

Agenda Item	4
Report No	RDB/5/21

## HIGHLAND COUNCIL

**Committee:** Redesign Board

**Date:** 20 August 2021

**Report Title:** Asset Rationalisation/New Ways of Working – Project Brief

**Report By:** Executive Chief Officer Property & Housing

1.	<b>Purpose/Executive Summary</b>
1.1	The purpose of this report is to present for consideration and approval the Project Brief for the Asset Rationalisation/New Ways of Working (AR/NWOW) Project. The Project Brief includes setting out the vision, purpose, scope, and objectives of the work and provides a useful reference point from which to measure project progress.
1.2	<p>The AR/NWOW Project is one of the nine Projects in the Council’s Transformation Programme approved at 04 March 2021 Council, and is applying a multi-phase approach towards the development of a dynamic Highland Council workforce which is more connected than ever before and able to adapt to meet future challenges. Repurposing assets while adopting a greener footprint will ensure that spaces are more suited to their purpose. The Project phases are as follows:</p> <ul style="list-style-type: none"> <li>• <b>Phase 1</b> will focus on re-establishing the 9 main hub offices, returning our workforce safely to these spaces in line with reducing restrictions. This approach will extend across all satellite offices. This phase will also focus upon developing policies and working practices for new ways of working. In addition, this phase will include a data gathering exercise to provide a rich picture of each property asset which will be used to inform long term strategic decisions.</li> <li>• <b>Phase 2</b> will focus on improving the depot and stores estates while improving work flexibility for field-based teams. Embedding the corporate landlord model will act to improve the overall management of assets. Teams will be closely supported to implement a tailored ‘dynamic’ model of working which aligns business priorities with employee ambitions for improved working conditions.</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Phase 3</b> will culminate in a targeted approach towards focusing Health and Safety investments in line with an affordable greener, sustainable estate.</li> </ul>
1.3	The Redesign Board are taking a lead on the Asset Rationalisation/New Ways of Working (AR/NWOW) Project, with Redesign Board members embedded in the Project Team for the purpose of ensuring close connection with the work and for developing proposals in relation to Asset Rationalisation.
1.4	Redesign Workshops have been held 09 June 2021 and 06 August 2021 for the purpose of defining the scope, objectives, etc for the AR/NWOW Project, and the Project Brief included in this report at <b>Appendix 1</b> , reflects the outcomes from this work and the work of the Project Team. Engagement with all stakeholders throughout all phases of this project is critical, indeed the results of the staff survey to The Highland Council on 24 June 2021 is a good example of the benefits that such engagement can provide. This collective approach is aimed at optimising the local delivery of services from a sustainable asset base.
<b>2.</b>	<b>Recommendations</b>
2.1	Members are asked to consider and approve the AR/NWOW Project Brief.
<b>3.</b>	<b>Implications</b>
3.1	<p><b>Resource</b></p> <p>The project team, once fully formed, will consist of 6.75 FTE for a period of 24 months. The team includes a mixture of Human Resources, Property and Project expertise.</p>
3.2	<p><b>Legal</b></p> <p>Care is required that large scale and complex workforce change continues to be managed in line with current employment legislation and Highland Council policy. Legal matters pertaining to the repurposing and disposal of property assets will continue to follow established practice.</p>
3.3	<p><b>Community (Equality, Poverty and Rural)</b></p> <p>Asset rationalisation and New Ways of Working will help provide an asset mix that supports the delivery of local services.</p>
3.4	<p><b>Climate Change / Carbon Clever</b></p> <p>The project team is working closely with the energy team to collectively establish a roadmap to a reduced, sustainable estate, which has a strong alignment with the Highland Council's Climate Change ambitions.</p>
3.5	<p><b>Risk</b></p> <p>Risk Management will be a core process to the management and delivery of the Project. Post pandemic there is the inherent risk that there may be unforeseen implications upon property markets that constrain rationalisation.</p>
3.6	<p><b>Gaelic</b></p> <p>There are no Gaelic implications identified.</p>
<b>4.</b>	<b>Project Brief</b>

4.1	The Project Brief is a key communication document which provides an overarching specification of the AR/NWOW Project. This includes high level information relating to the objectives, scope boundaries, approach, timeline, risks and assumptions which will be addressed by the project.
4.2	Successful delivery of projects relies upon having an agreed scope over which there is wide agreement through all stakeholder groups. It is equally important that any areas not being addressed by the project are fully captured and approved. This is to align project effort fully with expected delivery.
4.3	The Project Brief is a summary document which act as a general guide and does not replace the more detailed document sets which include a full plan, benefits realisation plan, risk register, etc.
<b>5.</b>	<b>Next Steps</b>
5.1	Following approval by the Redesign Board, the project team will progress against the phased delivery approach outlined within the Brief. The project team will report on progress to future Redesign Boards and Workshops.
5.2	Embedded Councillors and Trade Union representation are an integral part of the project team and will be critical towards collectively developing an approach for repurposing assets. This must act to enhance the performance of front line and supporting services while achieving the wider strategic objectives of sustaining the overall asset footprint.
	<p>Designation: Executive Chief Officer: Property &amp; Housing</p> <p>Date: 11 August 2021</p> <p>Author: Mark Rodgers, Executive Chief Officer, Property &amp; Housing; Jonathan Scott, Project Manager, Transformation Service</p> <p>Background Papers:</p>

## Appendix 1 – New Ways of Working – Asset Rationalisation Project Brief

### PROJECT BRIEF

Project	New Ways of Working – Asset Rationalisation
Project Sponsor	Mark Rodgers
Project Lead	Finlay MacDonald
Date	10 Aug 2021
Version	V1.0

*The purpose of the Project Brief is to state **why** the work is important, **what** needs to be achieved and by when, and **how** this will be achieved (including resources) – the Transformation Service will work alongside Sponsors and Lead Officers to produce Project Briefs, accounting for work to date, advising on the project approach, and to secure the relevant resource.*

## 1. NEW WAYS OF WORKING AND ASSET RATIONALISATION – OVERALL VISION

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The Vision is to create a future model of working which enables:

- a. Facilitation of the correct asset mix to enhance frontline services for customers across Highland communities
- b. A more dynamic agile workforce\* (a vision document will be prepared to communicate how this model will transform the way we work)
- c. Improved wellbeing\*
- d. Substantial savings in office space
- e. Freeing up the estate for other economic benefit (e.g. housing)
- f. Reduction in estate footprint and less maintenance costs
- g. Improved remaining office environments designed to promote working between interconnected teams
- h. Improved ICT access and equipment\*
- i. Greener environmental impact with less commuting and work-related travelling\*
- j. Improved performance of internal and external facing services
- k. A new culture which enables this Vision\*
- l. Overall delivery of the transformation represents good value for money

\* Phase 1 potential outcomes

## 2. PURPOSE OF THE PROJECT

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New Ways of Working is a multi-phase approach towards the development of a dynamic Highland Council workforce which is more connected than ever before and able to adapt to meet future challenges. Repurposing assets while adopting a greener footprint will ensure that spaces are more suited to their purpose. The Project phases are as follows:

- **Phase 1** will focus on re-establishing the 9 main hub offices, returning our workforce safely to these spaces in line with reducing restrictions. This approach will extend across all satellite offices. This phase will also focus upon developing policies and working practices to form a THC dynamic vision for working. A data gathering exercise will present a rich picture of each asset which will be used to inform long term strategic decisions.
- **Phase 2** will focus on improving the depot and stores estates while improving work flexibility for field-based teams. Embedding the corporate landlord model will act to improve the overall management of assets. Teams will be closely supported to implement a tailored 'dynamic' model of working which aligns business priorities with employee ambitions for improved working conditions.
- **Phase 3** will culminate in a targeted approach towards focusing Health and Safety investments in line with an affordable greener, sustainable estate.

During each phase, asset opportunities will be progressed in line with decisions made in this regard.

New Ways of Working will also look to build links with partner organisations. During Phase 1, a proof-of-concept project will be developed in line with partners from NHS Highland. This will result in a pilot project which will look to share asset footprints. NHS Highland is a natural phase 1 partner due to the strength of existing connections and all parties retain local decision-making authority over the use of properties. Options will also be explored with other public bodies.

### **Background:**

Following approval at 16 February 2021 ELT this project will provide the means to progress work previously undertaken by the *Lockdown Agility Project* – Key Priority 2 of the Council's Recovery Action Plan.

Much of this work has been undertaken in the context of an evolving backdrop, dictated in the main by the requirement to adhere to government guidelines for workplaces and protecting against the harms of Covid.

As reported to ELT (16/2/2021) this project will bring a fresh perspective to the approach, while remaining cognisant of external influences, on-going restrictions around return to workplaces, mitigating these but also using the opportunity to move to a new model of working for the Council and its workforce.

The adaptability demonstrated by Highland Council in its response to the pandemic emergency can be built upon, with the Covid-period experiences and related changes to working practices evidencing that change is feasible.

### **3. SCOPE OF THE PROJECT**

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#### **Phase 1**

1. Simultaneous preparation of all 9 main “hub offices” for occupation, across Highland:  
Caithness House, Drummuie, Osprey House, Dingwall, Tigh Na Sgìre, Charles Kennedy Building, Kingussie Courthouse, Nairn Courthouse, and HQ Inverness.
2. Strengthening of guidance for working from all satellite offices
3. Establishing a fund to support office-based employees with a transition to dynamic working over the longer term. For most employees either the home or office environment will be set up as the core workplace. Governance rules will determine how the fund will be allocated and ensure that best value for money is secured
4. Upgrading areas used by Councillors and Officers for public meetings to improve the ability to hold dynamic meetings with a mix of physical and digital attendance
5. Establishing interdependent links with other key projects to align objectives
6. Data gathering to establish a rich picture of all HC assets (includes current use, leasing costs, energy costs, purpose, energy rating, maintenance requirements, and income, etc.)
7. Engagement with NHS Highland to identify a Phase 1 ‘public’ asset sharing project with the intention of strengthening this approach through future phases
8. Developing a dynamic model for working with a subsequent strengthening of Human Resources policies and support available for Managers
9. Identify short-, medium- and longer-term asset repurposing/rationalisation opportunities to be progressed throughout the project (includes HC and HLH assets)

Timeline: May 2021 to October 2021

#### **Phase 2**

Includes:

1. Identification of required improvements to depots and stores (implementation of works will happen in future phases)
2. Full embedding of New Ways of Working for Office based workers
3. Development of more flexible working arrangements for non-office workers
4. Embedding of Corporate Landlord model
5. Progressing of agreed asset re-purposing/rationalization opportunities
6. Identification of further opportunities for partnering with other public bodies

Timeline: October 2021 to October 2022

#### **Phase 3**

Includes:

1. Supporting property teams with targeted Health and Safety investments across the streamlined estate
2. Implementation of agreed improvements to depots and stores
3. Progressing of agreed asset re-purposing/rationalization opportunities

Timeline: April 2022 to October 2023

## Scoping Considerations

The following areas are not currently within the scope of the New Ways of Working Project

- Education Estate (covered by an additional project)
- Improvement of office working spaces (in line with Scottish Futures Trust model)

## 4. EXPECTED OUTCOMES & OBJECTIVES

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What does the project expect to achieve?

- a. Front line services strengthened to improve the quality of delivery for customers
- b. A more flexible and agile workforce
- c. Improved wellbeing
- d. Substantial savings in office space
- e. Improved remaining office environments designed to strengthen connections between teams
- f. Improved ICT access and equipment
- g. Greener environmental impact with less commuting and work-related travelling
- h. Improved performance of internal and external services
- i. A new culture which enables this Vision
- j. Flexibility of delivery aimed towards improving localism

Staff feedback to date/benefits staff have described include:

- a. Less time and cost commuting
- b. More productive
- c. Better work-life balance
- d. New ways of social interaction
- e. Easier to work across the geography of the Council - and to do jobs not available or possible before
- f. Improved IT which has enabled home working
- g. Staff identifying as having a disability have reported fewer sick days and increased productivity

## 5. APPROACH

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How will the project be delivered?

Proposed delivery period	Milestone Dates	Activities Summary
Preparation stage	31 <sup>st</sup> May 2021	<ul style="list-style-type: none"><li>• Prepare the Business case, Project Brief and Project Initiation Documentation</li></ul>
Phase 1 Planning	19 <sup>th</sup> July 2021	<ul style="list-style-type: none"><li>• Prepare/develop proposals and formalise building plans</li><li>• Undertake consultations/agreement – OHSW, Redesign Board, Project Board, ELT</li><li>• Establish fund to support Employees with ICT equipment to support the long-term establishment of a dynamic mode of working</li><li>• Communication – service managers and staff</li><li>• Establishment of Working Groups in line with the Phase 1 Scope</li></ul>
Phase 1 Delivery	29 <sup>th</sup> Oct 2021	<ul style="list-style-type: none"><li>• Service/staff return (some larger offices phased) under agreed protocols, safe systems of work</li><li>• Implementation of solution for members to support dynamic meetings including physical and remote attendees</li></ul>
Phase 2/3 Planning	29 <sup>th</sup> Oct 2021	<ul style="list-style-type: none"><li>• Planning for future phases complete within phase 1</li></ul>
Phase 2 Delivery	March 2023	
Phase 3 delivery	October 2023	

The project team will fully engage with members, stakeholders and employees, throughout all phases of the project. This collective approach is aimed at optimising the local delivery of services form a sustainable asset base.

## 6. INTERDEPENDENCIES

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New Ways of Working is a complex project with many interdependencies. The main links include:

- Workforce Planning – understanding the impact of dynamic working on teams and their future constitution (emphasis on having the right people, in the right place, at the right time)



- Digital Transformation Project – key enabler to reduce HC staff’s reliance on the use of fixed spaces for computer terminals and paper records. Dynamic model relies on resilient digital infrastructure
- HR policies and guidelines – need to be strengthened to ensure dynamic working is sustainable long-term and equitable for all employees
- Corporate Landlord and Strategic Asset Management initiative – fully embedded to improve the long-term management of a reduced asset footprint
- Asset Rationalisation Project – Dynamic working is a key enabler towards reducing the overall office footprint
- Energy and climate change Project – A reduced asset footprint is a critical step towards achieving the carbon neutral 2025 strategic objective
- Information Management – New Ways of Working is an enabler for strengthening the corporate approach to information management
- Scottish Government and wider guidance – the post pandemic landscape is not fixed and the project will adapt in line with changing guidance
- Learning and Development Programme – aiming to develop talent across the workforce through sustained mentoring and alignment of development with qualifications

## 7. TIMESCALES

Timescales are indicated in the approach section of this scoping report. The project team is resourced for 24 months during which all the project scope will be achieved. Success of the timeline is reliant on having all resources in place to permit concurrent planning with a seamless transition between phases.

## 8. RESOURCES

Project	Resource Type	FTE	Duration
ASSET RATIONALISATION AND NEW WAYS OF WORKING	Project Manager (New Ways of Working)	1.00	24 months
	Project Manager (Asset Rationalisation)	1.00	24 months
	Strategic Business Analyst	1.00	24 months
	Property Manager (Asset Management)	2.00	24 months
	HR Officer	1.00	24 months
	HR Business Partner	0.75	24 months

Resources equivalent to 1 FTE Project Manager for 24 months has also been provided to HLH and is being invested to support the partnership approach being taken and opportunities that can arise from such an approach.

## **9. RISKS & ASSUMPTIONS**

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The indicative Programme timescales are based upon various assumptions and could be affected by a number of risks.

### **Assumptions:**

1. Plans are based on re-opening offices with CO2 monitoring in place to check for air quality in line with safe guidance limits.
2. Proposals remain in line with Scottish Government Covid-related guidance for re-opening and operating workplaces.
3. The plan allows for the re-opening of the nine main hub offices in a phased way in line with reducing guidelines
4. A suitable period is allowed for working through proposals with Service Managers and their staff to establish and agree appropriate property solutions at each main hub office
5. Phase 1 will include a light touch updating of guidance for all employees working from satellite offices
6. Full resources are in place to achieve the indicated timelines which are based around a seamless transition between phases

### **Risks:**

1. RPOs are in place at each of the nine main hub offices in good time to undergo their training (remit, processes and systems) and contribute to the preparatory works to reopen the offices.
2. That there are sufficient Wipro ICT engineering resources to assist with changes/set up of ICT at each site.
3. Service managers have undertaken the return to office preparations and are supported to provide staff inductions at the appropriate time for each office
4. That there is positive engagement at all levels to work through the preparatory and delivery phases.
5. That communications for service managers, staff, TUs etc. are released at the appropriate times leading up to re-opening of offices; and that communications to staff will also recognize and reflect matters for staff who will be continuing to work from home.
6. Post pandemic guidelines remain restrictive and limit delivery timelines