

ECONOMY AND RESOURCES SCRUTINY COMMITTEE

3 APRIL 2025

AGILE AND BLENDED WORKING

SUMMARY REPORT

Purpose of Report

1. The purpose of this report is to share an update on agile and blended working at Darlington Borough Council.

Summary

2. The Council undertook an agile working pilot between May and December 2022 to explore the potential of formalising the new ways of working, which had commenced during the pandemic.
3. Following the successful pilot the Council adopted an agile working solution and the “Ways we can work” policy was adopted in April 2023.
4. The use of agile/blended working has many benefits to the Council.

Recommendation

5. It is recommended that :-
 - (a) Members note the content of the report.

Brett Nielsen
Assistant Director Resources

Background Papers

No background papers

Brett Nielsen 5403

Council Plan	The Council’s workforce contributes to all priorities outlined within the Council Plan.
Addressing inequalities	This report provides an update on Agile and Blended working, therefore there is no impact as a result of this report.
Tackling Climate Change	This report outlines some of the benefits of Agile and Blended working to climate change.
Efficient and effective use of resources	This report outlines efficiencies in working practices.
Health and Wellbeing	The use of Agile & Blended working has wellbeing benefits to employees.
S17 Crime and Disorder	N/A
Wards Affected	N/A
Groups Affected	N/A
Budget and Policy Framework	This report does not recommend a change to the Council’s budget or policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

Information and Analysis

6. The Council undertook an agile working pilot between May and December 2022 to explore the potential of formalising the new ways of working, which had commenced during the pandemic.
7. Following the successful pilot the Council adopted an agile working solution and the “Ways we can work” policy was adopted in April 2023.
8. The Council has four role types:
 - a) **Fixed** - A role that requires work to be carried out predominantly at a specific location either due to providing the first point of customer contact, or the daily use of specific equipment which is not mobile (ICT software/hardware or Health and Safety) and/or required to carry out a role e.g., library assistants, post room assistants, leisure assistants or refuse collectors.
 - b) **Agile** – Agile working is where an employee retains their main work location i.e. a Council building, however, the employee has the flexibility to work in other office locations, client premises, external locations and includes occasional work from home. It is acknowledged that within the agile worker category there will be varying degrees of flexibility depending on the nature of the role, office cover and business requirements.

- c) **Blended** – Is different to agile working as there is an expectation to work from home but with the opportunity to work in Council buildings and other locations where appropriate. To work on a blended basis there must be a DSE compliant set up of a home office with a suitable environment to work in a productive and conducive manner. As part of the asset rationalisation and agile working project this form of working is more commonly available and has proven to work well.
- d) **Home** - Homeworking is where an employee works all their contracted hours from home on a permanent basis with a requirement to attend meetings and training at specific locations as required. A homeworking agreement constitutes a permanent change to the employee’s terms and conditions of employment. Permanent home working with no office contact is not considered to be the norm or an expected work type for many employees.

9. In March 2025 the following number of staff are employed in each of the above categories. For the purposes of this paper, due to the synergies, management information for Agile and Blended have been merged.

Worker Type	Number	Full Time Equivalent
Fixed	1,243	780.70
Agile/Blended	900	815.03
Home	1	0.81
TOTAL	2,144	1,596.54

10. As can be seen although the Council operates an agile and blended working policy, there are 1,243 (58%) employees that work in a fixed location across Darlington.

11. As noted above, agile/blended workers have the ability to work from a number of locations, including options in administrative building. In the Town Hall there are specific team rooms which can only be used by members from that team, “hot desks”, meeting rooms and the Space which are open for all staff to use.

12. Agile/blended workers do not have a specific ratio of time they are required to be in council buildings, instead they work around business need and at their managers discretion. However some employees choose to be in the building every day and some on a number of days every week.

13. Agile/blended working has been introduced by many employers across the country in both the private and public sector. A number of neighbouring Council’s had originally specified the number of days in which staff need to be in the building, however they have now moved towards the Darlington model of no longer specifying the days required.

14. Following the successful pilot, the working arrangements have been reviewed each year with reports presented to Chief Officers Board (COB) and the Joint Consultative Committee (JCC). Trade Unions and employees are supportive of the arrangements and COB have continued to support agile/blended working as a successful and useful initiative to deliver Council services.
15. The use of agile/blended working has many benefits to the Council which are detailed in the following paragraphs.

Recruitment and Retention

16. More than 9 in 10 Councils across the country are experiencing employee recruitment and retention difficulties as demand for services continues to rise, highlighting the vital need to attract more people into the workforce. In response to this the Government funded the pilot “Make a Difference” recruitment campaign in the Northeast which went live in early 2024. (The campaign won the best innovation in recruitment initiative of the year award at the LGC Workforce Awards in November). After the success of the Northeast pilot, this was rolled out to the rest of England in November.
17. Our workforce delivers a wide range of services to our community, we have nearly 800 different roles. Appendix 1 provides a summary of our workforce. Darlington as an employer cannot always match the salaries of other employers both in the private sector, public sector and within local government, therefore our offer of employment is structured to include other benefits of working for Darlington. Flexible working is very much something that people are looking for in their employment, to assist with their work life balance and the offer of agile/blended working is something that has ensured we both attract and retain employees in our roles.
18. Although there are many reasons why employees choose to work for or stay in employment with Darlington, evidence suggests that we have retained and attracted employees who live outside of Darlington due to our agile/blended arrangement including that they do not need to commute into Darlington every day.
19. 52% of those who work agile/blended live outside of Darlington, this compares to 25% of those working at a DBC location. Overall, 63.9% of employees live in the town, which hasn't changed greatly since 2019 when the figure was 64%, showing we are still attracting local people, even with the introduction of many new employers to the town, such as Amazon and various Government Departments. Agile/blended working has also enabled our recruitment catchment area to grow, appendix 2 shows the locations of our workforce.

20. Based on a sample of discussions with employees who live outside of the Tees Valley area, the ability to work agile and blended was key factor for joining and remaining at Darlington Council. One colleague who started recently said this was a huge factor in attracting them to work with us and stated, “I moved from a role that I really enjoyed however there was a lot of travel and a requirement to be office based (when not travelling). The flexibility around home working, start/ finish times and also the holidays (with the option to purchase additional) where all big pull factors”.
21. The below table shows the voluntary turnover rates between April 2024 and February 2025. The turnover rate for those working agile/blended is lower than those working fixed in terms of both headcount and FTE.

	Turnover % Headcount	Leavers Headcount	Turnover % FTE	Leavers FTE
Agile / Blended / Home	6.10	55	6.06	49.47
Fixed	8.69	108	7.15	55.79
All	7.60	163	6.59	105.26

Absence

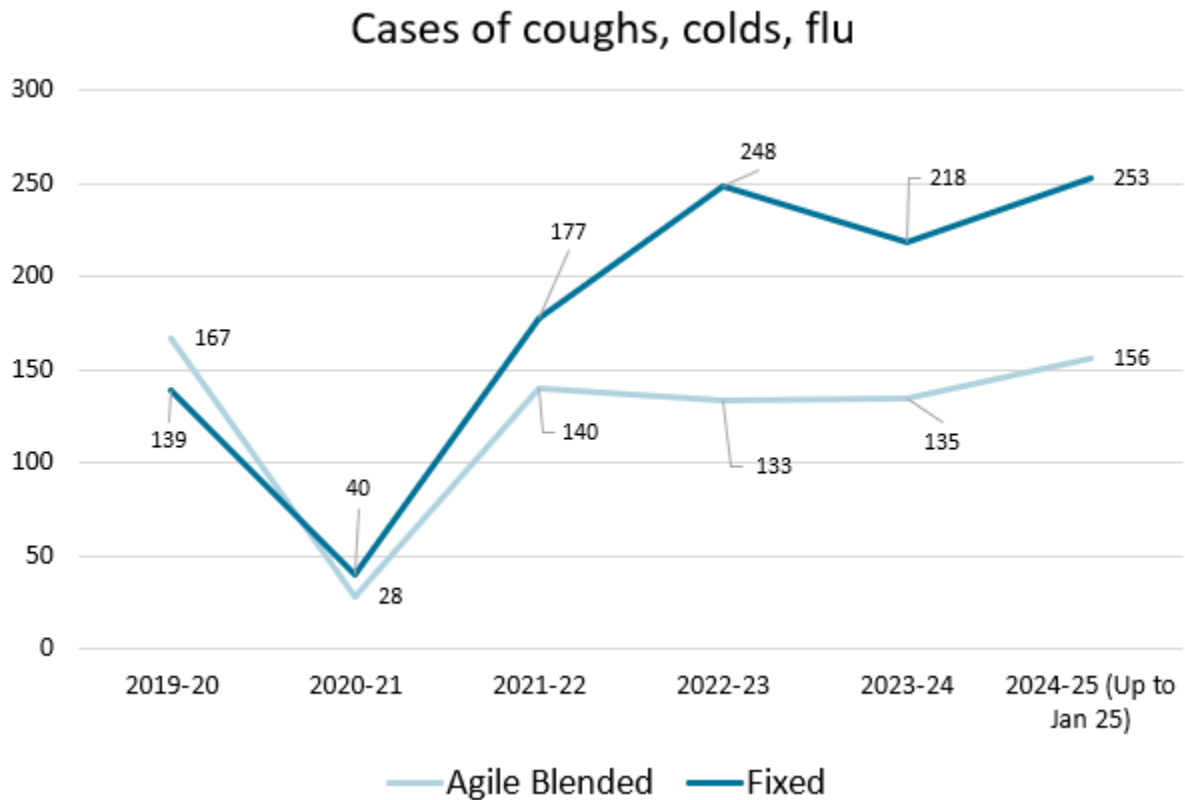
22. Absence levels for those who can work agile/blended continue to be lower than colleagues who are required to report to a fixed DBC location, 8.09 days per FTE (agile/blended) compared to 10.63 days per FTE (fixed) in 2023/24. During the first half of 2024/25, those figures stood at 4.24 and 5.35 respectively. During the same period 65.0% of those working agile/blended had zero absence, this was 58.4% for those at a fixed location.
23. Whilst there are many reasons why an employee may be absent from work due to sickness and roles have differing demands, it is the case that staff who work from home with some illnesses, for example a cold, are sometimes able to work as there is no commute to consider, the ability to do a shorter day and, there is no need to worry about spreading the sickness amongst fellow employees. The following stats provide some evidence to suggest that agile/blended working impacts on sickness levels.

Short term absence (5 days and under):

24. In 2019/20, there were 585 occurrences of absence of 5 days and under for those who would go on to become agile/blended workers, in 2023/24 this figure was 528. For those in a traditional work setting, those figures were 704 in 2019/20 rising to 757 in 2023/24. This should be considered in the context of absence levels rising in the Council and across the country in most sectors.

Coughs, colds, flu, sickness:

25. In 2023/24 there were 135 occasions (0.40 days per FTE) of colds and flu for those working agile/blended, compared to 218 occasions (0.80 per FTE) for those working at a fixed location. Figures up to the end of January 2025 have been added below for reference.



Short term absence (19 days or less):

26. Up to the end of January 2025, those working agile/blended have taken an average of 2.38 days of short-term absence per FTE, this was 3.66 days for those in a fixed location. In the previous year, up to January 2023/24 those figures were 2.17 and 3.18.

Absence reasons

27. The highest cause of absence up to end of January 25 for the Council was Anxiety / stress / depression at 34.8% of absence. Amongst those working agile/blended this is 43% and 28% for those in a fixed location, though overall only 22% of the total sickness due to stress was deemed wholly work related for agile and 16% fixed.

28. Of all stress related absence in those working agile/blended, 41% was taken by employees working in Children’s and Adult Social Care, this is perhaps reflective of the practice and associated pressure rather than working arrangements.

29. It is worth noting the rise in absences nationally, for example, People HR reported that the figure for small and medium sized companies in the UK (who in the main will just pay SSP) has increased by 55% since 2019, if we were to change our approach to agile and blended working this would likely have a negative impact on our absence levels.

Productivity Outcomes

30. We have found that not mandating the ratio when employees are able to work from home and instead giving managers the flex to apply their discretion around our business need has demonstrated many benefits. During the pilot phase of the project, it was found that there was no impact on service delivery and in some cases, there was an increase in productivity.
31. Productivity is managed in the same way as it always has been for agile/blended workers and it is expected that managers are in regular contact with team members. Managers have a responsibility to ensure work is allocated fairly, completed and that standards are maintained. Whilst some areas can be reviewed on transactional outputs this is not possible for many of our services and the real test is the outcomes achieved.
32. The Council Plan 2024/27 Performance (Cabinet - January 2025) and the Council Plan Performance 2020/23 Q4 (Cabinet - July 24) reports demonstrated the significant number and breadth of achievement made despite the challenging economic and financial times the Council is facing. This is a testament to the hard work and dedication of the Council's workforce. Whilst it is not possible to link agile/blended working to outputs directly in a number of instances, what can be seen is that the introduction of agile/blended working has not had a negative impact on Council performance. The following list is some of the outcomes demonstrating that our approach is impactful and the right thing to do.
- a) Introduction of new Council Plan for 2024 - 2027.
 - b) The outturn percentage for 2023/24 of Business Rates collected exceeded the target for quarter 4, with 99.97% of Business Rates collected, compared to 99.79% in quarter 4 of 2022/23. (Council Plan Performance 2020/23 Q4 - Cabinet July 24). Business rate collection is on track to achieve the 2024/25 target, with 95.2% collected February 2025.
 - c) The outturn percentage 2023/24 of Council Tax collected exceeded the target for quarter 4, with 96.39% of Council Tax collected in 2023-24, the highest since 2010/11. This is an increase in collection, compared to 2022/23, which was 96.09%. (Council Plan Performance 2020/23 Q4 - Cabinet July 24). Council Tax collection is 92.1% February 25.
 - d) The Council received 746 complaints during 2023/24, an increase of 37 on 2022/23, but significantly lower to pre pandemic level, with the Council receiving 838 in

2019/20 (Complaints, Compliments and Comments Annual report 2023/24 – Cabinet September 2024).

Carbon Neutral Agenda

33. The Council has targets to reduce the emissions it produces directly and can also influence other indirect emissions through its employee practices.
34. The rationalisation of office space will impact on the energy usage of the Council, as less buildings need to be lighted and heated. Whilst it is acknowledged that there will be additional requirements in employee's homes as a result, this can be offset by carbon emissions on employee's commute. Appendix 2 provides a heat map of where our agile/blended employees live. As these employees no longer commute to Darlington every day, those staff who use private vehicles to commute to work will be saving on the emissions from those journeys.
35. As staff are working agile/blended this has meant that the Council is seeing significantly less printing and therefore using less paper. Although this can in part be put down to technology advances, when working in a fixed office space with printing facilities there is often the temptation to print which does not exist in the agile/blended arrangements.
36. The use of technology and in particular Microsoft Teams has reduced the need for staff to travel to meetings outside of office which has saved both time for staff travelling between venues and on rail fares or car mileage. Although the use of Teams is not restricted to employees who work agile/blended basis, where all staff are in the office there is not the ability to talk freely on Teams calls as there are limited private spaces.

Budget Savings

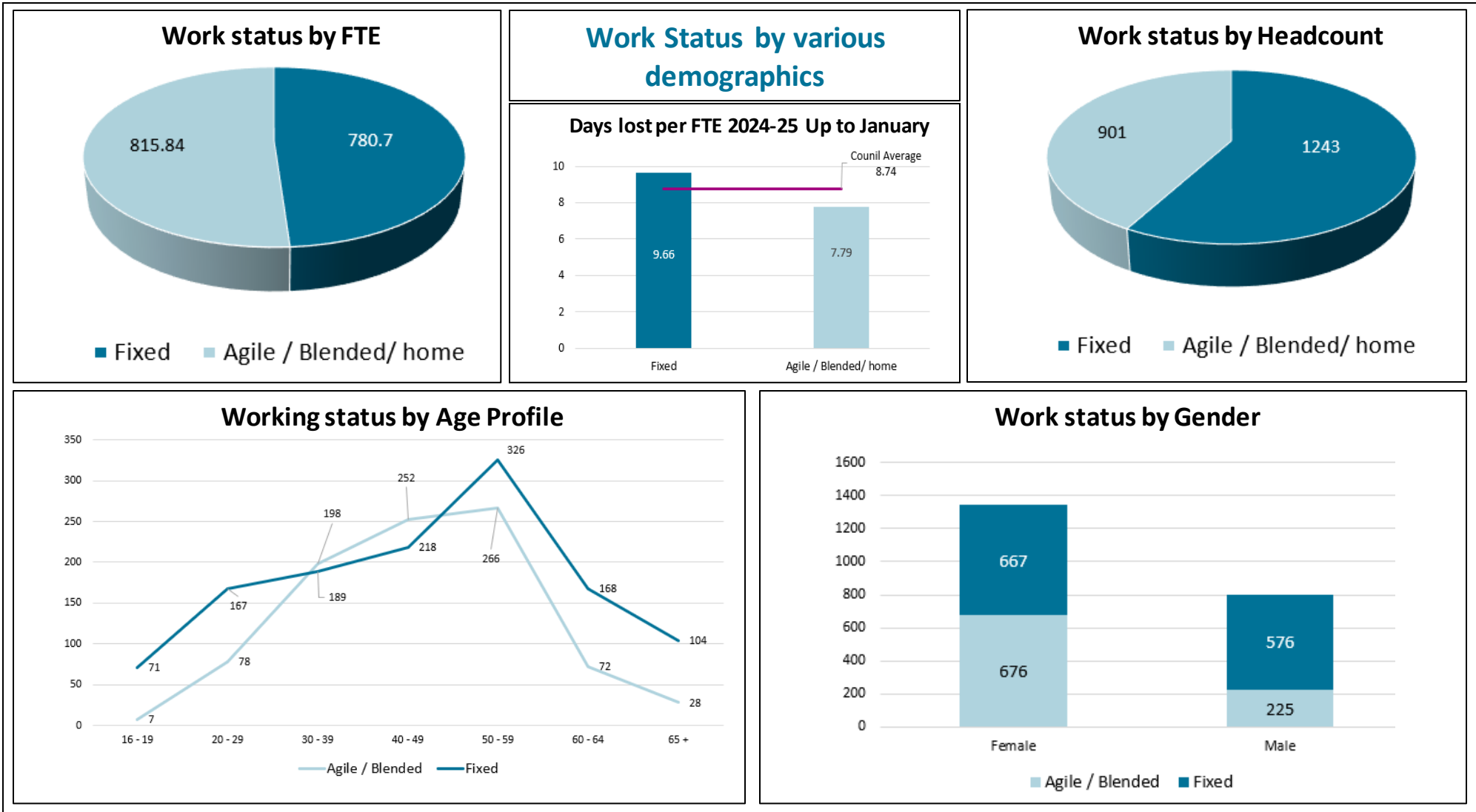
37. The move to agile/blended working has already provided savings to the Council, which are likely to increase in the future. The following are some of the savings that have been quantified and captured to date.
 - a. The transition to agile and blended working has enabled us to reduce car mileage and travel fees. Using 2019/20 as a base and comparing 2023/24, there has been an overall saving of £76k (16%).
 - b. Savings already reflected in the MTFP for 2025/26 at the Town Hall and Central House include £30k per annum from lower cleaning and waste disposal costs from the part closure of buildings.
 - c. Savings in employee travel time, freeing employees to work on other areas. i.e. increasing capacity within teams.

- d. Reduced printing costs (click charges to departments have fallen from £135k in 2019/20 to £68k in 2023/24) and reduced energy consumption.

38. These savings would not be achieved without the flexibility of agile/blended working.

Conclusion

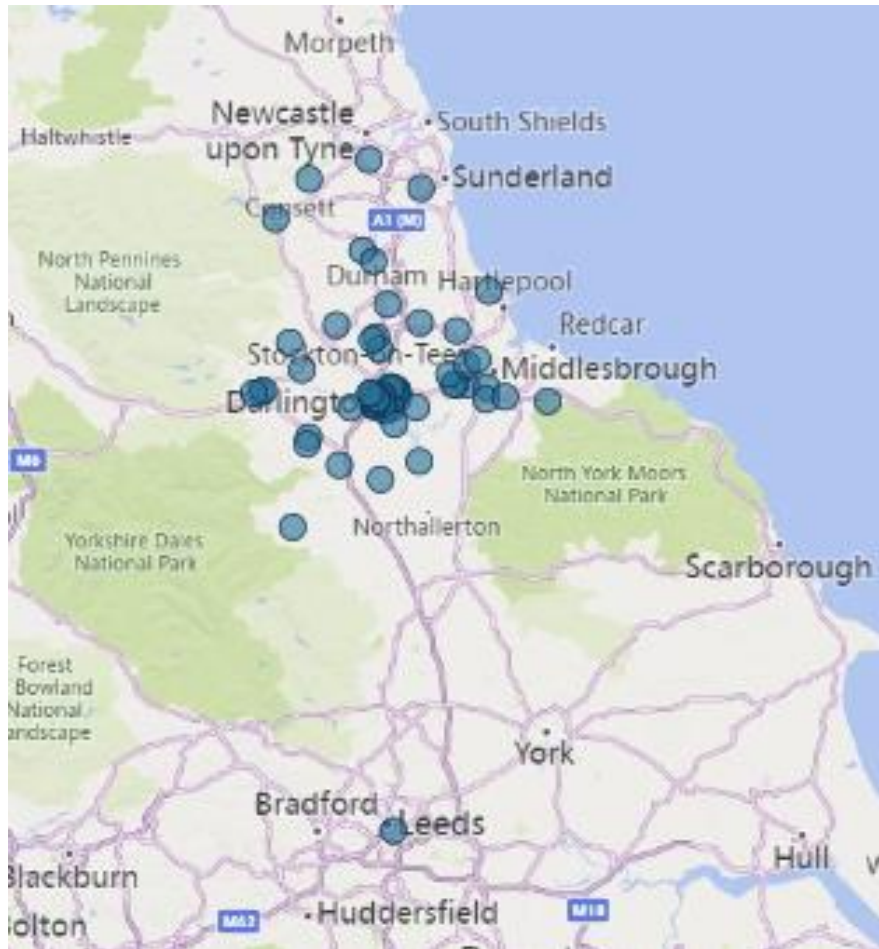
- 39. This report confirms that our flexible practice applying agile/blended working around business needs continues to demonstrate a return.
- 40. There has been savings from reductions in travel costs, printing and the rationalisation of buildings.
- 41. There is evidence that our employee offer has increased recruitment and retention and assisted with staff sickness absence and any change to our offer would likely impact negatively on this.
- 42. There is no evidence to suggest that the implementation of agile/blended working has impacted negatively on service delivery.



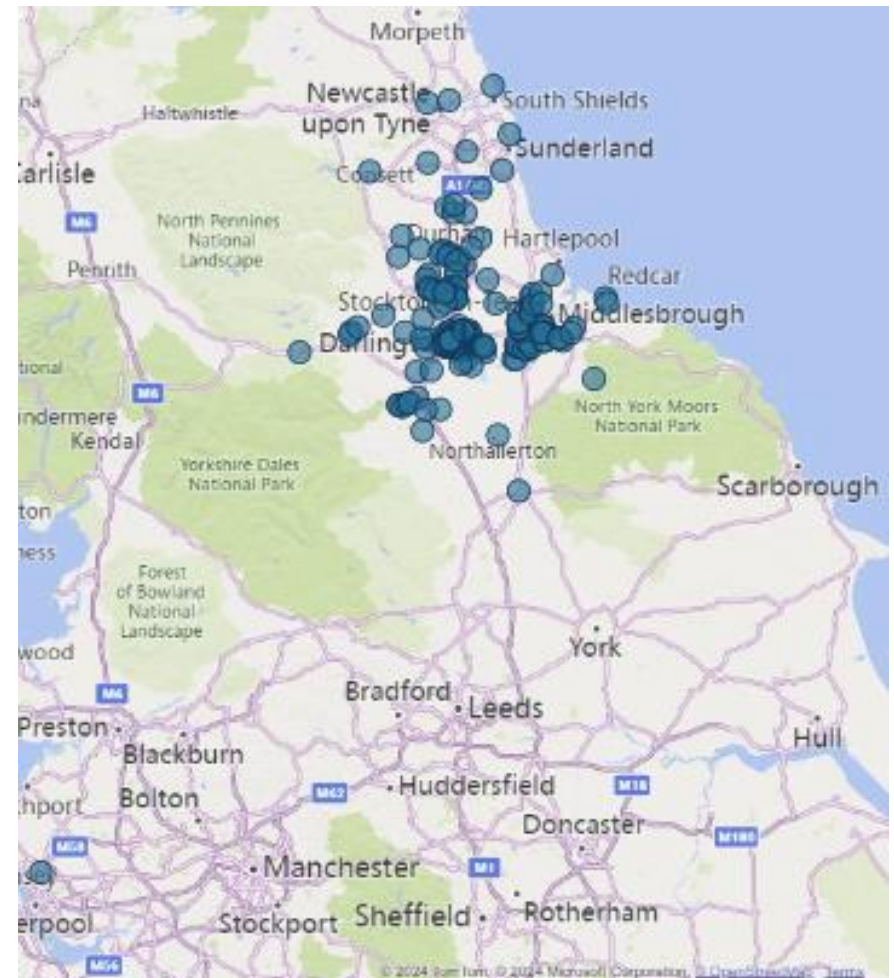
Appendix 2

Agile / Blended and home workers home addresses

Chief Executives and Economic Growth



Resources and Governance Group



People Group



Services Group

