

**Derbyshire County Council (DCC)**

# **Outline Business Case (OBC)**

**Programme: Modern Way of Working (MWow):  
Phase 2**



**Version: 2.0**



Copyright of Derbyshire County Council

## **Contents**

- a) Purpose
- b) Business Need & Strategic Benefits
- c) Background
- d) Scope of Phase 2
- e) Benefits
- f) Costs
- g) Programme Options
- h) Legal Implications
- i) Equalities Impact Assessment

# Modern Ways of Working Outline Business Case

## a) Purpose

This Business Case is seeking approval to take forward Phase 2 of the Modern Ways of Working (MWOW) programme. The case will set out the benefits and lessons learned from Phase 1, the benefits to be realised from Phase 2 and the resources required to implement Phase 2.

## b) Business Need & Strategic Benefits

Derbyshire County Council (DCC) in the Council Plan has set out its ambition that we will work together with partners and communities ‘to be an Enterprising Council, delivering value for money services and enabling local people and places to thrive’. As an Enterprising Council, our aim is to provide the services local people want and need by thinking and doing things differently, by not shirking bold decisions and by making the most of new opportunities. By embedding an Enterprising Council approach, we will have:

- A creative and confident workforce
- Forward thinking, collaborative and ambitious leadership
- Improved outcomes and value for money services
- Strong, resilient and self-sufficient communities
- A flexible, agile and financial sustainable organisation.

In June 2021 the Enterprising Council Strategy Next Steps report was approved by Cabinet, with MWOW being one of the key programmes needed to deliver that strategy. The long-term strategic vision for the future Enterprising Council model will support the way in which the Council and its staff work both within and outside the Council, with partners and residents. The Council wants to base its work and relationship with the people of Derbyshire on quality of service and improved outcomes for residents, rather than the desks being used or the buildings in which staff sit in. Work undertaken across the organisation so far with staff and members has revealed that there is the potential to realise huge benefits for the organisation and the services it delivers to the public by enabling a more agile workforce and smarter working practices.

The benefits the Council can release from employees working differently internally, with partners and with the community include:

- Agile delivery of our services to residents and communities, enhancing the customer/resident experience
- Support the Council’s ambition to achieve net-zero carbon emissions from DCC’s estate and property by 2032
- Realising projected £6m savings from property rationalisation over the next 5 years by reducing the number of Council buildings

- Opportunities for income generation by using our spaces differently
- Work in a range of locations that better meet the needs of residents and staff
- Capitalise on technology to develop a better, flexible approach to service delivery which also reduce running costs
- Become an employer of choice with a motivated, agile and productive workforce able to attract and retain skills
- More collaborative working and breaking down silos, leading to reduced duplication of effort and more joined up thinking
- Improved employee productivity through effective hybrid/flexible working leading to better employee wellbeing and work/life balance
- Resilient service delivery able to minimise future impacts of Covid-19 and supporting business continuity planning

It is imperative the Council makes better use of available technology and innovation in office design to develop a more flexible working environment, reduce the cost of public services and make life easier for residents. It will facilitate a modern workforce by providing the right skills, spaces and technology to collaborate internally and externally.

The Council have already committed to be a more agile, resilient organisation; however, becoming an Enterprising Council requires a significant culture change that must be visibly supported and led. The Council's People Strategy will support the facilitation of the Council's culture shift and enable a culture of mutual trust. Failing to make a shift in how people are encouraged and supported to work will impact on the scale of the benefits provided by agile working.

Over Phase 2 of the programme, the Council will start to understand more fully what being an Enterprising Council, and Modern ways of Working, will mean for DCC staff, residents and partners. This further development of the Council's Enterprising Council Strategy and the roll out of the target culture to support it in MWow Phase 2, will ensure the foundations are in place to allow the workforce to collaborate with partners, local community organisations, and with residents.

## **c) Background**

### **MWow Phase 1**

MWow Phase 1 was approved at Cabinet on 17th June 2021, with a budget of £400,646. The principal aspiration for Phase 1 was to deliver an approach to the reintroduction of employees into County Hall aligned with the cessation of Covid-19 measures at that time. It also focused on the implementation of a cross-council approach to new ways of working, capitalising on the significant shift in working practices that have been seen since the emergence of Covid-19. This included the rapid implementation and use of new technology across the Council, greater homeworking as the norm and more flexible and agile working practices.

The Programme comprised of 5 Workstreams which supported the ambition above:

- People
- Communications & Engagement
- Information Communication Technology (ICT)
- Property
- Information Governance

The initial activity focused on County Hall, John Hadfield House and Chatsworth Hall, with an ambition to facilitate a return into County Hall and to move all employees from John Hadfield House and Chatsworth Hall into County Hall. Approximately 80% of the staff previously based at the County Hall complex, John Hadfield and Chatsworth Hall have now been relocated to County Hall.

To facilitate this, colleagues based at the three locations above were asked to continue to work from home where possible until December 2021. This arrangement provided sufficient time to carry out departmental surveys to understand what future spaces teams required, clearing of offices, securing analogue records for movement and re-locating staff teams into County Hall. This has included making available more flexible spaces including hot desking, informal break-out areas and additional meetings rooms. Several pilot meeting rooms have been equipped with ICT equipment to facilitate remote and hybrid meetings. These will continue to be installed as the Programme understands the need for these spaces such as Team Zones, Community Hubs and Shared Zones. The feedback from the use of the spaces will inform the plans for the roll out to the wider estate.

Caution was essential regarding data loss and potential breach of personal data during this exercise and so data guidelines and policies were developed, a Data Protection Impact Assessment was undertaken, and manager/staff training was provided. Audit supported the process by undertaking an audit review and completed audit trails throughout these activities, understanding any risks and providing mitigations to this in order to protect the Council.

Engagement with staff and managers was crucial to the success of the Phase 1 roll out. Supported by a Stakeholder Plan, extensive communication and engagement was undertaken by sending staff updates via 'Our Derbyshire', Employee Engagement sessions, Manager Briefings, email cascades, the setting up of an Operational Liaison Group with representatives from across the Council, an MWow Cohort of interested staff and establishing a MWow email feedback channel and intranet area. This approach will continue as Phase 2 moves forward.

### **Success Measures – Phase 1.**

The Programme Board set out success criteria – which are set out below - and have been achieved:

- Employees from Chatsworth Hall and John Hadfield House relocated to County Hall
- Allocated Team Zones are efficient and fit for purpose on return to office spaces
- Electronic Signing-in process working effectively
- Hybrid Meeting Rooms fully functional
- Meeting Room booking system working effectively
- Central Stationery Hubs rather than individual purchases
- New Fire Evacuation Systems tested and working
- Adequate provision of First Aid and new process working effectively
- Defibs suitably located around County Hall for all occupants to access.

The costs for Phase 1 are detailed in the table below.

	<b>Budget £</b>	<b>Expenditure to date £</b>	<b>Rest of year projection £</b>	<b>Total £</b>	<b>Over/(under spend) £</b>
<b>PROPERTY</b>					
Defib	0	0	12,000	12,000	12,000
Removals and Storage	125,000	38,525	62,733	101,258	(23,742)
<b>ICT</b>					
ICT Equipment/Hybrid Rooms	148,499	39,188	89,494	128,682	(19,817)
<b>CST</b>					
Project Staff	168,146	151,405	44,679	196,084	27,938
Insurance	0	2,234	0	2,234	2,234
Printing & Stationery etc.	0	2,222	0	2,222	2,222
<b>TOTALS</b>	<b>441,645</b>	<b>233,574</b>	<b>208,906</b>	<b>442,480</b>	<b>835</b>

### **Lessons Learned – Phase 1**

The Programme Team have undertaken a lessons' learned exercise to ensure that where elements of the Phase 1 programme did not go to plan, these are built into the Phase 2 programme of activity. The review of Phase 1 can be found at Appendix 1. There is further detail in this business case as to how this learning is being taken forward.

### **d) Scope of Phase 2**

This Outline Business Case refers only to the next phase of the programme - Phase 2. Phase 2 strongly aligns to our Enterprising Council aspirations. Its focus will be the culture change needed to deliver our Enterprising Council ambitions and to reap the rewards that refreshing our estate to work in a flexible and agile way will bring. To progress the MWOW programme, there is activity the Council will need to undertake in the coming months, outside of the programme, which will enable Phase 2 to move forward and equip the

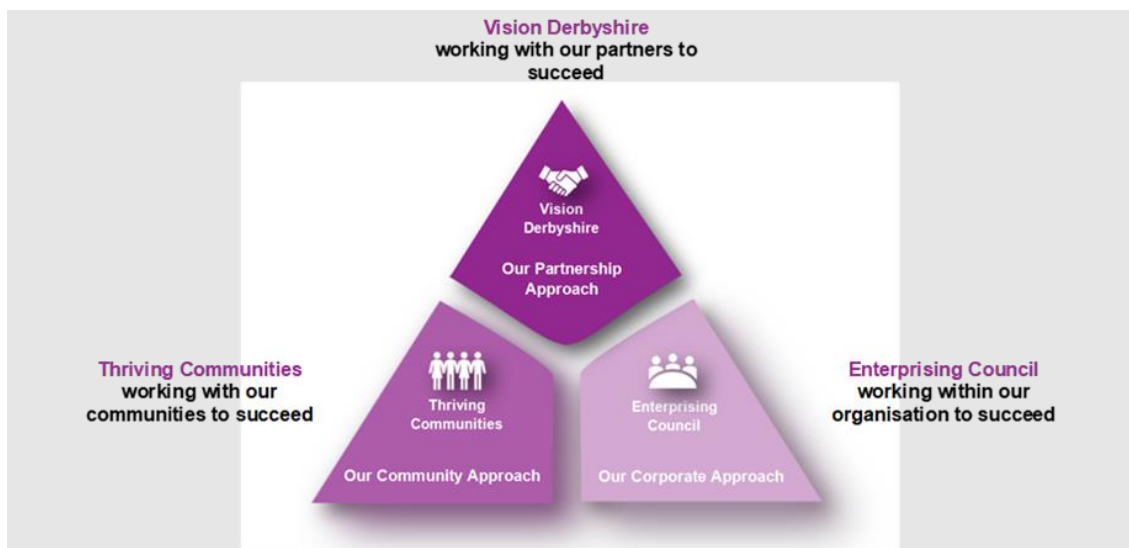
Council to develop its short to medium term MWOW strategy and associated delivery plan.

**i) Developing and communicating the Council's Ambition and Target Culture**

The Council Plan sets out the Council's ambition and the following key elements of work will enable delivery of Phase 2 of MWOW:

1. Having a clear strategic narrative - further define the ambition for how the Council wants its employees to work moving forward, and its relationships and ways of working with its partners and residents
2. Transforming our culture through our leaders – ensure we engage, develop and inform our leaders through a revised approach to current leadership forums.
3. Define our future employee profiles - be clear about what these mean to enable effective engagement and consultation with joint trade unions.

Modern Ways of Working is a key lever to achieving our Enterprising Council goals. But delivering the right culture is equally important to all of our three strategic pillars as they are fundamentally interconnected. MWOW therefore is critical to achieving the Council's overarching ambition.



Getting clarity of the ambition and development of a strategic narrative will further enable employees, partners and residents to understand the journey that the Council is taking to achieve its aspiration to focus on the quality of service and delivery, rather than on where or at what desk employees perform their roles. This visioning work will require the senior leaders of the organisation to be directly involved in shaping the future of the organisation, through a redefined approach to our current senior leadership and leadership forums. This is coupled with being clear on not only where we have come from, but where are

now post Phase 1 of MWOW and what hybrid working means to Derbyshire County Council in the immediate period.

A visioning style session with Corporate Management Team and Elected Members will be necessary to further develop how the ambition will be achieved and create the strategic narrative about the organisation. To further compliment the work with senior leaders in shaping the future of the organisation, engagement sessions will be held with managers, employees, Trade Unions and the MWOW Cohort to share and refine the strategic narrative.

The Council's current engagement approach is built on the notion of 'we listen and engage, and we shape and respond'. This is based on four key enablers namely strategic narrative, engaging managers/leaders, employee voice and organisational integrity. It is crucial that the strategic narrative is further developed in order that it is clear where we have come from and where we are going to, recognising the importance of the role of leaders within this. This element of the work will be supported by officers in the Organisation Development and Policy Division and supported by a Project Officer from the MWOW programme.

The People Strategy aims to look outwards and forwards, putting Derbyshire residents at the heart of what we do. The 5 people priorities defined within the strategy are key to transforming the culture of the organisation to one of mutual trust:

<b>Attract and retain the best people in the most effective way possible</b>
<ul style="list-style-type: none"><li>• We will recruit, attract and retain our people using innovative approaches to ensure our people have the right skills, experience and values, enabling our organisation to succeed both now and in the future.</li></ul>
<b>Promote diversity and inclusion, enable responsive workforce plans and develop credible reward strategies</b>
<ul style="list-style-type: none"><li>• Our people will be clear about what our organisation stands for, supported by people policies which promote diversity and inclusion, credible reward strategies and effective workforce plans that ensure we can meet current and future needs.</li></ul>
<b>Engage, nurture and develop our people and our future potential</b>
<ul style="list-style-type: none"><li>• We will enable professional and personal development, clear career pathways, a performance culture and succession planning to support the potential, performance and diversity of our workforce.</li></ul>
<b>Enable organisational transformation and effective employee relations</b>
<ul style="list-style-type: none"><li>• We will support to enable organisational and cultural change, underpinned by fairness and consistency within our employment procedures, whilst ensuring our people are adaptable and resilient.</li></ul>
<b>Enable and ensure the wellbeing and safety of our people</b>
<ul style="list-style-type: none"><li>• We will ensure we have safe and enabling environments, which support the wellbeing, motivation and retention of our people. We will integrate wellbeing into our day to day activities to promote a positive environment where employees are engaged, energised and supported to perform and achieve to their full potential for the benefit of themselves and the organisation.</li></ul>

Whilst the People Strategy and deployment of its defined people priorities will focus on the core areas outlined above, it is critical that the Council determines the employee profiles of the future and definition for example of 'Fixed base, Flexible and Mobile' employees in order to develop an appropriate hybrid/smarter working policy. It will also be necessary to understand and agree the Council's Digital and Data Strategy and the



implication of such on the future employee profiles. Determination of the future employee profiles will also clarify what terms and conditions and employment policies may need revision and subsequently engagement and consultation with Trade Unions, aligned to the ongoing review of appropriate employment policies within the People Strategy.

## **ii) Digital Strategy**

Putting the user (either internal council staff or Derbyshire resident) at the centre of our service delivery is the focal point of the Digital strategy and will have clear principles setting out how a clear Digital design will help Derbyshire thrive in an increasingly Digital, post covid world. Within the context of MWOW, ensuring colleagues have a secure, efficient and effective digital workspace, seamlessly enabling colleagues and partners to collaborate and communicate via hybrid meetings, physical collaboration space and being able to access the information they need to help make data driven decisions, wherever they may be. The digital synergy between the physical workspace and digital workspace created by MWoW becomes imperative for the future success of the organisation.

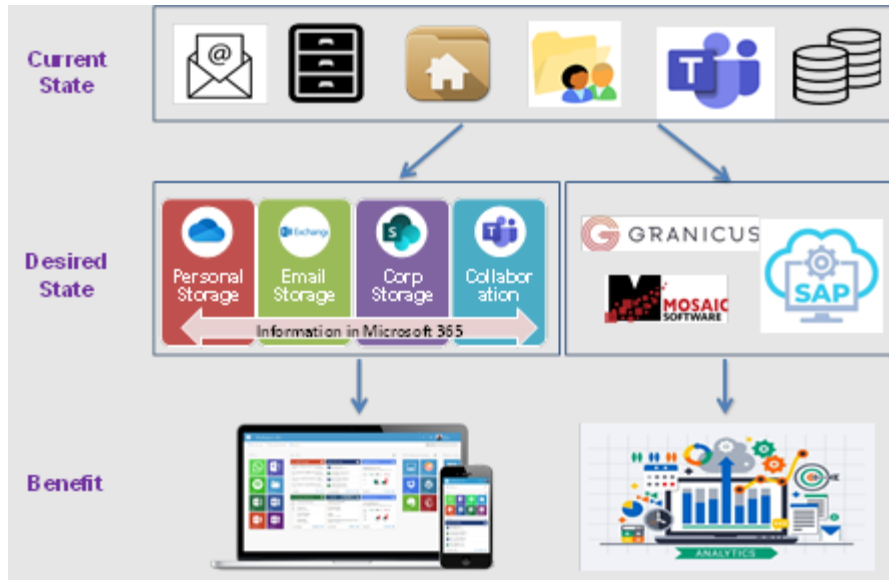
Thus, the MWoW Programme will be a key collaborator in supporting ICT with the business change needed to implement the desired digital workspace, Data Management and the new ICT Strategy. It is imperative that the Council embraces our digital journey as this is critical in informing the wider MWOW Vision and Strategy.

This will be a significant culture change to current ways of working which will require detailed planning and working closely with Leadership Teams across DCC.

One aspect of Digital, is current management of Data within Derbyshire which is split across multiple platforms, including Email, physical filing cabinets, legacy home drives and data storage held within the on-prem data centre. Data is also siloed within line-of-sight business systems. During Covid Microsoft 365 and specifically Microsoft Teams was introduced to enable remote working, and also created another data store.

The Data Management Strategy aims to split out the flat file data (Excel, Word etc) and move it to SharePoint, this will ensure access to it is simple and in one place, and colleagues will be able to access all the information they need through one digital workspace at any time and wherever they are, aiding the organisational ability to work in more agile manners and collaborate with partners. – see diagram below.

Data in siloed specific business systems needs to be assessed, catalogued and an approach used to identify how technology can be leveraged against it, so it can be used for the future benefit of Derbyshire residents and will make up Phase 2 of the data management strategy.



A program of works will commence after the formal approval of the Data Management Strategy and these will be split across the four destination work areas (Personal, Email, Corporate and Collaboration storage). The main challenge with such a project is the Change Management and user adoption of SharePoint. This will be driven via the network of Digital Champions; ICT Digital Adoption Team and the Microsoft 365 Digital adoption platform 'Learn'. This approach will need to be enhanced by MWoW and the Departments. Clarification of the above may result in the Council requiring large transformation of services, systems and processes and will form part of the Council's pipeline of transformation as the Strategic Transformation work is crystallised.

### **Scope of MWOW Phase 2 activity**

#### Wider Administrative Base Refresh and Rationalisation

A key element of the Phase 2 programme of activity will be to roll out the reconfiguration of space to other Council administrative buildings across the County. These buildings have been chosen, because they provide a significant back-office function, as well as front line service provision in some cases. This mixed use, service driven, nature of the buildings will result in a complex and challenging programme of activity, as employees will continue to be operating from these spaces whilst the clearance activity is undertaken.

An initial desk top exercise has also identified potential savings which could be released from the rationalisation of some assets; however, this has not been taken through any robust asset management process to determine which would be the best buildings to consolidate in to, which score poorly against our performance criteria, what legal constraints might exist etc. Equally work has not been carried out with building

users/service areas to ascertain their needs in these areas and these buildings. All of this work will need to be undertaken to come up with a series of projects, resulting in the rationalisation of buildings and the re-imagining of the space within those we retain.

Whilst some of this work would be carried out as part of our five year asset review process, there is a need to escalate this work to keep pace with the MWOW programme and to avoid abortive costs, an example of which would be re-organising space, creating team zones and hybrid meeting rooms in buildings which we do not plan to retain.

Whilst this work is carried out, robust business cases are drawn up, permissions are gained and work is programmed, work to clear and de-clutter the spaces can be completed, as it was at County Hall. This will ensure that MWOW principles are consistently applied for all staff, where possible. This will not be abortive in any case, as even if we subsequently dispose of an asset, this will have been a useful exercise.

Once this is undertaken a clear plan of action, procedures and timeline for the clear desk process in a safe and timely manner will be produced and then subsequently undertaken. Utilising the learning from Phase 1 of the programme, we will build into this element of the work, resource to carry out minor repairs and redecoration as needed to ensure that working spaces are suitable for employees to work in.

It will also be necessary to update and install ICT equipment in those sites, and the programme will require an estimated £88,320 for the disk space (keyboards, monitors etc) for this. This is based on an expectation that half the current equipment on site will be suitable for redeployment. Further, £92,239 has been allocated for hybrid meeting rooms to enable the remote offices to work effectively in a hybrid manner. Two IT Assistants will also be needed to aid with the decommissioning and reconfiguring of the new equipment as the program evolves.

It is a requirement to carry out DPIA's for each site identified for clearance. Lessons learned from Phase 1 has shown that this work is detailed and complex in order to limit the Council's liabilities from data loss or breaches. It is proposed that officers from within the MWOW Programme Team, supported by colleagues within legal services, will undertake the DPIA's and as such resource has been built into the costings for Phase 2.

Undertaking this work will not only benefit the new ways of working, but may also reduce the space currently required providing support to the reduction in the Council's assets to deliver the savings identified in the MTFP.

A key lesson learned from Phase 1 was that there is insufficient capacity to undertake the clearance activity alongside business-as-usual asset management and facilities management activity.

It will be necessary therefore to employ additional resources to support these elements of the work and these are set out in the resourcing requirements for Phase 2 in Section f of this business case:

- To carry out the necessary due diligence, at pace, on the administrative assets – analysing performance, establishing constraints
- Engaging with building users and service providers to establish their asset needs
- Engaging with partners to identify co-location opportunities
- Cross referencing to Service Asset Plans and other strategic rationalisation programmes to remove duplication and ensure they are aligned.
- Write business cases, gain permissions, draw up and manage a programme of rationalisation projects.
- To undertake space planning activity across these sites to replicate the principles applied at County Hall.
- To initially carry out the clearance and apply de-cluttering principles applied in County Hall.
- To manage the logistics of any team moves as a result of rationalisation of space.

### Property – County Hall Future

The future operating model for DCC will be driven from our vision of what and how we want to deliver for residents in the future and how it might change over that period. It is critical that the activity set out in d i) & ii) of this report is undertaken as this will define the way in which we use our buildings and inform future asset management decisions, aligned with wider asset management strategies. The most significant of our buildings is County Hall in Matlock.

County Hall is a Grade II listed former hydropathic hotel, and its use has significant social and economic presence in the town. It is not ideally suited in its current configuration as a major administrative base that supports the Council's ambition for how employees can embrace the flexible and hybrid working opportunities.

It is therefore necessary for the Council to commission an external consultant team to run an options appraisal for the future of our County Council Headquarters and set out the Outline Business Case for each, so that Elected Members and Corporate Leadership can make an informed decision regarding its role in our future.

This decision will then inform asset management plans for the rest of the administrative estate. It will also inform the brief for a detailed business case with the costs and programme of activities required to deliver the preferred solution.

The scope of the options appraisal includes:

- A clear comparison of the benefits of each option and risks to its ability on delivering the strategic objectives
- The outcome on staffing arrangements and numbers for any proposals, including how to accommodate the MWow aspirations

- Illustrative sketch visuals and illustrative masterplans to help Members, the Senior and Corporate Management Teams visualise any proposals
- An assessment of the current mechanical and electrical services and recommendations for carbon and cost reduction, with high level proposals and financial projections
- A clear understanding of what the impact of each option would be on the town of Matlock and the wider area, on service delivery and on residents
- How each option supports the One Public Estate Programme
- The likely Programme and Key Workstreams required to progress the options and the activities and costs required to develop a Full Business Case for the preferred option
- A realistic market assessment of any proposals including, as appropriate, likely rental income, capital receipts, potential development partners etc.
- A high-level financial summary of each option, including likely costs and capital borrowing, any potential income and/or savings, timeframe for return on investment, to enable a financial comparison

The deliverables against these requirements will be a report setting out the information requested, an executive summary with the key headlines and a digitised presentation, which can illustrate the options appraisal and summarise the key findings for Members and Senior Leadership. A recommended masterplan that determines a future for the Council's central administrative buildings which incorporates the efficiencies from new working practices, offers long term financial viability and considers the Council's aspirations of locality.

Alongside that a financial report is needed for each of the options, with the detail on any assumptions made and any projections and/or modelling method applied.

It is anticipated that the costs to commission this piece of work will be £90,000. It will also be necessary for resource within Corporate Property to support this work. This resource would:

- ensure that requests for information are met in a timely manner, including condition information, existing systems and other property data
- coordinate stakeholder engagement including establishing space requirements and other specific property outcomes,
- ensure that developing options are aligned to other strategic asset management decisions,
- liaise with property colleagues to de-risk proposals by identifying constraints
- ensure that permissions and processes are gained and followed
- ensure that proposals are able to maximise opportunities provided by the One Public Estate programme, including the current Matlock review.
- programme and manage property workstreams

The MWoW Programme manager will work closely with colleagues in Procurement and Legal to ensure procurement rules and processes are adhered to for the appointed of an external property consultancy.

MWoW Phase 2 will not carry out any physical building alterations to create new modern offices or spaces, this can only be determined once the activities and requirements mentioned below is completed and decisions made organisationally.

Programme Management Support and Capacity

In order to support the wider work outlined in section d i) & ii) and the activity set out for Phase 2, and it will be necessary to develop a detailed Project plan and led by the MWOW Programme Manager, and supported by a number of other officers, through a structured delivery programme.

A high-level plan of activity is set out below.

Modern ways of Working: High level activity plan							
	Phase 2: Apr '22 – Feb '23						Phase 3: March onwards
	Apr	June	Aug	Oct	Dec	Feb	March 2023
<b>Target Culture</b>							
<i>HR Policy Review</i>	→						
<i>Engagement</i>	→						
<b>Digital</b>							
<i>Requirements</i>			→				
<i>Update Policies</i>				→			
<b>Property</b>							
<i>County Hall Review</i>			→				
<i>Accom Clearance</i>	→						
<i>Update Policies</i>			→				
<b>Programme</b>							
<i>Full Business Case</i>				→			
<i>Phase 3 Plan</i>					→		
<i>Phase 3 Commences</i>							→

(Note: The scope of this Outline Business Case is Phase 2 only. We do not yet know what shape Phase 3 will be – that is part of activity of Phase 2. At the end of Phase 2 we will produce a Full Business Case for the whole programme setting out our Phase 3 proposals and benefits strategy. Phase 3 is shown here for completeness.)

## **Communication and Engagement Activity**

It will be critical to the delivery of each of the work packages that a comprehensive stakeholder communication and engagement plan is developed. Thorough stakeholder mapping will take place prior to the commencement of Phase 2 and a thorough communications and engagement plan developed for identified audiences. Achievement of objectives and delivery against the plan will be monitored by the relevant Boards and governance structures.

### **e) Benefits**

As described above, successful implementation of this programme is determined by the Council's staff adopting flexible and innovative ways to carry out their roles - rather than focusing on where they do their work - whilst ensuring residents continue to receive high quality, value for money services. The Council agreeing its future approach to digitisation with staff and residents adopting a different approach to digital behaviours is critical to realising the full benefits of this new way of working.

#### **Phase 1**

Benefits arising from Phase 1 of the MWOW programme are largely non-financial and include:

- A good understanding of what worked well and what needed improvement and refinement to the processes of clearance of office spaces to build into phase 2 of the programme
- A clear and methodical approach to undertaking DPIA's for the next phase of clearance.
- The re-introduction of employees into County Hall, utilising the office space differently provides opportunity to engage with those colleagues to better understand how spaces are being used and make refinements to that to take forward into the wider estate.
- Opportunity to get feedback from colleagues on the Councils approach to flexible working during phase 2 to inform the Councils smarter working policy.
- Feedback from the EIA to inform activity required in Phase 2 of the programme

#### **Phase 2**

##### **Non – Financial**

The delivery of Phase 2 has the potential to deliver the following benefits:

- The creation of space to co-locate with partners and benefit from opportunities to align service delivery across the public sector

- The creation of opportunities for income generation and making a profit on the provision of some services
- Further enabling becoming an employer of choice aligned to the Council's People Strategy
- A reduction in our carbon footprint in line with the Climate and Carbon Reduction Strategy
- Addressing some of our risks - one of the longer-term benefits of the project is the effective management of the legacy paper records and material which are present in the whole of the estate. This is reflected in the fact that this has been consistently RAG rated at 25 (highest level).

## Financial Benefits

It is worth noting that the approach to assessing the financial benefits for Phase 2 has been a prudent and rather cautious one. **It is anticipated that over 5 years, Phase 2 will deliver a minimum saving of £8.5m** (£5m revenue savings, £3m Capital receipts, £0.5m in printing and stationery and interest savings). However, it is very likely that as the Full Business Case is developed over the course of Phase 2, further savings and financial benefits will be identified that we can be confident of realising.

### Property Savings

MWoW is an enabler for the Council to reduce its corporate asset footprint and is part of the 'critical path' for the Corporate Property 2025 Programme order for it to deliver its objectives of asset rationalisation. During Phase 2, sites will be reviewed, with expected savings to base revenue budgets of over £1m pa (£5m over 5 years) at the same time as delivering Capital Receipts of over £3m. The delivery of Capital Receipts will yield further cost reduction by reducing the value of future Capital Borrowing and therefore interest charges for that borrowing are not applied over term. Of the sums highlighted below, i.e. the sum of £3.140m for capital receipts, the interest saving would be £0.094m.

It should be noted that these savings are already included in existing savings targets for Corporate Property over the medium term and are not additional savings over and above those previously identified. However, delivery of these saving is at high risk of non-delivery should Phase 2 of MWoW not progress.

Following the production of the 'Options Appraisal' by the property consultants, and depending on decisions made by the Council, there could be an opportunity for further revenue savings at County Hall and other buildings.

### Printing, Stationery & Photocopier Savings

The table below illustrates average spend on printing stationery and photocopiers during the period 2018-19 to 2020-21. On this basis, an estimate of savings in each of the next five years is highlighted, resulting in cumulative savings of £0.369m during the five-year



period. It should be noted that the Council may be tied into contracts with leasing so it may take some time for photocopier savings to be realised.

	Total average spend over 2018/19 & 2020/21	20% saving on average spend year 1	10% saving on average spend year 2	10% saving on average spend year 3	5% saving on average spend year 4	5% saving on average spend year 5	TOTAL SAVINGS OVER 5 YEARS
Printing & Stationery	486,942	97,388	38,955	35,060	15,777	14,988	202,169
Photocopiers	400,663	80,133	32,053	28,848	12,981	12,332	166,347
							368,515.84

There is the potential for further budget savings such as mobile phone usage and mail costs in comparison to a 'Digital Post Room'.

## f) Costs

The Business Case for Phase 2 sets out the scope of the work to be undertaken and potential benefits that can be realised from the programme of the work and beyond. The costs set out in the table below set out the required spend for Phase 2 only.

During the lessons learned review of Phase 1 it was evident that the dedicated resources to the Programme was insufficient, with teams involved in undertaking Phase 1 activity whilst also responding to business-as-usual activity. This has been considered as part of the resourcing request to support the Phase 2 programme.

Phase 2 costs includes:

- the appointment of external commercial property consultants to deliver on the DCC brief and requirements.
- Costs for Programme management support to Phase 2
- setting up a 'Model Office' within County Hall and provision for hybrid meeting rooms and ICT desk set-up across the wider Council estate have also been considered.
- Resource to support the DPIA and data control processes
- ICT equipment and staffing resource to support the wider estate clearance and re-configuration of spaces

See Appendix 2 for more detail.

Recruitment to the posts identified in table below, will be undertaken in accordance with the Council's normal recruitment processes. It is noted that due to the specialised knowledge and skills required and the short-term nature of the role that agency staff may be required to fill the above posts which may increase the costs involved in the project.

MWOW Phase 2 Programme Costs (May 2022 – February 2023)					
Role / Resource required	Grade	Salary £k	Other £k	Actuals (and Per Annum salary + oncost equivalent)	Total £k
<b>Culture Change - £114k</b>					
HR Transformation Officer	11	34	-	34,260 (45,680 pa)	34
Communications Officer	10	30	-	30,016 (40,022 pa)	30
Communications Material	-	-	50		50
<b>Digitally Enabled - £374k</b>					
IT Assistants (x2)	8	24	-	23,997 (31,997 pa x2)	48
Hybrid Meeting rooms - CCHQ	-	-	56	Actual: 56,006	56
Hybrid Meeting rooms – Wider Estate	-	-	92	Actual: 92,239	92
Desktop equipment - CCHQ	-	-	90	Actual: 89,992	90
Desktop Equipment – Wider estate	-	-	88	-	88
<b>Property Strategy - £515k</b>					
Programme Manager	13	43	-	43,226 (57,635 pa)	43
Project Manager	11	34	-	34,260 (45,680 pa)	34
Project Officer	9	26	-	26,480 (35,307 pa)	26
Solicitor (DPIA)	12	39	-	38,617 (51,489 pa)	39
Facilities Management Programme Manager	12	39	-	38,617 (51,489 pa)	39
Consultancy Team	-	-	92		92
Model Office	-	-	35		35
Wider Estate Clearance	-	-	207		207
<b>MWOW Programme Management - £137k</b>					
Programme Manager	13	43	-	43,226 (57,635 pa)	43
Project Manager	11	34	-	34,260 (45,680 pa)	34
Business Analyst	11	34	-	34,260 (45,680 pa)	34
Project Officer	9	26	-	26,480 (35,307 pa)	26
Phase 2 Programme Staffing Cost ( <i>But see notes 3 - 5 below</i> )					430k
Phase 2 Non-staff costs					710k
<b>Total Phase 2 costs</b>					<b>1,140k</b>
<b>Notes:</b>					
1. The mid-point salary - including 30% on-costs - for each grade has been used. The actual could be under or over this figure.					
2. Totals have been rounded for ease of reading, but actuals are provided.					
3. Costs are calculated at 9 months for each role from June 2022 to February 2023 – the anticipated end of Phase 2.					
4. Most additional staff will be recruited on 12 month fixed term contracts. If they begin in June, this means they will have 3 months left on their contracts to be paid for by funding for Phase 3: <b>this has not yet been sought or approved</b> . However, it is expected that there will be a Phase 3 Implementation Phase, and recruiting on 12 month contracts will allow us to:					
<ul style="list-style-type: none"> <li>• Recruit and retain knowledgeable and experienced staff</li> <li>• Avoid using more expensive – and often less expert – agency staff</li> <li>• Ensure Phase 3 gets off to the best possible start</li> <li>• Avoid staff time on a further round of recruitment.</li> </ul>					
5. Approving Phase 2 funding therefore, means approving <b>up to £146k of Staff costs</b> that will fall into Phase 3. This represents the remaining 3 months of their contracts. These costs are NOT included in this business case which is for Phase 2 only.					

## **g) Programme Options**

**There are 3 options:**

- Do nothing
- Delivering the Programme using in-house resources exclusively
- Delivering the Programme using a mix of external expertise and in-house resources

### **Do nothing – Not recommended**

Cabinet was advised in June 2021; a strategy would be developed in parallel with delivering the current MWow Phase 1 activities – this Business Case sets out how this strategy will be achieved.

In addition, the Council has invested in the Microsoft Office 365 stack. The Business needs support to fully adopt and unleash the apps which are now available O365. The MWow Programme Team will be key in effecting the business change so a ‘do nothing’ option has been rejected as it would not address the commitment made to Cabinet in June 2021 or unleash the full potential of working collaboratively using O365.

### **Delivering the Programme using in-house resources exclusively – Not recommended**

In terms of property consultancy expertise and project/programme management experience in the areas set out in the requirements under section scope 5.1 Property, Derbyshire does not have the necessary subject matter expertise or resource needed to deliver against all the outcomes therein.

### **Delivering the Programme using a mix of external expertise and in-house resources – Recommended**

A number of officers in the Council’s Property Department and Finance colleagues have exceptional ‘local knowledge’ of the Council’s corporate offices, associated maintenance routines, expenditure, running costs, condition etc. This information is invaluable and the Council’s internal resources working closely with an external consultancy will furnish the desired outcomes set forth in this Business Case.

## **h) Legal Implications**

The work of the project should be supported by a detailed DPIA and EIA and that these should be regularly updated in order to ensure that data management and equality of opportunity are carefully considered at each stage of the process. The EIA prepared in December 2021 should be considered when considering the recommendations within this

report. The EIA comprehensively ensures that the project will not have a negative impact on the equality of opportunity for employees and the wider community. Information governance and the management of legacy material held by the organisation should be carefully considered at each stage of the project by way of a comprehensive DPIA to ensure that the processing and storage of data is in accordance with UK data protection legislation and standards. Consultation with employees, employee associations and Trade Unions and the wider community should continue to maintain the integrity of the decision making process.

## **i) Equalities Impact Assessment**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires DCC, when exercising its functions, to have 'due regard' to:

- The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010
- The need to advance equality of opportunity between persons who share protected characteristics and those who do not
- Foster good relations between those who have protected characteristics and those who do not

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

DCC is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all DCC residents in respect of socioeconomics and health determinants.

The MWow Programme and in particular the promotion of an agile and flexible working culture, will offer staff the opportunity to work remotely, both in terms of location and working times, addressing potential barriers to work for some individuals.

The MWow Programme, will work closely with ICT to support the broader digital agenda, which will also offer residents greater flexibility in how and when they choose to access council services. A comprehensive EIA is already in place for the Channel shift programme, which is increasing digital access to council services for residents.

An MWow EIA was carried out in December 2021 and is currently under review. Ten main themes have been identified and listed below – plans are being drawn up to address these issues with owners against the actions.

1. Ensuring reasonable adjustments are made available to support employees undertaking their role.
2. Mental health and wellbeing
3. Inclusion issues and cultural issues
4. Inclusive facilities
5. Access to services
6. Community engagement
7. Collaborative working
8. Recruitment
9. Policies and procedures in light of MWOW , reflecting the change in working practices.
10. Culture and communication programme to support positive behaviours as MWOW is implemented

In Phase 2 of the project, the Programme will be cognizant to any potential changes in the structure of buildings to make them more inclusive.

This includes:

- Create quiet spaces where there are currently none (e.g. for praying)
- Consider providing unisex toilets
- Accessibility considerations (resulting from physical and non-visible disabilities)
- Further consideration and update should be made to the EIA once MWoW Phase 2 is further understood

## Appendix 1

### Modern Ways of Working: Phase 1 Lessons Learnt Workshop 9/3/22

All 5 Workstreams participated

What Went Well		
Description	Why	Phase 2 Recommendations
<ol style="list-style-type: none"> <li>Employee briefings well received.</li> <li>Effective weekly meetings with Operational staff Liaison Group.</li> <li>Good use of collaboration tools such as MS Teams.</li> <li>Programme Team understood it was not 'one size fits all' in the space required by teams.</li> <li>Improved security and reduced cost where documents held electronically.</li> </ol>	<ol style="list-style-type: none"> <li>Provided the right level of details and allowed staff to ask questions.</li> <li>Inclusive approach where all areas of the business were represented.</li> <li>MS Teams was rolled out quickly and user adoption was high.</li> <li>Allowed team leaders to plan their space requirements in light of MWow principles.</li> <li>No need for off-site storage and easy retrieval.</li> </ol>	<ol style="list-style-type: none"> <li>Plan further sessions covering more topics including visioning.</li> <li>Develop this group for the wider estate clearance.</li> <li>Work with the business to further unleash Microsoft Apps to increase productivity amongst teams.</li> <li>Continue working closely with teams across the business to understand their requirements.</li> <li>Digitalisation of paper records.</li> </ol>
What Could Have Been Better		
Description	Why	Phase 2 Recommendations
<ol style="list-style-type: none"> <li>Employee profiles were not agreed so limited the ability to define T&amp;C changes and working culture.</li> <li>Detailed forward Programme plan is required for comms to be more effective.</li> <li>Provide clear steer on IT equipment at home vs at work for different workers.</li> <li>Longer engagement times for clearance works to be undertaken.</li> <li>Lack of intelligence of what data is on site</li> </ol>	<ol style="list-style-type: none"> <li>Decision not made organisationally.</li> <li>Comms was delivered in a reactive fashion using limited channels.</li> <li>Worker Profiles not defined.</li> <li>Too much pressure on staff to carry out clearance activities with timescales provided.</li> <li>Not having a full understanding of how data is stored and used</li> </ol>	<ol style="list-style-type: none"> <li>Ensure CMT sign-off on worker profiles and vision for MWow Phase 2.</li> <li>Work closely with the Programme reviewing the master plan to develop a comms plan and use multiple channels.(Re-branding)</li> <li>Ensure CMT sign-off on worker profiles and vision for MWow Phase 2</li> <li>Realistic planning for clearance of the wider estate.</li> <li>Carry out 'Analogue Record Treatments' to understand what data is stored and used.</li> </ol>
What didn't go Well		
Description	Why	Phase 2 Recommendations
<ol style="list-style-type: none"> <li>Managers need help in engaging their teams on how they will work in the future.</li> <li>Lack of understanding of MWow principles.</li> <li>ICT connectivity in County Hall.</li> <li>Resources and continuity of Programme Staff.</li> <li>Links between workstream leads and Strategic leads.</li> </ol>	<ol style="list-style-type: none"> <li>Need tools for Managers to manage a remote workforce.</li> <li>Need to share more about the 'why' and not just the 'what and when'.</li> <li>Insufficient Wi-Fi Access Points (AP's).</li> <li>Too much pressure on BAU teams and lack of clear leadership.</li> <li>A lack of 2-way information caused frustration.</li> </ol>	<ol style="list-style-type: none"> <li>Digital Toolkit to be developed for Managers.</li> <li>Ramp-up the Change &amp; Engagement activities across the Programme.</li> <li>Phase 2 to be interlinked with the ICT Wi-Fi refresh Project.</li> <li>Ensure the right number of resources and provide clearer leadership.</li> <li>Board to debrief Workstream Group and visa versa.</li> </ol>

## Appendix 2

### Phase 2 Resource Requirements

Phase 2 will be significantly different from Phase 1. Where Phase 1 was primarily a logistics exercise concerned with returning staff and visitors safely to County Hall, Phase 2 is far more strategic with critical policy issues to respond to and implement, requiring significant stakeholder engagement. Furthermore, expanding the agile working approach across 18 more sites is likely to be a more challenging project as staff will be in situ in the office rather than at home. Specifically:

#### DELIVERING THE RIGHT CULTURE FOR DCC

Phase 2 will be closely linked to the People Strategy as it aims to deliver the right culture that DCC needs to achieve its vision and be successful for residents in the long term. Establishing the sort of organisation we want and need to be, understanding what that means for how we do things in DCC and then implementing that is complex and time consuming. It will require:

- Engagement with key stakeholders: Staff, members, Trades Unions, residents, partners
- Co-producing solutions where that is possible and appropriate and testing with stakeholders
- Reviewing policies and strategies to ensure alignment and changing them when we need to

All of these take time and effort as the activities are iterative, often discursive and involve a wide range of people to reach consensus. To take this forward and deliver the cultural blueprint will require:

- A **Communications Officer** – to carry out thorough stakeholder mapping and will develop and deliver a communications and engagement plan for Phase 2, delivering agreed communications objectives as part of the bigger MWOW delivery.
- A **HR Transformation Officer** - essential to supporting the culture change and working with leaders to support them in achieving objectives around change and transformation. They will link MWOW with the People Strategy, embedding the agreed values and approach across DCC and will develop essential employee profiles to define the flexible working approach.

#### DIGITALLY ENABLED

The sort of organisation we want and need to be for our residents will certainly be one that is digitally enabled. Ensuring the Digital Strategy is aligned to our new way of doing things and how we interact with our residents and our partners cannot be overstated. A key part of ensuring we are digitally enabled is providing practical support on the ground and ensuring that we have the right equipment to support agile working. Specifically:

##### People:

- **IT Assistants** – to help set up new equipment in remote sites and to aid decommissioning of old equipment in line with council policies and legal obligations. This is a key role learnt from our experience of County Hall and a prerequisite to ensure project success.

##### Equipment:

- **Hybrid Meeting** - Rooms in CCHQ to ensure flexibility. These are additional (3 large and 5 medium) and covers the cost of all equipment.
- **Core IT Equipment** – for the remaining 700 desks in County Hall each desk requiring consistent set up of riser, monitor, keyboard, dongle and cables.

- **Hybrid Meeting spaces** – New hybrid meeting rooms across the wider estate to enable a hybrid and collaborative approach for our remote sites in a similar way that hybrid meeting rooms have enhanced County Hall.
- **ICT Desktop equipment** – Across the wider estate based on each desk requiring consistent set up of riser, monitor, keyboard, dongle and cables. The assumption is that half of the desk will likely have some of the equipment in place that can be repurposed and as such not every desk will need kit.

## PROPERTY STRATEGY

MWOW will be intricately tied up with the Property Strategy which will be heavily dependent on the outcome of the discussions about a change in culture and the actions needed to support and implement that. It will need strong alignment with Thriving Communities and Vision Derbyshire as the Council looks to rethink how it does its business. For this reason, additional capacity will be needed as the service is not currently resourced to take this forward. This will require:

### People:

- A **Programme Manager** – to oversee all the property workstreams (the CCHQ review and the clearance of the wider estate)
- A **Consultancy Team** to review the options for the future of County Hall
- A **Project Manager** - to support full time the CCHQ review
- A **Projects Officer** - to provide technical and admin support which will see huge amounts of information being required between DCC and the review team.
- A **Solicitor** – specialising in Data Protection and Information Governance is essential if the Phase is to deliver on time as issues will emerge continuously throughout the Phase. Legal Services don't have the capacity to support the programme on the scale likely to be needed.
- **Facilities Management Programme Manager** – to co-ordinate and supervise the FM logistical work, clearance and moves. They will receive plans and measured surveys alongside the service functional requirements for all spaces and oversee the CAD IT for mapping recording of workstations ensuring space is in accord with workplace regulations.

### Equipment:

- A **Model Office** to demonstrate examples of what is possible and promote constructive dialogue. The space will demonstrate a quality standard and the flexibility that can be achieved through demountable furniture alternatives, differing layouts and how these integrate with technology.

## PROGRAMME MANAGEMENT

The MWOW programme as a whole will need to continue running, pulling together the different projects and workstreams, ensuring they are aligned, that the key milestones delivered and that the benefits are fully realised. To support this will require:

- A **Programme Manager** to provide drive to the overall programme, ensure the workstreams and projects remain on track and that all dependencies, risks and issues are managed. The PM will retain overall responsibility for the day to day delivery of the programme and ensure stakeholders are properly engaged, reporting to senior managers.
- A **Project Manager** - to lead the Culture Change workstream
- A **Business Analyst** – This role will support the culture change work and the review of HR policies to identify what needs to change and developing those new processes with colleagues and others as appropriate.
- A **Project Officer** – who will support Programme and Departmental colleagues across all activities above ensuring that all activity is co-ordinated and follows the programme plan.



## Resources: Summary Table

<b>MWOW Phase 2 Programme Costs (May 2022 – February 2023)</b>					
<b>Role / Resource required</b>	<b>Grade</b>	<b>Salary £k</b>	<b>Other £k</b>	<b>Actuals (and Per Annum salary + oncost equivalent)</b>	<b>Total £k</b>
<b>Culture Change - £114k</b>					
HR Transformation Officer	11	34	-	34,260 (45,680 pa)	34
Communications Officer	10	30	-	30,016 (40,022 pa)	30
Communications Material	-	-	50		50
<b>Digitally Enabled - £374k</b>					
IT Assistants (x2)	8	24	-	23,997 (31,997 pa x2)	48
Hybrid Meeting rooms - CCHQ	-	-	56	Actual: 56,006	56
Hybrid Meeting rooms – Wider Estate	-	-	92	Actual: 92,239	92
Desktop equipment - CCHQ	-	-	90	Actual: 89,992	90
Desktop Equipment – Wider estate	-	-	88	-	88
<b>Property Strategy - £515k</b>					
Programme Manager	13	43	-	43,226 (57,635 pa)	43
Project Manager	11	34	-	34,260 (45,680 pa)	34
Project Officer	9	26	-	26,480 (35,307 pa)	26
Solicitor (DPIA)	12	39	-	38,617 (51,489 pa)	39
Facilities Management Programme Manager	12	39	-	38,617 (51,489 pa)	39
Consultancy Team	-	-	92		92
Model Office	-	-	35		35
Wider Estate Clearance	-	-	207		207
<b>MWOW Programme Management - £137k</b>					
Programme Manager	13	43	-	43,226 (57,635 pa)	43
Project Manager	11	34	-	34,260 (45,680 pa)	34
Business Analyst	11	34	-	34,260 (45,680 pa)	34
Project Officer	9	26	-	26,480 (35,307 pa)	26
Phase 2 Programme Staffing Cost ( <i>But see notes 3 - 5 below</i> )					430k
Phase 2 Non-staff costs					710k
<b>Total Phase 2 costs</b>					<b>1,140k</b>
<b>Notes:</b>					
6. The mid-point salary - including 30% on-costs - for each grade has been used. The actual could be under or over this figure.					
7. Totals have been rounded for ease of reading, but actuals are provided.					
8. Costs are calculated at 9 months for each role from June 2022 to February 2023 – the anticipated end of Phase 2.					
9. Most additional staff will be recruited on 12 month fixed term contracts. If they begin in June, this means they will have 3 months left on their contracts to be paid for by funding for Phase 3: <b>this has not yet been sought or approved</b> . However, it is expected that there will be a Phase 3 Implementation Phase, and recruiting on 12 month contracts will allow us to:					
<ul style="list-style-type: none"> <li>• Recruit and retain knowledgeable and experienced staff</li> <li>• Avoid using more expensive – and often less expert – agency staff</li> <li>• Ensure Phase 3 gets off to the best possible start</li> <li>• Avoid staff time on a further round of recruitment.</li> </ul>					
10. Approving Phase 2 funding therefore, means approving <b>up to £146k of Staff costs</b> that will fall into Phase 3. This represents the remaining 3 months of their contracts. These costs are NOT included in this business case which is for Phase 2 only.					

