

<b>Committee(s):</b> Corporate Services Committee	<b>Dated:</b> 11/09/2024
<b>Subject:</b> Workplace Attendance	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Alison Littlewood, Executive Director of HR and Chief People Officer	<b>For Decision</b>
<b>Report author:</b> Colette Hawkins, Interim Assistant Director, HR Business Partnering Thomas Kennedy, HR Policy Manager, HR Business Partnering	

### Summary

In February 2024, Corporate Services Committee approved with effect from the 1st September 2024, a change to the current Workplace Attendance Policy would apply. This resulted in a change for all colleagues in the hybrid and academic categories who will be required to increase their attendance to a minimum of 3 days per week (or 60% of their working time).

This report outlines the potential impacts of an increase in attendance above 3 days per week as well as research into the workplace attendance requirements of comparable local organisations.

### Recommendation

To provide clarity to our workforce and confirm the long-term position, the Corporate Services Committee are asked to:

- Make no changes at this time to the current Workplace Attendance Policy which was implemented on the 1<sup>st</sup> September 2024.
- Approve a further review in line with established policy review processes.

### Main Report

#### Background

1. Members have requested a report to understand the current market position in relation to office attendance. The purpose of this report is to inform any future

decisions in relation to workplace attendance and to assess where the City Corporation's policy sits in comparison to local and comparable organisations.

### Current Position

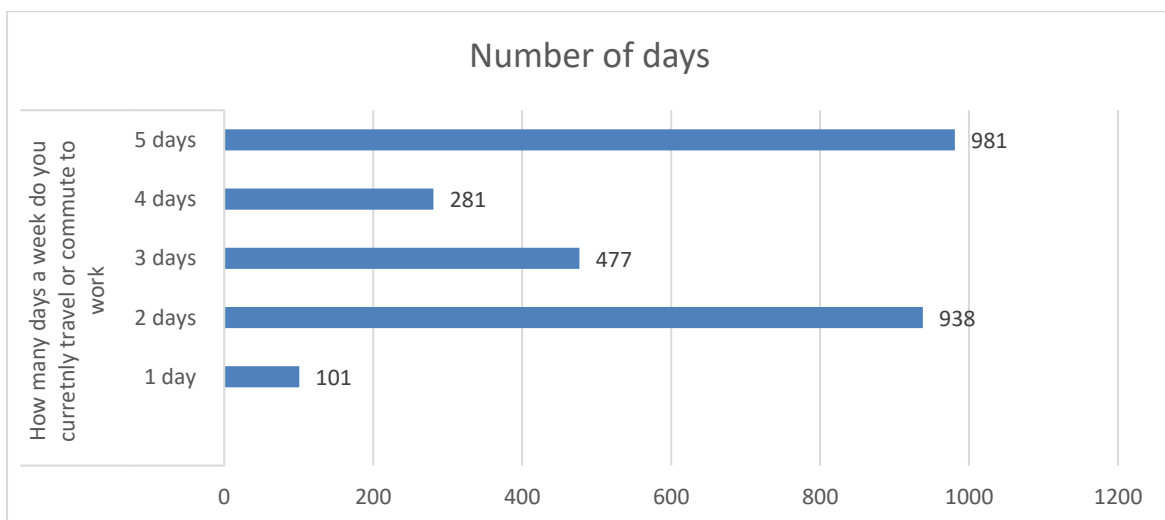
2. With effect from the 1st September 2024, all colleagues in the current hybrid and academic categories who were previously required to attend their office or place of work on a minimum of two days per week are now required to attend a minimum of three days per week (or 60% of their working time).

### Staff Survey Data

3. 65% of respondents to the City Corporation's Staff Survey were eligible to complete the workplace attendance questions as they currently attend the workplace three days or less. Of the eligible respondents, 77% responded negatively to the prospect of returning to the office for more than three days a week.

Over 4,500 open responses highlighted concerns about workplace attendance and demonstrated anxiety at the perceived lack of trust in employees' productivity and commitment when working from home, particularly by Members.

The chart below provides an overview of the current number of days respondents travel to the workplace. This shows that over 63% of the respondents currently travel to the workplace 3 or more days a week, with 37% of respondents working two or less days, some of which are part time or on formal flexible working arrangements.



The questions asked in the survey regarding WPA were:

*The move for workplace attendance from the current two days to three days a week in September, will encourage me to reconsider my role and future place of work?*

- 47% of respondents who responded to this question agreed or strongly agreed that this change would make them reconsider their role and future place of work.
- 29% neither agreed nor disagreed.
- 23% disagreed.

*I would support a potential move to 4 days a week for workplace attendance in the future*

- 8% of respondents were in favour.
- 77% responded negatively.
- 15% were neutral.

These findings indicate that changes to the workplace attendance policy are a significant concern for our workforce and require careful consideration in future planning.

## Local Authorities

4. The workplace attendance requirements for the City Corporation's neighbouring London boroughs have been outlined below, as provided by London Councils in their 2023 workplace attendance survey. A summary of all 32 London boroughs has been included as Appendix A.

<b>London borough</b>	<b>Attendance requirement for desk-based employees</b>
Westminster	No mandated attendance. Team/service dependant.
Lambeth	No mandated attendance. Team/service dependant.
Hackney	No mandated attendance. Team/service dependant.
Islington	One day per week
Tower Hamlets	Two days per week
Southwark	Two days per week
Camden	Three days per week

5. None of the 32 boroughs in London require attendance of more than three days per week or 60% of working time for desk based employees.
6. The information provided by London Councils shows that 84% of London boroughs have attendance requirements below three days per week. 47% of boroughs do not have specific attendance requirements at all, and arrangements are made depending on the needs of the team or service.

7. Only five boroughs have mandatory attendance requirements over two days. These are Kensington & Chelsea, Camden, Lewisham, Merton and Waltham Forest.

### Private Organisations

8. Research into private London based organisations has shown that whilst there are instances of mandatory five day office attendance, organisations are increasingly implementing flexible approaches to hybrid working based on the needs of their teams and services.

<b>Organisation</b>	<b>Attendance requirement for desk-based employees</b>
Starling Bank	No mandated attendance. Team/service dependant.
Deloitte	No mandated attendance. Team/service dependant.
Unilever	No mandated attendance. Team/service dependant.
NatWest	No mandated attendance. Team/service dependant.
Zoom	Two days per week
Lloyds Bank	Two days per week
Google	Three days per week
Tesco	Three days per week
HSBC	Three days per week
Amazon	Three days per week
IBM	Three days per week
Boots	Five days per week
Goldman Sachs	Five days per week
Barclays	Five days per week

9. Although Boots, Goldman Sachs and Barclays have attendance requirements of five days per week, it is understood that they are continuing to operate with flexibility around the needs of individuals and teams.

### Public Bodies and Civil Service

10. Examples of the workplace attendance requirements of Public Bodies and Civil Service organisations have been outlined below. The UK Civil Service announced their approach to workplace attendance in 2023 as a minimum of three days per week or 60% of working time in offices, with most public bodies remaining lower than this or having an approach dependant on their team or service.

Organisation	Attendance requirement for desk-based employees
Metropolitan Police	No mandated attendance. Team/service dependant approach
BBC	No mandated attendance. Team/service dependant approach
Met Office	No mandated attendance. Team/service dependant approach
Office of Gas and Electricity Markets (Ofgem)	1 day per week
Water Services Regulation Authority (Ofwat)	1 day per week
Bank of England	Two days per week
UK Civil Service	Three days per week
Greater London Authority	Three days per week

## Research

11. Recent research by Ipsos, Karian, and Box<sup>1</sup> reports that three days of office work per week is optimal for key aspects of employee engagement and workplace culture. The report showed that 67% of full-time office workers spend three or more days at their employer's location, suggesting that the recent changes to workplace attendance align with prevailing opinions.

The Chief Executive of Ipsos Karian and Box stated "In response to the recent survey, three days in the office came out as an optimal solution. It strikes the right balance that realises the benefits of office working for both employer and employee, while also giving individuals the ability to think, work and manage their home lives in a flexible way".

This is comparable to the quantitative data from the City Corporation Staff Survey which showed that 63% of respondents already currently travel to the workplace 3 or more days a week.

12. Recent research titled *Hybrid Working from Home Improves Retention Without Damaging Performance*<sup>2</sup> published in June 2024, found that employees who work from home for two days a week are just as productive and as likely to be promoted as their fully office-based peers. The authors of the study concluded that a hybrid schedule with two days per week working from home does not

<sup>1</sup> Making the case for the office, Ipsos Karian Box, September 2023

<sup>2</sup> Bloom, N., Han, R. & Liang, J. Hybrid working from home improves retention without damaging performance.

damage performance. The study found no significant effect on employees' performance reviews and no evidence of a difference in promotion rates.

The study also showed that resignations fell by 33 percent among workers who shifted from working full-time in the office to a hybrid schedule. Women, non-managers, and employees with long commutes were the least likely to resign from their jobs when their travel to the office was cut to three days a week, as well as reporting higher job satisfaction.

Research author Nicholas Bloom from Stamford University said "The results are clear: Hybrid work is a win-win-win for employee productivity, performance, and retention,"

Bloom summarised the research by saying "If managed right, letting employees work from home two or three days a week still gets you the level of mentoring, culture-building, and innovation that you want. From an economic policymaking standpoint, hybrid work is one of the few instances where there aren't major trade-offs with clear winners and clear losers. There are almost only winners."

## **Corporate & Strategic Implications**

### **Staff dissatisfaction and turnover**

13. The City Corporation's Staff Survey findings indicate that changes to the workplace attendance policy are a significant concern for our workforce.
14. In response to the question regarding the recent change in workplace attendance from two to three days a week, 47% of respondents agreed or strongly agreed that this change would make them reconsider their role and future place of work.
15. In addition, a negative response was received in the staff survey in relation to supporting a potential move to four days a week for workplace attendance in the future. 77% responded negatively, indicating that the staff satisfaction would suffer if a change to four days was to be made in the future.
16. The high level of response to these questions demonstrates that any change to the current workplace attendance policy will potentially undermine all the good work undertaken to reduce the turnover of the organisation and improve employee experience. Turnover at the City Corporation has reduced from 18.9% in 2022 to 13.2% in 2023. It is continuing to improve and is currently at 11.5%. All this good work could be undone if a change to the workplace attendance policy is made.
17. The voice of employees is paramount to organisational success and 74% of staff took the time to share their opinions and complete our survey compared to 54% in 2022.

18. Of the 14,585 open comments in the staff survey, those raising concerns around member conduct, behaviour and views were all negative and demonstrate the level of feeling, that has previously been both informally raised and formally raised in past surveys, by the workforce. Should members decide to disregard the opinion of staff as outlined this year, it is to be expected that morale, staff engagement and member reputations will be damaged.

### **Change in Government**

19. The Government has indicated its support for flexible working and family friendly policies through the proposed Employment Rights Bill which is expected to come into effect in October.

20. The proposed bill will see the law strengthened to enforce workplace rights, as well as increased flexible working conditions which will require employers to accommodate requests as far as reasonable. The bill will support businesses to adapt flexible working practices and increase the uptake of flexible working.

21. Any additional changes to the current Workplace Attendance Policy are likely to be impacted by the proposed legislation and the Government's support for flexible working. Increased workplace attendance requirements are unlikely to align with the proposed legislation and could see a significant increase in statutory flexible working requests which will need to be accommodated by the City Corporation as far as reasonable.

### **Out of line with other City based organisations**

22. The research provided in this report has demonstrated that the City Corporation's current Workplace Attendance policy is in line with other City of London based employers as well as comparable London based organisations. Any further changes to the policy would put the City Corporation out of line with other organisations.

23. The City Corporation would be at risk of losing staff to more flexible organisations as their employer of choice, as well as becoming a less attractive employer to candidates who require additional flexibility.

### **EEDI Implications – People Strategy**

24. The groups most impacted by any changes to workplace attendance are those groups with protected characteristics: carers; those with disabilities or long-term health conditions; and women.

25. Previous consultation with the City Corporations Staff Networks have demonstrated a significant concern for the impact on their members that a change to workplace attendance would have. Further changes are likely to cause

additional barriers for colleagues with protected characteristics, and consideration is required regarding the impact of additional changes on these groups.

26. The City Corporation has committed to fostering a culture of wellbeing and belonging through the People Strategy. This recognises the importance of wellbeing on the organisations continuing success. The City Corporation's Staff Networks have raised concerns over any changes above three days per week for workplace attendance and demonstrated the anxiety that the issue is causing for their members. It is therefore crucial the concerns of staff networks in regards to those colleagues with protected characteristics are acknowledged in any decisions, as well as the negative responses received as part of the staff survey.
27. All of the City Corporation's Staff Diversity Networks, as well as Staff Diversity Networks from Institutions, have expressed concerns about the increase to 60% attendance at the start of September, and even greater concerns regarding any further increases beyond this.
28. Examples of comments provided by members of Staff Diversity Networks have been provided below regarding an increase beyond 60% workplace attendance:
- a. *"I would seriously consider moving to another organisation, I don't believe being in the office is a prerequisite for work. In fact I probably do more work at home where there are less distractions."*
  - b. *"I would have to seek alternative employment. I left a previous career due to burnout and stress and going in daily was contributing massively to this"*
  - c. *"I would 100% seek employment elsewhere"*
  - d. *"I would rather leave the job as I could not survive financially."*
  - e. *"I am early in my career, so I would pursue other job opportunities at companies with a more progressive attitude towards work/life balance."*
29. If a change was to be considered, a full Equality Impact Assessment (EQIA) would need to be undertaken and well as Trade Union engagement.

## **Legal Implications**

See confidential annex.

Financial implications - None

Resource implications – Any changes would need to ensure that the City Corporation's workspaces have sufficient capacity to manage an increase in attendance.

Equalities implications – An Equality Impact Assessment will need to be undertaken if it is decided that a change will be made to the Workplace Attendance Policy.

Climate implications – None

Security implications – None



## **Conclusion**

30. With the information and risks outlined in this report, it is recommended that members make no changes at this time to the current Workplace Attendance Policy which was implemented on the 1st of September 2024.
31. Any changes to workplace attendance are highly likely to put the City Corporation out of line with comparable organisations, risking potential increase in employee turnover. It is likely that any changes would have negative impacts on colleagues with protected characteristics and be misaligned with proposed Government legislation supporting flexible working and family friendly policies

## **Appendices**

Appendix A – List of Attendance Requirements provided by London Councils

## **Background Papers**

Workplace Attendance Update Report – Corporate Services Committee February 2024

### **Colette Hawkins**

Interim Assistant Director, HR Business Partnering

T: 020 7332 1553

E: [colette.hawkins@cityoflondon.gov.uk](mailto:colette.hawkins@cityoflondon.gov.uk)

### **Thomas Kennedy**

HR Policy Manager

E: [thomas.kennedy@cityoflondon.gov.uk](mailto:thomas.kennedy@cityoflondon.gov.uk)

## Appendix A – List of Attendance Requirements provided by London Councils

<b>Local Authority</b>	<b>Attendance Requirement for Desk-Based Employees</b>
Barking & Dagenham	Two days per week
Barnet	One day per week
Bexley	No mandated attendance. Team/service dependant.
Brent	Two days per week
Bromley	Two days per week
Camden	Three days per week
Croydon	Two days per week
Ealing	No mandated attendance. Team/service dependant.
Enfield	Two days per week
Greenwich	No mandated attendance. Team/service dependant.
Hackney	No mandated attendance. Team/service dependant.
Hammersmith & Fulham	No mandated attendance. Team/service dependant.
Haringey	No mandated attendance. Team/service dependant.
Harrow	No response
Havering	No mandated attendance. Team/service dependant.
Hillingdon	One to three days per week. Team/service dependant.
Hounslow	No mandated attendance. Team/service dependant. Majority of staff fully remote.
Islington	One day per week
Kensington & Chelsea	50% office based
Kingston	No mandated attendance. Team/service dependant
Lambeth	No mandated attendance. Team/service dependant
Lewisham	Three days per week
Merton	Three days per week
Newham	Two days per week
Redbridge	No mandated attendance. Team/service dependant
Richmond	No mandated attendance. Team/service dependant
Southwark	Two days per week
Sutton	No mandated attendance. Team/service dependant
Tower Hamlets	Two days per week
Waltham Forest	Three days per week

Wandsworth	No mandated attendance. Team/service dependant
Westminster	No mandated attendance. Team/service dependant