the viability of implementing a Remote Working Policy across the organisation.

2.   WHY SHOULD COPELAND CONSIDER IMPLEMENTING A REMOTE WORKING POLICY?

2.1   There are a number of reasons why development and implementation of a Remote Working Policy would be beneficial for Copeland Borough Council:
- It is an IEG requirement to have a home-working policy in place
- There is a requirement under the statutory Flexible Working Regulations to consider requests from parents of children under 6 or with disabilities to vary working arrangements
- It would enable our organisation to be more responsive to customer needs through mobile working, increased flexibility of location and potential for increasing hours available to customers
- It would improve productivity and efficiency (minimise wasted time through travel and administration) and therefore provide a better overall service to customers
- It would support the diversity agenda; contribute to recruitment and retention; improve morale and reduce sickness levels
- It will enable us to react and take advantage to modern environment and available technology
- It may be a catalyst in shifting the organisation's focus to output/outcome based performance management
- It will have environmental impacts through a reduction in the need to travel to work
- It may rationalise office accommodation leading to accommodation cost savings
- It will formalise the trend towards informal home working arrangements
- It will give the organisation options with regard service provision, for example extending hours for customers, if there was a regional or national emergency (such as a fuel shortage)
- It will enable us to take advantage of the learning from the National Project on Mobile Working (Project NOMAD)

2.2   A significant number of public and private sector organisations are benefiting from offering remote working options to employees. According to the DTI in the UK alone, there are more than 2.2 million flexible workers. Many organisations are starting to offer flexible working options as a method of attracting and retaining a talented workforce.

The Office of Government Commerce, in a report published this summer, said: "Flexibility has become the byword . . . The need for efficiency gains; improved service delivery and greater overall responsiveness have led to new approaches. The people, information and communication technology and workspace need to complement each other so that overall flexibility can be achieved."

2.3   The **efficiency benefits** derived from remote working by other organisations have been substantial.
- For example, BT plc's "Workstyle" Flexible Working Programme …
  - "… Between 1992-2000, BT saved £220.0m in property costs through the promotion of flexible working practices."

- ▪ "… By 1997, £14.0m was saved by the promotion of hot-desking alone."
  Source: "DTI: Work-Life Balance – The Business Case" (URN 01 1128 – September, 2001)
- ▪ The "Preston Wireless City and Council" pilot identified efficiency savings in terms of "The business case was not a hard and fast; here is the money, here is the cost, here is the savings etc. It was much more a case of a vast improvement in services and a reduced amount of support in order to do it" and "There are anticipated savings in accommodation costs, car parking space and mass paper reduction leading to less strain on recycling processes. All of which has been calculated to a figure in the region of a £40,000 (Sterling) saving a year."
- ▪ "Mobile computing can make a significant contribution to increased efficiency particularly in the medium term. For those local authorities that have already started mobile computing projects, real short-term benefits are likely. Early Project Nomad case studies demonstrate both cashable efficiency gains and improved performance from existing resources."
  Source: 'Efficiency Savings & Mobile Working in Local Government" (Project NOMAD, Mar 05)
- ▪ By introducing its *"WorkWise Programme"* in the mid-1990s, Hertfordshire County Council said that it had achieved savings in office overheads of between 20% and 30% pa.
  Source: 'Efficiency Savings & Mobile Working in Local Government" (Project NOMAD, Mar 05)
- ▪ "In its recent study, The City of London University has recently established that the average cost of a desk in the UK is £10,000*."
  "A home-worker costs around £3,000 to set up, so a saving of £7,000 is made per home-worker. BT has approximately 5,000 home-workers, saving the company approximately £35.0m."
  Source: "DTI: Work-Life Balance – The Business Case" (URN 01 1128 – September, 2001)
  * BT's Workstyle Consultancy Group now say that the cost is actually nearer to £18,000 per desk pa.
- ▪ In its "Fundamental Review of its Property Strategy" in the mid-1990s, Surrey County Council concluded that the introduction of "radical new ways of working" could produce operational annual savings of up to 50%. After taking into account its portfolio of 'legacy' buildings as well as the extra costs of telecoms and IT, staff relocations and offices refurbishment, the actual net result gained was a saving of between £26.9m and £50.3m over a 25-year period.
  Source: 'Efficiency Savings & Mobile Working in Local Government" (Project NOMAD, Mar 05)

2.4 Mobile working has also been shown to deliver **service benefits**:
- ▪ "Mobile working implementations by local authorities during the 1990s have shown that service delivery improvements of between 10% and 30% are achievable."
  Source: 'Efficiency Savings & Mobile Working in Local Government" (Project NOMAD, Mar 05)
- ▪ "The telework initiative (in the Revenue Services Division) reduced staff turnover from 30% to 8% in twelve months and improved productivity by 20 to 30%. The time taken to process a new claim has been reduced from 103 days to 26 days. Sickness levels were 50% lower, and these figures were sustained over the twelve-month pilot."
  Source: The TCA – "The Teleworking Handbook" (4th Edition) A&C Black, London. 2003. Chapter 6 – Implementation in organisations. P.205.
- ▪ "Technology allowing benefit applications to be completed and processed from the comfort of a customer`s home. At the press of a button the system updates the system back in the office and allows staff to tell the customer there and then exactly how much benefit they will get. From 103 days in 2001, the claims process can now be completed in an hour and a half."
  Source: Press Release from East Riding of Yorkshire, 30-Jun-05

2.5 Finally, there are **strategic benefits** to developing a mobile working policy:
- ▪ Local authorities must remain competitive if they wish to recruit and retain skilled and experienced staff.
  Source: 'Efficiency Savings & Mobile Working in Local Government" (Project NOMAD, Mar 05)

- "As a direct result of implementing various forms of mobile working, East Riding of Yorkshire Council reduced staff turnover in its Housing Benefits section by 60%."
  Source: The TCA – "The Teleworking Handbook" (4th Edition) A&C Black, London. 2003.
  Chapter 6 – Implementation in organisations. P.205
- "Set-up costs for mobile working should be weighed against the benefits, both financial and operational. A full cost/benefit analysis is required that takes a holistic view of new working practices. An example of just such an approach having been taken is the East Riding of Yorkshire Council."
  Source: 'Efficiency Savings & Mobile Working in Local Government" (Project NOMAD, Mar 05)
- "The average set-up cost is £2,770 and the Council estimates that having 45 staff working from home will provide a net saving of £42,987 per year."
  Source: The TCA – "The Teleworking Handbook" (4th Edition) A&C Black, London. 2003.
  Chapter 6 – Implementation in organisations. P.205.

2.6   In addition, it is possible that the Council could provide a blueprint for similar organisations to operate in Copeland. Remote working addresses many of the barriers to employment in the area – geography and transport issues become irrelevant; people work within their communities and could help to sustain local amenities; technology is available to allow it to happen.

3   PROPOSAL FOR IMPLEMENTING A REMOTE WORKING TRIAL AT COPELAND

3.1 It is proposed that the Council undertakes a six-month trial involving a limited number of employees.
The objectives of the trial are to:
- Test the technology that enables people to work remotely
- Quantify the direct and indirect costs of remote working
- Measure the benefits of remote working –such as customer service, quality of service, efficiency of service, work-life balance for employees, morale within the organisation, utilisation of resources and technology, travel time and transport costs
- Identify any issues that arise as a result of people working remotely

3.2 It is proposed that the trial has is as challenging a test as possible, and exposes any issues associated with the practical implementation of remote working. A trial period of six months is recommended to allow for the collection of useful and representative data that will allow the development of a sound business case for full implementation. Preparation for undertaking the trial will cover issues such as consultation with individuals participating in the trial, management of out-puts, introduction of technology and monitoring and evaluation processes.

3.3 As indicated in the objectives of the trial, it will allow us to effectively test and exploit the technology the authority has invested in to enable effective day-to-day working. Many of the key building blocks required to support remote working are already in place, and building on these blocks could provide Copeland with a simple to use, easily managed remote working solution that is not only secure, but auditable, flexible and reliable. Team Leaders for instance could be provided with sign on times for individual users to help them to manage workload and productivity. Copeland already has in place the systems to monitor all activity and manage this accordingly.

3.4 An assessment has been carried out to identify the roles that could potentially take up mobile and/or home working, and a range of options for remote working have been identified:
- Remote working (not home-based)
- Mobile-working with a hot desk at the office

- Home-working on an occasional ad-hoc basis, i.e. to complete specific pieces of work such as a report
- Home-working on a part-time basis, i.e. office based on specific days
- Home-working on a full-time basis, i.e. having no workspace at the office, but attending the office for meetings
- Not suitable for mobile or home working

3.5 The suitability of particular roles to work remotely or mobile was assessed using a number of criteria including the frequency of face-to-face contact with members of the public or with colleagues; need to be physically within HQ to deal with un-planned issues / emergencies; the need to supervise or manage specific tasks within HQ. The suitability of individuals to participate in the pilot is an issue that managers will be asked to advise on.

3.6 Managers have been involved in agreeing the scope of the trial and verifying the suitability of specific roles to be carried out remotely.

3.7 In developing the detail of the remote working trial, past experience of other organisations (Agilisys, Cumbria County Council, and BT), and the wealth of guidance on the NOMAD national project website has been used. In so doing, the Council has used the lessons learned by others in planning for a successful trial.

3.8 Two possible options for the pilot have been developed.

PILOT OPTION 1

This option is recommended by the Remote Working Group. In this option it is proposed that the participants be sought from the following teams to be involved in the trial:
- Copeland Direct (2 Full time remote workers)
- Environmental Health (Mobile, 2 hot desk workers)
- Member services (1 part-time home workers)
- Legal and Democratic Services (1 part-time home worker)
- Policy and Performance (2 ad hoc remote workers)
- Members (2 not yet using full remote access to the Council's network facilities)

Note: An exercise currently in progress involving 6 remote Capita workers processing Benefits will be included when gathering feedback from the pilot.

PILOT OPTION 2

Under this option, which is similar to one proposed earlier in the work of the Remote Working Group, a wider range of participants would be involved in the six month pilot:
- Customer Services (Copeland Direct) - full time remotely based [2]
- Leisure & Environmental Services (Environmental Health) - mobile/hot desking [4]
- Finance and Business Development (ICT Technical Support) - mobile/hot desking [1]
- Legal & Democratic Services (Scrutiny Support) - part time home based [1]
- Regeneration (Community Renewal Manager) - part time home based [1]
- Regeneration (Regeneration Senior Officer) - part time home based [1]
- Sustainability & Nuclear Policy - part time home based [1]
- Policy & Performance - part time home based [2]

Note: An exercise currently in progress involving 6 remote Capita workers processing Benefits will be included when gathering feedback from the pilot.

It would be necessary to seek volunteers from this list to participate in the trial (subject to management approval), the numbers of whom are indicated in the brackets. Due to the need for significant additional investment to enable the Revenues and Benefits team to work remotely, it is proposed that the full time home based officers actually work out of the Cleator Moor office rather than home to test whether their role is suitable for working remotely. The technology required to enable them to be home based is available, and is likely to be there in the future, however the cost is understood to be substantial.

In order to test mobile working and hot desking, and it is recommended that a hot desk area is created at Moresby and at Catherine Street. This will involve the implementation of roaming profiles.

4 COSTS AND BUDGETARY BENEFITS

4.1 **PILOT OPTION 1** :

The costs associated with implementing the trial for the above 10 people is estimated to be around £5000. A sum of £6000 is requested from the major projects fund to fund this work. This will involve the purchase of additional IT equipment to enable remote and home working, the set up of home working environments, and the establishment of hot-desk areas within the Copeland Centre. The two employees who would trial part-time homeworking would receive a health and safety check at home. Ad hoc home workers in the pilot would not be subject to Health and Safety inspection of their workstation (but would sign a waiver), and would not receive on site support.

4.2 It is estimated that floorspace within the Copeland Centre costs £1500 per person. The 8 officers' trial will reduce the number of desks required to 5 (equivalent to £7500). This saving only becomes realisable if the trial was extended, and the council could consider sub-letting parts of the Copeland Centre.

4.3 **PILOT OPTION 2**:

For the ad hoc people, we anticipate limited investment. We would recommend using department laptops to enable ad hoc home working, and encourage communication via telephone rather than email. We also recommend that there are some business rules developed to ensure that not everyone is out at the same time. Ad hoc home workers in the pilot would not be subject to Health and Safety inspection of their workstation (but would sign a waiver), and would not receive on site support.

4.4 For the part time home based and full time home based workers, we anticipate costs of approximately £650 per user for a six month trial, comprising insurance, purchase of chair/desk, set up costs - IT and H&S inspection, ADSL line costs. We would also stipulate that on site support would be provided in exceptional circumstance, and would only be provided at the worker's permanent residence.

4.5 For hot desking, most of the technology is in place, and the only costs would be the set up of the hot desk area and roaming profiles, which would be contained in existing budgets

5 MEASURING THE IMPACT OF REMOTE WORKING

5.1 The proposed measures for assessing the benefits and disadvantages of remote working are attached at Appendix A. One of the cultural changes we will need to face is the issue of how

Copeland as an organisation quantifies each individual's contribution to the achievement of the overall aims and objectives, and moves us away from payment for attendance.

5.2 In quantifying the benefits of the trial, it is necessary to have a baseline position or comparative data for efficiency prior to the introduction of remote working. Measurement of contribution is therefore not limited to those involved in the trial, but will need to include monitoring the "control" or other parts of the organisation not participating in the pilot. Managers have been involved in developing the measures for their teams, and processes have been put in place to track:

- Service speed

- Service costs

- Sickness absence

- Quality (customer complaints and comments)

5.3 Efficiency measures will be collected at an agreed interval, and reported to Corporate Team throughout the trial period, and that team will respond to any issues emerging.

6 RISKS ASSOCIATED WITH IMPLEMENTING A REMOTE WORKING TRIAL

6.1 A detailed project plan will be created following the Executive's decision to proceed to include all known aspects of preparation for this pilot.

6.2 As with any major change to the way the organisation operates, there are risks associated with implementing a remote working policy. In running a trial, many of the risks are limited as we learn more about the issues associated with remote working.

6.3 A comprehensive risk assessment has been undertaken on the implementation of the trial, and mitigating actions identified and assigned. The risk assessment takes account of issues such as security, robustness and impact of change on customers.

7 CONCLUSIONS

7.1 A proposal has been presented that takes into account the risks and benefits of trialling a remote working policy, and it is recommended that Copeland initiates a 6 month trial of remote working for a limited group of employees. It is planned that the trial will start during Q1 2006.

List of Appendices
Appendix A………. Remote Working –Measures of Improvement
Appendix B………,Risk Assessment

List of Background Documents:

List of Consultees: Corporate Team
                                           Portfolio holder for Resources
                                           Other portfolio-holders
                                           Managers of teams likely to be involved in pilot

REMOTE WORKING – MEASURES OF IMPROVEMENT

POTENTIAL BENEFIT	MEASURE	SITUATION AT 31 MARCH	RESULT AT END OF PILOT
Cost Savings:			
Accommodation savings from hot-desking/remote working	• No of desks office • No of remote work stations provided		
Minimise travelling costs	• Mileage claims		
Productive hours	• Hours spent on work for customers		
Reduced error rate	• Error rate		
Communications through IT network rather than telephones	• Mobile phone bills		
Increased Revenue			
Whether income is greater or less than costs	• Fee income		
Increased Performance	•		
Out-puts for each service as defined by managers (will vary according to work type)	• eg. No of cases processed		
	• Speed of processing		
	• Deadlines met		
	• Backlog dealt with		
Qualitative Benefits			
Improved Employee Satisfaction			
Sickness levels Reduced turnover of staff	• Days sick • Vacancy rate		
Employee reports of satisfaction with work conditions	• Feedback from employees		
	• Stress levels reported		
Customer Relationship measuring improvements for customers, including availability	• Customer satisfaction		
	• Improved response times		
	• Abandoned call rates		
	• Cover for callers		
	• Complaints,		

	comments etc.		
Service Facilities	•		
Improved connections from remote locations: access to greater range of systems from localities	• No. of remote working locations		
Improved efficiency: data will be input more quickly and be available for analysis; reduction in calls where response time not quick enough	Improvement in data availability		
	• No of calls received in remote-working teams		

Issues and risks Copeland may face implementing a mobile/home-working solution

The Team have undertaken a risk assessment of implementing the project, and suggested actions that can be taken in mitigation.

Issue	Likelihood	Impact	Mitigation
Trust within the organisation may be a significant barrier	H	H	▪ Clearly set expectations about task and time with employee ▪ Agree performance output (recognising the need to vary monitoring parameter based on role) ▪ Agree communication routes and processes ▪ Agree a probation period with objective evaluation
May impact on existing flexible working arrangements (e.g. core hours, flexi)	L	L	▪ Front-line staff must work agreed hours and time ▪ Be clear that remote workers are subject to existing working arrangements – it's just the location that's changed
May be pressure from Members to have the same access and arrangements (could be a desire for video conferencing)	M	M	▪ Be clear that Members are covered by another project
May be a lack of management buy-in to the Policy	H	H	▪ Sell the idea in terms of the benefits (accommodation, costs, sickness absence, more productivity, less interruptions, recruitment & retention, diversity, fewer meetings) ▪ We need to think through the shift in management policy ▪ Put in place a comprehensive communications/change management plan ▪ Find a champion amongst the Managers to sell the idea
May be a lack of Member buy-in to the Policy	H	H	▪ Tie this project to the Member project ▪ Put in place a communications plan and quote case history ▪ Concentrate on structured process ▪ Build member consultation into the change management plan ▪ Find a champion amongst the Members to sell the idea

Risk	Likelihood	Impact	Mitigation
May be difficult to quantify the benefits to the organisation (vs. benefit to the individual)	M	H	▪ Quantify the opportunity to reduce accommodation costs ▪ Estimate the possible savings in terms of sickness absence & productivity based on case history ▪ Identify examples where remote working will **enhance** customer service (e.g. could be more responsive to customers throughout the Borough via physical location)
May not be the capacity within the organisation to deliver the project	H	H	▪ Carry out a small pilot quickly (don't expend more resource than necessary on proving the concept) ▪ Keep activities within scope ▪ Clearly define the options for technology upfront ▪ Make it clear that it is not this team's responsibility to implement the full strategy
May damage morale through some people not being able to participate in home-working	L	M	▪ Be clear about the scope and extent of the trial ▪ Use the new organisational structures and role profiles to identify roles where remote working may be appropriate ▪ Be clear it is about the role rather than the person when making a decision about suitability for remote working
May be impacted by the separate project on mobile working	L	M	▪ Make sure that the policies on remote working are distinct, recognising that the technology requirements may overlap ▪ Build into the trial the range of options around the extent of remote (e.g. ad-hoc, full-time, part-time, & mobile) ▪ Ensure that accommodation opportunities at Copeland Centre and other locations are quantified
May raise expectations of employees before the benefit case is approved	M	M	▪ Put in place a good communications plan that manages change and expectations