

REPORT TO: POLICY & RESOURCES COMMITTEE - 27 JUNE 2011

REPORT ON: IMPLEMENTATION OF WORK STYLE CHANGE WITHIN DUNDEE CITY COUNCIL

REPORT BY: DIRECTOR OF SOCIAL WORK

REPORT NO: 298 - 2011

1 PURPOSE OF REPORT

1.1 To report the findings and recommendations of the Mobile, Flexible and Home Working Implementation Project team in regard to implementation of work style change in Dundee City Council.

2 RECOMMENDATION(S)

It is recommended that;

2.1 There are no more than 8 workstations for every 10 staff based in Dundee House. It is recognised that in some cases less than 8 workstations to 10 staff is achievable and should be worked towards. These guidelines should be applied to all Council premises.

2.2 Departments and the Leisure and Culture Charitable Incorporated Organisation nominate a management team member to be a "work style change officer".

2.3 Departments complete work style change action plans within 6 months. These be presented to the Strategic Management Team for prioritisation.

2.4 The current Implementation Project team, via its departmental representatives, monitor departments progress (e.g. change plans, milestones and Strategic Management Team updates).

2.5 The Director of Finance makes provision of £100,000 per annum in the Chief Executive's capital budget for 2011/12 and 2012/13 to cover the cost of rolling out telephony and other technology to support future work style change.

2.6 The "agile working - change management" Elearning package (commissioned by the Improvement Service) be purchased at an estimated cost of £3,000.

3 FINANCIAL IMPLICATIONS

3.1 Estimated £3,000 for an ELearning package. Other staff training costs may be incurred as a culture change programme is deployed; these costs will be funded from existing departmental training budgets.

3.2 It is anticipated that certain projects may require funding to allow changes to be achieved e.g. introduction of mobile technologies and support systems. Such funding requests must be done through a business case submission showing "spend to save" details and benefits realisation plans. The costs associated with these projects will be funded in the first instance from a capital budget provision within the Chief Executives capital plan of £100,000 per annum in 2011/12 and 2012/13.

3.3 It is anticipated that 20% more staff will be accommodated in Dundee House than originally planned. These savings will not be "cashable" at the outset but will feed into

the Council's corporate asset management/rationalisation project, contributing to buildings rationalisation and operating cost reductions.

The above new investment will result in further revenue savings which it is not possible to quantify at this time but will more than cover the cost of the initial capital investment.

4 **MAIN TEXT**

- 4.1 The Audit Commission, in their Asset Management in Local Government report (May 2009) stated "After employee costs, the largest cost to public sector bodies is what they spend on their fixed assets - councils spent around £1.1billion on property running costs in 2007/08." The Improvement Service estimate that £130 million is spent annually across Scotland on empty desks.

The previous best value report (report no. 201-2010, 30 March 2010) indicated that reduced office space requirements and increased productivity could come from work style change programmes. The new Council Headquarters building (Dundee House), scheduled to open in summer 2011, is the perfect opportunity for culture change within the Council.

- 4.2 Office space is expensive and making optimal use of this space is essential in these difficult financial times. The project team tested the best value report proposal of an average 8:10 workstation to staff ratio by undertaking a desk utilisation exercise for 3 weeks (outwith main holiday periods).

Results were;

Desk Utilisation	%
Minimum	42
Maximum	85
Average	63

- 4.3 The ratio is an averaged figure and it must be emphasised that some work groups (e.g. mobile workers) should have less than 8 workstations for every 10 staff as these groups should be using workstations less frequently.
- 4.4 The guideline of no more than 8 workstations for every 10 staff based in Dundee House has been agreed by the Council's management team and communicated to departments moving to Dundee House. This guideline now requires to be applied to other Council offices and should be used in the Council's new asset management plan which will identify office rationalisation/integration opportunities for the future. This will, over time, reduce the number of buildings the Council requires, reducing operational costs and hopefully allowing remaining buildings to be of high quality with low running costs.
- 4.5 The ratio should be used as a minimum workstation target for any future office moves/redesigns. Further, to ensure office optimisation and that opportunities are not missed, regular space utilisation audits should be carried out by City Development on Council offices (including Dundee House).
- 4.6 The Improvement Service has stated that in the area of social work, there are opportunities to go significantly beyond 8 workstations per 10 staff. This will be

pursued in Social Work Department's up coming move to Dudhope Castle and changes at the Claverhouse site.

- 4.7 There are some sites where work station ratios are less likely to be applicable e.g. schools, swimming pools, leisure centres. However, these sites must still be focused on maximising their operational effectiveness through innovative use of building spaces.
- 4.8 The Council must change its traditional view of "work place" and staff management. If a corporate culture change is not fully pursued, there is a danger that it will be perceived that a target has been achieved in Dundee House and that further progress is not a priority. Culture change relies heavily on regular/consistent corporate messages backed by managers committed to driving the necessary culture change within their teams/departments.
- 4.9 The Council must challenge current staff work styles. This will require questioning current operating models and working with staff on work style change. By critically analysing current work styles and business processes the Council can identify change opportunities (e.g. processes, staff working hours, work location, IT) and define what is required to move work styles and bring benefits. Departments can work with I.T, City Development and Personnel to build project plans covering short, medium and long term. Some items will require little change and be achievable in short periods, other items taking longer.

Other authorities pursuing similar culture change have developed three to five year change programmes. Dundee Work style change should be achieved within 3 years. However, in certain areas current service delivery/business needs (e.g. at schools) may limit the ability of some staff to work more flexibly.

- 4.10 To allow departments to move forward with work style change they require to designate a responsible officer. This officer should be part of the department management team with the authority to delegate required work to other staff. They would act as "work style change officers" who would develop change action plans for the department and provide regular progress reports (e.g. quarterly) to the management team and the Council's Strategic Management Team.

The current Implementation Project team consists of representatives from most Council departments. In future, these representatives could be the departmental "work style change officers". It would be appropriate for this established team to continue. They can incorporate lessons learnt from Dundee House into the corporate work style change programme.

- 4.11 Departments should compile associated plans for the more complex/longer term work style projects they are proposing to underpin the business case for change. The Finance Department will provide guidance on constructing such plans to a standard format.
- 4.12 The provision of a capital budget of £100,000 in both 2011/12 and 2012/13 would allow departments to bring forward "spend to save" initiatives related to work style change. The Director of Finance supports this and will make the necessary provision in the Council's Capital Plan.

- 4.13 Design considerations for the information technology (IT) and telephony infrastructure deployed at Dundee House have been centred on supporting new ways of working. These include hot-desking, flexible and remote working.

This flexibility, whilst offering opportunities for savings and efficiencies, requires investment in modern core IT and telephony systems.

As the Council proceeds in adoption of flexible ways of working in other buildings early consideration of IT and telephony investment requirements will be key to successful deployment and change.

- 4.14 An Elearning package for managers and staff on new ways of working (the various aspects of work style change) is now available via the Improvement Service. The estimated cost to the Council is £3,000. The package is appropriate as a support element within the Council's work style change programme.
- 4.15 In future all workers will be working in a more flexible way. Therefore, the previously used work style term of "fixed worker" (from previous Best Value report) should be redesignated "adaptable worker" with a 10:8 staff to workstation ratio.
- 4.16 To support mobile and flexible workers, the Council must develop a network of "touch down" sites throughout the city. This will allow staff who are away from main offices during working hours to "touchdown" to access corporate systems. A 3 month pilot exercise is now underway using sites in the East and West Housing area offices. Information Technology Department (in liaison with City Development) will develop the required network.
- 4.17 It is likely that review of current policies (e.g. building operating hours, flexi time, contracts of employment) will be required to support work style change in the Council. The Personnel function should have a leading role in this work.

5 POLICY IMPLICATIONS

- 5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

An equality impact assessment has been carried out and will be made available on the Council website <http://www.dundee.gov.uk/equanddiv/equimpact/>.

6 CONSULTATIONS

- 6.1 This report has been the subject of consultation with the Chief Executive, Strategic Management Team and Chief Officers Management Team.

7 BACKGROUND PAPERS

- 7.1 None.

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24/5/2011