Nottinghamshire County Council

Report to Policy Committee
16 November 2016
Agenda Item: 5

REPORT OF THE LEADER OF THE COUNTY COUNCIL

FUTURE FUNDING FOR THE SMARTER WORKING PROGRAMME

Purpose of the Report

1. To note and agree the next steps including a request for Capital funding to be submitted to the Capital Asset Management Group (CAMG).

Information and Advice

Background

2. The vision for the Smarter Working Programme is:

   "A workforce able to work flexibly, where and when it best suits them, their customers & service users and managed by results "

3. SWP is the successor to Ways of Working (WoW) programme, which delivered the following savings:

   £ 2.42 m in capital receipts
   £ 3.11 m reduction in annual running costs

4. The SWP is designed to build on the success of the WoW programme to deliver the technology, work settings and support to increase the flexibility of our workforce and to deliver a range of benefits.

Progress to date

5. The progress of SWP is detailed in Appendix A.

6. Since the last update to Policy Committee, in May 2016, the main progress to note is in the following areas:

   Asset Management Planning
   - Work with departments to reduce the operational building estate as part of the development of a 10-year Asset Management Plan
   - Modelling of the future demand and capacity for our office buildings to assist the development of options for reducing the current portfolio

Technology

- Extension and enhancement of the wireless network across multiple sites to support mobile working
- The introduction of scheduling appointments for Occupational Therapy and Social Work Assessments

The next phase

7. The next phase of the SWP is focused on four main areas:

    - The Asset Management Plan
    - The ICT equipment upgrade programme
    - Engagement and Support
    - Lawn View House

The Asset Management Plan

8. Options are being developed to reduce the number of non-office operational buildings in partnership with Children, Families & Cultural Services (CFCS) and Adult Social Care, Health & Public Protection (ASCH&PP).

9. The SWP team have developed a model in conjunction with Property that allows options for changes in the office estate to be evaluated and detailed appraisals to be considered for the future reduction in the office portfolio.

10. Progress on both these areas of work is being monitored by a Member Reference Group and it is planned that the results of this work will feed into the development of a 10-year Asset Management Strategy by the end of the Calendar year.

The ICT equipment upgrade programme

11. The ICT equipment replacement programme will focus on providing solutions that best meet the work style of the user and will support increased workforce mobility. Building on the successful use of laptop and tablet devices to mobilise Legal and ICT teams, the equipment replacement programme will be accelerated to increasingly replace the current desktop estate. The number of different technology solutions used to provide access to the County Council network when away from corporate buildings will be reduced, as part of the approach.

12. There will also be an extension of the Skype for Business (Lync) telephony solution, where there is a business case, and the use of video conferencing across more sites. These technologies have been very beneficial in support of a more mobile workforce.

13. This approach to equipping users to be more mobile will also require a review of the ongoing support model.

Engagement and Support

14. The move to a greater level of flexible working has implications for employees and managers. As employees increasingly work from a number of different locations, not just their office base, teams have reduced face-to-face contact with each other.

15. In recognition of this, a project has been established in partnership with key stakeholders that will engage employees, deliver learning and development packages and ensure relevant policies are fit for purpose. Key work streams include:

    - A corporate Engagement Strategy & Plan to encourage two-way engagement and communications with both managers and employees (see appendix B)
    - Development of a Smarter Working Central Support Hub (intranet site) to provide advice and support for managers and employees
    - Recognition of Smarter Working practices in key supporting policies through the 'Modernising Employment Policies' review led by HR
    - Training in place to ensure managers are equipped to manage in a new way and the creation of e-learning packages

Lawn View House (LVH)

16. Following the work undertaken at County Hall and Trent Bridge House, Lawn View House (LVH) was identified as the next location for the SWP as it is one of the most flexible buildings and it is in an area of high service demand.

17. Following the introduction of Lync telephony at LVH earlier this year, the SWP team have been working with staff to put in place some of the enablers for flexible working – including personal lockers and a video conferencing capacity.

18. Going forward, the focus is going to shift to a re-configuration of the workspace, moving away from only having desks with computers on to introduce new work settings, such as break-out areas, quiet areas for supervision and meeting pods, to support a more collaborative way of working and a greater adoption of flexible working in the building.

19. The SWP team will also be working with colleagues from Health to explore the potential for reciprocal arrangements that would allow our staff to work in Health buildings and for Health staff to have access to LVH. Initial meetings have been very positive and it is hoped that real progress can be made early in the New Year.

20. This is exactly the type of initiative that is encouraged by the One Public estate (OPE) and it is hoped that this will also provide the opportunity for greater collaborative working between Health and Social Care staff in the Ashfield area.

The Benefits of the SWP

21. The benefits of the SWP fall into four main areas:

    - Property related savings
    - Reduced Travel cost
    - Increased productivity
    - Improved health and well-being for staff

22. Many of the SWP benefits will have a positive impact on the Medium Term Financial Strategy. The cashable benefits from the reduction in running costs from a smaller building estate will have a direct impact and the increase in staff productivity will reduce the future requirement for budget pressures.

23. There will also be wider organisational benefits associated with the provision of flexible working for our staff and the provision of a modern office environment.

Reduced office estate

24. The main cashable benefits for the SWP will arise from the reduction in the current operational property estate of 263 buildings. The initial focus is on the office estate but work is underway to impact the whole estate and this will be captured within the Asset Management Plan.

25. From the modelling undertaken on the options to reduce the office estate, a possible prudent scenario is that this could provide ongoing revenue savings of £2.27 M per annum and one-off capital receipts of £ 1.42 M. However, these figures can't be finalised until the options for the reduction of the estate have been considered and a preferred option has been identified.

Reduced travel cost

26. By enabling our staff to work where it best suits them, their customers & service users there is an associated reduction in the cost of travel as the number of non-productive journeys reduces:

    - In CFCS, a total of £215k has already been taken out of the service's budget due to a reduction in mileage and relief worker spend
    - In ASCH an annual saving of £35k has already been achieved.

27. The following example demonstrates the potential savings that can be made by making use of video conferencing to reduce the amount of travel undertaken to attend meetings:

The annual cost of five managers going to County Hall for a meeting

If five managers were to travel from Ashfield and Ollerton for a weekly meeting at County Hall this would equate to at least 500 hours of non-productive travel time and a significant claim for mileage over the course of a year.

This cost of this has been evaluated at approximately £32,000

If 85 senior managers were travelling the same distance for a weekly meeting the cost of that non-productive travel time would be over £540,000.

Increased Productivity

28. Whilst it is not possible to extract all the savings gained from an increase in productivity it is important to evaluate the impact as this will equate to a reduction in budget pressures that will have a positive impact on the Medium term Financial Strategy (MTFS).

Adult Social Care, Health & Public Protection (ASCH&PP)

29. Across the ASCH department Group managers have set targets for their teams to further adopt these new ways of working at a larger scale, in order to reduce the pressure on teams who are facing an increasing level of complexity in the needs of their service users and significant increases in demand.

30. Analysis of the Older Adults fieldwork teams shows that productivity has increased by 13.4 % in the year since May 2015 when the tablet devices were deployed.

31. Following the introduction of the Total Mobile software it has been possible to introduce the scheduling of appointments for Occupational Therapy and Social Work assessments. This has been greatly appreciated by service users, who get a much earlier confirmation of their appointment and there have been dramatic increases in the number of assessments completed within timescale.

Team (OT assessments)	**% of assessments within timescale**
Older Adults - Community Assessment Team – Ashfield and Mansfield	
Pre Pilot: Jul14 – Jun15	25%
Post Pilot: Jul15 – Jun16	67%
Change	+42%

32. T
he impact of mobilisation has been to help the ASCH&PP staff to become more productive allowing them to address an increase in demand, complexity of needs and meeting the requirements of legislation. For instance, there has been a 20% increase in safeguarding assessments over the last 12 months.

33. It is estimated that this increase in productivity is equivalent to a reduction in budget pressure of £ 0.65m. Whilst it is not possible to extract all the savings gained from an increase in productivity this will equate to a reduction in budget pressures that will have a positive impact on the Medium term Financial Strategy (MTFS).

Children, Families & Cultural Services (CFCS)

34. Social care teams have used tablet computers to record case notes and to manage work whilst away from the office. This use of modern technology has been well received and is a contributor towards improved staff retention rates, with a lower call on agency staffing (55 vacancies July 2015, 12 vacancies July 2016). The Contact Service has already reduced annual costs by £215,000 through a reduction in relief workers and less mileage.

35. Following the implementation of Mosaic, (an upgrade from the existing Framework case management system), further work is planned to take advantage of the TotalMobile software within the department.

Improved health and wellbeing for staff

36. Whilst it is difficult to convert this benefit into financial terms there is a significant impact on the work life balance for staff by providing them with greater flexibility. This can lead to an increase job satisfaction by enabling staff to work flexibly as the support and training in remote working techniques and the use of mobile equipment equips staff with skills for modern working practices.

37. The existing levels of sickness absence are currently being baselined so that we can monitor them over a period of time to see if this potential increase in the health and well-being of staff translates into a reduction in levels of sickness absence.

Total Benefits

38. Depending on the property rationalisation agreed, over the next three years the cashable benefits from capital receipts, the reduced operational cost of buildings and the reduction in travel cost could potentially equate to £ 4.050 M.

39. Based on our analysis, it is estimated that the increase in staff productivity over the next three years will be equivalent to a £ 3.349 M reduction in budget pressures.

Costs of the SWP

40. To date, the costs for the SWP have been met from the residual WoW budget, the ICT strategy budget and some one-off revenue funding. We are now at the

point where we can evaluate the capital cost of the SWP over the next three years.

41. The cost has been analysed over the following headings:

- A revised requirement for the ICT asset replacement programme
- Future refurbishment costs for office bases

Asset replacement Programme

42. There is an ongoing revenue budget provision of £ 0.440 M to refresh the desktop and laptop computer estate. Funding from other sources (including the ICT Strategy 2014/17 budget and departmental budgets) has been used to fund tablet devices and smartphones.

43. The SWP will accelerate the ICT equipment replacement programme and will require more investment towards mobile solutions. The ICT solutions will be better matched to the style of the work being undertaken and staff requiring secure access from off-network locations (e.g. home) will require the use of County Council equipment. This step change to supporting a more mobile workforce will lead, in time, to a smaller ICT equipment estate.

44. Taking into account the existing funding, there is an additional requirement for the desktop and laptop replacement programme of £ 2.129 M over the next three years. This requirement is not affected by the decisions for property rationalisation as the equipment would move with the staff.

45. In order to support the move away from a fixed PC to greater use of a mobile device we have identified a requirement for additional mobile devices to be added to the ICT estate. To provide an additional 250 standard laptops and 250 Yoga (large tablet) devices over the next three years would require an additional £0.445 M. This expenditure is relatively independent of decisions on the options for the property portfolio as all the scenarios will require a high level of smarter working facilitated by ICT equipment as proposed.

46. Investigations into the business case for rolling out Lync to all staff, beyond the existing roll-out to the main office bases, have concluded that there would be further benefits in extending the rollout to an additional number of sites.

47. The initial sites proposed for the extended roll-out are Mercury House and the teams based at Nottingham University Hospitals (NUH). The costs for these initial sites and additional further ones, yet to be confirmed, has been evaluated at £75,000 over three years.

48. Following a pilot for fixed audio visual screens at County Hall, Trent Bridge House and Lawn View House (LVH) and an evaluation of conferencing devices we have concluded that, whilst there are some technical issues to be resolved, that there is a significant potential to use AV equipment to reduce the amount of non-productive staff time travelling to and from meetings.

49. The evaluation of costs has identified that to roll-out the use of this technology across the Council would require an initial outlay of approximately £25,000.

50. Once we are satisfied that we can provide a reliable technical solution we will seek to engage with Members to ensure that they can benefit from the use of technology to reduce their travel time and associated cost.

Furniture and refurbishment costs

51. As part of the Asset Management Planning work, options for the future reduction in the office estate are currently being developed. The existing main office bases across the County currently offer a varied level of support for flexible working and this is one of the considerations that will factor in the decision about which of them will be retained.

52. Once a plan for the reduction has been agreed, some capital expenditure will be required to ensure that all the retained buildings are brought up to a consistent standard to support flexible working.

53. Based on previous experience, the cost of refurbishment, updating furniture and relocating teams within the buildings has been evaluated at £ 0.935 M over the next three years.

54. These costs will be finalised once the decisions about which office bases will be retained have been made.

Total cost

55. The following table shows the phasing of the capital requirement for the SWP over the next three years:

	17/18 £ M	**18/19 £ M**	**19/20 £ M**	**Total £ M**
ICT Asset Replacement Programme	1.090	1.005	0.579	2.674
Furniture & Refurbishment	0.350	0.437	0.148	0.935
	1.440	**1.442**	**0.727**	**3.609**

Business Case for SWP

56. The anticipated cashable benefit of the SWP, based on the assumptions in this report, is £ 1.420 M in capital receipts and £ 2.630 M in ongoing annual savings. In addition, the potential increase in productivity is equivalent to a reduction in budget pressures of £ 3.349 M.

57. There are also a significant number of non-financial benefits for both service users and staff arising from the programme.

58. The capital requirement for the SWP has been evaluated at £ 3.609 M over the next three years.

59. Based on this evaluation, the SWP represents a significant opportunity to invest now to deliver savings and further benefits in the future.

Financial Implications

60. If approved, a request for Capital funding would be submitted to the Capital Asset Management Group (CAMG) to request £ 3.609 M over three years.

61. **Other options considered**

- The option to spend no additional money on the SWP and consolidate the current position
- To evaluate the reduced cost of a slower implementation

The costs that have been evaluated reflect the desire to build on the progress to date and to complete the programme at an increased pace. The option to spend no further money and consolidate our current position was considered and rejected as the benefits of achieving the programme vision were worth pursuing. The option to continue at a slower pace was considered and rejected as it was felt that we would lose the existing momentum and that this would reduce the potential benefits that could be achieved. The majority of the identified cost is for items that are transferrable and not tied to a specific location and therefore not impacted by the decisions for the rationalisation of office space.

62. **Reasons for Recommendations**
To seek additional funding for the SWP.

63. **Statutory and Policy Implications**
This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, ways of working, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1) That Policy Committee notes the update on the SWP and the evaluation of the future benefits and costs.

2) That Policy Committee approves the submission of a request for Capital funding to the Capital Asset Management Group (CAMG) for £ 3.609 M over three years.

Councillor Alan Rhodes
Leader of the County Council

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Constitutional Comments

64. SLB 19/10/2016
    Policy Committee is the appropriate body to consider the content of this report.

Financial Comments

65. KRP 24.10.2016
    The financial implications are as set out in the report.

Background papers and Published documents
Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

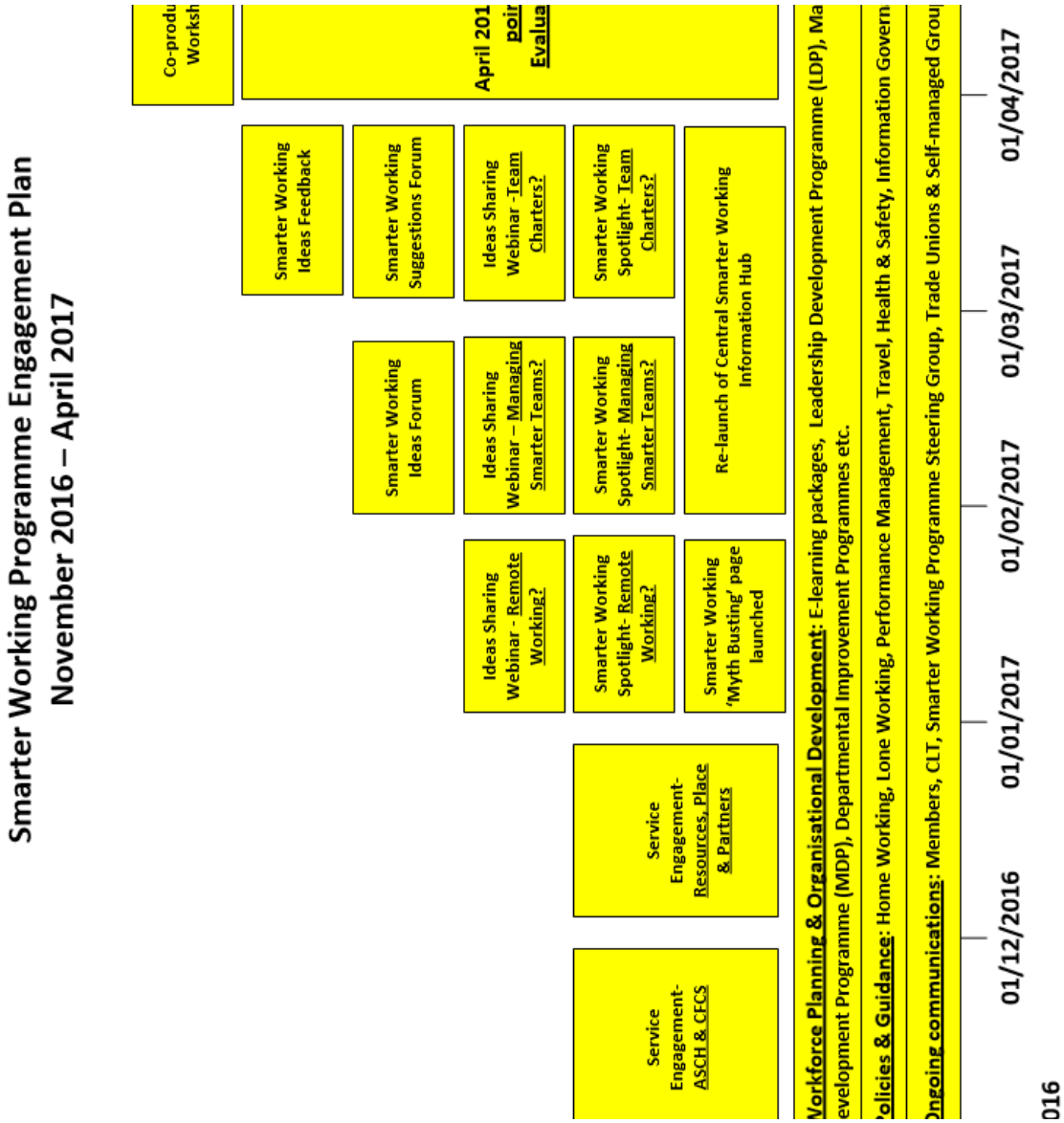
Electoral Division(s) and Member(s) affected
All

Appendix A

Smarter Working Programme – progress to date

- The roll-out of 2,200 Windows 8.1 tablet devices incorporating MS Exchange (e-mail, calendar), office software, Lync (video/voice, instant messaging, presence), Onespace (document share), 3G/4G connectivity and a secure network access solution
- Some 1,600 social care staff provided with TotalMobile software and training to enable case notes and assessments to be completed on the tablet computer, away from the office
- Replacement of 1,000 blackberry phones with Windows 8.1 smartphones
- Creation of additional touchdown space at County Hall and Lawn View House
- The roll-out of Lync telephony (Skype for Business), using the investment in the broadband IT network, to over 5,000 users
- Extension and enhancement of the wireless network across multiple sites to support mobile working
- A pilot to test the potential of Audio Visual equipment
- The introduction of scheduling appointments for Occupational Therapy and Social Work Assessments
- Work with departments to reduce the operational building estate as part of the development of a 10-year Asset Management Plan
- Modelling of the future demand and capacity for our office buildings to assist the development of options for reducing the current portfolio
- Mapping of property assets in Nottinghamshire for NCC, City Council, District Councils, Police, Fire, Ambulance and Health as part of our role as Nottinghamshire lead for the national One Public Estate (OPE) initiative
- Working with teams at Lawn View House to increase their flexibility in how they work and reconfiguring the building to support a greater level of flexibility in how the building is used

Appendix B


Smarter Working Programme Engagement Plan
November 2016 – April 2017
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Smarter Working Ideas Feedback
Smarter Working Suggestions Forum
Ideas Sharing Webinar -Team Charters?
Smarter Working Spotlight- Team Charters?
Smarter Working Ideas Forum
Ideas Sharing Webinar – Managing Smarter Teams?
Smarter Working Spotlight- Managing Smarter Teams?
Re-launch of Central Smarter Working Information Hub
Ideas Sharing Webinar - Remote Working?
Smarter Working Spotlight- Remote Working?
Smarter Working 'Myth Busting' page launched
Service Engagement- Resources, Place & Partners
Service Engagement- ASCH & CFCS
Workforce Planning & Organisational Development: E-learning packages, Leadership Development Programme (LDP), Ma
evelopment Programme (MDP), Departmental Improvement Programmes etc.
Policies & Guidance: Home Working, Lone Working, Performance Management, Travel, Health & Safety, Information Govern
Ongoing communications: Members, CLT, Smarter Working Programme Steering Group, Trade Unions & Self-managed Grou
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