

## APPENDIX 3

*Executive Committee and Council only*

Date signed off by the Monitoring Officer: 15.03.2021

Date signed off by the Section 151 Officer: 15.03.2021

**Committee:** **Council**

Date of Meeting: **25<sup>th</sup> March, 2021**

Report Subject: **New Council Operating Model & Working Arrangements**

Portfolio Holder: **Councillor N. Daniels – Leader/ Executive Member - Corporate Services**

Report Submitted by: **Managing Director**

Report Authors: **Michelle Morris, Gina Taylor, Andrea Prosser & Gemma Wasley.**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	12.03.21						25.03.21	

### 1. Purpose of the Report

- 1.1 This report proposes and seeks approval for a new Operating Model and Working Arrangements for the Council which will support the achievement of the decision made to permanently vacate the Civic Centre; create a new Democratic Hub, at the General Offices, and a network of Community Hubs co-located with libraries.

### 2. Scope and Background

- 2.1 Since March 2020 the Council has been operating under emergency arrangements introduced across the UK as a result of the Coronavirus Pandemic. During this extended period the advice from Government has been that, where staff can, they must work from home in order to prevent workplace and community transmission of the virus. This has meant that office based staff and Elected Members have been working remotely for the last 12 months and the organisation has had to shift to new working arrangements based on digital platforms, with offices closed and staff only attending offices where it is necessary – for example to access equipment or files, or in response to difficulties working from a home base for an extended period of time.
- 2.2 In early 2021 the mass vaccination of the population and the positive impact of the most recent lock-down, has seen a fall in infection rates across the UK and there are early signs that we will be able to move out of lock-down from the Spring onwards. However, we now know that we will have to adapt to living our lives with the virus present in our communities and so it will not be a case of simply returning to normal, we can for example expect social distancing to continue for some time. It is widely accepted that what we will

move to as a society is a 'new normal' and that the way we live and work will be very different, and has the potential to be better. Welsh Government has already signalled an ambition within Wales and a commitment to 30% of the workforce working from home or remotely. The vision being to reduce the numbers commuting to work and keeping more people working in their local communities. The Council has an opportunity, now, to be at the forefront of delivering this national ambition by making a step change in how we work, how we deliver services and to improve access to council businesses and services for our residents.

- 2.3 In the early summer we took the opportunity to pause and reflect on how the Council had responded to the initial surge in the virus. From this we identified that staff and Elected Members had responded admirably to the challenge of remote working and the investment that had previously been made in technology had stood the Council in good stead. The realisation that we can run our business and deliver services in a very different way, be more in line with modern working practices and reduce our costs and impact on the environment has opened up new opportunities for us to make a step change now and not to simply return to how we operated before. A survey of staff conducted late in 2020 shows that staff have responded positively to home working and consider that the Council has handled the change well. This shows support from staff to continue working in a more agile and flexible way and the positive impact this has had on productivity and a reduction in staff absence due to sickness. It is also notable that the Council has reduced its costs in relation to running buildings and business travel, with a subsequent decrease in carbon generated as a result of Council operations.
- 2.4 Linked to the Council's ambition emerging out of the first wave of the pandemic, a number of reports were considered by Council in 2020 regarding the possible acquisition of a site in Ebbw Vale and the opportunity to develop alternative arrangements for its democratic and customer services, which would remove reliance on the Civic Centre.
- 2.5 On 23<sup>rd</sup> July 2020 Council first considered a report regarding the potential purchase of Festival Park and agreed that detailed negotiations be undertaken with the current owners with a view towards agreeing Heads of Terms for acquisition of the site for refurbishment/redevelopment and that a Business Case be prepared for acquisition and future use, for consideration by Council in September 2020. It was also agreed that a Member Working Group be established to work on the Business Case alongside officers.
- 2.6 A Special Council meeting was held on 22<sup>nd</sup> October 2020 to consider the Business Case and it was agreed that the report be approved with the recommended option, as outlined in the business case, to proceed with the purchase Festival Park subject to funding approval from Welsh Government and the finalisation of the purchase arrangements be delegated to the Corporate Director of Regeneration and Community Services in consultation with the Leader/Deputy Leader. It was also agreed that a further report relating to the commercial negotiations be presented to Council, prior to the finalisation of any purchase arrangements.
- 2.7

At the Ordinary Meeting of the Council on 26<sup>th</sup> November 2020 a further report was considered and recommended that the position previously agreed at Council, to proceed with acquisition of Festival Park, had been reconsidered by the Member Working Group, and that it should now be left to private investors who had expressed an interest in the site to take it forward. Also that the Council should take forward the other aspects agreed at Council (October 2020) to develop the democratic facility at the General Offices (GO), community hubs in town centres, and vacate and demolish the Civic Centre. A capital allocation of £180,000 was agreed to fund the cost of the required works at the GO and the Community Hubs and a further £650,000 for demolition of the Civic Centre. The subsequent sale of land was expected to generate a capital receipt that would cover this cost.

2.8

Since the decision of Council in November the Member Working Group has worked with Officers and Trade Union representatives to develop a model for new working arrangements, based on agile working, which will allow the organisation to operate out of its remaining offices at Anvil Court, ViTCC, General Offices and other appropriate Council buildings. These proposals are detailed in Section 5 of this report. Work has also progressed the Democratic Hub and Community Hubs, and this report also provides an update on the new hubs and these are detailed in Section 5.

### 3. **Options for Recommendation**

#### 3.1 **Option One (Preferred)**

Council approves the new Operating Model based on Agile Working, Democratic Hub and Community Hubs, and confirms work can now proceed to decommission the Civic Centre.

#### 3.2 **Option Two**

Council does not approve the new Operating Model based on Agile Working, Democratic Hub and Community Hubs, and does not confirm that work can now proceed to permanently vacate and demolish the Civic Centre.

### 4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 This supports the delivery of the Council's Corporate Plan priority to be an efficient organisation and to operate using modern working practices in a way which supports our workforce, effective service delivery and improves access to Council business for our residents. It also supports the priority to regenerate the site in Ebbw Vale opening up the opportunities for investment in new homes and community facilities in the centre of the community.

4.2 The proposals also support delivery of our ambition set out in the Decarbonisation Plan to reduce our carbon emissions to a point where our impact is net zero carbon.

4.3 Finally, this will support the delivery of the Bridging the Gap Programme which seeks to reduce the cost of our corporate property estate through a

process of rationalisation and introduction of more modern and efficient workplaces.

## 5. Implications Against Each Option

### 5.1 Budget Implications

The Financial Plan is attached at Appendix 1 and details the potential costs and funding, based on a number of assumptions. In summary the financial implications are:

#### Capital Costs

Total capital costs of development of the Democratic & Community Hubs, decommissioning / demolition of the Civic Centre and refurbishment of Anvil Court / VITCC are estimated to cost £1.2m.

The Council has already agreed capital funding of £180,000 to support the delivery of the Democratic Hub and Community Hubs and has agreed that the costs for the demolition of the Civic Centre will be offset by capital receipts generated from the sale of the site which is estimated to achieve in excess of £650,000.

It is proposed that the remaining capital requirement be funded by a contribution from revenue, utilising the Transformation budget for 2021/2022.

#### Revenue Costs

Total revenue costs of the new operating model are assessed as £1.47m in the first year reducing to £1.1m in year 2 and £1.05m in subsequent years.

The revenue financial plan shown at Appendix 1, indicates that over a five year period there are potential savings of £1.46m compared to current budgets. However, this will be subject to the:

- agreed home/agile working / set up allowances
- the outcome of job evaluation (Community Hubs)
- the timescale and cost for decommissioning the civic centre
- Termination costs (if applicable)

The assessment of revenue costs & funding is analysed below:-

#### Democratic Hub

There are no additional revenue implications arising from the Democratic Hub.

#### Community Hub

There will be a revenue cost relating to the operation of the Community Hubs of approximately £151,000 per year (subject to job evaluation). These costs will be largely met by re-purposing 4 posts resulting in a budget transfer of £107,000, a cost pressure of £25,000 which has been agreed as part of the 2021/22 Revenue Budget and repurposing of £19,000 budget.

### Agile Working

The estimated revenue costs of providing a home/agile working allowance to around 750 staff is £322,000 (including an allowance for set up costs) in year 1 and £171,000 per annum thereafter. It is proposed to fund these costs through re-purposing the budgets for mileage and operating costs of the Civic Centre.

It is proposed that the savings / cost reductions identified by moving to the new operating model will be built into the Workplace Transformation project within the Bridging the Gap programme.

## 5.2 Workforce

- Agile Working – this will impact on working and contractual arrangements for c.750 staff who are currently office based at locations in the borough including (but not exclusively) Civic Centre, Anvil Court, ViTCC, Depot and General Offices. Proposals will impact all staff which will involve a varying of their contracts of employment and will designate posts as either homeworker, agile worker or service/community based worker. This will involve statutory consultation and reaching a joint agreement with trade unions, a new Agile Working Policy and the designation of posts. The new policy which will require scrutiny and Council endorsement will include allowances to support permanent and agile workers and this will be subject to negotiation with the trade unions. There will also be the need to ensure those permanent and agile workers have appropriate workstations at home and take into account the health, safety and well-being of workers, including reasonable adjustments, where staff are not able to work from home. It will be critical to engage the workforce and their representatives along this journey.
- Community Hubs – there will be the deletion of 4 posts within the existing Commercial Services structure, and the creation of 4 new posts to run the Hubs. There is a risk of redundancy if not all staff are able to be redeployed into other posts within the Council.
- Democratic Hub – no workforce implications.

## 5.3 Legal

There will be a requirement to reach a formal agreement with the trade unions regarding the change to terms and conditions and the payment of home/agile working allowance.

An Equality Impact Assessment will also be completed prior to the full implementation of the change programme, and will be signed off by the Programme Board.

## 5.4 Risks

**Workforce** - If there is no joint agreement to the new Agile Working policy and variation of the contract the Council will need to consider the impact on timelines and contractual obligation. However, the trade unions have worked with Officers on these proposals and have co-produced the new working arrangements and this reduces the risk that an agreement will not be achieved.

**Cost Reduction** – If there is not close management of the programme then there is a risk that the cost reductions will not be achieved. A Programme Board is established to provide leadership for the work and this is supported by lead officers for each workstream to ensure that the work progresses and that outcomes are delivered.

**Behaviours required to sustain new working arrangements not achieved** – If there is not a permanent change to how we work as an organisation then the move to new arrangements will not work successfully. The proposals are however informed by the change in work practices achieved successfully over past 12 months and the recent staff survey shows that the majority of staff support the new arrangements and consider they have been more productive.

**Insufficient capacity to deliver the changes** – This programme represents a significant change to working arrangements, for staff and Members, on a permanent basis and will need careful implementation. If there is insufficient capacity it could result in desired outcomes not being fully delivered. If further capacity is required the Council would have the option to allocate funding from the Transformation Fund.

**Further surge in Covid 19** – if there was an increase in cases and/or another lockdown then the timescales for delivery would be impacted.

**Increase in numbers of posts allocated as Homeworkers or Agile Workers, above/below the assumed levels** – if there is an increase in number of posts categorised as agile workers then there is flexibility to accommodate this increase (up to the c.400 desk capacity available); if there is an increase in number of home workers then this will make additional office capacity available.

**Risk of lost opportunity** – the Council has an opportunity to build on the positive work done over the past 12 months and to make a step change in how it works and delivers services. There is a risk that if this is not agreed now the organisation will simply move back to operating as it did before and these benefits will not be achieved.

## 6. Supporting Evidence

### 6.1 Agile Working

The new working arrangements will support the closure of the Civic Centre and put in place a model of agile working to enable staff to work either at home, in Council buildings or in the service or community. It is planned to roll

this out from May onwards, dependent on the relaxation of Welsh Government guidance on working from home. It is intended to implement the change on an incremental basis, accepting that while some coronavirus restrictions continue i.e. social distancing, this will limit the capacity within offices.

The Agile working arrangements will be a contractual change and place job roles in one of 3 categories - Homeworker, Agile Worker or Service Based Worker. Those posts designated as home or agile workers will receive a home/agile working allowance to compensate for the costs associated e.g. heating, electricity, broadband.

Home Worker - Home is the base and all work can be carried out from home. An appropriate workstation and tools to do the job will be required (if necessary facilitated by the Council) and there will be no need to access an office to work on a frequent basis. There will be a need for occasional attendance at an alternative base for e.g. team meetings/ training. Estimated c.370 Staff (Example - Support Services).

Agile Worker - Home is the base with time split time between home and office working i.e. 3 days' home working and 2 days in office. Work is carried out at home and in the office. Agile workers will not have a dedicated desk in the office but will book desk space (using a booking system) for the days' they are in the office. They will also require an appropriate workstation and tools to do the job at home (if necessary facilitated by the Council). They will be required to attend meetings in the office. Estimated c.390 Staff (Example - support for democratic processes, Social Workers, Public Protection).

Service Based - Work is carried out 100% from a base in a building or in the community. Some roles would require desk space – but no fixed workstation. These workers cannot work from home due to the nature of the job. Estimated c. 950 staff (Examples - Social Services Cwrt Mytton, Extra Care, Flying Start, schools, refuse, cleansing).

An assessment of the office space available shows that there are 271 desk spaces in AC and the GO, 24 at the Depot and 122 at the ViTCC providing an overall desk space availability of **417** (including shared space with the ABUHB).

As the initial appraisal identifies c.390 Agile staff will need to be accommodated under this model, for 2 or 3 days a week, then it is apparent that the Council could operate on a reduced office footprint, with an average of 160 staff in the office on any one day.

There will be a requirement to refurbish offices to ensure that the layout supports new working arrangements and provides access to the digital platforms (i.e. MS Teams) including facilitating a blended approach to meetings.



## 6.2 Democratic Hub

A new Democratic Hub would provide a similar level of space as in the Civic with enhanced functionality for blended meetings and improved public access.

A phased approach is being used for planning purposes i.e. temporary arrangements working with Covid 19 restrictions from May 2021 and then permanent Democratic Hub arrangements when restrictions in the community are relaxed sufficiently. While social distancing remains a requirement it will be necessary for some Members, and Officers, to continue to participate remotely using a blended solution based on MS Teams. The new Democratic Hub will continue to offer an agile approach to meetings by providing hybrid meetings when restrictions are lifted as part of the requirements of the Local Government and Elections Bill.

The first floor of the GO will be the Democratic hub including flexible office and meeting space for Members and Officers. The new Hub will enable the Council to meet the requirements of the Local Government and Elections Bill e.g. on broadcasting, and provide improved facilities for public access to formal meetings and council business.

The existing fixtures and fittings from the Civic Centre will be used, wherever possible, and some investment will be required in new audio-visual equipment to support delivery of the requirements of the Bill and to facilitate improved working arrangements for Members.

## 6.3 Community Hubs

The Hubs will be located in the main libraries at Abertillery, Brynmawr, Ebbw Vale and Tredegar. As these libraries are open 4 days a week there is capacity to offer an outreach/surgery style service in Blaina, Cwm and Llanhilleth once a week. The Hubs will:

- Provide a face to face counter service dealing with requests from residents to pay, register, ask, tell, apply, book and check the status of their request across a range of services including benefits, council tax and community services;
- Help to residents wanting to self-serve using computers based in the libraries through the My Council Services application or through direct support where necessary;
- Signpost/connect residents to other council services including housing, parking and environmental health;
- Signpost/connect residents to services delivered by partners including support from Job Centre Plus, Citizens Advice Bureau, Integrated Health and Well-being network activities and voluntary/community based provision. This has been the approach of the Locality Response Team and have proved very successful;
- For more complex service queries requiring access to council officers, options for booking appointments will be offered. This will include access to surgery style appointment so residents can access planning

officers, building control officers, support around welfare benefits, employment services and business advice.

The timescales for implementation will be determined by the relaxation of current restrictions and the full re-opening of libraries.

**6.4 Expected Outcomes for Residents**

The new arrangements will improve customer access to the Council and to council services through the Community Hubs. These will be based conveniently in our main communities and remove the requirement for travel to Ebbw Vale for those needing to speak directly to an officer.

**6.5 Involvement**

There has been staff consultation regarding home and agile working and work is in progress to ensure that statutory consultation takes place with the workforce regarding the implementation of new terms and conditions.

**6.6 Thinking for the long term**

The new working arrangements will establish how the council will work in the future and will enable it to consolidate its property portfolio, reduce its carbon impact and to align with Welsh Government's ambition to modernise delivery of public services in Wales.

**6.7 Preventative Focus**

The new working arrangements will support preventative models of service delivery.

**6.8 Collaboration/Partnership Working**

It is anticipated that partners will be part of service delivery through the Community Hubs.

**6.9 Integration**

The new working arrangements will be delivered in an integrated way across all Services.

**7. Monitoring Arrangements**

7.1 The delivery of this programme will be overseen by a Programme Board comprised of the Corporate Leadership Team. Project/Workstream Leads have been identified for each element of the work including Agile Working, Democratic Hub, Community Hubs, Office Re-configuration, Decommissioning Civic Centre.

7.2 The financial benefits delivered by the Programme will be reported as part of the Bridging the Gap Programme.

**Background Papers:**

**Minutes of Festival Park Member Working Group  
Staff Survey**

