

Birmingham City Council

Report to Cabinet

27 July 2021



Subject: New Ways of Working

Report of: Director, Digital & Customer Services

Relevant Cabinet Member: The Leader of the Council, Councillor Ian Ward
Councillor Tristan Chatfield, Cabinet Member for Finance and Resources
Councillor Brigid Jones, Deputy Leader

Relevant O &S Chair(s): Councillor Mohammed Aikhlaq - Resources

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name of ward:		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 008892/2021		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

1.1 The strategic drivers for New Ways of Working (NWOW) Programme are as follows:

- Our staff have embraced flexible working during the pandemic, and there is now an opportunity to make a permanent shift from a situation whereby 15-20% of our

workforce worked, pre-pandemic, in an agile and flexible manner to one where 80-85% do so.

- Staff have expressed that they would like more flexibility and enjoy working from home (Health and Wellbeing Survey Jan 2021).
- COVID has also shown us the art of the possible – we can leapfrog to the next stage of Council development, with the clarity and leadership needed to do so.
- COVID has revealed and amplified some of the challenges that our communities face. This is a moment in time to galvanise our intention to do better by them, and centre equality in our vision for the future, and in all that we do.

1.2 New Ways of Working directly supports the achievement of one of the three key priorities outlined in the Council Delivery Plan 2020 – 2022:

- Being enabled by a Fit for Purpose Council (Delivering New Ways of Working): creating a more responsive, efficient, and effective organisation by ensuring our teams have the capability, confidence, and tools to continue to work where, when, and how they choose, with maximum flexibility and minimum constraints to optimise their performance in support of those we serve.

1.3 Two other key priorities are dependent upon the NWOW programme as a key enabler:

- Inclusive Growth is focussed on stimulating an economic recovery that works for everyone, transforming the landscape of our city while creating opportunities for local communities and ensuring the ‘just transition’ to a green economy.
- Early Intervention focusses on establishing an empowering and enabling model of early intervention and prevention that ‘helps people to help themselves’, and ultimately achieve the aspirations they hold for themselves and their communities.

1.4 The New Ways of Working Programme has been identified as the means to bring together, build upon, and accelerate existing work on developing agile working, a modern workplace, and the provision of locality-based working. The future is about neighbourhoods, better use of community-based assets and more services delivered in our communities. The programme will seek to:

- Reduce Workforce Inequality – Reducing inequalities in the workplace
- Increase Neighbourhood Working – Enabling more services to move into the community
- Reduce Carbon Footprint – Delivering on our commitments to carbon reduction to zero
- Maximise Property Assets – Creating opportunities to better utilise our property estate to the benefit of the city.

2 Recommendations

2.1 That Cabinet: -

2.1.1 Notes the progress done so far on the New Ways of Working Programme since January 2020.

2.1.2 Approve the Enhanced Business Case to enable the New Ways of Working programme. The cost of the project is:

Capital - £5.56m

Revenue - £4.75m

Total - £10.4m

The project has identified revenue savings of £6.1m over 5 years.

2.1.3 Delegates authority to the Director Digital & Customer Services in consultation with the Director Inclusive Growth and the Chief Finance Officer to implement the business case.

2.1.4 Delegates authority to the Director for Digital and Customer Services, the Assistant Director Development & Commercial or their delegate, in conjunction with the Chief Finance Officer or their delegate, and the City Solicitor or their delegate to approve any procurement strategies and subsequent contract award decisions required to support the implementation of the recommendations within this report.

2.1.5 Authorises the City Solicitor to negotiate, execute and complete all necessary legal documents to give effect to the above recommendations

3 Background

3.1 Birmingham City Council has successfully delivered services during the COVID 19 pandemic, with very few staff being office based. This presents a once in a generation opportunity to introduce New Ways of Working at pace.

Current Position

3.2 In our response to the pandemic, we have proven that the Council can deliver services effectively with Members and staff working both remotely and flexibly.

3.3 The NWOW challenge is to transition from an emergency response posture to a more considered and sustainable way forward.

3.4 The Central Administrative Building estate presently comprises 7 buildings providing 5,953 workstations which supports 6,562 staff. In a previous Cabinet report it was agreed to progress the disposal of Lancaster Circus and the removal of Margaret Street as a CAB building.

3.5 It is intended, through increased staff agility and flexibility, to maximise the utilisation of the CAB properties that we retain by re-designing and fitting them out them as agile buildings to increase capacity and encourage collaboration.

3.6 Our goal is to cultivate an agile culture and behaviours throughout the organisation, and to fully implement working practices, technology, and facilities to enable all staff to operate in a fully agile way. This goal needs to be considered in the context of the needs of our residents, businesses, partners, the voluntary and community sector, and visitors.

3.6.1 To achieve agile we need to invest in key areas: Firstly, People, in terms of true engagement and additional skills training; Secondly, Technology, for example in Hybrid meeting technology, laptops with cameras, monitors for home workers, the Field Worker Platform; and Thirdly, in Paper reduction – and we need to move as many of our documents as possible online so that they can be accessed anywhere, anytime, enabling greater insight.

3.6.2 Investment in our People: During the Discovery Phase it has become apparent that managers in BCC need more support to transition to agile that we initially envisaged therefore we have increased the number of Agile Liaison staff in the business case to ensure that this essential change is fully embedded.

3.6.3 We recognise we need to work with and support our workforce. In order to build confidence, change behaviours, enhance our competencies, create empowerment, foster engagement and promote mutual trust, our Agile project plan has been developed to make sure we cover all this and more, including:

- Agile Framework to clarify how HR, IT and H&S policies apply when working remotely (reviewing them where necessary)
- More training and development across our entire organisation, particularly around IT training to build confidence and competence
- Agile 'One Stop Shop' enabling staff to easily access support, knowledge and 'How To' guides
- Support from Agile Liaison Officers to enable the move to agile
- Team agreements of how each team will deliver their outcomes and how they will make Remote and Home Working successful
- Investment in Managers – Outcome based management training
- One-to-one support to help embrace this change
- Access to a wide range of learning and support to enable them to focus on setting outcomes with individuals
- Dedicated Management Programmes
- The Future Leaders Programme
- Managing Remotely Programme
 - Increase the skills, confidence and competence of a manager when motivating, guiding and supporting their teams with empathy
 - Helping managers to build trust with their employees
 - A shift in the function of the manager position to more of a facilitator position

3.6.4 New Ways of Working will look to maximise our investment in Property enabling the purpose behind our property assets to support our foundational need for safety and social connection. Offices will continue to act as value

drivers by providing our workforce with secure and optimised environments that support active collaboration and informal community bonding. We need our estate to meet the need for collaboration and innovation. We will do this by redesigning our buildings and by creating workspaces that encourage people to collaborate and innovate. Detailed example floor plans for Woodcock Street have been developed and these designs will be discussed with staff focus groups to get their input but also to ensure that we are creating what services and staff need to deliver great outcomes. In addition, we will ensure that our buildings have more spaces than before to meet staff welfare needs i.e. more Multi Faith rooms, Nursing Mothers room, Recovery room etc.

3.6.5 New Ways of Working will look to radically reduce our need for Paper by empowering our staff to be able to access documents wherever they choose to work. Therefore, a new paper management E2E process will be introduced to enable the staff to be more agile, productive and efficient whilst reducing paper volumes. We will maximise our use of the Digital Mail Centre ensuring we have an end to end hybrid mail, scanning solution and document management repositories enabling documents to be easily tracked and the indexes to be searchable.

3.6.6 New Ways of Working will decommission Lancaster Circus and relocate all of the BCC services that reside there. These include but are not limited to:

- CCTV Control Room
- UTC
- Emergency Response Team
- BCC network Point of Presence

These are essential services and it is not an option for us to have any interruption in service. In particular, these services will be critical in keeping the public safe and to ensure that the Commonwealth Games is delivered successfully. Therefore, moving them prior to the games has been deemed too great a risk and a plan has been drawn up to move them immediately upon the Games completion.

3.6.7 New Ways of Working will invest in new digital tools as these are key enablers for NWOW. We need to ensure that our staff have the right hardware, software and processes to excel in an agile environment. The development of a new platform for our Field Worker is required. Birmingham City Council employees approximately 7,000 field workers across Directorates, who are “the face” of Birmingham City Council and responsible for delivering frontline services to our citizens of Birmingham. To date there is no standard process for our field workers to use, albeit all field workers are essentially carrying out the same set of very similar activities - as a result multiple process, solutions and ways of working are in practice daily and as a consequence silo working remains prevalent at

Birmingham City Council. These key workers need a solution that will support them in providing a more responsive, flexible and professional service to their customers – a solution that will enhance service to their users as well as making their working lives easier and safer.

3.7 Progress to date

- 3.7.1 **Investing in our People** - During the Discovery phase we have worked closely with Directorates and their management teams. We have defined a set of key investments to sustain the change, including training, active support from Agile Liaison Officers, key communication tools that will allow us to communicate with the whole staff at the same time; Chat bots – an artificial intelligence tool to help us build intelligent FAQs; Pulse Survey tool – to enable us to ‘take the temperature’ of the organisation during the transition; Ideas app – to gather employee ideas on how we can improve what we’re doing; Learning Pathways – a ‘front door’ to all of the learning BCC offers and New Employee Onboarding – a tool to enable us to onboard new employees remotely, amongst others.
- 3.7.2 **Building Re-Opening** - NWOW have also been instrumental in the re-opening strategy for Woodcock Street and had extensive discussions with Property to ensure that we open the building in a safe and secure manner.
- 3.7.3 **Decommissioning Lancaster Circus** - The project to decommission Lancaster Circus discovered much more detail of the services and IT that needs to be decommissioned before the building can be handed over to Inclusive Growth. Engagement with key stakeholders to work out a strategy for relocation of key IT infrastructure and services and with third parties required to relocate them to get cost estimates.
- 3.7.4 **Paper Management** - Discovery of how much paper is stored in Lancaster Circus, Margaret Street, Council House and Woodcock Street. Worked with in-house scanning team and created an in-house solution that negates using a third party and creates a tradable service. Worked with and educated teams to remove paper from The Council House and Margaret Street resulting in nearly 2 million pages sent to confidential waste and nearly 400,000 documents sent to Dollman Street for scanning and indexing.
- 3.7.5 **Reimagining the office** - With the vacation of Lancaster Circus and Margaret Street we needed to create collaborative working space, during the Discovery Phase we have been reimagining Woodcock Street and Lifford House. The designs are ‘strawmen’ of what the space could look like based upon experience of doing this for other local authorities and taking into consideration a recent PHE report ‘The impact of physical environment on employee wellbeing.’ We will be socialising these designs and engaging with

staff focus groups to ensure that we end up with a building that works for them.

3.7.6 Locality Working - During the Discovery Phase it became apparent that there were multiple definitions as to what Locality Working meant. Therefore, we will need to carry out some more analysis on this and will report back to Cabinet at a later date on what locality working provision is required and how we intend to meet that demand.

3.7.7 The Property Strategy, which was approved by Cabinet on 13th November 2018, is aligned with the strategic outcomes outlined in the Council Plan 2018-2022 to create a city of growth where every child, citizen, and place matters; an entrepreneurial city to learn in; a great city to grow up in; a fulfilling city to age well in; a great city to live in; and for residents to gain maximum benefit from hosting the Commonwealth Games. As the largest local authority in the country with the biggest property portfolio, the Council has the opportunity to utilise its property and land assets in a strategic way to deliver its priorities.

3.7.8 The Property Strategy takes a medium to long term strategic approach to how we utilise our unique asset base and will ensure a balanced delivery of maximised commercial and social returns. Re-aligning the Council's property will provide a catalyst for development and underpin the social fabric of communities across the city. Under S.3 Local Government Act 1999 the Council is under a duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

4 New Ways of Working Options Considered and Recommended Proposal

Option	Advantage	Disadvantage
1) 'Do Nothing' – All staff return to pre-covid working arrangements	<ul style="list-style-type: none">• No change for staff	<ul style="list-style-type: none">• No reduction in inequality or increase in workplace diversity• Does not meet future business needs• No strategic fit• No customer benefits.• Does not contribute to our carbon reduction target• Will require investment in property repairs

		<ul style="list-style-type: none"> • Does not contribute to the MTFP shortfall
2) 'Do the Minimum' / Continue Remote Working, as is – all staff maintain current working arrangements	<ul style="list-style-type: none"> • We can maximise our CAB estate, realising income and/or savings from vacated buildings 	<ul style="list-style-type: none"> • Does not address staff health and wellbeing • Work practices are not sustainable • Managers not equipped to manage staff remotely. • Does not meet future business needs • Productivity increases will decrease over time • No benefits to our customers • Does not improve access to services • Does not improve staff diversity and inclusion
3) Optimum Scope - fully embrace principles of agile working across all directorates across the Council	<ul style="list-style-type: none"> • Meets the need from staff for more flexibility • Good for health and wellbeing of staff • Supports the creation of a workforce that reflects the communities we serve at all levels in the organisation • Creates an agile organisation • Reduces our carbon footprint • Meets the needs of customers, organisation, and staff. • We can maximise our CAB estate, realising income and/or savings from vacated buildings • Helps to meet the MTFP requirements. 	<ul style="list-style-type: none"> • Requires initial investment. • Requires a mindset shift for all staff • Requires a cultural shift in employee working arrangements and management practices, that take time to embed

4.1 While the country is in periods of lockdown, and subject to the government's tests and critical milestones, the advice to all staff is where you can, you should continue to work from home. The current plan is for the Council to open some buildings from the 2nd August in a covid secure manner, much as we did last year. It is clear however that the re-opening of our CAB buildings will need to be done in a planned

and managed fashion in line with public health and government guidance. It is likely that working from home for those who can will remain a significant part of staff working arrangements for 2021-22

5 Consultation

- 5.1 The Leader, Deputy Leader, Cabinet Member for Finance and Resources, and Chair of Resources Overview & Scrutiny Committee have been consulted.
- 5.2 The Programme is actively engaged with the Trade Unions and will continue to consult with them throughout the programme.
- 5.3 Birmingham Children's Trust has been consulted and the Programme is actively engaged with them to co-design our approach and to co-design workspaces.
- 5.4 The Programme will engage with staff, team, and managers to co-design the shape, process, and agile workspaces as we recognise that one size does not fit all.
- 5.5 Staff were consulted in January 2021 via a regular Health and Wellbeing survey. 81% of 2350 respondents stated that they either 'Enjoy working from home (43%)' or 'Prefer to work flexibly (38%)'.
- 5.6 We have worked extensively with the Trade Unions with fortnightly workshops with all the TUs to gather their input into the programme and to ensure that they are sighted and onboard at every stage. A joint statement on Homeworking and the return to the office has been agreed. This active collaboration is a vital component of the programme.

6 Risk Management

6.1 The New Ways of Working key risks are:

Main Risk	Mitigation
DESIGN	
That design will not be suitable for all services or individuals	Take a tailored approach to services and staff, shaping the proposition for each service / directorate based on their needs
IMPLEMENTATION	
Directorates do not embrace NWOW impacting service effectiveness	Support from Cabinet and Council Leadership Team in removing barriers and active support
Maintaining team cohesion and staff motivation	Manager training on how to successfully manage remote teams – including how to motivate and develop them

Ability to manage staff performance & motivation	Manager training on how to manage by outcomes build trust and staff empowerment
Change management overload – staff overwhelmed by amount of change	A cross organisation change management function that monitors and manages the pace of change
That optimism bias will lead to overstating the organisation's ability to effect timely and lasting behavioural change	Ensure change element is designed, approved, and delivered, starting with a baseline and monitoring change acceptance / compliance against that baseline. Focus on managers to ensure their understanding and support.
There is a risk to the secure and successful delivery of the Commonwealth Games as Lancaster Circus supports our emergency Response infrastructure	We have worked closely to work out the timelines to achieve the decommissioning and move of this equipment in a safe and secure manner

7 Compliance Issues:

7.1 Legal Implications

- 7.1.1 The power to hold, appropriate and dispose of land is contained in Sections 120-123 of the Local Government Act 1972.
- 7.1.2 Section 1 of the Localism Act 2011 confers on the Council a general power of competence and Section 111 of the Local Government Act 1972 gives power to the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

7.2 Financial Implications

7.2.1 Capital

It is estimated that the disposal of Lancaster Circus will realise between £11m and £20m of capital receipts (dependent upon if we sell as is or with planning consent). This would not be possible without the delivery of the NWOW programme. The cost of delivering the Enhanced Business Case is £5.6m. This includes the costs and timelines of de-commissioning Lancaster Circus and The Council House Extension (Margaret Street) and relocating essential IT such as the POPs site and relocating key services such as UTC and the CCTV control centre. It also includes the cost of turning the CAB sites that we retain into agile workspaces and investing in our workforce through training and new tools.

7.2.2. Revenue

The closure and vacation of 1 Lancaster Circus and Margaret Street will yield revenue budget savings of £1.349m which will contribute to the delivery of revenue savings already built into the Council MTFP through CAB portfolio rationalisation. final financial implications will be confirmed through future decision reports as the

programme progresses, in line with the Council Gateway and Financial Approval Framework.

7.2.3 Future Savings and Capital Receipts

During the Discovery Phase of NWOW we have identified a number of other savings and savings opportunities that NWOW will enable but we need a little more time to work out the detail of these. These include:

- Print savings – at BCC we spend more than £1m on internal printing, this has been reduced exponentially during pandemic but we need to work with directorates to ascertain if this is sustainable.
- Document Storage – BCC stores millions of documents in offsite storage at a cost of £100,000's so we are working with services to ascertain how many of these documents can be scanned and removed from storage and what we need to retain in hard copy to meet out legal obligations.
- Other buildings – It is our goal to exit 75% of the CAB estate but we need to work with services and Children's Trust to help them to transition to agile to release more of the CAB estate.
- In addition the Field Worker team identified substantial savings but we need to work with services as Field Worker platform comes on stream to demonstrate the benefits and to realise these savings.

7.3 Procurement Implications

7.3.1 Any procurement implications arising from the implementation of the recommendations within this report will be undertaken in accordance with the Council's standing orders relating to contracts and the delegation within recommendation 2.1.4 of this report. It is anticipated that external service providers will be required to refurbish Woodcock Street and Lifford House and to move essential services out of Lancaster Circus. Subject to further analysis, wherever possible, there will be an attempt to reduce externally generated costs and risk by leveraging existing Council resource. Where appropriate, the procurement strategy will seek to leverage existing frameworks such as G Cloud 12.

7.4 Human Resources Implications (if required)

7.4.1 HR implications: Where New Ways of Working results in a change of work location, this will necessitate a period of consultation and a 12 week notice period using the mobility clause. This clause provides for the movement of staff to alternative work locations and any reimbursement in line with the Disturbance allowance policy. The potential for redundancies within support services such as Cleaning, Civic Catering and Security will be reviewed and developed during the course of project roll out.

7.5 Public Sector Equality Duty

- 7.5.1 An Equality Impact Analysis has been completed and is attached at Appendix 2. This indicates that the equalities impact of the proposed implementation of New Ways of Working is minimal and that the new solution will ensure that all of the latest equality duty requirements, for example, accessibility for users with specific needs, will be met.

8 List of appendices accompanying this report:

- 8.1 Appendix 1 – New Ways of Working Enhanced Business Case
- 8.2 Appendix 2 – Equality Impact Assessment 674

9 Background Documents

- Report to Cabinet dated 20th April 2021 – “New Ways of Working”
- Report to Cabinet dated 19th January 2021 – “Investing in our Future - What Birmingham City Council needs to do next: 2021 to 2026”
- Report to Cabinet dated 13th November 2018 – “Property Strategy 2018/19-2023/24 including first phase projects”