Tory Minister orders end of 4-day week at local Council

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A UK Government Minister has ordered a local district council to immediately end its "experiment" with a 4-day working week, overruling a recent decision by the local authority to continue with the scheme.

After receiving "independently-analysed data", which showed the move had been a relative success, South Cambridgeshire district council had just announced plans to extend its 3-month trial by a full 12-months.

But local government minister, Lee Rowley, wrote to the council leader, Bridget Smith, last month, to "ask that you end your experiment immediately", expressing concerns about the "value for money" for local taxpayers.

It is understood that the Liberal Democrat-led council was the first local authority in the UK to undertake such a trial. Ms Smith expressed surprise at the decision and asked to meet with ministers to discuss the matter.

"TAXPAYERS' MONEY"

Minister Rowley argues that the 4-day week model is inappropriate for local authorities: "As I am sure you are aware, all councils are expected to ensure that finite and valuable taxpayers' money is used in a way which demonstrates value for money – something which paying employees for an extra day of work that is not carried out is unlikely to demonstrate".

"I strongly believe in the ability of councils to innovate and find new ways to discharge their responsibilities – yet removing up to 20% of the capacity to do those activities is not something which should be acceptable for a council seeking to demonstrate value for money for its taxpayers and residents."

The Minister said that while some private-sector organisations may choose to experiment with their own capital and capacity regarding 'four-day working weeks', "local government should not do the same." Such an approach could breach the council's legal duties under the Local Government Act, he suggested.

It is expected that the Department for Levelling Up, Housing and Communities (DLUHC) is shortly to issuing "clear guidance" on issue, the Minister added.

REDUCED AGENCY BILL

Councillor Smith explained that at the start of the trial, the council was carrying a £2m annual agency bill. "During the first three months of the trial, we filled four permanent posts that had previously been impossible to fill. This has reduced our annual bill by £300,000 ... it is becoming increasingly clear that recruitment has been positively affected, both in terms of the quality and number of applicants, and the consequent success in filling vacant posts."

On its website, South Cambridgeshire Council explains that the Bennett Institute for Public Policy at the University of Cambridge was asked to independently review the Council's data from the initial three-month trial, "to ensure it was analysed without any risk of bias".

The Council said this involved analysing data from 18 different key areas, covering performance in Planning, Housing, Transformation, Human Resources and Corporate Services and Finance.

The data shows:

- Nine out of the 16 areas monitored show substantial improvement when comparing the trial period from January to March to the same period in 2022.
- The remaining seven areas monitored either remained at similar levels compared to the same period last year or saw a slight decline.
- The Bennett Institute noted however that not a single area of performance fell to a concerning level during the trial.

The Council says the four-day week "is when people deliver 100% of their work in 80% of their contracted hours for 100% of their pay".

RESEARCH UNDERWAY

KPMG is undertaking research for the Government of Ireland on a reduced working week, including a 4-day week. Minister of State at the Department, Ossian Smyth, has said the research "will include a focus on impacts such as labour market participation, work-life balance, gender equality and the transition to a low-carbon economy." (see <u>IRN 11/2023</u>)

In 2019, before the pandemic, a number of groups joined forces to launch a 4-day week campaign, with a prominent position taken by Fórsa. In effect, this same campaign was boosted by a second launch in 2021.

But there was pushback by Michael McGrath, then Minister for Public Expenditure & Reform, regarding potential costs and "disruption to critical services". He suggested it could add €4.5 billion to the public service pay bill, questioning how the emergency services would operate on a four-day week (*see IRN 25/2021*).