

WORKING DIFFERENTLY PROGRAMME – ACCOMMODATION STRATEGY

EXECUTIVE MEMBERS: Councillor Elaine Woodburn
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LEAD OFFICERS: Paul Walker, Chief Executive
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WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND RESIDENTS?

The Corporate Plan 2013 – 2015 sets down three priorities:

- Deliver efficient and effective statutory services;
- Be an effective public service partner so that we can get the best deal for Copeland Borough Council; and
- Working in partnership with communities.

The Working Differently Programme (Accommodation Strategy) aims to contribute to each of these priorities, the details of which will be explained in this report.

WHY HAS THIS REPORT COME TO THE EXECUTIVE?

As part of the annual budget setting process for the 2014/15 Revenue Budget and Capital Plan, full Council agreed a savings target of £500,000 to be achieved through a review of the Council's office accommodation. The agreed proposals stated this review had the potential to deliver revenue savings and additional income opportunities in the region of £500,000. In order to ensure the target can be achieved, it is important that some decisions are made at this stage.

Thus, at its meeting on 27 May 2014, the Executive approved a number of recommendations to progress the Council's Working Differently – Accommodation Strategy. A significant amount of work has been undertaken since the last report.

The purpose of this report is to seek approval to a number of authorisations and decisions to take the programme forward. This is in line with the previously agreed

Medium Term Financial Strategy and 2015/16 budget proposals, which state this programme has potential revenue savings / additional income opportunities in the region of £500,000. In order to ensure the target can be achieved, it is important that some decisions are made at this stage.

RECOMMENDATIONS:

The Executive is recommended to:

Property and Enabling Works

- (a) Agree that, subject to the resolution of any outstanding issues, the Council will retain a presence in The Copeland Centre, move its customer service functions and Council and committee meetings to Market Hall, retain front line operations located at Moresby Parks and seek to lease the Civic Hall to third parties;
- (b) Authorise the Chief Executive, in consultation with the Interim Director of Resources & Strategic Commissioning and the Members' Accommodation Working Group, to carry out the further work required and undertake negotiations with third parties and report back to future Executive Meetings as and when required, for any specific approvals;

Agile Working

- (c) Endorse the move to formalising agile working for current service delivery and working practices within the organisation and further authorise the Chief Executive, in consultation with the Interim Director of Resources and Strategic Commissioning, to continue to look at all agile working opportunities for staff and elected members, including the appropriate use of technology to deliver better services to our customers;

PFI Review and Property Income Generation

- (d) Note that the outcomes from the PFI Review will be included in future Workstream reports, in line with the governance set out in Section 2 of this report;
- (e) Authorise the Chief Executive, in consultation with the Interim Director of Resources and Strategic Commissioning, the Director of Economic Growth and the Head of Customer and Community Services with support from the Property Manager and the Legal Services Manager, to maximise income potential from the properties listed in paragraph 3.1 and conclude any negotiations therein, in accordance with the Council's Contract Procedure Rules;

- (f) The Members' Accommodation Working Group receive regular updates on the negotiations being undertaken as part of the authorisation in recommendation (e) of this report;;

Archive Rationalisation and Document Management

- (g) Endorse the approach being taken to archive rationalisation and document management;

Customer Services Strategy

- (h) Note the approach being taken to develop our Customer Services Strategy and note that the Customer Services Strategy will be presented to a future meeting of the Executive for approval;

Financial Implications

- (i) Endorse the overall approach being taken to secure the £500,000 revenue saving set by full Council as part of the 2014/15 budget setting process;
- (j) Endorse the overall approach being taken to capital investment and note the estimated payback period of 24 months;
- (k) Authorise the Chief Executive, in consultation with the Section 151 Officer and the Interim Director of Resources and Strategic Commissioning, to determine how any use of the existing external borrowing for this project is to be repaid; and
- (l) Agree in principle to the inclusion of the Market Hall Refurbishment Capital Bid and proposed funding in the 2015/16 Capital Plan, to be taken forward as part of the 2015/16 budget setting process for approval by full Council in February 2015.

1. INTRODUCTION

- 1.1 As part of its wider Delivering Differently Programme, the Council is looking at how it can work differently, how its staff can become more efficient and effective by adopting new technology to streamline processes, reduce paper and archiving requirements and provide better ways for the community to access our services.
- 1.2 At its meeting on 27 May 2014, the Executive agreed a set of five key Principles to govern the Working Differently Programme. These are set out in Table 1 below:

Table 1: Principles for the Working Differently Programme

PRINCIPLE ONE	Maintain a town centre presence – services which have established links to customer services or need to provide regular face to face support to residents are to be located in the town centre
PRINCIPLE TWO	Lowest cost option – look at our customer and business transactions and move to the use of digital technology for transactions where it will work best
PRINCIPLE THREE	Agile Working – consider all options for working more flexibly to fit with customer needs
PRINCIPLE FOUR	No new offices /least number possible – we will re-use existing accommodation and not take on new properties as part of this strategy
PRINCIPLE FIVE	Working Differently is for everyone at Copeland – all Officers and Members will need to play their part

- 1.3 Over the past few months, these Principles have been taken and applied to a series of options and scenarios. This report sets out the options that have been considered and recommends preferred ways forward and seeks authorisations to explore some of the options in more details and bring them to a conclusion in consultation with relevant Executive Members.

2. GOVERNANCE ARRANGEMENTS

- 2.1 In June 2014, an Interim Director of Resources & Strategic Commissioning was appointed and part of this role is to act as Project Sponsor for the delivery of the Working Differently Programme.

- 2.2 Governance arrangements have been established to comply with the Council's Project Management Framework. In particular, the arrangements include the following:
- Members' Accommodation Working Group – Councillor Elaine Woodburn, Councillor Gillian Troughton, Councillor Allan Holliday, Councillor Felicity Wilson;
 - Staff Group – representatives from each service area, including Trades Union representation;
 - Steering Group - sub-group of the Corporate Leadership Team (CLT);
 - Officer Working Group – Project Sponsor and leads for each workstream; and
 - Workstream Groups – workstream leads and support.
- 2.3 Regular updates have been provided to CLT and the lead Executive Members as appropriate. In addition monthly Highlight Reports are discussed at the Business Theme Board and any significant issues raised at the monthly Delivering Differently Board.

3. PROPERTY AND ENABLING WORKS

- 3.1 A review of existing office accommodation was carried out and the following buildings were examined in more detail to determine possible options available that would improve our customer service to the residents of Copeland, reduce our property costs, give opportunities for income generation from third parties and support a more agile way of working with the right information technology and improved processes:
- The Copeland Centre;
 - Market Hall;
 - Moresby Parks; and
 - Civic Hall.
- 3.2 Principle One included specific reference to retaining the Millom Office so this was not examined any further. There are some health and safety works that have been carried out at the Millom Office to support staff and customer safety and confidentiality.
- 3.3 A number of options and combinations were examined and the proposals included in this report present the options that are recommended to be taken forward and worked up into a detailed business case. The financial implications are included in Section 8 of this report.

The Copeland Centre

- 3.3 The proposal is to consolidate those office staff who support the organisation, but are not necessarily front-of-house facing staff, on to one floor in The Copeland Centre.
- 3.4 This, together with a reconfiguration of existing and potential tenants will release space to further sub-let the Centre and increase income generation potential. Discussions are being held with the Landlord to examine the alternatives available to the Council under the existing PFI Contract.
- 3.5 A series of floor plan options are being considered but rely on other inter-related factors and decisions before final proposals can be recommended. A number of issues need further detailed work before this can be concluded.

Market Hall

- 3.6 Principle One requires the Council to maintain a town centre presence for services which have established links to customer services or need to provide regular face to face support to residents.
- 3.7 The proposal is to relocate our front of house customer services to the Market Hall to deliver on this principle. Council and other committee meetings will be accommodated and new public toilets will be included in the plans.
- 3.8 The Council will work with tenants to resolve any relocation issues that may arise as part of this proposal.

Moresby Parks

- 3.9 Moresby Parks will remain the focal point for the Council's Waste, Recycling and Parks and Open Spaces services to the public. Options being considered may relocate the office-based staff from Environmental Services so that they can be more accessible to the public and businesses that they serve within the town centre in line with Principle One. This could be either The Copeland Centre or Market Hall.
- 3.10 The Council's main archive facility will be situated at Moresby Parks. Section 6 of this report covers the archive workstream.
- 3.11 As limits on the use of Moresby Parks will be lifted from the original covenant in 2017, it is proposed that further proposals on its use are considered as part of a wider strategic review of the Council's assets during the next 12 months.

Civic Hall

- 3.12 The Civic Hall has been included as part of this accommodation review due to its potential for income generation from business use and to continue to look at community options. To fit in with any regeneration potential in the future, it is proposed to lease the property for up to 36 months in the first instance to support the delivery of the Council's savings target. The intention would be to achieve a mix of private sector and voluntary/community organisations within the building who can support the wider Copeland community.

Summary

- 3.13 It is recommended that, subject to the resolution of any outstanding issues, the Executive agrees the Council will retain a presence in The Copeland Centre, move its customer service functions and Council and committee meetings to Market Hall, retain front line operations located at Moresby Parks and seek to lease the Civic Hall to third parties.
- 3.14 It is also recommended that the Executive authorise the Chief Executive, in consultation with the Interim Director of Resources & Strategic Commissioning and the Members' Accommodation Working Group to carry out the further work required and undertake negotiations with third parties and report back to future Executive Meetings as and when required, for any specific approvals;

4. AGILE WORKING

- 4.1 There are a number of important drivers for change in the way we need to work within public services:
- Changes in technology;
 - Changes in expectation;
 - Demand for greater flexibility; and
 - Ongoing budget constraints.
- 4.2 The way we work is changing:
- What we do and how we do it is important;
 - We need to plan for, and incorporate, change and innovation for the longer term;
 - We need to achieve the most effective use of space;
 - Technology, collaborative working and integration of services is the answer to improve efficiency; and

- A modernised, motivated, empowered workforce is more effective and more productive.
- 4.3 During September and October 2014 a series of staff group meetings and surveys were completed by staff to help understand the way the organisation and its services work now. This is called 'Workstyle Profiling' and **Appendix A** shows the results of the Workstyles Survey and the Definitions used.
- 4.4 This information is needed to help examine the tasks involved per job role, understand the location patterns and requirements in the future, understand what affects productivity, understand technology use and understand working preferences and aspirations.
- 4.5 The next stage, during November, is to carry out further detailed questionnaires with each service area and elected members to determine more exact requirements and aspirations going forward. At Staff Group meetings, example floor plan layouts have been shared to make sure we get the right mix and arrangement of new office work settings to support the different workstyles of our services.
- 4.6 Based upon the initial surveys, it is clear that agile working is already a way of working in some areas and the proposal is to formalise this and then continue to look at further enhancing the agile working opportunities for staff and elected members.
- 4.7 It is recommended that the Executive endorse the move to formalising agile working for current service delivery and working practices within the organisation and further authorise the Interim Director of Resources and Strategic Commissioning to continue to look at all agile working opportunities for staff and elected members, including the appropriate use of technology to deliver better services to our customers.

5. PFI REVIEW AND PROPERTY INCOME GENERATION

PFI Review

- 5.1 As part of driving effective contract management, it is important to examine major costs within the property portfolio. The 2015/16 – 2017/18 Medium Term Financial Strategy includes a review of the PFI contract in relation to The Copeland Centre to ensure the Council continues to receive value for money from the arrangement. This work is being covered as part of this programme. Results will be included in any future reports on progress of this workstream, in line with the governance set out in Section 2 of this report.

- 5.2 The Executive is recommended to note that the outcomes from the PFI Review will be included in future Workstream reports, in line with the governance set out in Section 2 of this report.

Property Income Generation

- 5.3 There are a number of income generation opportunities available to the Council and this workstream will be responsible for the commercial negotiations in relation to maximising these opportunities. The Executive should note that work on this area is highly sensitive and commercially confidential due to its very nature.
- 5.4 It is therefore proposed that the Executive authorise the Chief Executive, in consultation with the Interim Director of Resources and Strategic Commissioning, the Director of Economic Growth and the Head of Customer and Community Services with support from the Property Manager and the Legal Services Manager, to maximise income potential from the properties listed in paragraph 3.1 and conclude any negotiations therein in accordance with the Council's Contract Procedure Rules.
- 5.5 It is also proposed that the Members' Accommodation Working Group will receive regular updates on these negotiations.

6. ARCHIVE RATIONALISATION AND DOCUMENT MANAGEMENT

- 6.1 If we are to maximise space utilisation and improve the working environment for staff and elected members, then storage and tidiness will be key to the success of agile working.
- 6.2 The existing archive stores at The Copeland Centre and Moresby Parks will be reviewed and centralised, after taking into account any specific service needs for quick access to certain records. This will be done in consultation with the Leadership Management Group, the Monitoring Officer and the Legal Services Manager to ensure compliance with document retention policies and procedures and to ensure we have fit-for-purpose document retention guidelines.
- 6.3 The Executive should note that another Delivering Differently Programme project – Information Governance – is examining the option of electronic document records management, including scanning of files, to reduce further the costs of storage.

- 6.4 The Executive is recommended to endorse the approach being taken to archive rationalisation and document management.

7. CUSTOMER SERVICES STRATEGY

- 7.1 The Customer Services Strategy is being reviewed as part of the Customer Theme of the Delivering Differently Programme and lead by the Head of Customer and Community Services. This is an extremely important strand of the Programme and will draw everything about customer access to services together in one plan to support our communities. The technology available to support the channel shift for our customers is vast and we must continue to examine the potential for new ways of working with our customers. The Strategy will acknowledge that we must still provide a face to face point of contact for our most vulnerable residents. This Strategy will link closely with the ICT Strategy, which is also under review, to ensure access and customer service excellence are at the forefront of every service the Council delivers.
- 7.2 The Executive is recommended to note the approach being taken and note that the Customer Services Strategy will be presented to a future meeting of the Executive for approval.

8. FINANCIAL IMPLICATIONS

- 8.1 The financial implications from this programme are complex and dependent on a number of factors still to be negotiated, hence the request for authorisations to continue the discussions and complete the further work highlighted throughout this report.
- 8.2 Since the financial implications in relation to revenue and capital are commercially sensitive, this element of the report is detailed in Annex 1 to this report. This is classed as a Part II Report, that is, 'Not for publication by virtue of Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended.'
- 8.3 In relation to revenue savings, the proposals allow for a full year saving of £500,000 which is why the timing of decision-making is imperative.
- 8.4 The intention is that any additional capital expenditure required to prepare the buildings listed in paragraph 3.1 above, will be offset by additional identified funding, with an estimated payback period of 24 months, based on current projections.

9. KEY MILESTONES

- 9.1 In accordance with the Council’s Project Management Framework, a detailed timetable has been produced for the overall Working Differently Programme. In relation to the elements requiring authorisations and decisions in this report, **Table 2** highlights the four key milestone periods to be achieved to deliver the required level of savings and **Appendix B** provides a summary of each stage::

Table 2: Key Milestone Periods

Stage 1	Consultation	August – November 2014
Stage 2	Planning	December 2014 – January 2015
Stage 3	Implementation	January – May 2015
Stage 4	Commissioning	June – July 2015

10. CONCLUSIONS

- 10.1 The Council has an ambitious Delivering Differently Programme and this Working Differently Programme (Accommodation Strategy) is a significant theme within that overarching programme of change. The Council must do something and this report sets down a plan that will support the delivery of reduced property costs, maximised income opportunities, greater agility in how we work, and therefore better services for our customers.

11. STATUTORY OFFICER COMMENTS

- 11.1 The Monitoring Officer’s comments are: No legal issues arise from this report itself. However, legal issues will arise in respect of specific matters going forward, e.g. property issues, IT contracts, document retention, PFI Review.
- 11.2 The Section 151 Officer’s comments are: It is imperative that the savings target built into the Council’s Medium Term Financial Strategy is realised, to enable the Council to balance its budget going forward. The impact on Treasury Management of the use of existing external borrowing to fund part of this capital spend is minimal, but this funding stream must be replenished to enable the external borrowing to be repaid at the appropriate time.
- 11.3 Equality Impact Assessments comments: Initial EIAs have been undertaken. Detailed EIAs will be completed as part of each workstream as the programme progresses.

11.4 Other consultee comments, if any: This report reflects the outcome of consultation and engagement with consultees included in Section 2, Governance Arrangements, of this report.

12. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

12.1 The programme is being managed as set out in Section 2, Governance Arrangements, and in accordance with the Council's Project Management Framework.

12.2 Risk registers are being monitored and managed through each workstream and the governance arrangements detailed above. Any strategic risks will be reported through the Council's Corporate Risk Management Framework.

13. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?

13.1 The Council will see:

- Significantly reduced property use/costs;
- Increased income generation from commercial letting opportunities;
- Improved staff efficiency through the smart use of appropriate technology;
- More flexible working practices and processes; and
- Improved service delivery arrangements for our customers including our residents and businesses.

13.2 The proposals will deliver the financial targets allocated to this programme.

List of Appendices / Annex

Appendix A – Workstyles Survey Results and Definitions

Appendix B– Key Milestones

Annex 1 – Financial Implications (Part II, Not for Publication by virtue of Paragraph 3 of Schedule 12A of The Local Government Act 1972 as amended)

List of Background Documents:

2014/15 Revenue Budgets

2014/15 Capital Budgets

2014/15 – 2016/17 Medium Term Financial Strategy
2015/16 – 2017/18 Medium Term Financial Strategy

Workstyle Description

Workstyle A – the Team Anchor:

This workstyle reflects a role that is typically office and desk-based. Others need easy and regular physical and virtual contact with this worker and need to know where to find them. The role will require good access to office systems, the telephone and hardcopy / electronic files. Probably limited opportunity to work from home. *Secretaries, PAs or team support roles might be example of this workstyle.*

Workstyle B – the Process Worker:

This workstyle reflects a role that requires constant and good access to office systems and/or a telephone. Typically desk-based most of the day, usually in an office – but role could be performed remotely, even from home with the right technologies. The work might be of a repetitive nature and contact with others is typically via a telephone or e-mail. The role may require good access to hardcopy / electronic files. *Finance teams or helpdesk / call centre staff might be examples of this workstyle.*

Workstyle C – the Customer face:

This workstyle reflects a role that is predominately office based, though not necessarily desk based – and typically the role involves substantial face time with customers in counter or interview room situations. Requires access to office systems, files, telephones and colleagues. *Counter or enquiry clerk roles might be examples of this workstyle.*

Workstyle D – the knowledge / net-worker:

This workstyle reflects a role that requires high levels of interaction with colleagues, balanced with spells of individual work and concentration. The role may be primarily office-based, but not entirely desk-based and would typically involve a lot of formal and informal meetings. Such workers may have a portfolio of projects to work on and their work may take them out of the office at times. A mobile telephone and other mobile devices may be useful to allow these workers to be contactable and keep in touch. Elements of the work could be performed remotely, e.g. from home; but 'face-time' in the office is also very important. *Project or policy executives or researchers might be examples of this workstyle.*

Workstyle E – the specialist / expert:

This workstyle reflects a service or customer orientated role, where the role requires a balance of time in the office with colleagues with time out and about with customers (either within the wider office or at other sites). High levels of interaction feature. Time in the office may be partly desk-based and partly interacting with colleagues, formally or informally. Time away from the office will involve working remotely e.g. other sites and a degree of travel. Probably limited scope to work from home. A mobile telephone and other mobile devices will be essential to allow these workers to be contactable and keep in touch. *Certain marketing, Training, HR, IT and FM roles might be examples of this workstyle.*

Workstyle F – the manager / executive:

This workstyle is very similar to Workstyle D and reflects a requirement for high levels of formal and informal interaction with colleagues, balanced with spells of individual work and concentration. The role may be primarily office-based, but not entirely desk-based and would typically involve a lot of meetings. Such workers also spend some time away from the office and often spend some time working from home. A mobile telephone and other mobile devices will be essential to allow these workers to be contactable and keep in touch. A reasonable level of 'face-time' and visibility in the office is important. *Managers at all levels, including Directors, might be examples of this workstyle.*

Workstyle G – the nomadic traveller:

This workstyle reflects a role that requires extensive time away from the office – typically at other sites and may involve extensive travel. Home-working may be appropriate for some of the time also. A mobile telephone and other mobile devices will be essential to allow these workers to be contactable and keep in touch. Occasional time in the office will be important to maintain social links. *Sales and service support roles might be examples of this workstyle.*

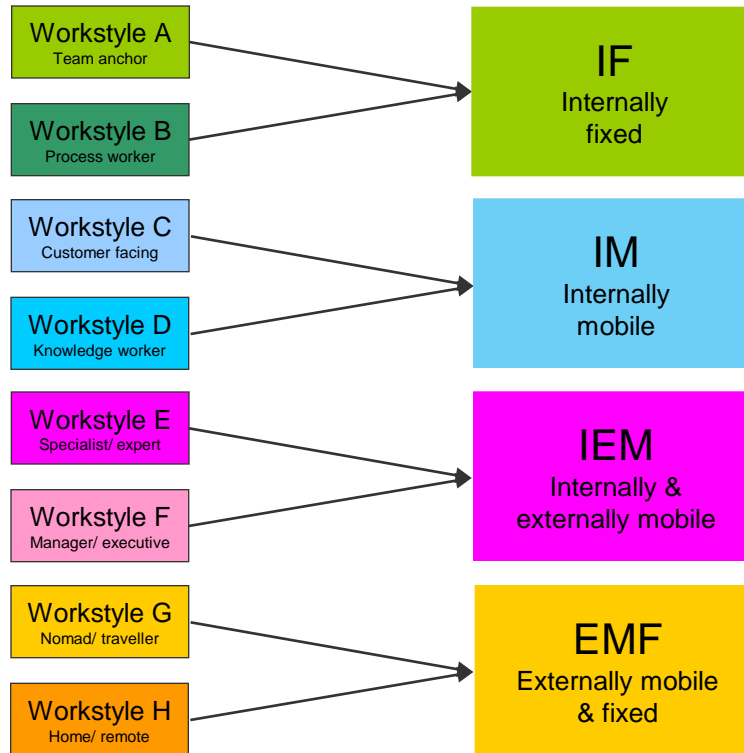
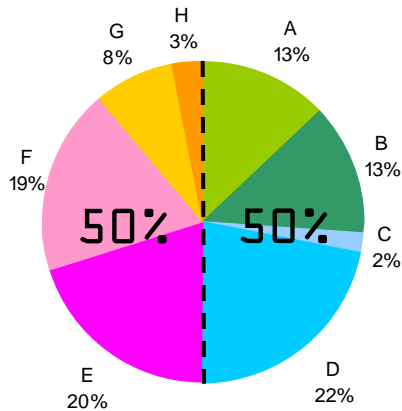
Workstyle H – the home / remote worker

This workstyle reflects a role that is undertaken primarily away from the office, either at home or other remote location(s). The role may require contact with others, but primarily by telephone or e-mail. Occasional time in the office will be important to maintain social links. Remote ITC connectivity will be essential to this role. Likely to only suit or be appropriate for a small portion of the workforce. *Certain research or remote service desk roles might be example of this workstyle.*

Workstyles for Copeland Borough Council

Traditional Benchmarks.

Workstyle % by FTE.



Survey Results.

Workstyle % by FTE.

