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Mr Shane McAteer
Clerk
Committee for Finance and Personnel
Room 419
Parliament Buildings
Stormont

Our Ref CFP/433/11-15

21 April 2015

Dear Shane,


Departmental Response to Report on Flexible Working in the Public Sector in Northern Ireland

Thank you for your letter dated 26th March 2015 in relation to the above report.

As requested, please find attached the Department's response (Annex A) to each of the report's recommendations.

I understand that you have been in contact with Paul Wickens to set up an informal meeting with the Committee Chairperson to discuss potential monitoring information on flexible location working and that you are currently in the process of agreeing a date for this.

Yours sincerely,

A handwritten signature in cursive script that reads "Gearoid Cassidy".

GEARÓID CASSIDY
Departmental Assembly Liaison Officer

CFP/433/11-15 CORRESPONDENCE FROM THE COMMITTEE FOR FINANCE AND PERSONNEL – INQUIRY INTO FLEXIBLE WORKING

Response to Key Conclusions and Recommendations

- 1. Given the many facets of flexible working, in terms of the range of options for achieving desired outcomes by being flexible about how, when and where people work, the Committee concurs that a ‘one size fits all’ policy approach on this matter is not appropriate for the public sector in Northern Ireland (NI). Instead, government departments and other public bodies need to be supported in selecting and implementing flexible working practices which best suit their own individual business needs. (paragraph 53)**

The Department agrees with the Committee's assertion that a 'one size fits all' policy approach to flexible working is not appropriate. It is widely acknowledged that some areas of work and particular front-line jobs are not suitable for flexible working arrangements. It is also generally accepted that flexible working solutions should only be implemented if there is no adverse impact on the service provided to the public or on the overall efficiency of the department concerned.

Individual departments and other public sector bodies will have different needs and requirements and should be provided with the opportunity to adapt and utilise a range of tools and practices to meet their needs. DFP provides a number of policies and technologies that support and enable flexible working, thus providing a menu of options for each department to deploy according to their business needs.

- 2. In terms of the flexible location of work, the Committee is strongly of the view that the focus should not be on homeworking in particular but rather on selecting the appropriate remote working options and technologies – including, for example, working from hub/satellite offices, in virtual teams, using mobile devices, and sharing office space – which are right for a given job or team environment in meeting business needs. The Committee also recommends that, as with the other remote working options, where homeworking is applied as an appropriate method, this should be on the basis of careful assessment of job tasks and agreed rules and safeguards, including contact protocols and good practice performance measurement and management. (paragraph 54).**

The Department agrees with the Committee's recommendation that the focus of flexible working practices should not be on homeworking in particular, although it may be a consideration for some departments/business areas as one of a number of options. Certain jobs which require attendance at customer locations clearly lend themselves to remote working such as Schools Inspectors in the Department of Education and the Business Consultancy Service in DFP.

Although the final decision on how flexible working practices are managed rests with the individual department concerned, DFP has developed and implemented a number of initiatives which support and encourage departments to manage the way in which their staff work. We have, for example provided staff with the opportunity to carry out their duties outside their usual workplace. This includes providing secure remote access to the NICS network through the use of home broadband and the BlackBerry service as well as providing the opportunity to use video conferencing or web based conferencing. We also continue to provide and test new technologies and make them available when there is a need or demand. DFP has also provided facilities and business zones where staff can work remotely, which saves on travel time.

From a policy point of view, the Department is encouraging staff across the NICS and letting them know what is available through, for example, 'Xpress HR', a quarterly Civil Service HR publication. It has been used to promote various flexible working arrangements such as term-time working. Additionally DFP has pulled all the policies on Alternative Working Patterns into a single chapter in the NICS Handbook. This will make the policies more transparent and allow staff to see what is available in a single source. In addition, forums such as the HR Directors Group include discussions about how departments can make best use of what is available in terms of flexible working. Ultimately, it is for each individual business area to determine what it needs and how it can best deliver its business requirements. The performance management system also helps support the principle of flexible working, as staff productivity and performance is measured by a range of outputs and objectives, which should not be influenced by the location of the person.

- 3. In general terms, the Committee considers that the weight of evidence from the published literature and case studies strongly indicates that significant benefits for the NI public sector will accrue from applying flexible working practices in a strategic, tailored and coordinated fashion. The potential benefits for public sector employers, employees and the wider economy and society, as applicable, include: reduced premises costs; increased productivity; improved staff morale and commitment; reduced staff turnover and absenteeism; wider recruitment talent pools; reduced levels of economic inactivity; promotion of gender equality in employment; and environmental benefits. In light of this, the Committee believes that the initial outlay from the strategic implementation of flexible working practices should be seen in terms of an 'invest-to-save' measure. (paragraph 55)**

The Department agrees that there is potential for benefits to be realised as a result of developing and supporting flexible working practices. The Department is exploiting flexible working practices in line with business need and does not believe that a specific invest-to-save measure is required. It is widely acknowledged that there are some types and areas of work which do not lend themselves easily to flexible working arrangements such as certain front line customer facing jobs. It is the Departments view that flexible working arrangements should only be considered where there is no adverse impact on customer service or on the department. Whilst DFP does provide a range of policies and technologies, it is for each department to utilise these depending on their business requirements.

- 4. On the basis of the evidence received, the Committee notes the generally held view that the Northern Ireland Civil Service (NICS) has been at the forefront of the introduction of flexible time working practices. The Committee commends NICS as an exemplar organisation in this aspect of flexible working and, given its status as a significant employer in NI, members would encourage the Service to continue to keep pace with developments in this regard. (paragraph 84)**

The Department welcomes the Committee's view that the NICS is an exemplar organisation and has been at the forefront of the introduction of flexible time working practices and strives to continue to be proactive and to keep pace with relevant developments.

- 5. However, in terms of the flexible location of work, it is apparent that a piecemeal, inconsistent and uncoordinated approach is being taken by departments, which arises from the absence of corporate policy and guidance and is reflected by incomplete data on existing practices. The Committee believes that, unless these changes, NICS will not realise the full benefits from a strategic application of flexible working practices. Members concur that, in the modern era of technological communications, the focus of work is more on what is done rather than where it is done and consequently, within Northern Ireland public sector organisations, there needs to be a cultural shift away from 'managing by presence' and to 'managing by results'. (paragraph 85)**

There are a number of policies that support and enable flexible working and DFP is encouraging awareness of these among Departments as employers and staff as individuals. DFP is pulling together all the flexible working and alternative working policies into a single chapter in the NICS HR Handbook so that it is more transparent and available to staff.

It has already been highlighted that a 'one size fits all' policy approach is not appropriate and that the focus must be on selecting working options and technologies which meet business needs. Individual departments / business areas are best placed to consider how flexible working practices could be introduced to align with their own business processes and requirements. They are also best-placed to assess the costs and benefits of additional flexible working practices and to develop the associated business case.

DFP's role is largely to support and facilitate departments that wish to avail of flexible working practices and there is a risk that the imposition of further central policies and restrictions could impede the flexible working process through the introduction of unnecessary bureaucracy.

The focus of the performance management system is on outputs and objectives, supporting a culture of managing by results. As part of changing the culture compliance measures have been introduced and the on-line system simplified. Additionally there is strong support from the Head of the Civil Service to encourage performance management from the top down. The performance management training has been reviewed and a new e-learning package is being developed and will roll out to all NICS staff over the coming months.

DFP will also continue to promote staff awareness of NICS flexible working practices through ongoing communications.

- 6. The Committee recommends that the Minister of Finance and Personnel brings proposals to the Executive for a new Programme for Government commitment aimed at ensuring that the full range of flexible working practices are used strategically for maximum benefit and efficiency in the public sector. This should include establishing the guiding principles for departments and other public bodies to apply; setting out the menu of options on how, when and where work can be conducted and from which applicable selection can be made at the business area or team level within organisations. The high-level commitment should also be accompanied with an indicative timetable and milestones for delivery. (paragraph 86)**

The current Programme for Government (PfG) has already been extended for one year and it will therefore not be possible to include a commitment for the 2015/16 year. The inclusion of a commitment in relation to flexible working in the next PfG will need careful consideration, as it may not be an appropriate vehicle, given that PFG targets should be about the level of service delivered to the people of Northern Ireland not on the internal processes used to deliver these services.

- 7. While members do not presently see a case for legislating for flexible location working in the NI public sector, the Committee recommends that the proposed Programme for Government commitment and guiding principles include an onus on all departments to ensure that the work styles and tasks associated with each NICS job role are assessed at the business area or team level to determine the applicable flexible working practices. The Committee considers that this will help to drive the implementation of the strategic policy within and across departments. (paragraph 109)**

Assessing the work styles and tasks associated with each NICS job role, to determine the applicable flexible working practices, is a matter for individual departments.

- 8. The Committee firmly believes that the strategic implementation of flexible working, facilitated by a corresponding roll out of appropriately designed workplaces, will maximise the property savings to be achieved from the rationalisation of government office accommodation. Given the current budgetary pressures on the Executive and the considerable scope for consolidation of the NICS estate, this should be a key priority for the Department of Finance and Personnel (DFP); though members recognise that the rationale for flexible working is primarily about doing things better, whilst being less wasteful with existing resources, rather than solely about reducing accommodation costs. (paragraph 151)**

DFP, as part of the Asset Management Strategy, continues to work and engage with departments to upgrade and improve office accommodation to the Workplace NI Standard, which is now being implemented as we review, refurbish and acquire buildings. Additional business zone type facilities are being considered as part of this work programme.

In addition, all of our buildings are connected via Network NI, and our shared services capability supports new ways of working. The Department is content that the current strategy will help rationalise accommodation and facilitate

flexible working practices. However, it should be noted that savings resulting from flexible working practices will only be achieved if there is a reduction in office accommodation i.e. staff should not have a desk in their normal office base in addition to a remote location.

- 9. In terms of enabling flexible location working, the Committee recommends a carefully planned and co-ordinated extension of the work hub/satellite office network across the NI public sector. This should aim to achieve a more joined-up and collaborative approach by public sector bodies to improve the geographic spread of the facilities and enable a greater number and range of public servants to work remotely as applicable, with a view to realising the associated benefits, not least the work-life balance, environmental and economic benefits from reduced travel time. (paragraph 152)**

Consideration is given to the inclusion of Business Zone facilities as opportunities arise, mainly through major refurbishment projects and where finance is available and we will continue to work with departments to add to this network.

There are currently two formal Business Zones - Castle Buildings (Stormont) and Marlborough House (Craigavon) – which facilitate staff to work remotely as part of their job. There are also some other less formal arrangements and facilities.

A small facility, for laptop users, in Academy House, Ballymena, became available in July 2014 and a similar facility was also included in the fit-out for Lanyon Plaza in Belfast City Centre.

The facility in Clare House which had been closed during internal refurbishment reopened in November 2014.

Plans for flexi working/touchdown type facilities include;

- Coleraine and Omagh in 2015;
- Cookstown in 2016 (new DARD office)
- Ballykelly in 2017 (new DARD HQ building)

Other NICS locations will include Londonderry and Newry and the Department is currently investigating suitable areas within existing NICS buildings, with the intention to have the facilities available during 2015/16, subject to available budget.

- 10. The Committee is concerned that the public sector in Northern Ireland appears to lag behind other jurisdictions in adopting new technology to support flexible working practices – a concern which is heightened in view of the prominence of local software companies in this market. In the context of the public sector reform agenda and the NICS People Strategy, the Committee recommends that DFP takes the lead in proactively identifying opportunities for adopting and exploiting technological solutions to enable and support flexible/mobile/agile working in a wider range of public sector job roles. (paragraph 164)**

DFP is not in a position to comment on the NI public sector as a whole, but the NICS has been very much a leader in exploiting new technology to support

flexible working practices. Not only has it identified the opportunities presented by new technology, it has implemented several as Proof of Concepts or live running.

Examples of how the Department has used emerging technologies to promote flexible and agile working across the NICS include Secure Remote Access; NetworkNI (which is now available at all NICS sites); access to the BlackBerry Service; and Unified Communications (which is a key enabler for flexible and agile working). DFP will continue to keep pace with technological developments and will implement new ideas, where possible, to improve flexible working practices.

DFP has set in place mechanisms such as the Information Governance and Innovation Board and the IT Services Management Board to work with other NICS departments on IT issues. This includes looking at how the NICS can adapt and exploit new technology.

In addition, the Director of IS Shared Services and Strategy is the only public sector representative on the board of Momentum (the IT Industry Federation in NI). This ensures that DFP is kept fully aware of new opportunities presented by emerging technologies.

DFP regularly hosts visitors from both the public and private sectors from GB, the Republic of Ireland and worldwide, who have come to see our shared services. Feedback from these visits has been positive and participants have all commented on how far ahead we are. A further example of this is that the world's largest IT analyst community is about to publish a case study on what DFP has done with multifunctional shared services.

11. With a view to maximising savings from reduced travel costs in NICS, members believe that internet-based conferencing should be the preferred method for civil servants participating in meetings which would otherwise involve travel outside Northern Ireland. (paragraph 165)

Internet-based web conferencing is already supported, and has been available for some time in the NICS, using the Webex product.

DFP is continuing to improve this service and plans are well advanced to introduce an internal web conferencing facility, which will also have the capability to include people from outside the NICS. This approach should help address any security concerns in relation to the current product and will result in a more extensive use of the facility.

12. The Committee recommends that, in support of the proposed Executive Programme for Government commitment and guiding principles for the strategic application of flexible working practices across departments and other public bodies, DFP develops corporate guidance for successful implementation at a local level. This should, in particular, cover the following types of issues:

- **Effecting the necessary cultural changes and overcoming attitudinal challenges, including: preparing the ground; gaining leadership commitment; evidence gathering; awareness raising; managing**

resistance to change; and securing employee cooperation and flexibility.

- **Addressing practical aspects, including: assessing jobs for flexibility; technology requirements; workplace design; training; establishing the ground rules and behavioral protocols; and performance management.**
- **Mitigating the risks, including: management buy-in and top level engagement; strong business cases; employee and union involvement; effective communications; transparency in assessing jobs for flexibility; data security measures; and focus on business needs, results and outcomes. (paragraph 168)**

DFP's view is that we should focus on maximising and promoting existing policies to departments and encouraging them to consider the opportunities which exist, rather than introducing further corporate guidance.

DFP will however explore how it can further promote flexible working and encourage departments to adopt a more strategic approach.

- 13. The Inquiry evidence, including the lessons from other jurisdictions, will offer a useful resource for the Department and Executive to draw on in developing the proposed principles and guidance for the strategic implementation of flexible working practices across NICS and beyond. (paragraph 169)**

The Committee's report is a very comprehensive document which contains evidence from a wide range of sources and provides a useful resource on flexible working.

- 14. The Committee would wish to see DFP taking lead responsibility for monitoring and reporting on implementation of the proposed measures, thereby facilitating future Assembly scrutiny at a cross-departmental level. In this regard, the Committee would wish to see a responsibility placed on all departments to provide DFP with the necessary data on the application and uptake of flexible working practices in order that the Department can fulfill a central monitoring role effectively. (paragraph 170)**

DFP does currently monitor usage in relation to some facilities and technologies which are in place to facilitate flexible working practices. Additional monitoring and reporting introduces the risk of impeding the flexible working process by adding an extra level of bureaucracy. There may be scope within the Reform of Property Management Programme to review what additional information it may be useful to collect and assess to help monitor benefits realisation. This will be considered in due course.

- 15. The Committee firmly believes that implementation of the Inquiry recommendations will support the delivery of a range of the Executive's existing policies and priorities, including:**

- **the NICS People Strategy 2013-16 commitments on using technology to support a flexible workforce and on creating workplaces conducive to high performance;**

- **the Programme for Government commitment to further reduce the levels of sickness absence across the NICS;**
- **the Measuring Wellbeing Initiative;**
- **the consolidation of the NICS estate and realising office accommodation savings, including under the Executive's Asset Management Strategy; and**
- **the wider public sector reform agenda. (paragraph 178)**

The Department agrees with the potential benefits of flexible working outlined in the report and has sought to take account of these in its people policies and strategies, where appropriate, including the NICS People Strategy and the Measuring Wellbeing Initiative.

As highlighted in Recommendation 8, the Asset Management Strategy affords an opportunity to consolidate accommodation requirements and achieve efficiencies. It should be noted, however, that savings resulting from flexible working practices will only be achieved if there is a reduction in office accommodation i.e. staff should not have a desk in their normal office base in addition to a remote location.