

## **NORTH LINCOLNSHIRE COUNCIL**

### **CORPORATE SERVICES CABINET MEMBER**

#### **WORKSMART STRATEGY**

##### **1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To approve a strategy for the development and roll out of WorkSmart principles across the council.
- 1.2 The key points in this report are as follows:
- WorkSmart is one of the four transformation themes established by the council's strategic plan approved by Cabinet earlier in 2009
  - WorkSmart aims to optimise the council's use of accommodation, IT and people to improve efficiency and service performance
  - Turner and Townsend plc (T and T) were to prepare an outline business case (OBC) for a WorkSmart programme, they have now provided their report
  - This report sets out the main findings of the T and T OBC and proposes a three-part strategy to develop WorkSmart across the council

##### **2. BACKGROUND INFORMATION**

- 2.1 The council's Strategic Plan establishes WorkSmart as one of the four transformation themes. WorkSmart is about making better use of our accommodation, technology and people to improve performance, provide better services and secure efficiencies. A three to five year programme is anticipated during which time WorkSmart principles will be rolled out across the council to improve the efficiency in the use of buildings, IT and back office functions.
- 2.2 The Corporate Services Cabinet Member is the key Member lead for the programme within the overall transformation programme. A WorkSmart Board comprising the Deputy Chief Executive, five Service Directors and relevant supporting officers has been set up.
- 2.3 To improve efficiencies Highways and Planning, Adult Services and Neighbourhood and Environmental Services have begun to develop WorkSmart. Other services have also begun to think about and implement WorkSmart principles in their operations.

- 2.4 To support the development of WorkSmart programme the council engaged T and T to develop an OBC for a council wide programme. The final OBC and Executive Summary were submitted on 27 October 2009. Both documents have been provided to the political group offices together with a covering explanatory note from the Deputy Chief Executive. T and T's work included desktop appraisal of the council's operations and assets, site visits, and staff focus groups. This data was joined with an office space utilisation survey and 700 desk-based staff completed an office use and work style online survey.

### **3 WORKSMART OBC – MAIN FINDINGS AND RECOMMENDATIONS**

- 3.1 The following paragraphs set out the main findings and recommendations made in the OBC.

- a. Office space - the council operates from too many sites, often small and overall has more accommodation in use for administration than other councils, costs associated with the operation of some buildings might be saved, with some leased buildings being given up and other council owned buildings being declared surplus to requirements.
- b. Flexible accommodation – staff need access to more flexible accommodation to reflect the demands of their work, including space for small meetings with colleagues and service users.
- c. Existing flexible working – many staff are already working flexibly to great effect, this should be developed further.
- d. Meeting space is not optimum – there is insufficient meeting space, and the use of existing accommodation is not optimal. In particular the value of a relatively high number of cellular offices across main council buildings can be questioned.
- e. Frontline staff - provision of office accommodation and services for front line staff is similar in almost all respects to that for permanently office-based staff, but it is heavily under utilised. The current provision does not reflect the peripatetic and “on site” nature of the working week for front line staff.
- f. Information management arrangements - improvement in this area to support more flexible and agile working arrangements is needed, in particular access to systems, information, files etc at remote locations is key.

- 3.2 Against this background the T and T report identifies the need to make changes in five core areas as follows.

#### Transactions

- Migrate activity and services to the lowest cost channels (internet, telephone) wherever this is possible and appropriate
- Eliminate duplication across services in back office processes, for example procurement and payments
- Hold information only once

## Assets

- Rationalise the council's estate ie bases for administrative activity
- Focus on four key administrative centres – two in Scunthorpe and two in Brigg
- Allocate space in offices based on service needs and officers' roles and work styles and not on grounds of status
- Reconsider the role of Glanford House as a council building (eg a location for back office functions or as a decant site during the programme period) or transfer it fully to the property trading account

## Relationships

- Provide consistent easy access to council services for all citizens/service users
- Secure a relationship with partner organisations
- Involve key stakeholders internally and externally in decisions

## Governance

- Evidence based resource allocation should be developed more fully
- Customer needs should drive service location wherever possible
- Management's focus should be on outputs / outcomes rather than inputs

## Employees

- May not have their own desk in future
- Facilities for confidential discussions need to be better
- The number and availability of quiet places to work need to be increased

## Technology

- Technology needs to be corporate and scaleable and less driven by service need
- The council's IT development needs to provide location independent access to systems
- Overall the council needs to work towards having fewer, better systems

## **4 WORKSMART – CORE STRATEGY**

- 4.1 A proposal for a three-part strategy has emerged based on the findings set out above. This has developed from an in depth analysis by T and T for the full OBC and review by the WorkSmart Board and the Council Management Team.
- 4.2 The recommended strategy comprises an evolving programme designed to -
- Rationalise the council's estate aiming to vacate smaller and leased buildings

- To focus council administrative, management and governance activity in four core buildings (Pittwood House and Church Square House in Scunthorpe and Hewson House and The Angel in Brigg)
- To develop mobile and agile working solutions to facilitate the rationalisation of buildings and focusing on the four sites, and the rationalisation of back office and facilities management functions

4.3 This approach is the recommended strategy based on the options appraisal contained in the OBC and summarised below. This report seeks approval of this three-part approach.

## **5 OPTIONS FOR CONSIDERATION**

5.1 In preparing the OBC T and T worked with council officers to identify a range of options for taking forward WorkSmart principles. Five options were identified. These were –

- a) Reduce the number of smaller buildings housing council functions
- b) Introduce flexible working to support the vacation of unsuitable buildings at the Brumby Resource Centre in Scunthorpe and reduce the number of smaller buildings overall
- c) Introduce flexible working to support the vacation of the whole of the Brumby Resource Centre site in Scunthorpe, in addition to rationalisation of smaller buildings
- d) Develop WorkSmart to allow the vacation of the Brumby site and the concentration of council administrative functions in buildings in Scunthorpe ie releasing key buildings in Brigg
- e) Maintain the status quo

## **6 ANALYSIS OF OPTIONS**

6.1 The OBC includes a full options appraisal and financial analysis to support the summary below.

6.2 Option a), the rationalisation of smaller buildings, would allow the release of smaller leased sites rented by the council, it would allow services to withdraw from some buildings that are unfit for purpose and has the potential to generate capital receipts from buildings suitable for disposal. Option a) is not likely to make a significant contribution to the improvement of council performance and the generation of operational efficiencies.

6.3 Option b), rationalisation and vacating unsuitable buildings at the Brumby Resource Centre site, has the advantages noted in paragraph 6.2 above but increases the potential for capital receipts to underwrite the improvement and efficiency of services and introduction of the technology required to “work smart” across the council.

6.4 Option c) is the recommended option and proposes the rationalisation of the council’s estate and concentration on four key sites. It has the benefits described above in options a) and b) and maximises revenue savings and capital receipts in releasing smaller sites and vacating the Brumby Resource Centre.

- 6.5 Option d) might at first sight serve the council well, but substantial investment in a new or additional office building would be required. This would eat up any efficiency or financial benefits achieved by the programme. The accommodation of several hundred staff from Hewson House, The Angel and other buildings in Brigg at one of the existing main Scunthorpe sites is not feasible. The impact of the closure of council buildings on Brigg in commercial and community terms would be significant and undesirable.
- 6.6 Doing nothing is an unrealistic option in the current and likely future financial circumstances. The need to produce efficiencies in the council's operations is now more important than ever before. Continuation of the status quo is also untenable in view of a significant and growing maintenance backlog on council buildings, in particular at the Brumby Resource Centre.

## **7. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 7.1 The OBC includes a financial appraisal in more detail of each of the options outlined in this report. The chosen option c) (paragraph 5.1) is likely to generate capital receipts from disposal of buildings of around £2.4m and revenue savings of c£450k per annum once fully implemented. It will require investment of approximately £2m in order to implement the changes. In addition there will need to be some investment in corporate IT systems which will make further cost savings in back office and administration though these costs and savings have yet to be quantified.
- 7.2 The development of the council's IT infrastructure and capacity is at the heart of the WorkSmart programme supporting the move to more flexible and agile working, the review of business processes and the core efficiency and service improvements the scheme aims to deliver. A more strategic and corporate approach to IT services will need to be developed.
- 7.3 Moving from work being "a place you go" to "a thing you do" is a key WorkSmart principle. The engagement and participation via a comprehensive communications plan of all staff involved in the roll out of the programme is key, as is the participation of trade unions and professional associations. Alterations in some council HR policies may be required to facilitate WorkSmart, but at this stage it is not easy to predict where and when these changes may need to be considered. The council already operates a range of arrangements - for example for flexible working, compressed hours and home working – which will enable WorkSmart.

## **8. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 CRIME AND DISORDER, RISK AND OTHER)**

- 8.1 The development of WorkSmart across the council has the capacity to make a significant contribution to the reduction of the council's carbon footprint. There will be a reduction in inter-site travel and workers dependence on systems and records held in particular locations will decline. WorkSmart entails flexible and agile working methods to enable the delivery of the diversity agenda. For example developing employment opportunities for those who may at present be disadvantaged by location or personal mobility.

## **9. OUTCOMES OF CONSULTATION**

9.1 Staff support for the developing approach is very clear. The development of a communications plan to support the implementation of WorkSmart is a priority. This plan will build on what has already been discussed with staff and others in a range of forums, which include:

- (i) Specific engagement for those in pilot or trial areas. At Church Square House the Neighbourhood and Environmental Services pilot is being supported by extensive staff engagement, the 21 staff have successfully migrated to a WorkSmart environment;
- (ii) Adult Services staff at the Brumby Resource Centre are part of the service wide move to locality working. The Brumby WorkSmart Task Group involving managers, operational staff and unions has been looking at introducing WorkSmart. The staff are looking forward to being based in premises that meet WorkSmart standards. NHS North Lincolnshire are currently reviewing their use of premises at Brumby Resource Centre;
- (iii) Information provided to Trade Unions at the Corporate Consultative Group where proposals for a council wide WorkSmart programme were accepted;
- (iv) Informal briefing of a cross section of staff at 14 breakfast briefings conducted by the Deputy Chief Executive to which over 150 were invited. Those attending have expressed significant support for the proposals but at the same time raising a number of questions about how the programme would be rolled out;
- (v) T and T conducted staff surveys and focus groups in preparing the OBC. Over 700 staff completed the survey – the majority recognised the need for change and supported the WorkSmart proposals;
- (vi) The Council Management Team have considered WorkSmart proposals on a number of occasions over the last year and support the proposal for a council wide scheme.

## **10. RECOMMENDATIONS**

10.1 That the Cabinet Member approves the three-part strategy described in paragraph 4.2;

10.2 Agrees that the WorkSmart Board should now press forward with the development of a corporate WorkSmart plan; and

10.3 Requests update reports on progress are provided at regular intervals and at least quarterly.

DEPUTY CHIEF EXECUTIVE

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**Background Papers used in the preparation of this report:**

WorkSmart Outline Business Case October 2009  
Going Forward Together – Council Strategic Plan 2009-2012