



SUPPLEMENTARY INFORMATION

Budget and Performance Panel

Tuesday, 31 July 2007

The following reports were received too late to be included on the main agenda for this meeting and were marked 'to follow'. They are now enclosed, as follows:

Agenda Item Number	Page	Title	Reason for Late Report	Officer Responsible For Late Report
5	1 - 4	HOME WORKING PILOT SCHEME - INTERIM REPORT – FOR INFORMATION	Interim report received following publication of main agenda	Corporate Director (Regeneration)
		Report of Corporate Director (Regeneration).		

Agenda Item Number	Page	Title	Reason for Late Report	Officer Responsible For Late Report
7	5 - 10	CONSIDERATION OF TERMS OF REFERENCE	Report received following publication of main agenda	Corporate Director (Finance & Performance)
		Report of Corporate Director (Finance & Performance).		

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**INTERIM REPORT TO
BUDGET AND PERFORMANCE PANEL – FOR
INFORMATION**

**ACCESS TO SERVICES
HOMWORKING AND HOT-DESKING**

31 JULY 2007

Report of Corporate Director (Regeneration)

INTRODUCTION

There is an outstanding request from the Budget and Performance Panel for a briefing on the homeworking pilot. A full review of the pilot will form part of the information presented to Council later this year when they consider the long-term accommodation options for the Council. This note provides some of the background to the pilot and lessons to date.

BACKGROUND

Following Council's consideration of long-term accommodation options in 2006, it was agreed to review the likely demand for operational space and, specifically, to examine the potential for increased homeworking and hot-desking. On average, each office-based member of staff accounts for 10m² of space so any reduction in the overall space requirements can have a significant impact on how the Council is able to rationalise its future accommodation provision.

THE PILOT PROJECT

The focus of the pilot project was Services based in Palatine Hall with the exception of Licensing who were, at the time of starting the pilot, establishing themselves as a new Service. The two main Services to have engaged with the work have been Planning and Building Control, and Economic Development and Tourism. There was no specific budget to carry out the pilot so all proposals had to be accommodated with existing resources.

FORMAT

The pilot was open to all staff on a voluntary basis, which meant there was a maximum potential uptake of 89 posts. All staff were briefed on the pilot and those willing to take their interest further were encouraged to make a written expression of interest to their

Service Head. In addition to this self-selection process, which resulted in 20 expressions of interest, Service Heads were required to consider the impact that the requests would have on the Service were they to be granted. If the fit for the individual and the Service was acceptable, staff were then required to carry out a health and safety risk assessment of any workplace they proposed to use at home, with the proviso that the Council's health and safety team carry out a further inspection should the self-assessment show up any anomalies. Subject to these agreements being in place, a simple agreement between employee and the Council, specifying how the arrangement would operate and detailing responsibilities on both sides, was developed to be signed by both the employee and the Council as employer.

TAKE-UP

From the total staff pool of 89, nine members of staff have pursued the pilot scheme, representing a take-up of 10%. Of those staff on the pilot, none is homeworking full time, with most operating an average two days per week away from their traditional office base. The majority of the uptake has been from senior officers who have more direct control over their workload and some ability to prioritise when elements of work are scheduled.

CORPORATE SUPPORT

In addition to those Services directly involved, a number of central services have been pivotal in helping the pilot progress and contributing to the lessons learnt. Human Resources, Information Technology, Property Services and Environmental Health have all made a contribution to the pilot despite having a number of competing corporate and service priorities.

COST OF THE PILOT

There was no specific budget for the project but it was recognised that there was a cost to enabling staff to work remotely from their office base. The Council already has experience of delivering remote IT access through the provision made for Councillors. The provision for the staff pilot was based on experience to date with elected Members. An appropriate figure per member of staff to participate in the pilot has been £2,000-£3,000 and there have also been a number of central or overhead costs. A broad cost breakdown is contained in the table below to give an indication of the cost per employee of establishing homeworking. Balanced against the cost would need to be any projected saving and revenue by a requirement for less office space. It also needs to be noted that with a small number of staff support costs for issues such as IT have been contained within existing resources, a longer experiment of homeworking would require a more detailed financial projection. The pilot has also been run on the basis that the individual volunteers would meet any costs in terms of the home/office environment in exchange for a more flexible and self-directed working pattern. This approach also recognises that volunteers may benefit from less home-to-work travel cost as well as a better work/life balance.

Additional Costs of Establishing the Pilot

IT equipment and telephony	£2,000 per person
Upgrade to central IT system	£8,500 in total
Home/office environment	Provided by volunteer but provision for £500 per volunteer to meet exceptional costs

KEY LESSONS

A full evaluation of the pilot, including feedback from the volunteers, will take place by the end of 2007 but from the operation so far, a number of key points have emerged, which are :

- Homeworking has significant potential to benefit large organisations in terms of reduced overheads and can be beneficial for staff in terms of work/life balance
- If implemented on a large scale, the project could have a significant positive impact in reducing commuting and the demand for commuter parking. A number of Councils are starting to investigate the potential for remote working and the private sector has some notable examples of success, with BT being cited nationally as a success story
- The need for cultural change in the organisation to drive forward a project at a meaningful scale is paramount. Changing working patterns and styles is a major challenge for staff and managers, and requires real and lasting organisational commitment
- If the Council wishes to pursue more homeworking and hot-desking, it needs to provide sufficient staff and financial resources to implement the project as an "invest to save" initiative. The scale of the initiative would be appropriate for the Council LAMP process but would need to be given some corporate priority, meaning it would either be growth or require a re-prioritisation of other work

HOT-DESKING

In addition to remote working, hot-desking or desk sharing can offer significant potential to share space without necessarily radically altering work patterns. Property Services volunteered to institute hot-desking as part of the overall pilot scheme. As a starting point, a survey was carried out over several weeks to check hourly how many desks were vacant. The survey demonstrated that for over 50% of the working week, at least three work stations were unoccupied (this equates to 25% of the Service total). This gave the impetus to institute desk sharing. The Service has continued to operate hot-desking and, as with homeworking, there are a number of key lessons for the Authority :

- Instituting effective change requires the whole Service to commit to the scheme. In Property Services, the Head of Service gave up his office and operates in the same way as his staff
- A key principle is that desk spaces are de-personalised and de-cluttered. Staff have to be certain that they can use any available space and any available PC or phone without worrying that they may be occupying someone's personal space
- Work stations, chairs and screens need to be capable of adjustment to meet the needs of all members of staff
- Telephony needs to be flexible to allow staff to use any phone as their own while they are using a particular work station. The Council is due to procure a new telephony system and if the Council wishes to pursue homeworking and hot-desking, it will be crucial that the new system is flexible enough to facilitate new ways of working

SUMMARY

Both the homeworking and hot-desking pilots will be more fully reported on as part of the Council's consideration of long-term accommodation options later this year. What is clear from the work to date is :

- The achieve a change in working practice requires a major commitment to cultural change in the organisation and from senior levels
- If the Council wishes to pursue homeworking and hot-desking, it does have potential to reduce space demands and impact positively on commuting as well as having benefits for staff
- To implement a major project will require the issue to be given sufficient corporate priority and appropriate investment with the objective of realising savings in the future
- Reliable and flexible ICT and telephony systems are critical to making the system of homeworking and hot-desking effective and in getting staff acceptance of new ways of working

BUDGET AND PERFORMANCE PANEL**Revised Terms of Reference****31st July 2007****Report of Corporate Director (Finance & Performance)****PURPOSE OF REPORT**

To enable Members to consider revised terms of reference for the Budget and Performance Panel

This report is public

RECOMMENDATIONS

- (1) That Members agree to the proposed revision to the terms of reference of the Budget and Performance Panel.
- (2) That the revised terms of reference be forwarded to full Council for approval.

1.0 Introduction

At the Budget and Performance Panel meeting on the 12th June 2007, Members were asked to consider revising the Panel's terms of reference in order to make them more specific to the aims of the Panel. Members were advised that further consideration would be given to this and revisions presented at a future meeting.

2.0 Details

The existing terms of reference are attached to this report together with proposed revisions.

BACKGROUND PAPERS

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Budget and Performance Panel existing Terms of Reference

The Budget and Performance Panel would have responsibility for carrying out Overview and Scrutiny for the Council's Budget AND Performance at both strategic and service level.

1. To scrutinise the Council's performance in relation to budgetary management and targets.
2. To assist and monitor the Cabinet in the continued development of a medium term budget strategy;
3. To review the management of resources made available to the Council and to scrutinise its financial management, treasury management, property and asset acquisition and disposal, capital programme and to evaluate the adequacy and effectiveness of the Council's financial and operational policies and procedures including financial and accounting management
4. To perform the overview and scrutiny function in relation to all of the Council's Corporate Performance and Best Value activity. In particular:
 - a) the effectiveness of the Council's major partnerships
 - b) the implementation of Best Value Review Action Plans
5. To recommend matters to be addressed for reviews, particularly with regard to Best Value.
6. To review the local authority's strategic performance and monitor year-on-year Performance Indicators, Key Performance Indicators and benchmarking.
7. To review the progress of Services in achieving the objectives of their Business Plans (Business Plan Monitoring).
8. To review and monitor external Service Level Agreements and other contractual arrangements that the Council has entered in to.

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BUDGET AND PERFORMANCE PANEL

PROPOSED TERMS OF REFERENCE

1. To scrutinise the Council's arrangements and performance in relation to financial planning, including budget / target setting. e.g. items within the Budget Framework including :
 - ❑ reviewing the effectiveness of the budget setting process,
 - ❑ role of Star Chamber,
 - ❑ contents of the Medium Term Financial Strategy and
 - ❑ Capital Investment Strategy and
 - ❑ financial targets in the Corporate Plan.

2. To review the management of resources by scrutinising the Council's financial performance in year against agreed budgets or other targets. e.g.
 - ❑ capital and revenue spending against approved budgets,
 - ❑ specific activities including treasury management, generation of revenue and capital income targets and
 - ❑ monitoring of financial savings/efficiency targets (MTFS/Gershon).

3. To monitor and review by exception reporting within the PRTs the performance of the Council's services, Partnerships and contractual arrangements in delivering specific strategic and operational objectives and outcomes. e.g.
 - ❑ receive Performance Review Team reports,
 - ❑ monitor the delivery and effectiveness of Service Level Agreement targets,
 - ❑ assess performance against key performance indicators and benchmarks,
 - ❑ assess whether services and partnerships are delivering their expected outcomes.

4. To scrutinise the Council's policies and procedures and other supporting arrangements for securing value for money (i.e. economy, efficiency, effectiveness) e.g.
 - ❑ value for money strategy,
 - ❑ procurement practices,
 - ❑ income management and collection arrangements,
 - ❑ asset management practices
 - ❑ insurance arrangements.

5. To consider risk management issues in reviewing and scrutinising performance.

6. To make recommendations as appropriate in respect of the above.

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