

## **REPORT OF THE SCRUTINY TASK AND FINISH GROUP - CORPORATE WAYS OF WORKING**

### **Introduction**

1. In October 2019, Chief Officers gave their support to a proposal for investment to progress with the “Workplace Programme”. Its aims and objectives were to drive efficiency and productivity by promoting a culture of flexible/smarter working enabled by the rollout of new technology. This would also lead to a rationalisation of the Council’s property estate resulting in a reduction in costs.
2. The programme was paused in March 2020 shortly before delivery was due to commence, as the COVID-19 pandemic hit and focus was therefore diverted to the Council’s response and recovery work.
3. As a result of the pandemic, there was a huge and very quick shift in organisational culture, with many being required to work from home for the first time due to the national and local lockdowns imposed by the government. This led to a wholesale rethink of how departments and teams needed to operate moving forward, retaining a higher degree of flexibility, and more remote working than previously thought possible. The Workplace Programme was subsequently reshaped into the “Ways of Working Programme” taking account of the changes made and the experience gained during this period.

### **Purpose and Membership of the Task and Finish Group**

4. The business case and supporting delivery plan for the Council’s Ways of Working Programme was agreed by Chief Officers as an operational function. However, given the scale of the Programme and its implications for how the Council will operate in the future, in September 2021 the Scrutiny Commissioners agreed to appoint an informal Task and Finish Group to provide some outside challenge to *how* this will be delivered to ensure the identified benefits of the Programme are realised and to consider the potential impacts, risks and barriers to its success. This differs from a traditional Scrutiny Review Panel in that it is a short, sharp, focused piece of work to ensure members can swiftly reach conclusions and recommendations.
5. In 2020, during the height of the pandemic, the Council established a cross party Members’ Working Party which looked at the Council’s Covid response and recovery plans and provided input into some of the changes imposed during that time. The aim of the Task and Finish Group was to build on that critical friend challenge by now providing a member perspective to the Council’s revised longer-term approach to flexible working. Feedback from the Group and any comments or actions it identified to be presented to the

Director of Corporate Resources and the Lead Member for Covid 19 Recovery and the Ways of Working Programme for consideration.

6. The Group looked at:
- The development of the Ways of Working Programme, informed by the impact of Covid.
  - The overall planned approach and the objectives and investment returns identified in the business case.
  - Action planning undertaken by all service areas across the Authority.
  - Resources – required investment and forecasted savings.
  - The impacts, risks and benefits identified across the three main workstreams – People, IT, Property.
7. The following members were appointed to the Task and Finish Group:
- |                                |                 |
|--------------------------------|-----------------|
| Mr L. Phillimore CC (Chairman) | Mrs H. Fryer CC |
| Mr G. A. Boulter CC            | Mr P. King CC   |
| Mr M. Frisby CC                |                 |

### **The Ways of Working Programme**

8. The vision as set out in the Ways of Working Programme is to ensure that “Leicestershire County Council is a modern, effective and productive organisation that people are proud to work for.” The scope of the Programme is very broad, but its delivery has been clearly focused on three key workstreams – people, technology and property (workplaces).

**Technology** – This focuses on the rollout of appropriate technology equipment to all staff based on their role, ensuring they can always work productively and remotely (as appropriate), with a centralised funding model to be developed to support the ongoing refresh of equipment.

**People** – This focuses on embedding strong leadership and management across the organisation to successfully lead teams through the new ways of working options and embedding this as business as usual, providing support through communications, engagement and other training tools.

**Workplaces** – This focuses on assessing future office space requirements and ensuring these provide for a more dynamic and collaborative environment that compliments remote and flexible working and maximise performance, productivity, and support staff wellbeing. This would include exploiting opportunities for income generation and cost reduction as the requirement for office space would likely reduce with increased remote working.

### **Action Planning**

9. In preparation for the Programme and to gain a better understanding of individual service and team needs, in early summer 2021 all managers across the Authority were asked to carry out a planning exercise with their individual

teams. This asked officers (operational, frontline, homebased etc) to say what worked well and not so well over the last year and to consider what the future might look like.

10. Teams were asked to discuss and agree how their services could be delivered in the most efficient and productive way, whilst maximising the use of smarter and remote working options. Individuals were also asked about their preferred working practices and to determine what percentage of time could be spent working remotely. The table below outlines the expected future levels of remote working across the Authority based on the feedback received.

	Average % Time Working Remotely
Corporate Resources	69%
Chief Execs	70%
Adults & Communities	63%
Children & Families	73%
Public Health	82%
Environment & Transport	62%
<b>Overall</b>	<b>70%</b>

11. This demonstrated the potential for change in the future use of the Council's offices (County Hall and other locations) and the realistic opportunity for reduced costs and income generation.







#### Resources

12. The net cost of the Programme's implementation is projected to be £4 million over 9 years which includes investment in resources from property and people services and ICT. Over the same time frame the 'do nothing' option is estimated to cost £10.9m due to maintaining/renewing existing leasing arrangements, building maintenance costs, as well as providing the soon to be decommissioned remote access and office infrastructure e.g. desktops pcs.
13. Implementation of the Programme therefore represents a net saving of £6.9m over 9 years and this is forecasted to increase to between £12.4m and £17.9m when savings associated with a reduction in business mileage is factored in as follows:
- Reduction in total property spend by exiting premises/rental agreements to the tune of **£13.5m** over the next 9 years.
  - Reduction in business travel per annum of between **£600k** and **£1.2m**.
14. The business case is modelled over a 9 year period to cover two laptop refreshes (a laptop is currently required to be refreshed every 4 years). The initial investment required, however, would be a one off cost (with the exception of an annual revenue increase for ICT equipment refresh). The Programme therefore potentially delivers further financial benefits beyond the period accounted for in the business case. Particularly if savings (yet to be

quantified) anticipated from photocopying, because of the Ways of Working Programme encouraging a more paperless office environment, are also included in time.

### Benefits

15. Benefits both to the County Council and staff have been identified in the business case as summarised below. Whilst adopting a more hybrid approach to working has significant financial benefits as outlined above, a number of other, wider non-financial benefits for both the County Council and individuals have been identified. These are:

How LCC could benefit		How staff could benefit	
	Improved collaboration Improved productivity		Better work-life balance Reduced stress, improve health and wellbeing
	Reduced travel costs Reduced property costs		Opportunities to work in a variety of ways and in a variety of places
	Reduced travel Reduced environmental impact		
	Reduced absence Improved recruitment and retention		

### Findings

16. There is general agreement across many organisations, local government included, that hybrid working is the way forward. Many have already embraced this approach to some degree and are further along this journey than the County Council was pre-Covid, it continuing to operate quite a traditional structure, with traditional working practices. However, experience during the pandemic has shown the opportunities hybrid working can create both for the County Council and its employees.
17. The Group considered each workstream, but on balance agreed that at the core of this transformation project was the 'people' element. Whilst the financial benefits identified are likely to be a key driver, the Group agreed the primary goal was to transform and modernise the culture of the organisation by providing flexibility and choice for its officers around how they can work. The provision of new IT equipment and a revised workplace environment are directed to support that primary goal.
18. Consequently, it was this area the Group also felt gave rise to the greatest challenges and risks. It is clear that, despite the push provided by the

changes imposed during Covid, the journey will not be easy and will take time to embed, as there are a number of complexities in shifting to a more hybrid working approach, particularly given the diverse operations the Authority undertakes and services it provides.

19. The challenges raised and the risks identified by the Group as being key to the successful delivery of the Programme are detailed in the table attached. These focused on the following areas:
  - A whole Council approach
  - Service outcome prioritisation
  - Communication and collaboration
  - Team Cohesion and support
  - Learning and development of new officers
  - Staff wellbeing
  - Wider staff impacts
  - The critical role of managers
  - Confidentiality
  - Health and Safety
  - Equalities
  - Productivity and Performance
  
20. Whilst all the areas discussed give rise to a number of issues to be addressed the Group agreed that the critical role of managers would be at the centre, both in terms of the delivery of the programme itself and in managing and mitigating the challenges and risks arising from this. Whilst it is accepted that managing remote workers is not totally different from managing those who are in the same, central physical location, it is potentially more challenging and there are some specific aspects that will need to be considered and managed. It is therefore vital that managers receive greater support to ensure they are properly equipped and trained in helping ensure hybrid working is sustainable, and that their teams remain healthy, engaged and productive.
  
21. The Group was also keen to identify the potential wider impacts of the programme not only on the health and wellbeing of officers themselves but also on their family and domestic life when working from home.
  
22. In response to questions raised, significant assurance was provided by officers and the Group was largely satisfied that much work already undertaken or planned will help manage and mitigate many of the points identified. However, the Group acknowledged that there are still many unknowns at this early stage of delivery and still much work to be done, particularly around changes to the Council's property workplace portfolio and in areas such as performance management and monitoring. There were some further actions and areas for consideration identified by the Group and these are also set out in the table attached for consideration by the Director of Corporate Resources and Lead Member for Covid 19 Recovery and Ways of Working.

## **Recommendations**

23. The Group recommends that the Director of Corporate Resources and Lead Member for Covid Recovery and Ways of Working considers undertaking the following actions:
- (a) That all communications relating to the Programme be sense checked to ensure they are not unfairly and unnecessarily addressed to those that are predominantly office based, unnecessarily referencing County Hall.
  - (b) That additional communications be provided to those staff that already work remotely, in the localities or on the front line, to ensure they too are adequately accounted for and understand how the Programme might affect them.
  - (c) That Service Heads be requested to review their action plans as their teams' working arrangements evolve, to ensure that core requirements (service to the customer) are captured and met.
  - (d) That communications be provided to managers to emphasise the need to access:
    - (i) ongoing support available around Organisation Development, Leadership and culture to support them and their teams to identify the best way of working;
    - (ii) training on how to best utilise technology and workplaces to drive the best outcomes for staff and customers.
  - (e) That information be regularly shared with all staff around new and creative ways to come together either in person, utilising the new office model to its full potential, or digitally using any new technology rolled out, including sharing lessons learnt across the organisation and from other organisations that have been hybrid working for some time.
  - (f) That communications be developed to go out to all staff to alert them to the planned pilot to be run in room 700, with regular updates across the pilot period.
  - (g) That the use of the APR process and one to ones be extended to ask softer questions around the adequacy of peer support and connectivity and around health and wellbeing matters.
  - (h) That managers be alerted to the need, as part of the refreshed induction process, to induct new staff into their base location and ways of working.

- (i) That health and wellbeing bulletins for staff be refreshed and reenergised as part of the roll out of the Programme.
- (j) That advice be developed for managers on how to raise and question issues about health, wellbeing and stress through regular one to ones and the APR process.
- (k) That, whilst addressed through the action planning process, it be reiterated by managers and via communications at a corporate level that the Programme does not impose an expectation that the position under Covid will continue – remote working will not be imposed.
- (l) That communications, guidance and support be provided to staff on how to claim any tax benefit related to working from home from HMRC.
- (m) That communications be provide to managers to emphasise the need to access and take advantage of the support, guidance and training available to support culture change and skills in managing hybrid and remote teams.
- (n) That storage solutions and guidance be reviewed for remote working.
- (o) That managers and staff be reminded to continue to follow information governance and keeping data safe mandatory training.
- (p) That further reassurance be sought that the Council's approach is considered sufficient in the face of potential legal action if an employee is injured whilst working from home and whether the Council's insurance might be affected.
- (q) That further and ongoing reassurance/visibility of health and safety at home be provided through communications and engagement with staff and managers – with particular focus on relevant worker groups e.g. Disabled Workers Group.
- (r) That an update be provided to members of the Group on the outcome of work undertaken to introduce new performance management arrangements and measures.

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