

Removal of Homeworking Allowance

Purpose

1. The purpose of this report is to update Staffing Policy Committee on the decision made by the Corporate Leadership Team (CLT) to remove the homeworking allowance from 1 April 2020 for employees who work flexibly from home for part of their working week.

Background

2. After Wiltshire Council became a unitary authority in 2009 a major programme of work was launched to reduce over 90 buildings to three main hub buildings in Trowbridge, Chippenham and Salisbury. The three main hubs were re-developed, and new ways of working were implemented which meant staff no longer had their own desks but instead had access to a team space with a ratio of one desk between two people.
3. In 2010 an interim homeworking allowance was introduced as a temporary arrangement for staff working at Bourne Hill in Salisbury, which was the first hub to be redeveloped. The allowance was designed to encourage staff to change the way they worked and provided the opportunity to work more flexibly from home or another work location for part of their working week.
4. In 2012 the council extended the homeworking allowance to staff in the remaining two hubs in Trowbridge and Chippenham as part of a suite of flexible working policies to encourage staff to work flexibly and to change the culture of staff having fixed desks that they “owned”.
5. The allowance was introduced as a temporary arrangement to support the change in working practices so would be removed once the change was embedded. This temporary arrangement was agreed with the trade unions at the time.

Main considerations

6. Employees who work flexibly from home are categorised as either a flexible home worker or an ad-hoc home worker as follows:

Flexible home worker (regularly works at home)	A council office is the contractual base of work and there is no change to the contract of employment. There is a regular arrangement where the employee works from home on a pattern or rota as agreed with the line manager.
Ad-hoc home worker (occasional work at home)	A council office is the contractual base of work and the employee works at this location most of the time.

	<p>Agreement with the line manager may be made to work from home on an occasional basis if it means completing a piece of work, or it fits with work-life balance.</p> <p>This is not a regular arrangement (otherwise it would be categorised as a flexible home worker)</p>
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7. For those employees working flexibly from home an allowance is available as follows:

<p>Flexible home worker (regularly works at home)</p>	<p>If you work 60% or more of your contracted hours at home, you will receive £304.37 per annum</p> <p>If you work less than 60% of your contracted hours at home, you will receive £152.19 per annum.</p> <p>Pro rata for part time employees.</p>
<p>Ad-hoc home worker (occasional work at home)</p>	<p>No allowance is payable.</p>

8. The payment of an allowance is predicated on the basis that the employee works at home regularly as part of a formal rota or working pattern and is not payable where this is not the case.
9. Current homeworking allowance data based on employees in receipt of a payment in August 2019 shows that 19.3% of employees claim the homeworking allowance with the payment varying across directorates.
10. In all but the finance & procurement directorate, most employees claim the lowest allowance for working less than 60% of the contracted working week flexibly from home.
11. Based on employees in receipt of the homeworking allowance in August 2019, the annual cost of the homeworking allowance equates to £155,746.
12. It is the responsibility of managers to confirm with the payroll service which employees are to receive the homeworking allowance.
13. The original provision for employees to work flexibly from home was introduced as an interim measure to encourage a move to flexible office spaces and to support employees with this change. As outlined the payment of an allowance for working regularly at home was not intended to be a permanent provision.
14. Most staff across the council now can work flexibly, including working at home, and access to flexible working is positively received by employees as it supports family friendly practices and good work-life balance. In most teams, working flexibly, including from home, is now considered the norm and the practice is well embedded. Being able to work flexibly is consistently the most valued benefit that the council offers.

15. The homeworking allowance is therefore no longer the key driver in encouraging employees to work flexibly, with the benefits that flexible working provides outweighing the allowance. For many staff the fact that they do not have to commute to work if they are working at home saves a considerable time and cost with the saving being greater than the homeworking allowance.
16. CLT has therefore decided that the homeworking allowance, which was introduced as a temporary measure to support new ways of working, will be removed. Communications have recently gone out to staff and managers to give 6 months' notice of the removal of the allowance so that it discontinues from 1st April 2020.
17. The recognised trade unions have been consulted about the removal of the homeworking allowance and are in agreement that it is no longer the key driver for staff working at home. They were keen for staff to be given a choice about whether they wish to work from home and this was reflected in the communications that were sent out.

Environmental Impact of the proposal

18. None

Equalities impact of the proposal

19. The removal of the allowance will be equality impact assessed.

Risk Assessment

20. There is a risk that staff may decide not to work at home because of the removal of the allowance. However, there are other office buildings available, including campuses & libraries as well as flexible working spaces in our hub buildings, so staff have other options should they choose not to work from home, and therefore the impact would be negligible.

Financial Implications of the proposal

21. The annual cost of the homeworking allowance would represent a saving to the council of £155,746.

Conclusions

22. Flexible working is now truly embedded at the council and is consistently the most valued benefit of working at the council. The allowance is therefore no longer the key driver to encourage employees to work flexibly from home and was always intended to be temporary. CLT has therefore decided to remove the temporary allowance from 1 April 2020.

Recommendations

23. It is recommended that Staffing Policy Committee note the contents of this report.

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