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

Our Ref – CFP 233/11-15

16th May 2013

Dear Shane,

Flexible Working Inquiry

Thank you for your letter of 3rd May and the Assembly research paper '*Flexible Working: Further Evidence*'. Please find attached at Annex A the Department's response to each of the issues and areas for consideration highlighted in the paper.

Yours sincerely,

A handwritten signature in blue ink that reads 'Judith Finlay'.

JUDITH FINLAY
Departmental Assembly Liaison Officer

DFP RESPONSE TO ISSUES AND AREAS FOR CONSIDERATION IN ASSEMBLY RESEARCH AND INFORMATION SERVICE BRIEFING PAPER MARCH 2013

Report reference	Issue/Area for Consideration	DFP Response
Page 8	CFP may wish to examine whether NICS recruitment practices support flexibility in this way.	Noted.
Page 12 Table 1	DFP's 1 Feb paper significantly focuses on the ability of NICS staff to work flexible, part-time, term-time or compressed hours. CFP may wish to establish if NICS policy takes account of the relationship between working-time preferences and workers' performance.	<p>The ILO research paper, upon which the Assembly researcher draws, acknowledges that while there may be a direct relationship between flexible workplace practices and organisational performance, the means by which this occurs is less well understood. It theorises that the organisational climate itself may act as a mediator, and that the use of such practices may generate a positive organisational climate, which in turn can enhance performance.</p> <p>The Northern Ireland Civil Service offers a wide range of flexible working arrangements to accommodate staff preferences and to help staff achieve a work life balance. Evidence from the NICS staff survey indicates that the majority of staff are satisfied with their work life balance and agree that the NICS offers good terms and conditions, including alternative working patterns.</p> <p>Staff performance is managed through the NICS Performance Management System, which focuses on managing performance through setting objectives for agreed performance and outputs. NICS guidance on Performance Management states that these objectives for performance should be agreed between the jobholder and the line manager and should reflect what the Jobholder can reasonably be expected to deliver. It also states that job holders should not be unfairly treated because of any flexible working patterns.</p>

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Page 12 Table 1	CFP may wish to establish if DFP has evidence on the level of time-based conflicts within the NICS and what measures might be taken to lessen them.	The results of the most recent NICS staff survey in 2011 show that most staff are satisfied with the NICS general terms and conditions of employment, including opportunities for alternative working patterns, with less than one in ten staff not satisfied.
Page 12 Table 1	CFP may wish to establish whether DFP currently has evidence on NICS staff absences that are related time-based conflicts or working-time preferences.	While stress related absence can be broken down into work related and non work related, there is no further breakdown of the figures. The NICS provides Stress Management Guidance to provide information for all employees on recognising the signs and symptoms of stress at work and to identify the roles and responsibilities of individuals, line managers and Departments in combating work related stress. Advice to managers includes the need to "consider the wider range of flexible working practices as a means of resolving difficulties, either in the short or longer term".
Page 12 Table 1	CFP may wish to establish whether DFP currently has evidence on NICS staff productivity to inform understanding of the impact of current NICS practices so that any change may be monitored	Staff productivity in the NICS is measured at line manager and business area level through a range of means, including Personal Performance Agreements, Service Level Agreements, Corporate and Business Area Scorecards and any other local measurement of outputs e.g. cases processed.
Page 13 Table 1	DFP's 1 Feb paper states that the NICS regards itself as an employer that recognises the importance of having terms and conditions that support staff to balance their work commitments. CFP may wish to establish if DFP has	The results of the most recent NICS staff survey in 2011 show that most staff are satisfied with their work-life balance, with less than a fifth of staff who say that they do not achieve a good balance between their work life and private life.

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	evidence on the relationship between NICS staff satisfaction and work-life balance	
Page 13 Table 1	DFP's 1 Feb paper highlights the flexibilities available to NICS staff but does not specifically provide information on staff control over variations in their work schedules. CFP may wish to establish if DFP has evidence on whether NICS staff have an appropriate degree of control over their working schedules	<p>The ILO paper, from which the Assembly Research Paper draws this concept, comments that "by their nature, flexible working hours may minimise the interference of family obligations with work productivity".</p> <p>The May 2012 Research and Information Service Research paper on Flexible Working acknowledges that there are a significant amount of flexible working arrangements available within the NICS. The majority of civil servants have the facility of Flexible Working Time, while almost a quarter work part time and a number of others avail of various other flexible working patterns, including partial retirement and compressed hours. Just over one in five of the civil servants supported by IT Assist have a laptop which enables them to work in various locations.</p> <p>Evidence from the NICS staff survey indicates that the majority of staff are satisfied with their work life balance and agree that the NICS offers good terms and conditions, including alternative working patterns.</p>
Page 13 Table 1	CFP may wish to consider whether the current NICS flexible working arrangements are employer- or employee-centred.	<p>The Northern Ireland Civil Service has developed a wide range of policies which support staff in all aspects of their working life and specifically allow staff to balance their work commitments with life responsibilities.</p> <p>There is, however, a guiding and over-riding principle that this flexibility should be achieved without adverse effect on the overall efficiency of Departments or on service to the public.</p>

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Page 13 Table 1	CFP may wish to consider the potential impact of changes in practice on sickness absence rates in the NICS.	The identification and measurement of potential benefits from flexible working is a matter for each government department and individual business areas within departments.
Page 13 Table 1	CFP may wish to ask witnesses for evidence whether the current NICS arrangements could further enhance public sector resilience in Northern Ireland. For example, DFP has conducted an assessment of the recent disruption to public service delivery as a consequence of severe weather events – such as the snow and flooding in 2012.	<p>DFP does not have a remit for the wider public sector, whether in the areas of technology, premises or personnel policies. However, the need for Business Continuity Planning (BCP) is widely accepted throughout the public sector and BCP guidance for the public sector is provided on the OFMdFM website.</p> <p>Within the NICS, a Business Continuity Planning Guide has been developed as part of the IS Strategy, setting out the new opportunities presented by the changing IT landscape within the NICS, including Network NI, IT Assist services, Secure Remote Access and Unified Communications. As acknowledged in the Research Paper, an example of how flexible working opportunities have been applied for business continuity purposes is the flooding of Craigtantlet Buildings in June 2012, as detailed in the DFP response to the Committee in March 2013.</p>
Page 14 Table 1	CFP may wish to establish whether DFP can provide baseline data on energy usage across the public estate to allow patterns following policy changes to be tracked.	<p>DFP can provide baseline data for energy usage by building across the office estate, if required.</p> <p>However, the Department is unclear as to how compressing hours for some staff will impact on energy consumption, unless all staff in the building reduce their hours and the entire building or floors within a building can be closed. Also, DFP is currently implementing a series of actions across the office estate aimed at reducing energy consumption. It would therefore be difficult to ascertain whether any changes are the result of the DFP actions or any additional 'flexible working' arrangements.</p>

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Page 14 Table 1	CFP, may wish to seek evidence from DFP about the issue of recruitment, retention and training costs in the NICS. Is there a difficulty with 'hard-to-fill vacancies, for example, which might be lessened by adopting greater workplace flexibility.	Noted. NICS Departments remain an attractive career choice and there are a very limited number of specialist posts which could be deemed as 'hard to fill'.
Page 14 Table 1	CFP may wish to explore with witnesses the performance-management/retention implications of moving to output-based rather than hours-based work.	<p>The ILO paper, from which the Assembly Research Paper draws some of its data, finds that as flexibility (telework, flexitime) increases, so turnover reduces and that unmet needs for workplace flexibility were found to be a prominent driver of turnover.</p> <p>The NICS offers a wide range of flexible working arrangements. The NICS does not hold any evidence linking turnover to flexible working. Turnover during the Financial year 2011/12 (the latest year available) was 3.1%.</p> <p>The NICS Performance Management System focuses on managing performance through setting objectives for agreed performance and outputs.</p>
Page 22	CFP may wish to explore with witnesses the extent to which eligibility for flexible working impacts on employee relations, and the scope for managing those impacts.	The wide range of NICS policies that enable NICS staff to have a flexible approach to their working day have been developed in consultation with Trade Union side. The majority of staff are eligible for Flexible Time working and almost a quarter work part-time, with others availing of various other flexible working patterns, including partial retirement and compressed hours.
Page 23	CFP may wish to explore with witnesses how the barriers identified in	The Research Report acknowledges the evidence presented to the Committee about the technology being used to facilitate the flexible location

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	the OPM survey might be overcome.	<p>of work in the NICS and accepts that “the technology barrier is not insurmountable”.</p> <p>The examples of flexible and agile working provided in the DFP paper in February 2013 demonstrate that, where there is a clear business need, agile working of various types have been successfully implemented throughout the NICS.</p>
Page 24	CFP may wish to explore the issues of baseline information and benefits realisation with witnesses.	<p>From an IT perspective, the business case and decision to deploy technology to support a more flexible or agile work style, is a matter for individual business areas in departments. There is, therefore, no central register of benefits which are derived from the technology deployed. However, examples of benefits include:</p> <ul style="list-style-type: none"> • The video conferencing unit in Rathgael House, commissioned on 12th June 2012, has been used 52 times (at Jan 2013) resulting in a significant saving in staff time and travel costs; • The video conferencing units utilised by NI Direct staff for daily team meetings have been used a total of 194 times from (June 2012 to January 2013), saving over £12,000 in travel and saving over 500 hours in travel time (based on one person travelling); and • The average usage of the Marlborough House regional zone indicates a monthly saving of around £3,400 in travel costs and 190 hours in time.

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Page 25	CFP may wish to explore the timeframes for the realisation of potential benefits from flexible working with witnesses.	Timeframes for the realisation of potential benefits from flexible working are a matter for each government department and individual business areas within departments.
Page 25	CFP may wish to explore with witnesses the forms of performance management that underpin effective flexible working practices. Secondly, CFP may wish to engage with DFP on the appropriateness of the current NICS performance management system for supporting flexible working.	The NICS Performance Management System focuses on managing performance through setting objectives for agreed performance and outputs, which are agreed between the jobholder and the line manager.