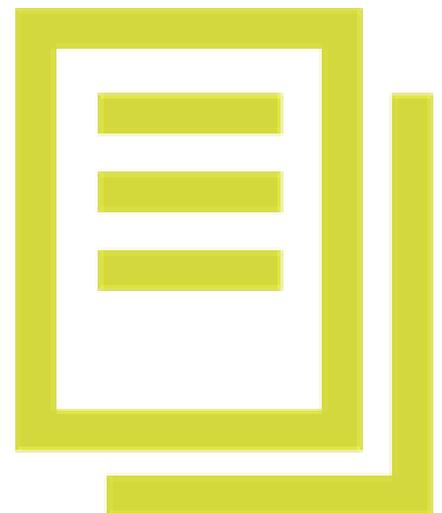


acas working
for everyone

Guidance

Flexible working and work-life balance

June 2015



Flexible working and work-life balance

About Acas – What we do

Acas provides information, advice, training, conciliation and other services for employers and employees to help prevent or resolve workplace problems. Go to www.acas.org.uk for more details.

'Must' and 'should'

Throughout the guide, a legal requirement is indicated by the word "must" - for example, part time workers must not be treated less favourably than a full time worker doing the same or similar work.

The word 'should' indicates what Acas considers to be good employment practice.

June 2015

Information in this guide has been revised up to the date of publishing. For more information, go to the Acas website at www.acas.org.uk. Legal information is provided for guidance only and should not be regarded as an authoritative statement of the law, which can only be made by reference to the particular circumstances which apply. It may, therefore, be wise to seek legal advice.

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About this guide

This guide outlines important considerations when employers of all sizes are considering or reconsidering flexible working practices, and also a variety of the better known flexible working arrangements.

Flexible working describes any type of working arrangement that gives some degree of flexibility on how long, where and when employees work. While the statutory right to request flexible working may have helped make flexible working a familiar phrase within workplaces, flexible working arrangements have been an option in many employment sectors for a long time, helping employers meet the changing needs of their customers and their staff:

- **customers** expect to have goods and services available outside of the traditional 9-5 working hours
- **employees** want to achieve a better balance between work and home life
- **organisations** want to meet their customers and employees needs in a way that enables them to be as productive as possible

Organisations are under constant pressure to produce goods and services, of the right quality and at the right price, as and when customers want them. To meet these demands sometimes new ways of working have to be found to make the best use of staff and resources. Flexible patterns of work can help to address these pressures by maximising the available labour and improving customer service.

As employers, organisations also have a 'duty of care' to protect their employees from risks to their health and safety. These risks might include stress caused by working long hours or struggling to balance work and home life. Flexible working can help to improve the health and well-being of employees and, by extension, reduce absenteeism, increase productivity, and enhance employee engagement and loyalty.

Flexible working arrangements are already used in many different employment sectors, such as:

- **part-time work**, often used in hotels, restaurants, shops, warehouses etc
- **flexitime**, mostly used in office based environments for staff below managerial level in public and private sector service organisations
- **annualised hours**, often used in manufacturing and agriculture where there can be big variations in demand throughout the year

With developments in technology, particularly in the availability of communication tools (such as fast home broadband and smartphones),

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more and more roles could be compatible with some forms of flexible working arrangement.

The statutory right to request flexible working

The right to request flexible working is a statutory right for any employee who has worked for their employer continuously for over 26 weeks. For further information see www.acas.org.uk/flexibleworking

Considering flexible working practices

Potential barriers to establishing flexible working practices

With any prospective change to working practices there are issues that need to be considered before action is taken. The concerns that employers may have implementing flexible working practices are:

- potential operational difficulties in making the proposed changes
- possible additional pressure placed on other workers who aren't requesting flexible working
- potential negative impact on customer service and quality of work
- resistance from managers
- difficulties in scheduling work with various work arrangements to consider
- additional costs
- potential difficulties in communicating with employees (e.g. homeworkers not being in the office)
- potential reduction in overall employee flexibility

While these barriers may mean that it is not possible or not appropriate to make the changes originally proposed, with due consideration, there are often ways to resolve the issues faced. An employer may also decide that some of the barriers cannot be resolved but are worth dealing with to reap the benefits that the flexible working change could bring.

How might flexible working practices help organisations?

A CIPD report on 'Flexible working provision and uptake' in 2012 found that 72% of the employers surveyed believed that implementing flexible working practices had a positive impact on staff engagement and 73% felt that it had a positive impact on employee motivation.

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While there is never a guarantee that flexible working arrangements will have a considerable positive impact, if proper consideration is given to what options may be suitable, benefits can include:

- a more efficient and productive organisation
- a more motivated workforce
- better retention of valuable employees
- a wider pool of applicants can be attracted for vacancies
- reduced levels of absence, sickness and stress
- better customer service and increased customer loyalty
- working hours that best suit the organisation, its employees and its customers

The importance of work-life balance

In today's society it is common for employees to have many competing responsibilities in their life. Examples of responsibilities away from work might include:

- care commitments involving children or elderly relatives
- education commitments that limit availability at times of the week/month/year
- duties and/or interests outside of work
- needing to be available for religious observances
- people wanting a greater sense of well being and reduced stress levels

A poor balance between an employee's work commitments and their other responsibilities can lead to stress, high absence and low productivity.

Employees who have a better work-life balance often have a greater sense of responsibility, ownership and control of their working life. If an employer helps an employee to balance their work and home life this can be rewarded by increased loyalty and commitment. They may also feel more able to focus on their work and to develop their career.

Considering what forms of flexible working may be suitable

Not all flexible working arrangements will be suitable in all work places. However, modern technology does mean that, with due consideration, most roles could accommodate some sort of flexible working arrangement. For example, options for frontline customer facing roles can be limited but flexitime, part-time working and job sharing could still be considered.

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It is important that careful thought is given about the suitability of different forms of flexible working in the organisation.

For example...

An employer may be thinking about introducing annualised hours in order to increase production levels to meet infrequent rises in demand because they can work well where:

- there are peaks and troughs in work
- the workforce is required to be available with little notice

Alternatively the employer could decide to meet these increases in demand by introducing overtime because:

- it provides flexibility to meet fluctuations
- it would be a smaller change to the organisation than annualised hours

An employer should consider setting up a task group with the involvement of management and union (or other employee representatives), to consider/review what forms of flexible working may be suitable within the workplace and how any changes could be reasonably introduced.

Supporting managers

An employer that offers flexible working should consider providing training for their managers. This can help managers become more confident in discussing flexible working and enable them to take a proactive role in helping their staff achieve a positive work-life balance.

For details on acas training courses in this area go to www.acas.org.uk/training

The different types of flexible working

There are many different forms of flexible working. Flexible working can cover the way our working hours are organised during the day, week or year. It can also describe the place of work- such as homeworking – or the kind of contract - such as a temporary contract.

Flexitime

Flexitime can operate in different ways depending on business need. On the one hand there may be a system to allow employees to build up additional hours, which can be used to leave early, come in late, or take longer periods off, with approval from line management. An example of

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this might be an assembly line or call centre where staffing must be scheduled to meet customer demand.

In other workplaces, typically where the flow of work is less dependent on customer demand, employees may be allowed to choose, usually within set limits, when to begin and end work. One way to do this is to set up **core time** when the staff member must work, plus a requirement that they work an agreed number of hours over a fixed period (often over four weeks). Outside any core times the employee may choose whether or not to be at work.

For example... Flexitime	
8am to 10am	Flexible start time
10am to midday	Core time
Midday to 2pm	Flexible lunch period
2pm to 4pm	Core time
4pm to 6pm	Flexible finish time

The employer will need to decide what hours the working day includes, whether core time (where employees must work) is necessary and what happens at lunch breaks e.g. the possible start/finish times and the maximum/minimum lunch period that can be taken.

Potential benefits	<ul style="list-style-type: none">• can help recruit and retain staff• can help people accommodate responsibilities from outside the workplace• travel costs may be reduced where travelling outside of peak hours is possible
Potential challenges	<ul style="list-style-type: none">• increased administration e.g. maintaining accurate records• direct supervision throughout the working day may be difficult• can lead to longer hours being worked, causing fatigue and reducing productivity• risk of being understaffed at certain points in working day if business need is not factored into flexi approval

Hours of attendance should be recorded and added up at the end of each accounting period. Within limits, employees can carry over any excess or deficit in the number of hours they are required to work (typically between a day and a day-and-a-half per month). Some schemes can allow employees to take excess hours as additional leave, known as flexi-leave.

For example...

An employer needs to extend the hours that their business is open to 8am to 8pm but can't afford the extra overtime

Switching to a managed flexitime approach could help provide the additional hours, reduce staff numbers at quiet times and minimise the need for overtime. Employees may benefit from the opportunity to travel outside of peak hours and/or accommodate personal responsibilities such as the school run.

Part-time work

Part-time work is the most common type of flexible working. Part time working covers any arrangement where the employee is contracted to work anything less than typical full time hours for the type of work in question.

Part time workers must not be treated less favourably than a full time worker doing the same or similar work.

Potential benefits	<ul style="list-style-type: none">• customer demands can be met and machinery can be used more efficiently if part-time workers cover lunch breaks/evening shifts and weekends• the working day can be arranged around caring responsibilities and/or other commitments• employees can continue to work while increasing their own leisure time
Potential challenges	<ul style="list-style-type: none">• increase in training• increase in administrative and recruitment costs e.g. recruiting two part-timers could take longer than one full-timer• providing a continuous level of service may be difficult

Overtime

Overtime is normally hours that are worked over the usual full time hours; it can be compulsory or voluntary. A recognised system of paid overtime is more common with hourly paid staff than salaried staff.

There is no legal right to be paid a higher rate for any overtime worked. However, certain sectors, to encourage their employees to work overtime, do offer an improved overtime rate. For example, additional hours worked on some days of the week would carry payment at the normal rate, but

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hours on days that are less popular might carry a higher rate, such as time plus a quarter, time plus a half or even double time. What the employee would receive should be made clear in advance of any overtime being worked.

Potential benefits	<ul style="list-style-type: none">• can provide flexibility to meet fluctuations in demand, short term labour shortages without having to recruit extra staff• paid overtime, even with premium payments, is often less costly than recruiting and training extra staff or buying extra equipment
Potential challenges	<ul style="list-style-type: none">• when working excessive overtime fatigue can affect an employee's performance, health and home life• can result in higher absence levels and unsafe working practices

It is important to remember when considering the cost and return associated with overtime, that employers are required to include some types of overtime payments when they calculate holiday pay.

Job sharing

Job sharing is a form of part-time working where two (or more) people share the responsibility for a full-time job. They share the pay and benefits in proportion to the hours each works. Job sharers may work split days, split weeks or alternate weeks.

Successful job sharing depends to a large extent on the partnership between the people sharing the role. Employees need to work well as a team and think about how their working styles complement each other.

Potential benefits	<ul style="list-style-type: none">• if one job sharer is absent, due to illness or holiday, the other can carry on with at least half the work• can help meet peak demand e.g. both sharers being present when workloads are heavy• a wider range of skills, experience, views and ideas can be available• can help people with caring responsibilities and/or other commitments to continue working
Potential challenges	<ul style="list-style-type: none">• extra induction, training and administration costs• replacement may be difficult if one job sharer leaves• added responsibility on supervisors/managers, who must allocate work fairly and ensure that the job sharers communicate effectively• if the shared role involves managing or supervising staff can find it difficult working for two managers

Compressed hours

This is where an employee works their usual hours in fewer and/or longer blocks during the week. Through starting early and/or finishing late, employees can build up additional hours which they take as a day or half-day away from work.

For example... Compressed hours	
A typical 40 hour working week	9am to 5pm from Monday to Friday
A possible compressed 40 hour working week	9am to 6pm from Monday to Thursday 9am to 1pm on Friday
A possible compressed working fortnight (based on an average 40 hour working week)	9am-6pm on 9 of the 10 working days No working hours on 1 of the 10 working days

Potential benefits	<ul style="list-style-type: none"> • can aid the recruitment and retention of staff • can reduce absenteeism • employees have a longer weekend/more time away from work without a reduction in pay
Potential challenges	<ul style="list-style-type: none"> • difficult to schedule work and provide sufficient cover throughout working hours • can be difficult for employees to adjust back into work after a long weekend • longer daily work periods can increase fatigue

Shift work

Shift work is a pattern of work in which one employee replaces another doing the same job within a 24-hour period. Shift workers normally work in crews, which are groups of workers who make up a separate shift team. In some shift systems, each crew will regularly change its hours of work and rotate morning, afternoon, and night shifts.

Continuous shift systems provide cover for 24 hours, seven days a week. Non-continuous shift systems provide cover for less than the total hours available in a week – for example five 24-hour periods in seven days or 12-hours out of the 24.

Potential benefits	<ul style="list-style-type: none"> • can reduce costs by using equipment more intensively and taking advantage of cheaper off-peak electricity • rotas can allow a more flexible response to peaks and troughs in demand
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	<ul style="list-style-type: none">• can mean employees are able to use shops and social facilities at times when they are less crowded
Potential challenges	<ul style="list-style-type: none">• can increase wage and labour costs• can disrupt employees' social and domestic lives• can upset employees' body rhythms and affect an employee's performance and health

The Health and Safety Executive (HSE) has produced a risk index for shift working, which helps employers to analyse the link between shift patterns and employee fatigue. The risk index and other related information can be found in the human factors section at www.hse.gov.uk

Annualised hours

An annualised hours system is where the total number of hours to be worked over the year is fixed but there is flexibility over the employee's daily and weekly working patterns. Typically, the times an employee is contracted to work are split into:

- **set shifts** which cover the majority of the year
- **unallocated shifts** which the employee can be asked to work at short notice

In some systems the employee is paid for unallocated shifts and 'owes' the time to the company. The company holds these hours or 'payback' shifts in reserve and can ask employees to work them at short notice, to cover for colleagues or to cope with a peak in demand.

Potential benefits	<ul style="list-style-type: none">• can give an organisation greater flexibility• can maximise an organisation's productivity and efficiency• offers regular salary throughout the year even though the hours of work will vary
Potential challenges	<ul style="list-style-type: none">• at the end of a year an employer may find it has paid employees for hours that were not worked• extra administrative costs e.g. monitoring amount of hours worked• employees being required to work extra hours at short notice can cause difficulties for those with caring responsibilities etc.• working the longer shifts can cause fatigue and increase absence

Calculating annualised hours

Methods can vary but a typical formula is:

1. the number of weeks per year
2. less any annual leave entitlement
3. multiplied by the number of working hours per week.

For example...

Based on a 40-hour working week and the statutory entitlement to 5.6 weeks annual leave per year:

1. length of year is 52 weeks
 2. less annual leave of 5.6 weeks, making 46.4 weeks
 3. multiplied by 40 working hours per week
- 46.4 x 40 hours per week = 1856 annual hours

Term-time working

Term-time working gives employees the opportunity to reduce their hours or take time off, usually unpaid, during any school holidays. An employer could also offer a similar arrangement to individuals in full time education e.g. university students, who are only able to work during the school holiday periods.

Salary can be paid either in 12 equal monthly instalments or the employee could be paid for time worked and when annual leave is actually taken.

Potential benefits	<ul style="list-style-type: none">• can solve the problem of child care for parents• structured working gives employers plenty of time to plan ahead to cover absence• can be a way to attract women back in to work
Potential challenges	<ul style="list-style-type: none">• long absences during prime holiday time may make it difficult to arrange cover• can put pressure on other colleagues who feel they cannot take leave during school holiday periods

Temporary working and Fixed-term contracts

A temporary worker is someone employed for a limited period and whose job is usually expected by both sides to last for only a short time. Temporary workers may be employed directly by the employer or by private agencies. Agencies will recruit, select and sometimes train temporary workers and hire them out to employers.

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Temporary workers are sometimes hired on fixed-term contracts. A fixed-term contract is a contract of employment based on a definite period or the completion of a specific task or event. Employment ends when the contract expires.

Fixed-term contracts should contain a period of notice for early termination. This means that if circumstances change the contract can be ended by either party before the expiry date of the contract.

Potential benefits	<ul style="list-style-type: none">• can provide flexibility because the number employed can vary to take account of demand for the product or service• can provide cover for permanent staff on leave, meet additional demands during peak times or carry out specialist projects
Potential challenges	<ul style="list-style-type: none">• may restrict the training opportunities for other members of staff• using agency workers means the organisation is usually dependent on the screening and testing methods of the agency• employees who have been employed on successive fixed-terms contracts for a period of four continuous years can become permanent employees

Sub-contracting

Sub-contracting is the use of a commercial contract to 'get the work done'. It can provide ready trained staff and expertise for a limited period. Sub-contracted workers range from permanent employees of large organisations- such as building, computer or catering firms- to small one person businesses.

Potential benefits	<ul style="list-style-type: none">• can be used as and when a particular job needs doing• can be cheaper
Potential challenges	<ul style="list-style-type: none">• workers may not be as motivated• workers may have a different working 'culture' from those directly employed• subcontractors should not be treated as employees

Zero hours contracts

The term 'zero hours' is generally understood to be an employment contract between an employer and a worker, where the employer is not obliged to provide the worker with any minimum hours of work, and the

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worker is not obliged to accept any hours of work that are offered to them.

Zero hours' contracts can be used to provide a flexible workforce to meet a temporary or changeable need for staff. Zero-hours contracts may suit some people who want occasional earnings and are able to be entirely flexible about when they work. However, the unpredictable nature of working times means that this arrangement won't suit others.

In many cases, an employer may find it more effective or appropriate to make use of agency workers, or recruit staff on fixed-term contracts - or it may turn out that the need is permanent and therefore a permanent member of staff should be recruited.

Potential benefits	<ul style="list-style-type: none">• may suit people who want occasional earnings• can be used to provide a flexible workforce to cover unexpected or last-minute events or temporary staff shortages
Potential challenges	<ul style="list-style-type: none">• these contracts may potentially be misused by employers, or be perceived to be misused• due to the lack of any guaranteed working hours there can be a high turnover rate of staff

For further information on Zero hour go to www.acas.org.uk/zerohours

Homeworking

Homeworking can be when an employee regularly carries out all, or part of, their duties from home rather than the employer's premises. It could also be the occasional agreed day or it could be a full time arrangement. Advances in technology make it far simpler to keep in touch and work away from the employer's premises. It does require a working relationship that is based upon trust and encourages employees to manage their own work.

Potential benefits	<ul style="list-style-type: none">• can provide savings on estates and other overheads• can save on travel time and costs• can allow more flexibility in the hours worked• can make an employer more attractive to potential employees and can provide a wider catchment area
Potential challenges	<ul style="list-style-type: none">• communication and trust can deteriorate when an employee rarely sees their manager• homeworkers can become stressed and feel isolated• homeworkers can find it hard to switch off and can become fatigued/less productive• career development may suffer

For further information on Homeworking go to www.acas.org.uk/homeworking

Mobile working

Mobile working is where an employee works all or part of their working week at a location away from their employer's work place. Traditional mobile workers include sales representatives and delivery drivers. Employees will usually receive instructions by phone or computer at home or in their vehicle.

Potential benefits	<ul style="list-style-type: none">• can provide savings on estates and other overheads• can improve productivity as do not need to base travel route on employer's work place• can result in lower absence and turnover rates
Potential challenges	<ul style="list-style-type: none">• can be expensive and some people may feel socially isolated• managers may find it difficult to communicate with and manage remote workers• career development may suffer if away from office often• the recording of working time can be problematic

Hot-desking

Hot-desking is where employees are not assigned their own desk but when they are in the office can use any desk or an available desk within a designated area. There is a growing trend for hot-desking where staff spend time working away from their office base and therefore share desks with colleagues who are also often away from the office.

Potential benefits	<ul style="list-style-type: none">• can provide savings on estates and other overheads• can improve productivity as employees may be able to choose where they want to work• can help employees interact with more of their colleagues because their workspace can move around the office
Potential challenges	<ul style="list-style-type: none">• can be unworkable if all staff need to use workplace at same time• health and safety problems, e.g. hygiene issues and equipment that is not suitable or adjusted to the needs of some individuals• can lead to employees feeling isolated or team-less

Developing a policy that gets the best out of flexible working opportunities

Employers should consider introducing a flexible working policy. A policy can help to ensure consistency in how flexible working is discussed and handled. In advance of introducing a policy an employer should consider what they and their employees want out of the policy.

Acas has developed a sample flexible working policy that an employer can adapt to their needs which can be found at www.acas.org.uk/templates

How might an employer develop a flexible working policy?

An employer should base its policies on the needs of the organisation, its customers and its employees.

In advance of creating a policy an employer should give serious consideration to what the main motivation behind its creation is, such as:

- improved production levels
- better work-life balance for employees
- better customer care
- more committed employees

Any existing consultation and/or negotiating arrangements should be followed so that employees or their representatives can contribute to their views on any proposals. This is advantageous to an employer because employees will often be aware of the practical and potential problems of introducing new forms of flexible working.

A policy should include, for example:

- a statement that actively encourages employees to consider flexible working arrangements, provided that both the organisation's and the employees objectives are met
- be clear that the organisation is committed to ensuring that individuals who request flexible working arrangements are not treated less favourably than their colleagues
- details of the various flexible working options available
- how employees can request a flexible working arrangement
- where to find further information

Flexible working and work-life balance

A flexible working policy could simply focus on encouraging employees to consider flexible working practices and what their options are. If there is not already a policy in place it could also refer to the statutory right to request flexible working and what the organisations processes are for handling such requests.

Reviewing existing policies

Once a policy is in place an employer should continue to encourage their employees to use the policy by communicating its benefits and its successes.

The policy should be reviewed from to time to ensure it is achieving what it was designed for. If the circumstances of the organisation or its employees change the policy may need to be adjusted.

Asking for feedback on the existing policy can be useful and help an employer evaluate how the current policy is working. An employer may want to also monitor:

- absence levels
- sickness levels
- staff engagement levels
- take-up of flexible working

This can give an insight into the impact flexible working arrangements have had on the organisation.

Team meetings and employee appraisals could also be used to analyse how things are working and for coming up with new ideas.

Varying policies and contracts

Any variation to an employee's contract of employment must be agreed with the employee – for more information go

www.acas.org.uk/varyingacontract

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Further information

Acas guidance

[Code of Practice - Handling in a Reasonable Manner Requests to Work Flexibly](#)

[The right to request flexible working: an Acas guide](#)

[Homeworking - a guide for employers and employees](#)

[Sample Flexible working policy](#)

Acas training

Our training is carried out by experienced Acas staff who work with businesses every day. Go to <http://www.acas.org.uk/training> for up-to-date information about our training and booking places on face-to-face courses.

Also, Acas specialists can visit an organisation, diagnose issues in its workplace, and tailor training and support to address the challenges it faces. To find out more, go to www.acas.org.uk/training

Acas learning online

We also have free online learning to help employers and employees – go to www.acas.org.uk and click on E-learning to look at the topics covered.

Acas newsletter

If you would like to join our mailing list to get free updates on the latest developments in employment relations, go to www.acas.org.uk/subscribe

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- An introduction to other Acas services including mediation, conciliation, training, arbitration and the Acas Early Conciliation service
- Research and discussion papers on the UK workplace and employment practices
- Details of Acas training courses, conferences and events.

Sign up for the free Acas e-newsletter. The Acas email newsletter is a great way of keeping up to date with changes to employment law and to hear about events in your area. Find out more at:

www.acas.org.uk/subscribe

The Acas Model Workplace. This engaging and interactive tool can help an employer diagnose employment relations issues in its workplace. The tool will work with you to identify areas of improvement you can consider, and will point toward the latest guidance and best practice:

www.acas.org.uk/modelworkplace

Acas Helpline Online. Have a question? We have a database of frequently asked employment queries that has been developed to help both employees and employers. It is an automated system, designed to give you a straightforward answer to your employment questions, and also gives links to further advice and guidance on our website:

www.acas.org.uk/helplineonline

Acas Helpline. Call the Acas Helpline for free and impartial advice. We can provide employers and employees with clear and confidential guidance about any kind of dispute or relationship issue in the workplace. You may want to know about employment rights and rules, best practice or may need advice about a dispute. Whatever it is, our team are on hand. Find out more: www.acas.org.uk/helpline

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