

## Business Change Mandate (Including Budget Mandates) Proposal Number: B16

### Title: Flexible Employment Options

All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to proceed with the proposal.

<b>Mandate Completed by</b>	Peter Davies, Head of Commercial and People Development
<b>Date</b>	16 <sup>th</sup> September 2015

<b>How much savings will it generate and over what period?</b>
Targeted recurrent annual savings of £50,000 with effect from 1 <sup>st</sup> April 2016. Note that this is an outline mandate. The full mandate and business case will be developed and finalised in time to allow implementation for 2016/17.
<b>Directorate &amp; Service Area responsible</b>
The People Services department in the Enterprise Directorate is taking lead responsibility for delivery of the mandate.
<b>Mandate lead(s)</b>
Sally Thomas, Interim HR Manager

<b>Final mandate approved by Cabinet</b>	<b>Date:</b>
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## 1. Vision and Outcomes of the Mandate

Give a business context for the mandate. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council's key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

<b>What is the issue that the proposal is seeking to address?</b>
To generate awareness with staff who are interesting in accessing the Authority's flexible benefits and employment packages, notably in the form of negotiating reduced hours, taking unpaid leave or purchasing additional annual leave.
<b>What evidence have you got that this needs to be addressed?</b>
The proposal is seen as an appropriate means by which to reduce the Authority's pay bill without affecting staff terms and conditions.
<b>How will this proposal address this issue</b>
Any staff wishing to reduce hours, take unpaid leave or purchase additional annual leave will, where departments are able to accommodate the resultant reduction in staff resources, result in a reduction in the Authority's pay bill.
<b>What will it look like when you have implemented the proposal</b>
An increased number of staff accessing flexible benefits and employment packages such as to allow the mandate savings to be achieved.
<b>Expected positive impacts</b>
For staff wishing to access the benefits available this can ensure provide flexible working arrangements for the staff concerned.
<b>Expected negative impacts</b>
There are potential service impacts that would need to be managed by departments who would encounter a reduction in staff resources as a result of flexible benefit packages being taken up by staff. Some departments would ultimately need to address the resultant shortage in resources with the consequential impact being that there was no net saving to the Authority. Care would also need to be taken to avoid double counting of savings where existing or proposed staff restructures are factoring in staff who have put themselves forward to work reduced hours.

## 2. Savings proposed

Show how the budget mandate will make savings against the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the mandate.

What savings and efficiencies are expected to be achieved?								
Service area	Current Budget £	Proposed Cash Savings £	Proposed non cash efficiencies – non £	Target year				Total Savings proposed
				16/17	17/18	18/19	19/20	
All non-school departments	Gross Pay, Employers NI and Employers Superannuation = £53m (14/15 actual)	£50k	To be confirmed	£50k	£50k	£50k	£50k	£50k recurrent savings

## 3. Options

Prior to the mandate being written, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded. (see options appraisal guide for further information)

Options	Reason why Option was not progressed	Decision Maker
Affecting employee terms and conditions to generate required savings	Commitment has been made to not affect employee terms and conditions	Senior Leadership Team

## 4. Consultation

Have you undertaken any initial consultation on the idea(s)?		
Name	Organisation/ department	Date
Senior Leadership Team	Authority – all directorate	Various
Senior Management Team	Authority – all divisions	14 <sup>th</sup> Sept 2015 / 15 <sup>th</sup> Sept 2015
Interim HR Manager	People Services	Various

Has the specific budget mandate been consulted on?		
Function	Date	Details of any changes made?
Department Management Team	14 <sup>th</sup> Sept 2016	Awaited
Other Service Contributing to / impacted	15 <sup>th</sup> Sept 2016	Awaited
Senior leadership team	17 <sup>th</sup> Sept 2016	Awaited
Select Committee	To be confirmed	Awaited
Public or other stakeholders	To be confirmed	Awaited
Cabinet (sign off to proceed)	7 <sup>th</sup> October 2016	Awaited

Will any further consultation be needed?		
Name	Organisation/ department	Date
Managers	Local Authority	Ongoing as part of budget consultation period
Trade unions	Via JAG and informal union meetings	Ongoing as part of budget consultation period
Staff groups	Local Authority	Ongoing as part of budget consultation period

## 5. Actions to deliver the mandate

Describe the key activities that will be undertaken to deliver the mandates and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

Action	Officer/ Service responsible	Timescale
Consult with managers and trade unions	Interim HR Manager	October 2015
Circulate guidance to managers regarding applications for flexible benefits and employment packages	Interim HR Manager	November 2015
Develop marketing material and publicise with staff	Interim HR Manager / Communications	November 2015
Develop robust reporting mechanisms to capture the savings required and to ensure that departmental budgets can be reduced accordingly	People Services System & Support Manager / Finance	November 2015

## 6. Additional resource/ business needs

Describe any additional finance, resource and capability needed in order to carry out the proposed mandate successfully. For example new funding, expertise e.g. marketing and knowledge etc..

Any additional investment required	Where will the investment come from	Any other resource/ business need (non-
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		<b>financial)</b>
None	N/A	Development of marketing material to publicise flexible benefits and employment packages

## 7. Measuring performance on the mandate

How do you intend to measure the impact of the mandate? This could include: speed of service; quality of service; customer satisfaction; unit cost; overall cost. For advice on developing performance measures you can contact Policy and Performance Team, for advice on unit costs speak with your directorate accountant.

Focus- Budget / Process / Staff / Customer	Indicator	Actual 2016/17	Actual 2017/18	Actual 2018/19	Actual 2019/20	Target 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
Budget	Level of additional net savings achieved from staff accessing flexible benefit and employment packages (e.g. reduced hours, purchase of additional annual leave)					£50k	£50k	£50k	£50k
Staff	Number of employees accessing flexible benefit and employment packages					TBC	TBC	TBC	TBC

## 8. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the mandate, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these. The risks should be scored in accordance with the [council's policy](#).

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Assessment			Mitigating Actions	Post mitigation risk level
			Likelihood	Impact	Overall Level		
Risk of employees not taking up the offer of flexible benefits or employment packages	Operational	The flexible benefits and employment packages suggested are	Possible	Substantial	Medium	Marketing existing policies to staff in order to generate awareness of flexible benefits and to highlight that the	Medium

		already available to employees.				Authority is actively encouraging staff to make applications	
Potential adverse impact on service delivery where services are unable to absorb a reduced staffing complement	Operational	Core staffing in some departments is essential to delivery frontline services.	Possible	Substantial	Medium	Acceptance that net savings will only be able to be realised in posts where the reduced staff resources in the relevant department can be accommodated without taking on additional staffing	Low

## 9. Assumptions

Describe any assumptions made that underpin the justification for the option.

Assumption	Reason why assumption is being made (evidence)	Decision Maker
That a targeted marketing campaign will result in staff taking up flexible benefit and employment packages	Whilst the benefits and employment packages in question are enshrined in existing policies staff are possibly not aware of the options that are available to them.	Peter Davies

## 10. Monitoring the budget mandate

The budget mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the budget mandate, including the savings being achieved and the level of impact.

## 11. Evaluation

It is important to evaluate the impact of the mandate once it has been fully delivered to know whether it has successfully achieved what it set out to do and to ensure that findings can be used to inform future work.

Planned Evaluation Date	Who will complete the evaluation?
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On a quarterly basis following implementation from 1<sup>st</sup> April 2016 as part of ongoing performance monitoring

Karen Smith – People Services Systems and Support Manager

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