

Report to:	Employment and Staffing Committee 09 Nov 2023
Lead Cabinet Member:	Cllr John Williams- Lead Cabinet Member for Resources
Lead Officer:	Jeff Membery- Head of Transformation, HR and Corporate Services

4 Day Week Review

Executive Summary

Since the start of the 4-day working week trial in January 2023,

**For these indicators the score represents a comparison with benchmarked figures across a range of organisations. Minus figures show scores below the benchmark and positive figures show scores above.*

- Staff turnover has reduced by **36%**
- Intention to leave has improved (**-2** to **+9**)*
- 97 new members of staff have been successfully recruited – including some in to traditionally hard to fill roles.
- Physical Health has improved. (**-3** to **+3**)*
- Mental Health has improved. (**-4** to **+3**)*
- Motivation has improved. (**-1** to **+5**)*
- Sickness has reduced by **33%**
- The number of agency staff covering vacancies has reduced from 23 to 9
- Projected net cost of agency staff covering vacancies has reduced by **£776,000**
- Most KPIs have either improved or stayed the same when compared to the same quarter in the previous year and/or the average for that indicator since 2016.
- Complaints have reduced by **2.5%**

Based upon the current data, the ongoing year-long trial for office-based staff is on course to deliver the potential benefits identified at the start of the process.

Recommendations

It is recommended that that the Committee note the report

Reasons for Recommendations

This report looks to provide an update to Employment and Staffing Committee on the progress of the 4-day working week trial, and the current performance against the originally identified potential benefits that could be delivered. This committee was asked by Cabinet to receive these update reports to monitor the progress of the trial.

The report to Cabinet of September 2022, introducing the option of piloting a 4-day working week and identified potential benefits that a successfully managed 4-day working week arrangement could deliver. This report addresses each of these potential benefits by area and looks at the available evidence to evaluate whether they are currently being delivered by the ongoing trial for office-based staff.

Details

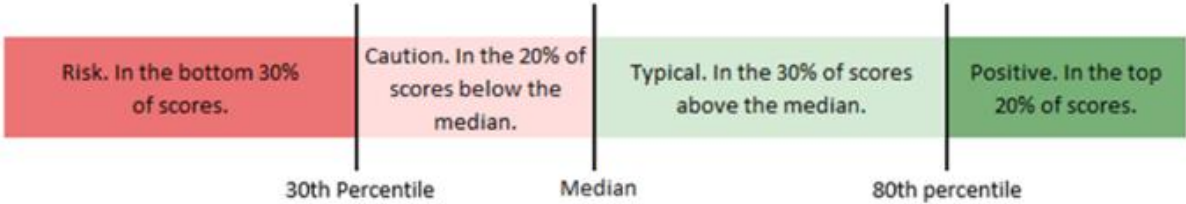
Health and wellbeing

- Improved employee health and wellbeing.
- More motivated employees.
- Reduced sickness rates.

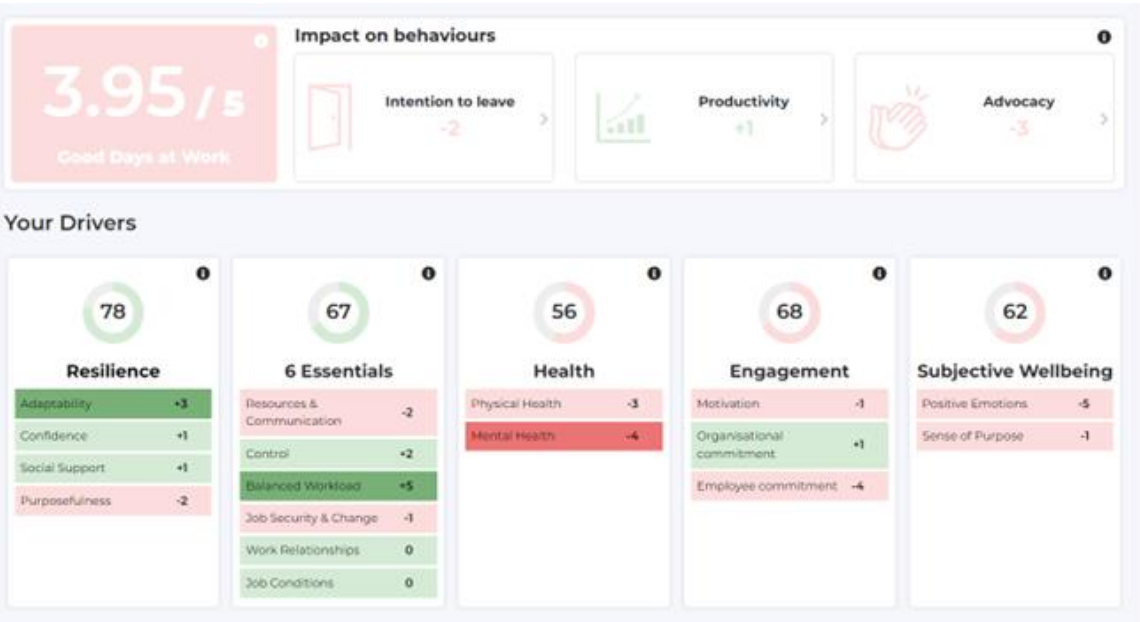
During the 4DW trial we have seen an overall improvement in staff wellbeing, shown through a decrease in sickness absence and through our health and wellbeing survey and feedback from colleagues.

Our staff survey, conducted in April 2023, showed a very positive improvement in all areas of staff wellbeing. The most significant improvements were made in the Six

Essentials category Resources & Communication; Control; Balanced Workload; Job Security & Change; Work Relationships; and Job Conditions) and the Health Overall Category (Physical Health; and Mental Health).



All staff dashboards
2022 – 310 respondents



All staff dashboard
2023 – 331 respondents



Of particular relevance to the identified potential benefits are;

- The improvement in physical health from **-3** at the start of the initial trial to **+3** at the end of it
- The improvement in mental health from **-4** at the start of the initial trial to **+3** at the end of it.
- The improvement in motivation scores from **-1** before the start of the initial trial to **+5** at the end of it.

In the nine-month period prior to the start of the trials (April 2022 to December 2022) our sick days per non-waste FTE for staff, was 0.76.

In the period January 2023 to September 2023 our sick days per non-waste FTE was 0.51, showing a decrease of 0.25 days per FTE sickness. This is a reduction in sickness levels of **33%**

It is noticeable that this same level of reduction was not seen in the waste service who had not started their 4-day working week trial at that time. Their April 22 to December 22 FTE figure was 1.1 and for the period January 2023 to September 2023 was 1.06, showing a decrease of only 0.04. This is a reduction in sickness levels of slightly over just **4%**

Although the results of the 2024 staff survey will need to be carefully analysed to ensure that the improvement in wellbeing has been maintained, based upon the currently available evidence it is safe to conclude that health and wellbeing have significantly improved since the start of the 4-day working week trial.

Recruitment and retention of staff.

- Better retention of staff.
- Improved recruitment.

In the pre-trial period, our voluntary turnover figure was 1.08. During the first 9 months of the trial this figure decreased by 36%, to 0.69.

Our 2022 staff wellbeing survey gave us a score of -2 (cautionary) in the “intention to leave” category, whereas our results from April 2023 showed a +9 score in this category, putting us in the top 20% of scores. This indicates that staff who may have considered leaving the council pre-trial are now intending to stay.

Within the trial period so far, we have successfully recruited 97 new members of staff, and 48 employees have been internally recruited into new positions.

Since August 2023 we have been sending a survey to all applicants who have been invited to interview for the council, asking for feedback on our recruitment processes and what attracted them to a role at the Council. Of the 21 responses we have received so far, 10 respondents selected the 4-day working week trial as a reason they chose to apply to the Council; 5 of these applicants had applied for ‘hard to fill’ roles including HGV drivers and planning officers.

We have also invited new starters at the Council to complete a survey on their induction and onboarding experience. So far we have received 16 responses, all of whom have stated that the 4-day working week trial impacted on their decision to apply for and accept a role at the Council. The most common reason was the health and wellbeing benefits, with greater flexibility and the opportunity for agile working being cited slightly less frequently. Only one respondent said that the 4 day-week had a negative impact on them due to the reduced time to learn their role and

complete their work. However, they added that they felt the 4-day week was a positive measure overall.

Productivity and performance

- Improved productivity
- No loss of performance
- Improved quality of work output.

This was an important series of benefits as a key consideration in evaluating the success or otherwise of the 4-day working week was that the Council needed to ensure that residents and businesses continued to receive at least as good a service from the Council as they did before the trial started. As officers were working less hours, this could only be achieved by increasing both individual and corporate productivity.

The Council uses Key Performance Indicators (KPIs) to drive performance improvements, focussing as they do on those areas of our service that are most impactful on our residents and businesses. These KPIs are influenced by a range of factors such as levels of demand, the external economic environment (such as the cost-of-living crisis), current staffing levels and local events, and so naturally will vary in response to these.

An analysis of our performance in KPIs for the first quarter of this year (the details of which are contained in the report to September's Employment and staffing committee) show that: - compared to Q1 for 2022/23

- 12 improved.
- 2 are unchanged.
- 5 reduced.

Of those that reduced, all but one showed a reduction of less than 5%. Changes of +5% or – 5% are usual in any set of KPIs due to the factors mentioned above.

Perhaps the most statistically significant comparison however is a comparison with the average performance for these indicators since they were introduced in 2016. This mitigates against the impact of one-off events. This evaluation shows.

- 16 KPIs are better than or the same as the average since 2016.
- 1 is lower than the average since 2016
- 2 indicators cannot be directly compared.

It is worth noting that 3 of the KPIs reported in first quarter for this year were the best or 2nd best first quarter performance figures since 2016.

The importance of monitoring complaints was also identified in the report to Cabinet as this would potentially highlight any issues that might not be readily apparent from the KPIs.

In the period January to September 2022 the Council received 202 complaints about services included in the trial, in the period January to September 2023 the Council received 197 complaints in respect of those services, a reduction of 5 or 2.5%

The factors influencing KPI performance - as described above – means that variations in performance will happen whether or not a 4-day week trial is in operation. However, the combined performance information to date suggests that productivity has improved and the aim of ensuring that residents and businesses continued to receive at least as good services as before the trial has been met to date. Further KPI information up to and including March 2024 will continue to be an important part of determining the success or otherwise of the pilot.

Reduced costs of agency covering vacant posts.

- A potential reduction in the cost of agency staff covering vacant posts.

For the initial report to Cabinet in September 2022, in order to estimate the likely annual cost of agency staff covering vacancies, the number of such staff in July 2022 was taken as a base. (There were 23 such staff at the time). The salary cost was projected for 52 weeks giving a cost figure of just over £2 million. Doing a

comparison of the salary cost of permanent staff for those same roles (around 1.1 million) gave us an estimated potential savings figure of just under £1 million.

The background to this projection being that the Council had seen a steady increase in the need to use agency staff to cover vacancies in recent years, particularly in areas of high technical expertise such as planning. Therefore – if nothing else changed – the likelihood would have been that at any moment in time over the next 52 weeks we were likely to have around 23 agency staff (with a possible variance of 1 or 2 staff either way) and the monthly cost would therefore likely be reasonably consistent.

This was explained in the report to Cabinet of September 2022

“Our current use of agency staff across the Council to fill posts that we can’t recruit to is significant. When considering office-based staff, excluding agency staff whose posts are externally funded, as of August 2022, we have 23 agency staff. If we were to extrapolate their costs over a 12-month period, it would be £2,065,000. If these posts were filled with permanent staff, the costs would be approximately £1,100,000. Saving close to £1,000,000”

This same exercise of projecting cost based upon the current number of agency staff covering vacancies is undertaken regularly. The difference between the cost projected before the start of the trial and that at the time the new calculation was undertaken gives us the level of projected saving.

Date of calculation	Number of agency staff covering vacancies	Cost of agency (52 weeks)	Cost of permanent (52 weeks)	Net additional cost
July 2022	23	£2,065,000	£1,100,000	£965,000
October 2023	9	£455,000	£266,000	£189,000

The difference between the original net additional cost of £965,000 in July 2022 and the current (October 2023) net additional cost of £189,000 identifies projected savings of £776,000.

The 9 posts in the October 2023 figure, includes 6 vacancies in the Revenues and Benefits service which are covered by agency staff in the short term, but are not actively being recruited into at the current time as some of these roles are due to be removed from establishment in the next few months as part of a departmental restructure.

The report to Cabinet in May 2023 also highlighted the additional benefit that many of the vacant posts in the original list now being filled permanently were in the planning services which are usually exceptionally hard to fill due to the national shortage of planners. Of the original 23 posts identified as vacant and covered by agency in July 2022, all but 2 have now been either recruited in to or have been removed from establishment as the work has subsequently been automated or subsumed into other roles as efficiencies freed up officer time. Of those recruited into, the majority have been in the planning department which is a particularly welcome development.

Although projected costs give the best indication of potential savings ongoing, final figures can be influenced by other factors such as changes in the labour market and wage inflation - particularly in the agency sector.

It is however important to note that the Council's agency spend still fluctuates due to the need to bring in agency staff to carry out short term programmes where permanent staff are not required. For example, this includes employing temporary staff to support the Council's commitments under the Homes for Ukraine scheme.

What can be said with certainty is that before the trial of the 4-day working week the trend for the number of agency staff needed to cover vacancies had been steadily increasing and stood at 23, since its introduction the trend has been steadily falling and currently stands at 9. This reduced need to use agency staff for this purpose will deliver a significant reduction in cost in this area.

The Trial in the Waste Service

The trial of the 4-day working week within the waste service commenced in September 2023 and coincided with changes to collection arrangements introduced to ensure route optimisation. These two separate events were introduced at the same time in order to minimise disruption to residents.

Although very early into this trial, the initial signs are that it is progressing well with performance on missed bins showing we collected 99.75% of bins against a target of 99.70% (see table below). Once fully meaningful data is available, a report will be brought to this committee giving a full update.

KPI Target	Collections						Crew Reporting				
	Week	Bins on Rounds	Bins Emptied	Bins Missed	% Bins Collected	Authorised Recollections	Crew reported issues are created during the collection				
							Bin Not Out	Wrong Bin Out	Bin is Contaminated	Other Issue ¹	
99.7%	Month 1	1	177,447	176,943	504 ✓	99.72%	131	5,318	478	519	301
		2	181,297	180,880	417 ✓	99.77%	109	3,595	118	465	416
	Month 1	1	177,447	176,869	578 ✗	99.67%	49	4,105	140	505	420
		2	181,297	180,691	606 ✗	99.67%	49	3,408	93	568	254
	Total:	717,488	715,383	2,105 ✓	99.71%	338	16,426	829	2,057	1,391	
Month 2	1	177,447	177,194	253 ✓	99.86%	48	2,624	99	438	482	
	2	181,297	180,846	451 ✓	99.75%	72	3,339	96	417	385	

¹ Other crew reported issues may include overweight, damaged or frozen bins etc.

	Total number of calls to external contact centre.				Total number of calls to internal contact centres			Total number of calls & emails to Business Support Team				Combined calls & emails received - All channels	Total calls and emails that related to route optimisation	
	WEEK	CCC	SCDC	TOTAL	CCC	SCDC	TOTAL	Calls	Emails	TOTAL	TOTAL	TOTAL	%	
	Month 1	1	220	201	421	88	92	180	31	1,361	1,392	1,993	98	4.92%
2		240	200	440	79	106	185	42	1,427	1,469	2,094	87	4.15%	
1		223	177	400	53	73	126	41	1,228	1,269	1,795	20	1%	
2		185	142	327	45	65	110	32	1,171	1,203	1,640	2	0%	
Total:		868	720	1,588	265	336	601	146	5,187	5,333	7,522	207	2.75%	
Month 2	1	170	140	310	41	48	89	21	1,131	1,152	1,546	1	0	
	2	104	97	201	67	67	134	19	964	983	1,318	4	0	

Conclusion

The data for the office-based trial continues to be very positive. Retention has improved, recruitment has improved, health and wellbeing has improved whilst performance has been at least maintained and projected costs reduced.

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