

PROJECT REF/NAME	SMARTER WORKING PROJECT
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Project Category	Strategic

The following is to be completed by Gateway Review Board

Approved By/Date	Smarter Working Board	<i>Date of meeting/decision</i>
Approval (choose from drop down menu)	Choose an item.	
Comments	<i>Any relevant comments from the approving authority should be documented here.</i>	

The following template has been developed with headings and subheadings that should be used when creating the Full Business Case. Guidance text has been added below each section to assist you through the process.

Please note that the table of contents should be updated after completion by right clicking and choosing the “Update field” option.

A guidance document has been published by HM Treasury to support the development of this Full Business Case [\(Green Book Guidance\)](#).

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1. Version History

Version	Date	Details
0.1	17/5/23	Initial Draft created by Jeanette Netherwood
0.2	9/6/23	Draft updated following review by SWDG/SW Board
0.3	17/6/23	Draft updated following comments at consultation stage

2 Executive Summary

This document sets out the high level business case for the implementation of flexible and new ways of working for the office based staff of Moray Council. This will encompass a review of the existing office portfolio and provision of appropriate, modern, functional spaces and facilities required to deliver services, whilst improving utilisation of resources and working to minimise our carbon footprint.

Vision

“Moray Council will create progressive, dynamic and sustainable working environments that empower our workforce to succeed and deliver excellent services, using technologies and workstyles that enhance communication, collaboration and improve wellbeing”

The Flexible Working Policy was approved by Council in September 2022 and is considered an enabler for the Office Review which is one element of the Property Asset Management Assessment (PAMA) the purpose of which was to provide a strategic overview of Council offices; how they were used; what opportunities there may be to co-locate services to improve joint working; and to examine opportunities to reduce operational costs through a programme of rationalisation.

These objectives were developed into a strategic approach for hybrid working in Moray Council as the “Smarter Working” project in September 2022, to deliver modernised working environments for office based staff across all services, through the design and adoption of principles and standards consistently applied for all, but which provide flexibility where needed. The approach combines reviewing organisational development needs supported by the Flexible working policy, guidance and toolkits, and, a review of requirements of types of functional spaces, ICT infrastructure and equipment to meet service needs.

The Covid pandemic resulted in swift changes to working practices, brought about by necessity to meet legal requirements restricting face to face meetings, and facilitated by the provision of Government funding to procure laptops and mobile technology.

A recent Office of National Statistics survey (Sept to January 2023) has shown that 48% of public services are working either partly or fully from home (40% in private sector). Hybrid working is much more common among public sector workers (35% compared with 26% in private sector). All local authorities in the North East of Scotland and Highland provide some form of hybrid working, Aberdeenshire in particular having hybrid working in place for over 10 years. The pandemic has changed working patterns and

expectations of workforces and people place value in the ability to work from home. Through recent surveys of Council staff it is clear that the majority of employees responding welcome the flexibility hybrid working provides to manage work/life balance more effectively.

The Council needs to establish a sustainable approach to ensure that it maintains the workforce and attracts new people for difficult to fill specialist posts where issues are already being experienced. Smarter Working supports this approach.

Through approval of the Flexible working policy on 28 September 2022 the Council made a commitment to hybrid working so that is now the norm for posts that are deemed suitable (i.e. not location specific). The initial target of provision of desk allocation for 50% of full time equivalent posts was determined from the default position of 3 days at home, 2 in the office as agreed in the policy. This allocation provides capacity for flex in terms of normal routines according to individual and service needs, per agreement with managers, and also for flex week to week as demands that require attendance the office ebb and flow. It is clearly stated that individual circumstances will be taken into consideration and adjusted for where necessary. Space allocated to services will be managed to accommodate these changes along with shared provision, such as hot desks.

The standards and principles agreed for adoption across offices in scope will ensure a consistent approach and equality for services in space and access to ICT equipment and functional space and facilities. The recommendations contained in this business case for provision of equipment or infrastructure recognise the current financial situation and pressures being experienced by the Council to bridge a £20m budgetary gap. Therefore careful consideration has been given to functionality benefits versus cost to minimise spend for hybrid meeting equipment and furniture.

The Organisational Development team are progressing with the development of training and guidance for managers and staff in relation to the desired change in culture and to provide support to those who find change challenging.

Through adoption of hybrid working the Council will sustainably embed flexible working, for suitable roles, across the organisation. In doing so it will provide enhanced opportunities for collaborative working with colleagues, provide equipment and tools to empower them to work in the right place to best meet their own and service requirements, either online or face to face. In doing so we will seek to improve morale and the wellbeing of colleagues and progress culture change whilst achieving savings in operational costs and releasing surplus properties. In addition there will be opportunities to provide office accommodation for Health and Social Care Moray and other partner agencies to improve networks and collaborative working.

Going forward, other opportunities for use of spare capacity or rationalisation of properties will be realised once interdependent projects such as the depot review, additional support needs review and learning estate review progress to completion, and these will be taken forward by the Asset Management team for consideration by the Asset Management Working Group at the appropriate time.

The recommendation is that funding of £82.3k for 2023/04 and £25.4k for 2024/25 be approved to procure the required equipment and make the physical changes to working environments described in this Full Business Case, to effectively embed hybrid working in the offices within scope.

3 The Strategic Case

Moray Council Corporate Plan 2024 sets out the vision of “a life of opportunity for all, where people can thrive in vibrant communities and we work together to enrich our future”

This project aligns with the Council priorities of “Our People, Our Place and Our Future” through the design of modern workspaces that will support achievement of a positive and sustainable health and wellbeing balance for our workforce as they strive to deliver quality services for our communities across Moray in a productive and efficient way.

Building on the work and progress already achieved and implemented (e.g. Designing Better Services programme, Flexible Working Policy updates, emergency response to the pandemic with regard to working from home), the focus is to consolidate and embed the new model of hybrid working in redesigned spaces and achieve benefits for individuals, services and the organisation.

The UK Government [SMARTER WORKING model](#) provides a road map towards achieving hybrid working maturity and encourages learning from the experience over the Covid pandemic to inform future plans.

3.1 The Strategic Context

Corporate Workforce Strategy

The Council aims to develop a skilled, motivated and flexible workforce. The implementation of the revised flexible working policy aims to maximise flexibility and minimise constraints for optimal performance and customer service.

Due to the rapid advances in technology and with the increasing number of organisations offering hybrid working the playing field has changed and more people in a wider range of professions no longer need to live in the area where they work.

Combined with the recruitment challenges that are being experienced across the country as well as within Moray, this means that Moray Council will need to promote the flexible aspects and opportunities of working for the Council from a remote base (where appropriate outside Moray) while also promoting its attractive scenery, natural outdoor facilities and being a great place to bring up a family, which was the core element of recruitment advertisements prior to the pandemic.

In addition to the above, Moray also has an aging population and the Council has an ageing workforce. Attracting young people into the workforce is linked with providing flexible working arrangements, having the requisite support, career pathways and development opportunities to support them and, when considered in conjunction with the recruitment challenges, this is likely to be a key strand of the revised corporate workforce and organisational development strategy and plan. There are also existing issues with recruitment to skilled and professional posts. Implementation of Smarter Working will increase the potential to recruit from a wider pool of applicants that are not necessarily based in Moray. Prior to the pandemic the majority of our staff lived and worked in Moray however this will inevitably change but will continue to be monitored, albeit there will be consequential impacts for the economy of Moray if people do not live where they work.

Budgetary constraints

Moray Council, along with many other Local Authorities in Scotland, has a significant budget deficit that requires to be reduced. Ensuring efficient and effective use of all property is an integral aspect of the Property Asset Management Appraisal (PAMA) and rationalisation of the office estate where possible will contribute to this by reducing revenue spend year on year on operating costs and maintenance and by providing capital receipts where properties can be disposed of.

Economic Pressures

The increasing cost of living, initially through the cost of fuel and more recently energy, and the resultant impact in other areas such as food and delivery charges is being felt by all organisations and individuals. Information will be provided to staff regarding indicative costs of working at home or in the office, the impact on their own and the Council's carbon footprint and signposting to advice on actions people can consider to reduce day to day living costs.

Covid-19 Pandemic impacts

According to data from the Office of National Statistics, prior to the Covid pandemic only around 5% of workforces worked mainly from home. The pandemic and government mandated requirements to stay at home significantly changed this.

Prior to the pandemic, Moray Council had a flexible working policy and toolkit, some staff working flexibly using a mix of 300 dedicated laptops, circa 200 pooled laptops and limited desktop video conferencing. This equated to approximately 20% of the office based workforce having dedicated equipment.

During the Council's initial response to Covid a target of 80% was identified for provision of dedicated equipment to individuals to enable them to work from home. Therefore a further 700 dedicated laptops and 500 mobile phones were issued to staff to facilitate maintenance of service delivery. This was a significant change from 20% of staff with dedicated kit to 70/80% after the pandemic.

As well as the individual equipment roll out there was a significant expansion to the network capacity resulting from usage of the network going from 30/40 people using the Virtual Private Network to 700 a day at peak times.

The Smarter Working project provides an unique opportunity to build upon these changes which facilitated rapid deployment of technological solutions and ICT equipment, enabling staff to work from home.

In order to manage expectation and risk while the Smarter Working project was being developed, Moray Council set a general expectation that use of desks continues to be limited to the Covid-19 arrangements (broadly, a home/office ratio of 3:2 for hybrid working) and the new ways of working were consolidated through managers' applied discretion to assess changes on a case by case basis as needed. While this has been critical as a holding position to support change, this level of occupancy of buildings is not efficient use of the estate and there are expectations from staff, customers and local businesses that the situation will change with offices again fully occupied. Definition of the building related standards and principles for the new ways of working has taken time but is essential for the consistent rollout across all services and will be managed according to an agreed and structured process. This will change the way buildings are occupied and support estate rationalisation.

This project has developed the structured approach for re-assessing office needs of services, customers and staff, definition of standards and principles for consistent application and a plan for implementation that will result in a sustainable solution. Reports on the revised Flexible Working Policy and the Office Review update were submitted to Full Council on 28 September 2022 with the recommendation that implementation be taken forward jointly under the Smarter Working Project. This was approved and forms the platform from which the project has developed. The subsequent report with the Outline Business Case was approved on 2 February 2023 and confirmed the commitment of the Council to hybrid working to release office accommodation and reduce costs.

According to the **Office for National Statistics 23/5/22¹** most people who took up homeworking because of the Coronavirus (Covid-19) pandemic plan

1

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/isahybridworkingheretostay/2022-05-23>

to continue to both work from home and in the workplace (“hybrid work”) according to data from the Opinions and Lifestyle survey (OPN)

Moray Council - Organisational Development

Feedback from the Moray Council Mental Health and Wellbeing Survey 2021 highlighted that the vast majority of staff that had previously been based in offices were working at home or a hybrid of between home and the workplace. 80% (992 of 1241) of respondents advised there was an increase in email use and for 75% (931 of 1241) respondents there was a decrease in face to face meetings. Over 54% (675 of 1240) of respondents said they would like to continue to work from home combined with office time, whereas 13% (159 of 1240) wanted to return to their normal working environment. 54% (627 of 1156 of respondents) highlighted they were missing contact with colleagues and they felt that additional support for health and wellbeing would be provided by more regular interaction with colleagues. 62% (771 of 1244 respondents) advised they would like training to help understand mental health issues but this was not for their own situation but rather to support colleagues or service users.

The top three rated concerns for the future were workload pressures (61% or 762 of 1249 respondents), ongoing changes to working practices (60% or 749 of 1249 respondents) and ongoing Covid concerns (45% or 562 of 1249 respondents). Financial concerns in 2021 was the area of lowest concern at 16% (200 of 1249 respondents) however with the changes in cost of living and the energy costs rises this is an element that may impact those with less disposable income and is a risk to the implementation of a strategy for hybrid working that will require to be managed.

The Mental Health and Wellbeing Pulse Survey 2022 had a response rate of 15.8% (797 returns), lower than the 25% rate for the full survey in 2021. Of the respondents 53% were continuing to work in their usual location, 16% were working wholly at home and 23 % were working between an office/school or home (totals 92% - some respondents did not answer all questions). There were high positive responses to people feeling they were safe in the workplace (79%), had a good work/life balance (73%) and having the equipment to undertake role more flexibly. Concerns still exist regarding workloads (47%) and ongoing concerns about change to working practices (44%).

These results provide an insight that people are generally able to do their tasks and welcome the flexibility of working at home, however there are aspects of work where existing solutions need improvement to better support creative thinking, collaboration and social interaction. Ongoing workforce engagement has aimed to address these less positive aspects.

Feedback from Personnel Forum, Managers and Trade Unions

Feedback from managers through the Personnel Forum and day to day interactions, and with the Trade Union representatives through the HR / TU Officer Group and other interactions has been largely positive to the proposal to embed hybrid working as the norm going forward. As noted above, there are areas that will require improvement (e.g. digital infrastructure, spatial design to support team networking, collaboration and creative thinking) and

these elements are incorporated into the project and organisational development plans that are being drafted.

Property Asset Management Appraisal (PAMA) – this appraisal was conducted in 2018 and outlined the strategic direction in relation to property. The office review was originally part of this appraisal but has now been amalgamated with the Flexible Working Policy project which existed under the Council's **Improvement and Modernisation Programme**. The combined project headed “Smarter Working” brings an opportunity to blend a renewed focus and approach to flexible working in its broadest sense, incorporating the new model of hybrid working described in the revised [Flexible Working Policy](#) with a comprehensive review of office space and building requirements to support the transformation and modernisation agenda.

Climate change is a key corporate priority and through adoption of hybrid working, we will work towards creating a more sustainable council and reducing our collective carbon footprint, as we work towards achieving a carbon neutral status by 2030 ([Climate change strategy](#)). Smarter working will allow best use of existing facilities while supporting hybrid working. This has the potential to reduce emissions through commuting while also reducing emissions from Council buildings. The positive impacts on climate change from smarter working will form part of the communication and engagement strategy for the project.

In terms of Climate Change Impact Assessment (based on Scottish Government growth deal carbon management guidance and Green Book guidance) the carbon categorisation of the proposal to encourage better use of Council buildings and encourage hybrid working can be regarded as 2A (ie Whole life carbon net zero while influencing wider carbon savings) in that there should be no operational carbon increase through assets controlled by the Council but by reducing commuting it has the opportunity to encourage individual behaviour to tackle the climate emergency.

At present we have to report a carbon factor for home working. This will be reduced considerably to reflect a more accurate assumption of the home work pattern of working. As the average home is decarbonised, the carbon factor associated with home working will also be reduced. However at present, commuting is not included in our reporting but will be included from 2022/23 reports. Reducing commuting by car should compensate for the home working carbon factor of home working.

Digital strategy

The pandemic caused a significant change in strategic direction for the ICT infrastructure and equipment provided to individuals and services. There was a need to react responsively to the flexible needs of staff, upgrading the Virtual Private Network to a significantly larger capacity, sourcing and rolling out laptops and other devices and revisiting policies and practices to ensure that flexible working for the workforce was possible and effective. The introduction of Office 365 and Microsoft teams to facilitate hybrid working is also a key element. In addition the strategy, policy and protocols for telecommunications, Wi-Fi capacity and access to networks will require to meet the needs identified by the organisation to support services for comprehensive and effective modern hybrid working. The [ICT and Digital](#)

[Strategy](#) and Plan incorporate the requirement to further develop the ICT infrastructure to support the digital aspects of enhanced flexible working.

3.2 Strategic Approach

The hybrid working model is designed to continue to break down traditional barriers around place-based activities and robustly embed the new approaches to working so that the culture of the organisation and our people embrace the change. The approach will focus on the functions required to deliver services, what services need to perform these functions and how they do this, bringing people together using the right processes, connectivity, time and place to get work done effectively.

3.2.1 Strategic Aims

Learning and Growth

- **Develop the organisational culture, skills and environment to embrace and embed flexible and hybrid working**
- **Improve organisational resilience**

Workforce

- **Improve employee motivation, morale and wellbeing**
- **Attract and retain quality, creative, motivated and productive staff**

Process

- **Provide seamless access to sustainable, modern working environments which support delivery of high quality, efficient and effective services**
- **Reduce the environmental footprint of our working practices**

Financial

- **Increase efficiency and effectiveness of utilisation of functional spaces within Moray Council office accommodation, reducing the cost of running the council by better use of assets**

3.2.2 Drivers For Change

Why now?

Designing Better Services was a major programme of change that transformed Council services during 2010 to 2013. As part of this project flexible working and rationalisation of offices was undertaken with an aim for services to work to a 7:10 ratio of desks:staff. The Covid-19 Pandemic was then a further catalyst for many transformational changes to the way organisations and businesses operate and prompted funding for equipment for large numbers of staff to work from home. The Council must now take action to implement hybrid working and move from the holding position established since Covid, to embed beneficial changes as part of our culture and to act on lessons learnt, address challenges that need to be addressed so that we maximise the potential of our workforce and our office facilities and deliver operational cost savings. The Council approved the revised [Flexible Working Policy](#) in September 2022 and hybrid working is a fundamental element of this policy that must be embedded.

Workforce & Culture - Attracting and retaining a high quality, creative, motivated and productive workforce is key to the successful delivery of the Corporate Plan. In order to compete with other prospective employers there is a need to ensure that the Moray Council has:-

- adopted a modern way of working;
- has appropriately equipped functional spaces available for service needs;
- has ICT solutions that work seamlessly from home or other workplaces; and
- supports the health and wellbeing of our staff through effective application of policies and support mechanisms.

Facilitate Service Development - During the period of the pandemic there have been changes to the structure of teams across the Council. Where there have been increases in staff resources there has not been any associated increase in allocated space in offices. The engagement with managers and their teams has enabled them to take stock and review the priorities, function and needs of services and individuals and provide the right type of space in the best location possible to meet service delivery requirements.

Improve staff wellbeing – the staff survey 2021 and pulse survey 2022 have highlighted that the majority of staff are equipped to carry out their duties, however responses identified a need for areas for connection and collaboration with colleagues that is not being met through the current provision. The initial survey of Early Adopter staff showed that 84% (38 of 45) of staff were hybrid working and stated they felt the flexibility of working at home for tasks requiring concentration with the mix of being in the office for project work or face to face meetings made them more efficient. They highlighted issues with access to desks, and small meeting rooms and the requirement for hybrid meeting equipment, which were addressed with their allocation of space as early adopters.

This requires further investigation and consideration to continue to identify approaches that could be adopted to improve our staff sense of wellbeing and this will be addressed through the organisational development activity that is being designed to support the project.

Reset standards and improve performance – with changes to ways of working some processes may require to be reviewed to ensure they are as efficient and effective as possible. Services have started to identify issues with communication and performance effectiveness in some areas which need to be considered and addressed and the early engagement with services should help identify these issues and possible solutions in a systematic way. At the management engagement workshops several improvements to ways of working were identified, such as use of electronic signatures for legal documents, (which may reduce travel costs and time and will improve turnaround time) or use of contactless readers for use in the community by housing officers (reducing time and reducing rent arrears) and these will be taken forward through existing business as usual channels.

Budgetary challenges – due to budgetary pressures it is essential that office accommodation is used efficiently and effectively and any opportunity to reduce costs through releasing property or running costs needs to be fully assessed. There is also interest from partners to share accommodation so there is an opportunity to consider renting any spare capacity which would bring income to the Council.

3.3 Objectives

The objectives derived from the strategic context and issues presented above for this project were set out following engagement with CMT/SMT. The Smarter Working Delivery Group developed the objective statements into SMART Objectives with associated indicators to monitor benefits realisation.

Balanced Score Card	Strategic Aims (in full council reports)	Objective Statements at CMT/SMT 15/8	SMART Objective	Indicators
Learning and Growth	<ul style="list-style-type: none"> Develop the organisational culture, skills and environment to embrace and embed flexible and hybrid working Improve organisational resilience 	<ul style="list-style-type: none"> Prepare the organisation and workforce to embrace new ways of working Increase confidence in use of new technology to support hybrid working 	<p>Increase % staff adopting flexible and hybrid working by September 2023</p> <p>Deliver smarter working training to all 3rd and 4th tier managers June 2023</p> <p>Increase from existing baseline staff confidence in the use of digital tools and skills by April 2024</p> <p>Update all induction materials to reflect the organisational change to embed hybrid working by September 2023.</p>	<p>% staff adopting flexible and hybrid working</p> <p>% managers trained</p> <p>Increase in Staff confidence/satisfaction following training on digital tools courses</p> <p>% Induction materials updated</p>
Workforce	<ul style="list-style-type: none"> Improve employee motivation, morale and wellbeing Attract and retain quality, creative, motivated and productive staff 	<ul style="list-style-type: none"> Engage and consult on the approach to and implementation of hybrid working Attract and retain high quality workforce 	<p>To communicate widely the journey to embed hybrid working and how it will enhance productivity</p> <p>75% of staff, with hybrid working roles, satisfied with working arrangements by March 2024</p> <p>Increase from existing baseline in % of staff who think working from home either part of full time continues to have a positive impact on their mental health. by 2024</p>	<p>% progress with communication & engagement plan</p> <p>% staff who feel working part or full time at home continues to have a positive impact on their mental health</p>

			Increase the average number of applicants to posts suitable for hybrid working, by 10% by March 2024	Average number of applicants for hybrid posts by type of role
Process	<ul style="list-style-type: none"> Provide seamless access to sustainable, modern working environments which support delivery of high quality, efficient and effective services Reduce the environmental footprint of our working practices 	<ul style="list-style-type: none"> Provide a strategic overview of council offices and their use Provide digital solutions that enable people to work from suitable locations Identify opportunities to co-locate services to improve joint working Reconfigure office layouts providing the right spaces to facilitate productive service delivery and creative collaborative team working. 	<p>100% of staff whose role is suitable for hybrid working, provided with equipment to work in a hybrid style by September 2023</p> <p>Equip 12 small and 5 large fully operational hybrid meeting rooms by June 2023</p> <p>All office meeting room and collaborative working spaces provided with good quality Wi-Fi coverage by end of 2023</p> <p>Secure Wi-Fi access available for third party access in collaborative work spaces by end of 2023</p> <p>Reduction in carbon emissions from Council offices per FTE by end of 2025</p>	<p>% hybrid working office staff provided with necessary equipment</p> <p>Number of meeting rooms fully operational</p> <p>% meeting rooms and collaborative spaces with Wi-Fi coverage</p> <p>Reduction in total carbon emissions from offices per FTE</p>

Financial	Increase efficiency and effectiveness of utilisation of functional spaces within Moray Council office accommodation, reducing the cost of running the council by better use of assets	<ul style="list-style-type: none"> Identify and evaluate opportunities to reduce property operational costs through a programme of rationalisation Seek opportunities to utilise other Council building assets to increase efficient use and reduce carbon footprint Reduce unnecessary travel to and for work 	<p>Reduce total operational costs for office buildings by 2025</p> <p>Reduce the operational property costs by 5% per FTE for council offices by end of financial year 2023/24</p> <p>Reduce Council estate by 3 offices by end of 2024</p> <p>Reduce the office estate by 5 offices by 2025</p> <p>Achieve 50% space allocation of FTE total with services in HQ campus by August 2023</p> <p>Increase the number of staff utilising the Moray Council HQ campus office accommodation by 25% by April 2025</p> <p>Reduce the mileage claimed for private car usage by 10% by end of financial year 2024/25</p>	<p>Total office operational costs</p> <p>Reduction in office operational cost per FTE</p> <p>Total Income generated from lease of office space</p> <p>Total number of office bases</p> <p>Desk allocation compared to 50% FTE for services based in HQ campus</p> <p>Number of staff utilising HQ campus</p> <p>Total Mileage claimed (baseline 2022/23)</p>
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Table 1

As processes are developed for Smarter Working there will be a review of any associated functions undertaken and elimination of any duplication and unproductive elements in current work arrangements.

The key investment objectives for this project are as follows:

1. Investment Objective 1 – to increase the availability of digital equipment and tools to support hybrid working and encourage use and confidence through provision of training.
2. Investment Objective 2 – to increase sustainability of office estate through rationalisation and seeking opportunities for income generation from any spare capacity identified
3. Investment Objective 3 – to reduce travel to and for work, reducing associated costs and carbon footprint implications.
4. Investment Objective 4 – to increase staff satisfaction in work/life balance through application of the flexible working policy

3.4 Existing Arrangements

During 2021 the Property Asset Management Assessment identified that there was under-utilisation of capacity in offices and that to create a sustainable portfolio there was a need to rationalise use of space. Some staff have had flexibility in place of work since the Designing Better Services project in 2013 however when ICT services rolled out laptops and telephony solutions to staff during the pandemic to enable them to work at home, it enabled many more employees the ability to experience the benefits and challenges of working at home.

The Scottish Government removed the covid emergency status in March 2022 and confirmed that staff could start to return to the office, albeit employers were urged to encourage the implementation of hybrid working as a feature to provide flexibility and resilience for any future emergency situations such as another variant of COVID-19. The Council decided that there would be a controlled partial return by staff to facilitate maintenance of some of the progress to hybrid working already achieved.

Since March 2022 up to 50% of desks spaces in areas allocated to services prior to Covid had ICT equipment kitted out and available for use by them. Interim temporary guidelines for adoption by services advised that as a general standard staff should adopt a working practise where possible of 2 days in the office each week and 3 days working from home for a full time employee, pro-rated for part time employees. From the latter part of 2022 approximately 65% of desk spaces have been equipped to support hybrid working in anticipation of further staff movement within the HQ Campus and in line with available budget.

The rationale for this project is to consolidate the gains and opportunities arising as a result of the Business Continuity response to the pandemic and in combination with the revised flexible working policy and the review of use of offices to increase efficiency and effectiveness of the use of space. The approach adopted requires to be sustainable and this has progressed and will continue to progress through consultation and engagement with services and individuals and the provision of appropriate space and equipment.

Using the example of the HQ Campus, currently there are circa 895 staff (787.574 FTE) (excluding members) known to be working from the HQ campus (HQ, annexe & Rose Cottage). Given that there are 760 desk spaces available, this equates to a starting ratio of just over 1:1, therefore the scope to use space more efficiently and rationalise office accommodation is clear.

3.5 Business Needs – Current and Future

Whilst many services and individuals have coped well with the necessity of working at home there is a need to consider substantive organisational requirements to embrace hybrid working fully and make effective use of our office portfolio.

This is a real opportunity to build on that innovation to contribute towards not only the Council's budgetary challenges by reducing the need for traditional office environments and the cost of the infrastructure that supports that, but in addition, offer more opportunities to staff who could benefit from hybrid working and meet the expectations of our partner organisations and other bodies in relation to holding meetings in a hybrid environment. Surplus capacity will be able to be leased to partner organisations who are also downsizing local office portfolios but who still require an office base for their hybrid working staff.

3.5.1 Offices in scope

It was agreed at Full Council on 2 February 2023 that during this project focus on the offices that will release the greatest savings or opportunities for income generation for any spare capacity are:-

In scope	
HQ Campus	Headquarters Annexe Rose Cottage
Other Elgin	9 North Guildry Street
	9a & 9c Southfield (NHSG lease for HSCM staff)
Out of Elgin	Buckie Cluny Square

Offices currently classified for retention due to the specialist service provision which will require separate consideration are as follows:-

Retain – adopt standards and principles	
	11 North Guildry Street
	232-240 High Street
	Beechbrae & 10 Duffus Road
	Buckie Townhouse
	Keith Community Hub, Keith
	Phoenix Centre, Buckie

Offices identified as surplus ready for disposal

Surplus – for disposal	
	30-32 High Street

The offices in scope require to be provisioned with hybrid meeting equipment and ICT equipment and tools for employees to enable adoption of hybrid working.

Following Manager Engagement workshops, utilising the toolkits, checklists and information describing functional spaces and equipment, managers and teams developed their service requirements and submitted these to heads of service for review for consistency across their services. This process also included assessment of roles to establish if they were suitable for hybrid working and completion of a Display Screen Equipment (DSE) self-assessment by all staff aiming to hybrid or home work. The output of these have been submitted to the Smarter Working Delivery Group to inform the revised space allocation.

3.6 Potential Business Scope and Key Service Requirements

It is recognised that one size will not fit all and that there will be exceptions to every rule. Services are being led and supported through the adoption of the revised flexible working policy and the standards developed for individual equipment in the office and for home, combined with the opportunity to review the functional spaces and digital solutions required to deliver the service objectives.

3.6.1 Functional Spaces

Service managers and staff have informally identified the need for collaborative working spaces that will facilitate face to face meetings as well as combination of face to face and staff working in other locations, however any changes to accommodate hybrid working arrangements and functional spaces need to be taken forward in a consistent manner for all services. Types of functional spaces and associated equipment are described in **Appendix 1**.

3.6.2 Equipment and Facilities

In order to ensure consistent provision of equipment for individuals and services to facilitate hybrid working a review has been undertaken and is shown in **Appendix 2**

3.6.3 Initial Space Allocations for HQ Campus

HQ Campus

Service	Campus FTE	50% FTE desks (rounded up)	Pre Covid Desk allocation	Potential reduction in service desk numbers
Chief Executive Section	7	4	4	1
Economy, Environment and Finance	355.54	178	297	100
Education, Communities and Organisational Development	276.64	139	279	134
Health & Social Care Moray	138.39	70	93	15
Totals	777.57	391	676	250

Table 2

It is anticipated that there will be a need for additional meeting rooms as more services utilise the offices. The exact requirement is difficult to determine so an allowance for 7 meetings rooms is being included which will reduce available desks by approximately 38 desks. A provision will be made for circa 50 corporate hot desks for staff working in the community who require touch down facilities, for example, between appointments or for where there are times when services require additional capacity for example in person training for new team members. There is an identified requirement for some office space to be used for storage, which will result in reducing desks number by 23 and depending on services storage needs may reduce desk numbers further.

Staff from 9 North Guildry Street will be moving into the campus (33 staff (27.47FTE)) and Health and Social Care have requested 50 desks for staff from Southfield at this stage, with numbers to be confirmed following appropriate engagement with managers and teams.

Desk allocations for services within HQ campus have yet to be finalised however estimates are between 120 and 150 desks will be available to accommodate rationalisation of more Council offices (from depot review and ASN review) or to accommodate partner organisations.

3.7 Main Benefits Criteria

Moving forward to a sustainable future where the office space provided is sustainable and future proofed and people are able to use a variety of flexible working environments seamlessly.

The summarised benefits categorised in terms of type:-
(linked to 3.3 smart objectives above)

A) Cash Releasing

- Reduced operating costs as the number of occupied buildings reduces
- Potential reductions in maintenance costs if buildings can be disposed of
- Capital receipt if surplus property sold
- Reduction in business travel claims

B) Non-Cash releasing

- Reduction in corporate estate carbon footprint of staff adopting hybrid working which will be identified once the service engagement has taken place and workstyles have been confirmed
- Improvement in home/work life balance – improved employee health and wellbeing evidenced through a regular pulse survey
- Improvement in knowledge and confidence in ICT skills, evidenced against the digital skills survey baseline data from 2022

C) Quantitative

- Increased number of staff utilising space - Target for all services to reduce to 50% of FTE or less for desk space allocation
- reducing spare office capacity
- increased efficiency of office operating costs per FTE (reduction in costs per FTE)
- improved ability to recruit (reduction in need for re-advertising, increase in candidate attraction)

D) Qualitative

- Improve staff feeling of satisfaction with ways of working and use of office functional spaces
- Improvement in public perception of Council being a progressive employer with modern approaches

However, there are some potential dis-benefits which are:-

Disbenefit	Mitigation
Increased financial impact for individuals from rising energy costs for working at home	potentially offset by reduction in fuel to travel where applicable)
Reduction in local spend by staff in high street businesses	Potentially offset by more localised spend in communities. Once HQ campus is utilised fully footfall may return to previous levels.
Staff isolation and potential for negative impact on wellbeing for some people	Hybrid working will improve contact when staff work in the office. Managers have contact with all staff

	where ever they are working and schedule regular team meetings. Microsoft teams facilitates communication.
--	--

3.8 Main Risks

A number of risks have been identified and will need to be managed throughout the project. A RADIC log has been created and an extract is provided in Appendix 6.

Risk Description	Mitigation
Design Risks	
There may be increased risk to Cyber Resilience and business continuity following changes to ways of working	As well as existing security measures through ICT services, services will consider impact of hybrid working and update business continuity plans for continuation of essential services including arrangements should there be other disruptions such as power supply issues.
Development Risks	
Costs of equipment and furniture fluctuate so forecasting required spend is challenging.	Using early adopters to test equipment and approaches and a phased approach, will reduce the risk of equipment not being fit for purpose and ensure learning from each phase informs the next.
Capacity of Project Team to deliver the project to plan	There is a dedicated senior project officer to manage the project who works with colleagues to meet targets assigned or take action to adjust plans, informing Board accordingly.
ICT & OD resources	Additional funding has been secured for staff resources to support the development and implementation phases in ICT and Organisational Development teams.
Project Timeline	Close management of the project plan is undertaken at Delivery Group and reviewed at Smarter Working Board to ensure that tasks are set realistic targets which are then achieved, or mitigation undertaken.
Senior Management Support	Regular engagement with leaders and senior management to inform of key stages and obtain support for approach is undertaken.
Implementation Risks	
Supplier lead times	Lead times continue to fluctuate however the Council has several contracts that can be utilised if lead times may impact negatively on timelines.
Lack of Staff Capacity	Due to pressure of workloads some managers and teams have not been able to engage fully with the scheduled workshops. These services are being supported directly by the Senior Project officer to ensure collation of necessary information for the project in the timescales required.

Risk Description	Mitigation
Change management – lack of buy in from managers and staff for the change	Regular communication and engagement through a variety of mediums to ensure everyone is informed and aware of plans, so any queries or concerns can be addressed.
Operational Risks	
Space allocation requested is over or under actual requirements	Initial service allocation will allow for some flex but there will be a review after 3 months to ensure space is appropriate and adjusted accordingly.
Supplier – costs continue to fluctuate for ICT equipment following Covid.	ICT officers liaise with suppliers regularly and monitor cost of key items and will procure at the optimum time where possible.

Note:

Cost of Living - Whilst it was anticipated during winter of 2022 that the large increases in fuel and food costs would cause a large number of requests from staff to return to office to work, this did not prove to be the case.

3.9 Constraints

Design of workspaces is limited due to physical dimensions of the premises and the variety of types of services being delivered and their differing requirements. The hybrid working consolidation will need to ensure its products and deliverables are in line with **service needs**, legal advice and trades union agreements. Communication and engagement will continue throughout the process, including the consultation for change in individual circumstances where required.

The **budgetary pressures** the Council is under mean any costs identified will require to have robust option appraisal principles applied and evidence provided of the benefit. Even then the budgetary implications may require a decision not to adopt, or to delay, implementation of a preferred option until a future date.

Interdependent projects – there will be other opportunities arising from outcomes of other related projects which would be desirable to incorporate into the Smarter Working approach, however timescales are not aligned so outcomes will be incorporated into Smarter Working business as usual process as they are realised. This includes M365 development and rollout, strategy for telephony, Additional support needs review and learning estate review).

3.10 Dependencies

Service Requirements

It is essential that information regarding numbers and service requirements should be supplied by Health and Social Care Moray regarding Council employed staff utilising any office in scope is collated and considered as part of the overall portfolio.

Suppliers

The project will procure any new equipment via existing contracts and plan implementation will be dependent on delivery of equipment or infrastructure in usual lead times. If this is impacted for any reason they may be delays in transition of services to full adoption of their approved hybrid working model.

Interdependencies

There are many projects or reviews underway across the Council that may have dependencies on hybrid working or require implementation of hybrid working to deliver desired outcomes as shown in diagram 1 below.

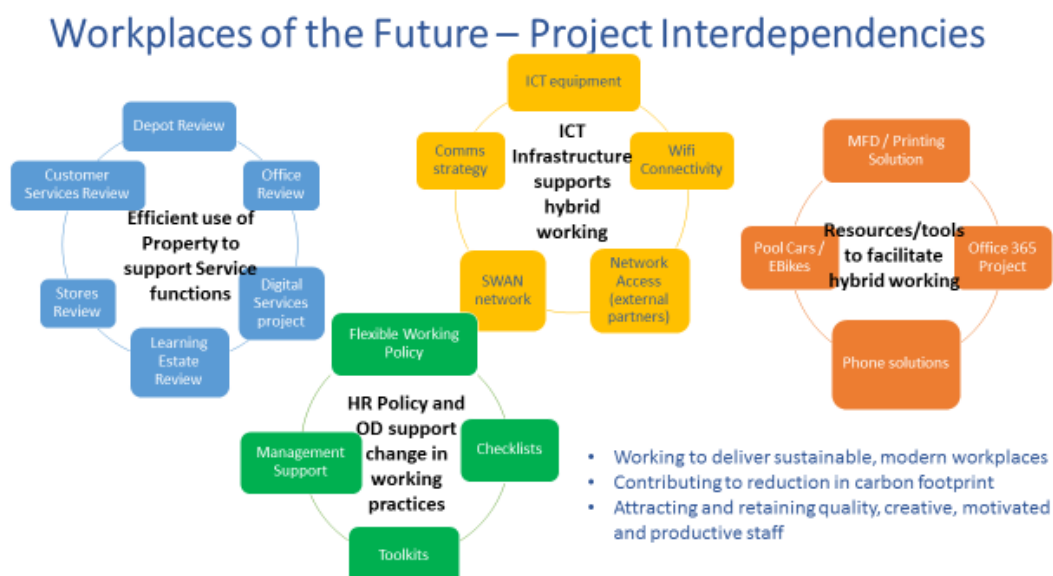


Diagram 1

“Human Resource Policy and Organisational Development support” will be essential to maximise the opportunities available for hybrid working.

The **“Resources and tools to facilitate hybrid working”** elements will improve efficiency and effectiveness of communication, collaboration and delivery of services.

ICT infrastructure supports hybrid working through various aspects and this project will provide information from services to underpin strategic decisions required for the elements identified. It will also support the review and development of protocols for people to adopt as business as usual. The implementation of Microsoft 365 and the associated functionality and tools will enhance communication and collaborative working for staff.

“Efficient use of Property to support Service Functions” will progress through each of the identified projects/reviews and once services have defined requirements the property portfolio will be aligned to best meet the needs of the organisation. This may also include consideration of expanding access to buildings to facilitate working from multiple locations. In addition there is an opportunity for improving access to welfare facilities for the wider workforce. These improvements could assist in reducing time and costs for travelling.

Examples of interdependencies:-

Education ASN review

Decision on Beech Brae may impact Rose Cottage usage.

Depot review

There maybe opportunities for office staff currently based at some depots to be relocated, potentially to the Council HQ campus e.g.

Customer Services review

this project is reviewing the delivery of customer services and seeking to utilise libraries as the front door of the Council which will release capacity in area offices for disposal or alternative uses.

Customer services redesign

- Reception areas – changed model may impact on staff numbers in HQ campus for customer services and other teams
- Establishment of hubs in libraries – may offer opportunities for other staff to hybrid work from other locations

4. The Economic Case

At the start of the development of the Outline Business Case a project Board and Delivery Group were formed to direct and guide the project.

Through various meetings agreement has been reached on:-

- Identifying existing arrangements, scope and spending objectives
- Identifying the key requirements for the project, related benefits and risks, constraints and inter-dependencies
- Consideration of options appraisals to underpin the business case

A benefits mapping exercise was undertaken (**Appendix 3**) which was then linked to the strategic aims as shown in 3.3 above.

4.1 Optimising Flexibility

In order to maximise potential flexibility for staff the following elements require options appraisals to be undertaken that will inform the business case.

Individual ICT kit

A review of the approach implemented during Covid was undertaken by the delivery group and it has been determined that the current standard adopted will facilitate hybrid working. The service engagement will identify where there is a need for variations and this will be addressed by the Delivery group.

WIFI

Whilst it is recognised that many other organisations have full Wi-Fi coverage which provides the greatest level of flexibility in office connectivity, the initial approach will be to continue the principle of providing Wi-Fi connectivity in designated meeting rooms, collaboration spaces and break out rooms. This will require installation of some additional Wi-Fi points throughout the campus and funding has been requested.

Furniture

An audit of furniture was undertaken for the HQ Campus. The assessment of condition was that the furniture is of a good condition. It is therefore intended that the desks and storage will be reused to reduce costs and environmental impact. Where possible desks will be kept in their existing location to reduce costs of moving.

Chairs that are fully adjustable will be provided in offices and where necessary specialist provision to meet specific individual requirements as assessed by Occupational Health will be made.

Appendix 2 outlines the furniture and equipment principles to be adopted.

Functional Spaces

Types of space and the equipment to be provided has been identified in Appendix 1. This approach will be consistently adopted across all office accommodation to ensure equity and so staff are familiar with facilities no matter which office location they are operating from.

Single rooms will be designated for all Senior Management and Corporate Management Team members, but these rooms will be available for other staff to use when senior officers are not using them.

Members' rooms in the HQ campus are out of scope of the project.

Network Access

Partner organisations will be able to work out of Council offices and depending on their requirements for connectivity to their network various options are available. Costs of installation will be borne by the partner organisation and will be in keeping with Council security requirements.

Telecommunications

Whilst current telephony solutions meet functional requirements, there is a need to consider the future corporate telephony requirements to best support hybrid working. The new telephone system and underpinning contract pave the way for the shift from analogue to digital solutions, and will provide potential increase in functionality and reduced costs. Options for telephony are currently under review, and the outcome of this appraisal will be fed into this project as soon as it is ascertained. This work will be progressed as part of core ICT work so it out of scope for this project..

4.2 Critical Success Factors

The critical success factors are set out below:-

CSF1	Strategic Fit (Vision / Government/ Council Policy)	How well the option provides holistic fit and synergy with other key elements of national, regional and local strategies
CSF2	Potential VFM	How well the option maximises the return on the required spend (benefits optimisation) in terms of economy, efficiency and effectiveness from both the perspective of the organisation and wider society and minimises associated risks.

CSF3	Potential Achievability	How well the option is likely to be delivered in view of the complexity of the option, and the experience, capability and capacity of the partners involved.
CSF4	Supply capacity and capability	How well the option matches the ability of the service providers to deliver the required level of services and business functionality, and appeals to the supply-side.
CSF5	Potential Affordability	How well the option meets the likely availability of funding and matches other funding constraints, including the capital and revenue consequences associated with the proposed investment.

4.3 Short List Options

A SWOT assessment was undertaken of the options for scope, service solution, service delivery, implementation and funding and is shown in Appendix 5 and this helped inform the options presented in the table below.

4.3.1 Option A – As is

No change to current arrangements for office staff
50% desks are provisioned and informal arrangements exist within services for staff working at home, all offices retained

Benefits: No change for staff

Risks:

- underutilisation of offices,
- inefficient ways of working,
- staff uncertainty,
- potential of lack of consistency
- limited approach for hybrid working
- no progression to reduce carbon emissions in relation of office estate

Costs: No change to existing spending

4.3.2 Option B – Minimum

Phased approach to implementation, within controlled spend
Reuse furniture, some improvement to Wi-Fi coverage, provision of hybrid meeting hardware, some rationalisation of office buildings, and improved access for welfare facilities for community based staff

Benefits:

- costs are minimal
- phased approach enables learning to be captured and used
- increase utilisation of offices
- Reusing furniture and equipment reduces costs
- Improved access to offices for staff helps to address issues with access to welfare facilities for community based staff
- Identification of sustainable and effective solution for partner staff to access their network from Council offices will increase opportunities for collaborative working and utilisation of office space.

Risks:

- Output of staff engagement informs plan so until that phase is completed there is an element of uncertainty of requirement
- Capacity of core services to support developments is limited due to other Council projects
- Services need to respond to engagement timeously which may be challenging where there are competing priorities
- ICT supply chain is still being impacted following Covid and global increase in demand for component parts for ICT equipment

Costs: initial estimated costs to facilitate the minimum approach are circa £314k over three years to 2024/25 to deliver an estimated recurring revenue saving of £107k

4.3.3 Option C – Intermediate

As per option B plus, full Wi-Fi coverage in retained offices, expansion of use of space capacity in other Council premises (i.e. learning estate)

Benefits:

- As for option 2 above
- Increased utilisation in other Council buildings
- Potential for further reduction in travelling for individuals

Risks:

- Uncertainty regarding what capacity might be available, access restrictions and potential costs to make viable for learning estate at this stage
- Uncertainty regarding ability to deliver within the resources available for the project

Costs: commencing at £314k, with increasing coverage of wifi networks in offices circa £40k, increasing network access in other Council premises circa £20k per building. At this stage is it not possible to determine what the requirements are so not considered worth the additional spend until benefits can be ascertained more accurately.

4.3.4 Option D – Maximum

Refurbished offices to similar standard of HQ campus, new furniture based on requirements, monitoring systems to maximise utilisation of space, high specification hybrid meeting solutions available in all designated meeting rooms

Benefits:

- As for option 3
- Utilisation of office space would be maximised
- Carbon emissions would be minimised
- Staff would be operating in modern environments with the current design influences for furniture and workspaces supporting hybrid working

Risks:

- Likely costs for furniture, decoration, sound-proofing etc are prohibitive, may provide only limited added value in terms of functionality and may adversely affect staff and public confidence in decision making given the deficit the Council is working to address

Costs: In addition to the costs already identified for Option B the aspirational option to refurbish offices to a similar standard as the HQ campus would involve significant costs. Full refurbishment in existing identified offices (Beechbrae, Keith Resource Centre and Phoenix Centre) of 1,333 square metre would cost circa £2m at the standard rate of £1.5k per square metre. This would involve flooring, decoration, lighting, heating and wiring. Provision of new furniture, equipment and monitoring systems would be on top of that, and therefore this option would be discounted because these costs are prohibitive.

4.4 Options Appraisals

The summary option appraisal was undertaken by the delivery group and reviewed by the Board. Given the significant budgetary challenge the Council has to address, delivering this project with additional spend controlled as tightly as possible has been identified as a key factor.

Each option was fully considered in respect to the level of fit with the Smarter Working Objectives (SWO) and with the Critical Success Factors (CSFs), as set out above. This assessment was summarised in terms of the degree to which each option satisfied the objective or success factor on a scale of:

- x – fails to meet some key aspects of CSFs / SWOs
- ? – possible satisfaction of CSFs / SWOs
- Y – meets most aspects of CSFs / SWOs
- YY - strong fit with CSFs / SWOs

Reference to:	Option.1	Option.2	Option.3	Option.4
Description of Option:	As is 50% desks provisioned, staff working at home but on informal arrangements. All offices retained	Minimum Reuse furniture, some increase Wi-Fi coverage, provision of hybrid meeting hardware, Rationalise office buildings, Partner organisations able to access own networks from Council office Improved access to Council buildings for community based staff	Intermediate As option 2 plus Expansion of use by staff of spare capacity in other Council premises (i.e. Learning Estate), Full Wi-Fi coverage in retained offices	Maximum Office furniture and rooms refurbished (or new office based on requirements) Monitoring systems to maximise utilisation
Objectives				
Objective 1: increase availability of digital tools for hybrid working	x	✓	✓	✓
Objective 2: increase sustainability of office estate	x	✓	✓	✓
Objective 3: Reduce travel and associated carbon footprint	?	✓	✓	✓
Objective 4: increase staff satisfaction with work/life balance	?	✓	✓	✓
CSF'S				

Strategic Fit / Business need	x	✓	✓	?
Potential VFM	x	✓	?	x
Potential Achievability	✓	✓	?	?
Supply capacity and capability	✓	✓	?	?
Potential Affordability	✓	✓	?	x
Costs	✓	✓	?	x
Risks	?x	?	?	?x
Summary	Discounted	Preferred	Possible	Discounted

Table 3



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4.5 The Preferred Option

The preferred option selected from the Options Appraisal is:

Option 2 - Minimum

- Reuse furniture, some increase in Wi-Fi coverage for all breakout, meeting room and designated collaboration spaces,
- Rationalise office buildings, through optimising utilisation of HQ campus and moving staff from other locations to HQ campus,
- Progression of solution for partner organisations able to access own networks from HQ campus, which will increase opportunity for maximising utilisation and potential for contribution toward operational costs.

Option 2 was selected as the preferred option as it will provide the additional functionality and space required but with least cost implications at this stage. There is the potential for development into option 3 over time if/when funds are available.

5. Commercial Case

Required Services

There is a flow of information required for and required from these contracts that are being led by other services as business as usual.

MFD Contract – Evaluation of the tender submissions have been completed and discussions with the preferred bidder are underway. The ICT infrastructure requirements have been identified and work to install and configure the software solution will follow the installation of the server infrastructure in both the schools and corporate networks. Data on the current printer fleet along with print volumes have been shared with the supplier to ensure the most efficient devices are identified for each location. The number and location of devices to be installed needs to take into consideration future plans for premises changes to work towards achieving objectives to reduce the number of devices and a reduction in our printing carbon footprint.

SWAN contract

This provides the wide area network connectivity for the majority of Council offices, and for all schools. The existing call off contract with Capita ended on 31 March 2023, and a new contract commenced with BT on 1 April, 2023.

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Connectivity will continue via the previous contract until sites transition on to the new BT contract.

If there are any plans to reduce number of premises with SWAN connectivity, it would be preferable to identify these as soon as possible. This will help to ensure that they are not migrated to the new contract, thereby mitigating cease charges for early termination.

Telecommunications contract

The new telephone system and underpinning contract pave the way for the shift from analogue to digital solutions, and will provide potential increase in functionality and reduced costs. Options for telephony are currently under review, and the outcome of this appraisal will be fed into this project as soon as it is ascertained.

The Procurement Process

The preferred option will be taken forward using existing Moray Council contracts and in line with procurement policy to ensure spend will be procured competitively in relation to:-

- removals (moving of furniture in offices),
- new furniture and storage (as identified in Appendix 2)
- ICT equipment

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6. The Financial Case

6.1 Overall Affordability

The table below provides some detail on the expected costs over 3 year period at which point the project will be contributing to the budgetary gap as all costs will have been recuperated through savings in operational costs and travel mileage. There is a potential to sell vacated premises however there may be other opportunities and these will be fully appraised once buildings are vacated. The costs and funding sources are explained in more detail in tables 5 to 7.

Table 4: summary of financial appraisal:

£	Year 0 2022/23	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
	£	£	£	£	£
Preferred choice:					
Capital					
ICT infrastructure and Wifi/Hybrid meeting equipment	15k	42.1k	5.4k	n/a	62.5k
Furniture		20.2k	n/a	n/a	20.2k
Total Capital Spend	15k	62.3k	5.4k	n/a	82.7k
Revenue					
Project Staffing (budget already approved Note 1)	66k	118k	n/a	n/a	184k
Removals	n/a	20k	20k	n/a	40k
Total Revenue Spend	66k	138k	20k	0k	224k
Funded by:					
Mileage reimbursement	50k	50k	50k	50k	200k
Reduced building operating costs	n/a	15k Note 2	50k	50k	115k
Income from leased desk space	n/a	Note 3			
Total Revenue Income	50k	65k	100k	100k	315k
Total Revenue Savings	(16k)	(73k)	80k	100k	91k

Table 4

Note 1 – budget for the Senior Project Officer was approved and £53k will be funded from capital receipts in 2022/23. Budget for additional ICT and OD staffing approved at Full Council 2/2/23

Full Business Case

Note 2 - when HSCM staff move to HQ campus from Southfield (by December 2023) there will not be a direct saving for Moray Council however there will be reduction in the risk of requirement to contribute to Moray Integration Joint Board overspend as a result of their saving on accommodation costs for Southfield.

Note 3 – there is interest from some partner agencies to lease small amounts of desk space at HQ campus. This is an area for further development.

Early Adopter Funding

80% of office staff have already been supplied with digital equipment to facilitate working at home as a result of the Covid Pandemic.

In order to facilitate pilots of approach to be adopted for workspace design budget of £5k was approved in February 2023 to procure some equipment to enable staff to participate in Hybrid meetings using equipment that is fit for purpose. This has enabled procurement of equipment for heads of service, 2 small meeting rooms and 5 large meeting rooms in the HQ campus.

£5k approved for increasing Wi-Fi network in HQ campus resulted in the expansion by installing an additional 10 access points that covered all break out areas, designated meeting rooms and training rooms as per the agreed option.

Additional £5k was approved for Committee room hybrid working kit and this has been allocated to procurement of a high tech solution camera, microphone and speaker. The Committee room will be refurbished from a separate funding source however additional funding is requested for the balance of the cost of a large screen.

Summary of Costs for Phases 1-3

Costs	2022/23	2023/24	2024/25
Furniture – Replacement Office chairs, meeting room chairs, new meeting tables – Phases 1-3	n/a	£20.2k	n/a
“Hybrid meeting” equipment (including committee room requirement)	£10k	£6.6k	£3k
Expansion of Wi-Fi network (in HQ campus 2022/23 other offices thereafter) (Phases 1-3)	£5k	£5k	£2.4k

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Docking stations	n/a	£6k	n/a
Removals	n/a	£20k	£20k
Expand use of Building Access cards (Net 2 system)	n/a	£3.5k	n/a
Phoenix centre ICT infrastructure improvements (facilitating 13 Cluny Square rationalisation)	n/a	£21k	n/a
Costs	£15k	£82.3k	£25.4k

Table 5

Existing furniture and equipment will be reused to minimise costs however the funding request is required to provide:-

Office Chairs – to replace ones that are not fit for purpose or were relocated to home during Covid.

Meeting Chairs - The condition of many of the chairs in meeting rooms in some offices is not of an acceptable standard and required replacement. It is proposed that they be replaced with new plastic versions of similar type to existing in the Annexe which are robust and easy to clean.

New Meeting / Quiet rooms – with more staff operating within the HQ campus it is anticipated that there will be an increase in requirement for meeting rooms so the intention is to provision up to 7 new meeting rooms.

Hybrid Meeting Equipment – continue rollout to another 4 meeting rooms in HQ and meeting rooms in other Elgin and out of Elgin offices.

Wi-Fi – provision other offices in scope to agreed standard.

Docking stations – balance of provision required for desks in HQ campus and other offices where required.

Secure access – networking building access security for all offices in scope will increase control and facilitate access for other services to use welfare facilities when working in the locality.

6.2 Funding Source

Travel and Subsistence claims

There has been a reduction in the amount of travel and subsistence claims since Covid and this project should ensure that this reduction is sustained, providing a cash benefit and a contribution to the reduction in the carbon

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footprint of the Council. An initial estimate of **£50k** recurring savings has been determined.

Potential Rationalisation of office accommodation

The Asset Management Team has provided information that identified the following premises for prioritisation for review with the associated saving:-

Property	Action	Comment	Saving	timescale
9 North Guildry Street	Relocate staff to HQ campus Potential lease or mothball – needs to be retained as contains ICT equipment for 11 NGS	Direct recurring saving of £10k annual operating costs. NB -Discussions ongoing with NHSG for potential lease to for MIDAS service – potential rental income £20k	£10k	August 2023 Proposal of move by April 2023 not achieved. Amended to August 2023 Saving this year circa £5k
13 Cluny Square, Buckie	Relocate staff to Phoenix centre, Buckie Potential disposal or alternative use	Potential saving of £40k annual operating costs. Asset Management Group approved in principle. Brief being prepare to approve spend to save net cost circa £20k 2023/24	£40k	Initial target was April 2024 but revised forward to October 2023 Bringing the saving achievable forward to this year of £10k
9a, 9c Southfield	Relocate HSCM staff to HQ campus. Lease for Southfield to be used by NHSG for decants of staff based at Dr Gray's temporarily.	No direct saving for Council but will reduce potential amount of funding of overspend. Potential for negotiation with NHSG for contribution of costs for NHSG employed, HSCM staff use of Campus		December 2023

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Recurring saving from 2024/25			£50k	

Table 6

Potential additional opportunities may be identified through the depot review and the stores review and the Additional Support Needs review where requirements for office space may change.

7. The Management Case

7.1 Resource Requirements

A senior Project Officer has been appointed to progress this programme of work.

This project will require the expert advice and support from:-

- Organisational Development
- Human Resources
- ICT
- Asset Management
- Corporate Communications
- Facilities Management
- CMT
- SMT

Additional dedicated resource for ICT and Organisational Development resource to progress the project within the timescales was approved by Council on 2/2/23, costs included in 6.3 and as approved under the auspices of the original Flexible Working Project.

Programme Management Arrangements

This project forms part of the Transformation programme under the Improvement and Modernisation Plan (IMP). It will specifically target delivery of objectives for implementation of the Flexible Working Policy and office review targets outlined in the Property Asset Management Appraisal (PAMA) reported to Full Council on 30 June 2021, updated 28 September 2022 and Outline Business Case approved on 2 February 2023.

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Progress reports will be submitted to the Transformation Board for consideration with 6 monthly update reports to Council as agreed on 28 September 2022.

Project Management Arrangements

The project will be managed in accordance with Council procedures. The Senior Project officer has been appointed by the Council to progress the project through OBC to full business case and delivery of Phase 1 HQ Campus. Delivery of subsequent phases will be taken forward by the Delivery Group adopting the standards and principles developed in phase 1.

A high-level outline project plan is in place and a more detailed plan is being developed. The prioritisation for working in services will be determined by assessment of benefit of:-

- a) where financial savings can be made from reduction in operational costs or
- b) where efficiencies in use of resources can be secured in the least time possible, providing opportunities for other potential uses (including sharing space with partners that will provide income (in the form of contributions to operational costs)).

Month	Phase	Description	Tasks	Resource Required
	Implementation in services:-			
Feb / Mar 2023	1. Discovery (as-is)	Engagement with services and teams to provide information, standards, functional spaces, ICT equipment, flexible working options and future developments (looking forward)		OD Team, SPO
Feb/ Mar 2023	2. Diagnosis (to be)	Managers and teams identify preferred way of working and functional spaces required using tools and support available		Services
Mar / Apr 2023	3. Design	Services provide information to the Delivery Group who collate and assess for consistency with standards and achievability within accommodation available. Proposals returned to services for approval		Delivery Group
May 2023		Final Business Case prepared for submission to Council		SPO/Delivery Group / Board
Apr / August 2023	4. Delivery (implementation)	Following approval space allocation and schedule of moves implementation will take place for phase 1. Amendments to HR contracts if required		Specific ICT resource to facilitate office moves (telephony,

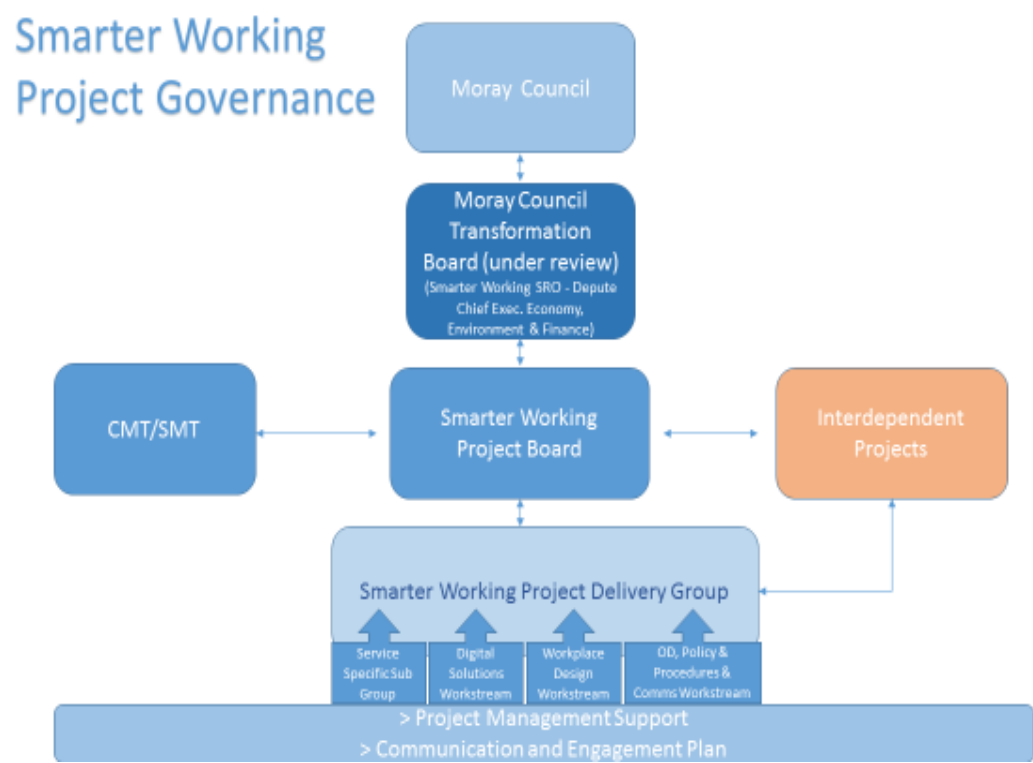
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		Moves will be completed and services commence hybrid working as designed.	network connections) Resource required to move furniture
May/June	2. Diagnosis (Phase 2 & 3)	Manager and team engagement for services out with HQ campus (Phase 2 other Elgin offices and Phase 3 Out of Elgin Offices in scope)	OD team / SPO
July / Aug	3. Design (Phase 2 & 3)	Delivery Group will prepare plan for implementation in the HQ campus based on feedback and learning from proof of concepts and service engagement.	
Sept 2023	5. Review	Schedule of moves prepared for phase 2 & 3 and implemented once plan agreed. Any equipment identified will be provided to individuals. Services adopt hybrid working as designed.	Delivery Group / SPO
Dec 2023		Review of operational effectiveness undertaken at 3 months to ensure new ways embedding and space needs are met. End of project phase review Collation of feedback from services Preparation of reports and performance data to evidence progress Business as usual processes documented	

Table 8

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Project Governance Structure



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Group	Purpose	Representing	Member
Moray Council	Approve strategic objectives, scope and principles of project		
Project Sponsor	To lead project for Council. Member of the Transforming the Council Programme Board.	CMT	Rhona Gunn
Smarter Working Board	<ol style="list-style-type: none"> 1. Managing the delivery of Future Workplaces project for the Council 2. Own the project plan 3. Represent the future users and providers of the project – agree and establish the quality standards 4. Maintain strategic alignment of project with organisation strategy 5. Resolve conflict 6. Manage: Risks/Assumptions/Dependencies/Issues / Changes 7. Sign off – new ways of working 8. Benefit realisation 9. Quality assurance 10. Compliance with TMC “Gateway Policy” 	Corporate/H&PS Asset Management HR/ICT/OD ICT Corporate/Project Service perspective Customer Services Project Administrator	Edward Thomas, Neil Strachan Frances Garrow David McKay, Jeanette Netherwood Nicola Moss Andy Donegan Mark Aldridge
Smarter Working Delivery Group	<ol style="list-style-type: none"> 1. Develop and manage the project plan 2. Day to day management of the project 3. Ensure delivery of new ways of working 4. Monitor Progress 5. Manage RADIC 6. Manage Service and Project Resources 7. Report to Project Board 8. Map Benefits 	Property Climate Change ICT HR & OD Customer Services Communications	Geoff Newell / Kevin Black Rod Lovie Graham Cooper Katrina McGillivray Andy Donegan Kirsty Craig (advisor)
Service Feedback	Representatives of services, and types of service, to help design the	All types of service delivery and services	Liaisons nominated by

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	principles, standards and approach for implementation		Heads of Service
“Smarter Working” Delivery - Workstreams	<i>Specific topic specialists will progress elements of the plan</i>		
	Policy, Procedure, Training and Communications - HR and OD workstream Progress the detailed options for specific tasks identified by the delivery group for this theme	OD team Communications officer	
	Digital Solutions workstream Progress the detailed options for specific tasks identified by the delivery group for this theme	ICT network team	
	Workplace Design workstream Progress the detailed options for specific tasks identified by the delivery group for this theme	Asset Management Team, ICT input	
Service implementation	<ol style="list-style-type: none"> 1. There will be a requirement for significant service input to identifying the needs, defining any the new processes required, managing the transition and deliver the benefits. 2. Service managers will be supported by specialist staff (i.e. OD team, ICT, Property, climate change) 3. Service managers will have responsibility for implementation of the agreed principles and standards within the Service 4. Assist in the identification of need, type and facilitate implementation of training 5. Identify other opportunities not included in the business case 6. Develop operational plans, policies and procedures and KPIs for their services. 	All types of service delivery	<p>Nominated Core Contact for co-ordination (by HoS)</p> <p>Service managers</p> <p>Smarter Working Delivery Group</p>

Table 9

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Project Plan

Due to the need to deliver the outcomes within the timescales set for the project it has been necessary to progress with aspects of the project to enable completion within the defined parameters.

The project will be delivered via three work streams and an extract is shown below:-

Project Workstream	Description	Progress at May 2023
A) People - Implementation of Flexible Working programme	<ul style="list-style-type: none"> Review office based roles against the role types set out in the flexible working policy. 	Completed
	<ul style="list-style-type: none"> Implementation of the policy and procedures to support hybrid working and organisational development 	in progress
	<ul style="list-style-type: none"> Further developing supporting documents: procedures, toolkits, guidance, manager support, infrastructure 	in progress
	<ul style="list-style-type: none"> Consultation with Managers at Leadership Forum / Workshops (Input from all team members) 	HQ campus completed, other Elgin and Out of Elgin in progress
	<ul style="list-style-type: none"> Prepare training material and support mechanisms for managers and staff in the new ways of working 	In progress
	<ul style="list-style-type: none"> Management Training to enable shift to outcome based management 	Training being developed available on Clive
	<ul style="list-style-type: none"> Employee Training on flexible working tools 	in development
	<ul style="list-style-type: none"> Create final vision and documentation package for launch (Including test roll out / training period and communication plans) 	in progress
	<ul style="list-style-type: none"> Implementing associated standards for business as usual and 	

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	considering appropriate variations dependent on business/service and individual needs.	
B) Workplace Design	<ul style="list-style-type: none"> • Audit of existing office utilisation and costs • Engagement with services to define requirements of modern office accommodation • Provision of options for storage solutions • Allocation of space to meet approved service requirements • Provision of agreed functional spaces • Manage any required office moves • Review procedures and protocols to ensure continuity of consistent approach • Establishing and implementing associated standards for business as usual 	<ul style="list-style-type: none"> • Completed • Completed for HQ campus <p>completed proposal under initial consultation completed to be determined completed</p> <p>to be progressed during re-allocation of space</p>
C) Digital Solutions	<ul style="list-style-type: none"> • Implementation of approved ICT standard solutions for individuals with agreed variations as required. • Defining ICT standard solutions for functional space types. • Consideration of expansion of the functionality for partner agencies to access their networks from our locations and vice versa • Modernising the telecommunications solutions • Prepare training material for managers and staff • Establishing and implementing associated standards for business as usual 	<p>To be completed during re-allocation of space Completed</p> <p>In discussion with NHSG. Principles for adoption being drafted initial work underway materials prepared – training to be scheduled Existing being reviewed and updated as appropriate</p>

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Approach for delivery of project is as agreed, with:-

- Clearly defined communication and engagement approach
- Audit of current position to establish baseline data in relation to space allocations, condition of office furniture, Council assets in use in homes
- Review and confirmation of standards and principles
- Collaborative approach to identifying requirements and potential solutions through consultation and engagement with services
- Phased rollout of agreed solutions
- Implement mechanisms for monitoring and audit services to gauge uptake and remaining improvement opportunities

The project will be delivered in line with the values of Moray Council:-

Value	Description
Fair	<p>The approach undertaken will be equitable and consistent across all staff.</p> <p>Consideration of impact of decisions for one team will be undertaken to ensure there are no unintended consequences on others.</p>
Ambitious	<p>Achieving delivery of workspaces that highlight Moray as a great place to work, whilst demonstrating the sustainability aspects through efficient use of Council property assets is a key aim.</p> <p>Consolidation of hybrid working approach, underpinned by flexible working policy to provide choice and enhance opportunities for improved work/life balance</p>
Improving	<p>Services will drive improvement through choosing the right spaces for the functions they require and in locations that best fit their need.</p> <p>Adoption of new digital solutions for collaborative working and delivery of seamless transitions between workspaces.</p>
Responsive	<p>Through the involvement and engagement of staff, representing all types of service delivery in the design and implementation of the project, we will listen and respond, demonstrating an open and honest approach.</p>

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Arrangements for Change Management

Following engagement and consultation with services and the subsequent decision on service requirements going forward there may be impacts for individuals with regard to their base location.

Existing Council process will be followed for any changes required.

Arrangement for Benefits Realisation

Benefit mapping exercise was undertaken 7 November 2022. Output of which is shown in Appendix 3.

The benefits identified will be owned by the Board and performance will be reported via indicators to Council

Arrangements for Risk Management

Risks to the overall project will be reported to and owned by the Project Board.

An extract of the project risk register is attached at Appendix 4.

Risks to the relevant work streams will be identified, recorded and reported to the work stream manager who will provide updates and identify mitigations where applicable to the delivery group (or senior project officer if urgent) and these will be escalated to the Project Board as necessary.

Arrangements for Post Project Evaluation

7.9.1 End of Project Review

An end of project report for phases 1-3 will be completed in December 2023. This report will ascertain whether the anticipated benefits have been or will be delivered and will appraise how well the project was managed and whether or not it delivered to expectations.

Gateway Review Arrangements

The council's Project Governance Policy sets out project gateway review arrangements. It is based on the Prince2 Project management methodology, aligned with the Scottish Government Construction Procurement Manual and

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the Office of Government Commerce (OGC) Gateway framework. A copy of this document can be found here: [PMG – Moray Gateway Process](#)

7. Contingency Plans

In the event that this project fails or funding is not provided, services will continue as they are operating now to guarantee the continued delivery of the required services and outputs. Savings will not be achieved in the short term, there will be no culture shift and equipment and facilities will be adjusted at a slower pace as business as usual resources allow.



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Appendix 1 – Functional Spaces

Description of identified types of functional spaces for use in engagement with services to facilitate discussions with teams of what type of space they will require in future.

Assumptions:-

- 1) CMT/SMT rooms will be available for use when Heads of service are not in the office
- 2) Primary location for customer and external partners or professional engagements will be the annexe (for the HQ Campus)

Service engagement will help inform requirements for:-

- a) Meeting rooms to be available to be booked for longer periods of time than currently allowed and to schedule further in advance.
- b) Numbers of types of spaces required - some services might identify some of their allocated desk space to be more of a collaborative set up i.e. less desks rather than optimum number of desks in a room.

Room Type	Space type	Function	Who might use this	Standard Equipment provided
Computer / desk work				
1	Standard desks	People working at a desk for the day.	Fixed workers (i.e. reception) Non-hybrid workers (possibly) Hybrid worker	Desk, chair, monitor, docking station, keyboard, mouse Specialist ICT equipment provided as required (set criteria to assess

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				adjustments) for service/individual needs
2	Hot desks (not bookable)	People dropping in for short periods through the day	Hybrid workers who come in for face to face meetings and/or Community based staff who need to connect to network occasionally	Desk chair Power supply Some with monitors/ keyboard/ mouse but not all
3	Quiet Space (not bookable)	Space where staff can work but there should be no distractions from teams calls, telephone calls, meeting chatter etc	People who are doing focussed work for a period of time Likely to be shared space – demand will be determined through engagement.	Desk, table, chair, docking station, monitor keyboard, mouse

Room Type	Space type	Function	Who might use this	Standard Equipment provided
Collaboration Spaces/ Meeting Rooms (wifi connectivity)				
4	Collaboration space / meeting rooms 6 people or more HYBRID (bookable)	Space for teams to use (facilitate hybrid meetings)	Teams where some working at home and others face to face – creative working Providing opportunities for whole team to be together	Tables/chairs (versatile) Screen, laptop connection, speaker, camera
5	small meeting rooms 2-5 people (bookable)	Space for teams to use (facilitate hybrid meetings)	To prevent disruption in larger office space from teams meetings etc Provides space for Face-to face contact for new starts for training/induction	Tables/chairs Screen, docking, speaker, monitor/screen

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6	Single rooms (some bookable some not)	Space free from distractions and interruptions. Confidential or Sensitive meetings / Phone calls (inc HR issues)	Any staff member for confidential or sensitive phone calls. For individuals in confidential Teams meetings. Space for trainers to delivery training over Microsoft Teams	Desk/table, chair, docking station, monitor, keyboard, mouse, phone
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External Client contact (primarily in Annexe for HQ campus) (wifi connectivity)				
7	Client interview room	Process applications, information / support provided and given		Table, chairs, desktop with dual screens and access to appropriate systems, telephone, alarm
8	External partner, client, customer meeting space	Space to meet with external parties		Table, chairs, screen, power
9	Client contact space (per service needs)	Contact and assessment space		Soft furnishings, comfortable seating, space for children/young people to play, alarm

Office Etiquette

Follow clear desk policy and keep all desk surfaces clean and clutter free so everyone can feel comfortable to use them.

Clean the desk before and after use, with the wipes provided

Give consideration to colleagues sharing the office by reducing potential disruptions where possible e.g.

- wear headphones for teams meetings,
- turn mobile phone ringtones down or use silent/vibrate settings when in the building,

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- move to break out areas for informal conversations.

Ensure confidential or sensitive information is stored securely.

Turn off electrical items, such as monitors, prior to leaving the building

Use breakout areas for eating lunch rather than desk areas



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Appendix 2 - Hybrid Working – Furniture and Equipment

Issue under consideration	Determine the standard provision of furniture and equipment to facilitate SMARTER Working
Objectives	<p>Provide equipment and furniture of an appropriate standard to:-</p> <ul style="list-style-type: none">• support service delivery and provide flexibility for staff working seamlessly from the places they work• maintain individuals health and wellbeing• achieve value for money

Assumption –

As people have been working from home the last two years it is assumed that any needs will have been identified through the workplace assessment and addressed.

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1a) Office Furniture

Workplaces in offices to be set up in accordance with HSE guidance

Item	Standard	Comment
Office Desk Chair	Standard chair provided for all desks to be fully adjustable to meet majority of individual needs	specialist requirements identified through workplace assessment and rationale on basis of occupational health recommendation
Desk	Space per desk not less than 4.5m sq. Layout of rooms to provide access to power and network points and maximise circulation space	Furniture audit concluded that 99% desks are in good condition and should be reused Desk numbers optimised in offices so no need to move desks between offices unless space function changes Detail allocation to be determined following service engagement once requirements are set out – there may be a requirement for change of function
Team Storage	Service requirements vary so one solution will not fit all. Existing provisions generally meet current needs so may require some reallocation of furniture depending on final plan of space allocation.	To be determined following service engagement Services have been requested to clear out old files/materials that are no longer necessary. Consideration should be given to use of SharePoint for electronic records if not already adopted
Personal Storage	Should aim to minimise requirements on basis of cost and information security. Clear desk policy to be reinstated for all	To be determined following service engagement Reuse existing provision where requirement is identified (PPE etc.)
Other items	Service to provide any other ancillary requirements identified as needed.	As is – service provided where identified need

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1b) ICT Equipment

Item	Standard	Comment
Laptops (with vasco)	Provided as requested to facilitate hybrid working	Older laptops are experiencing performance issues due to use of Microsoft Teams etc. Very old ones are being replaced currently. Spec of laptop may vary depending on function and requirement of service.
Monitor	Single monitor	Variation to the standard will be based on functional need (identified through service engagement / workplace assessment).
Docking Station	Not standard issue for working at home.	Use of docking stations in the office saves wear and tear on cables (and ICT officer time to replace) If dual monitors are determined for requirement at home adaptors will be provided instead of docking stations
Mouse/ keyboard/ headsets	Headsets with noise cancelling microphones are issued as standard. Keyboards and mice will be issued as requested.	Replacement for damaged headsets will require funding by services.

1c) Telecommunications

Provision to continue “as is” for the short term.

Appraisal to be undertaken to inform standard provision and identified variations. Potential cost savings by rationalising provision to most appropriate for function.

Options for use are:-

- a) Desk phone / soft phone – for users who are based either at a desk in the office or at home
- b) Basic mobile phone – for phone calls for people who operate in the community (lone working etc)

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- c) SMART phone – for people who require access to emails, diary etc and who operate in a variety of locations

1d) Meeting Rooms/ Collaboration spaces

There will be a need for some new tables, meeting chairs and hybrid meeting digital equipment. The numbers required will be determined following the results of the service engagement but in the interim options will be identified and equipment trialled to determine what will be cost effective and meet needs.

2) Home Workplace

Assumption individuals will have made own provision to suit their environment.

New staff, or existing staff experiencing changes to their circumstances, should complete a workplace assessment which will identify any needs for discussion with their manager. The Smarter Working Delivery Group will provide support to the manager on potential options, so they can progress to an agreed solution with the staff member.



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Appendix 3 – Benefits Mapping

These are the benefits identified at the benefit mapping exercise conducted in November 2022 by the Delivery Group and are split into financial and non-financial benefits. These were reviewed and used to form the smart objectives set out in pages 16 to 18 of the Full Business Case.

Financial Benefits

ID	Benefit	Links to strategic landscape - Moray Council Strategic Aims	Project Strategic Aims	Priority	Who will be affected by the benefit?
F01	Reduce staff commuting costs	Transforming and reshaping our services	reduce the environmental footprint of working practices	3: Medium	Workforce
F02	Reduction in business travelling costs	Financially Stable Council	reduce the environmental footprint of working practices	1: Very high	Moray Council
F03	Reduce mileage claims for use of personal car	Financially Stable Council	reduce the environmental footprint of working practices	1: Very high	Moray Council
F04	Reduce council office estate	Financially Stable Council	increase efficiency and effectiveness of utilisation of functional spaces	2: High	Moray Council
F05	Reduce office operating costs	Financially Stable Council	increase efficiency and effectiveness of utilisation of functional spaces	2: High	Moray Council
F06	Improve office energy efficiency	Financially Stable Council	increase efficiency and effectiveness of utilisation of functional spaces	2: High	Moray Council
F07	Reduction in NDR	Review our asset base	increase efficiency and effectiveness of utilisation of functional spaces	2: High	Moray Council
F08	Increase staff retention	Developing workforce	attract and retain quality, creative, motivated and productive staff	2: High	Moray Council
F09	Increase ability to appoint to difficult to fill posts	Developing workforce	attract and retain quality, creative, motivated and productive staff	2: High	Moray Council

Non-Financial Benefits

The non-financial benefits identified at the benefit mapping exercise are shown overleaf – potential dis-benefits are shown in red.

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ID	Benefit	Links to strategic landscape - Moray Council Strategic Aims	Smarter Working Project Objectives	Who will be affected by the benefit?
NF01	Increase staff flexibility to work in different locations	Financially Stable Council	Develop the organisational culture, skills an environment to embrace and embed flexible and hybrid working	Workforce
NF02	Increase domestic carbon foot print	Net zero by 2030	reduce the environmental footprint of working practices	Workforce
NF03	Reduce staff business travelling time	Financially Stable Council	provide seamless access to sustainable, modern working environment	Moray Council
NF04	Reduction in staff commuting time		provide seamless access to sustainable, modern working environment	Workforce
NF05	Increase utilisation of pool cars	Financially Stable Council	reduce the environmental footprint of working practices	Moray Council
NF06	Reduction in carbon footprint	Net zero by 2030	reduce the environmental footprint of working practices	Moray Council
NF07	Improved options for workplace accessibility	Transforming and reshaping our services	provide seamless access to sustainable, modern working environment	Workforce
NF08	Increase utilisation of office facilities (including partner organisations)	Review our asset base	increase efficiency and effectiveness of utilisation of functional spaces	Moray Council
NF09	Miss SG 20 Minute neighbourhood objective		reduce the environmental footprint of working practices	Customers
NF10	Reduction in footfall to local shops			Local Business
NF11	Digitally excluded workforce		Develop the organisational culture, skills an environment to embrace and embed flexible and hybrid working	Workforce
NF12	Increase opportunity for partnership working	Transforming and reshaping our services	increase efficiency and effectiveness of utilisation of functional spaces	Partner Organisations
NF13	Unable to sell excess offices due to market conditions		increase efficiency and effectiveness of utilisation of functional spaces	Moray Council
NF14	Increase staff ICT skills	Developing workforce	Develop the organisational culture, skills an environment to embrace and embed flexible and hybrid working	Workforce
NF15	Increase staff retention	Developing workforce	Improve organisational resilience	Moray Council
NF16	Increase ability to appoint to difficult to fill posts	Developing workforce	Improve employee motivation, morale and wellbeing	Moray Council
NF17	Increase GDPR awareness	Developing workforce	Develop the organisational culture, skills an environment to embrace and embed flexible and hybrid working	Moray Council
NF18	Increase potential for data breaches		Develop the organisational culture, skills an environment to embrace and embed flexible and hybrid working	Moray Council
NF19	Improved work life balance	Developing workforce	Improve employee motivation, morale and wellbeing	Workforce
NF20	Improve staff sense of well being	Developing workforce	Improve employee motivation, morale and wellbeing	Workforce
NF21	Improved service resilience	Transforming and reshaping our services	Improve organisational resilience	Moray Council
NF22	Improved business continuity	Transforming and reshaping our services	Improve organisational resilience	Moray Council
NF23	Increased staff morale	Developing workforce	Improve employee motivation, morale and wellbeing	Workforce
NF24	Improved opportunities for staff creativity	Developing workforce	attract and retain quality, creative, motivated and productive staff	
NF25	Reduced feeling of team identity		Improve employee motivation, morale and wellbeing	
NF26	Reduced team cohesion		Improve organisational resilience	



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Appendix 4 – Project Risk Register at 6/6/23

Ref No.	Area affected	Description	Scope/potential consequences of risk	Risk Control Measures in Place and Operational	RAG
Risk 1	Project	Project plan timescales not met	Scope and timescales are not clearly defined and/or officers do not deliver in accordance with target completion dates resulting in delays to progress and potential impacts on other dependencies	Project plan in development which will be owned by Delivery Group and monitored by Board on a monthly basis.	A
Risk 2	Implementation plan	Lack of corporate prioritisation leading to competing priorities	Lack of clear prioritisation across Corporate projects may lead to a conflict for teams/ individuals resulting in specified actions not getting completed on time	CMT and SMT discussed and agreed initial proposals and are aware of the need to progress the project. Updates to be provided to CMT/SMT on a monthly basis. Request for additional project resources to go to Council 2/2/23. There is no clear method of determining priorities of all projects underway in the Council at present - so the risk remains high	A

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Ref No.	Area affected	Description	Scope/potential consequences of risk	Risk Control Measures in Place and Operational	RAG
Risk 3	Project	Lack of staff resource capacity to deliver tasks for outline business case or implementation phase within timescales required	There is a risk of lack of staff capacity of those involved in planning and appraising the potential options for changes, which may impact project delivery timescales. The senior project officer responsible for effective coordination of this project, to ensure aims are met and services are provided with right type of space and equipment to support productive and effective services, is in post till July 2023 and if the timescales drift this will be a risk to successful delivery.	Members of the Delivery Group and Board are managers of staff that require to input to the project and have oversight of workloads. Resourcing paper for future requirements considered by OD/ICT leads. Following Board consideration it is recognised there is a need for capacity to deliver the project. Request to go to Council for funding for temporary posts for 6 mths backfill funding. Time delay for recruitment process may occur	A
Risk 5	Project	Lack of Corporate Prioritisation - Senior Management Support is insufficient to lead the change as is necessary	In order for this project to succeed it will require consistent and sustained leadership and focus across services. The approach to be adopted and the reconfiguration of space is dependent on all services identifying requirements requested within defined timescales and if this is not proactively led in services by senior management then targets may not be met and project outcomes may not be achieved.	Heads of Service will be consulted on approaches and planned engagement and any issues raised will be addressed prior to roll out. Members briefing/Q&A sessions to encourage understanding and support for Smarter Working	A

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Ref No.	Area affected	Description	Scope/potential consequences of risk	Risk Control Measures in Place and Operational	RAG
Risk 6	Project	Lack of buy in from managers and/or staff	Managers or staff do not engage with the process and are unwilling to change working practices and culture, which will compromise benefit realisation and affect delivery of outcomes. It will also impact colleagues and potentially cause issues across other services where interdependencies occur.	Managers workshops held in Feb/March for phase 1 and May/June for phases 2&3 clear communication of plan and timescales along with guidance and support materials and mechanism for raising queries and issues to be established.	A
Risk 7	Finance	Lack of financial resources to provide the standard of equipment and working environment required to support the aims.	there is a potential that the costs of the preferred options in the OBC and BC are prohibitive at this stage which may result in a requirement to phase the roll-out of hybrid working over a longer period or not achieve the expected standard of facilities required therefore not achieving the project objective.	Report to Full Council 2/2/23 requesting budget to spend for Early Adopters for Wifi and ICT equipment was approved	A
Risk 10	Technical Requirements	Business continuity for services - cyber resilience	With increased reliance from more services on digital ways of working and service delivery there could be significant impacts on service delivery if sufficient resilience is not built into the solutions on offer to services.	BC advice will be provided to services as they progress through implementation. ICT officers will consider risks and implications as the project progresses and build resilience where possible.	A
Risk 11	Implementation plan	Continuing disruption to supply chain resulting from Covid/Brexit	There are still some impacts from Covid-19 on the supply chain for some components of ICT kit, which may impact on delivery timescales and therefore on project targets.	ICT are in close liaison with suppliers	A

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Ref No.	Area affected	Description	Scope/potential consequences of risk	Risk Control Measures in Place and Operational	RAG
Risk 12	Project	Reputational damage caused by lack of awareness of project and progress by stakeholders	The progress of other organisations in relation to introduction of hybrid working has increased expectations of stakeholders that the Council should be further on that it is. The risk of reputational damage increases if stakeholders are not informed of plans and timescales for implementation.	Communication plan developed and considered by Board on 6 December. Further detail to be added as project develops	A
Risk 13	Project	Service Requirement information is not received by deadline	If there are significant delays in the return of information from Services then it will reduce the time to process/analyse which may impact on the production of the Full Business Case and plans for implementation	Heads of Service have been reminded of the required timescales and information requested - although it is over the Easter Holiday period Plans will be progressed on the basis of the initial estimates as a baseline	A
Risk 14	Project	Full Business Case Approval	If FBC not approved then the Council will not be able to utilise existing office space effectively, will not empower staff to maximise hybrid working practices through provision of the standard equipment previously agreed, and will not achieve the strategic objectives of the smarter working project.	Development of Business Case being managed through Project Board and involving all stakeholders	A
Risk 15	Project	PAT Testing process not successfully managed	If the PAT testing is not successfully managed then equipment used by Hybrid workers at home may not be tested and any liability from faults developing could impact on MC.	Delivery Group are considering options for management of the process and will make a recommendation for business as usual.	A

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Appendix 5 – SWOT Analysis

To establish the approach for the project various options were considered in relation to Scope, Service Solution, Service Delivery, Implementation and Funding and the summary of the preferred option are shown in the table 1 below. The detail of the options considered are set out in the following tables 2-

Table 1 Summary

Category of Choice	Option 1	Option 2	Option 3	Option 4	Option 5
Scope	Discounted	Preferred	Possible	Discounted	N/A
Service Solution	Discounted	Possible	Possible	Preferred	Possible
Service Delivery	Discounted	Preferred	Discounted	N/A	N/A
Implementation	Discounted	Possible	Preferred	Discounted	N/A
Funding	Discounted	Discounted	Preferred	Possible	N/A

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Table 2 - Scope

Reference to:	Notes	Option 1	Option 2	Option 3	Option 4
Scope	The scope of this project could cover all staff and all buildings as the flexible working policy applies to all staff, however Hybrid working will not be available for all roles. Teachers and those delivering front facing services in the community are examples of those roles who will not be able to hybrid work.	Do Nothing	Minimum	Intermediate	Maximum
		Existing arrangements	Office based staff (roles suitable for hybrid working), operating from core offices	Office based staff (role suitable for hybrid working) utilising any base (excluding schools)	All staff with role suitable for hybrid working, utilising any Council premises
Objectives					
Increase staff satisfaction with work / life balance:- Increase staff satisfaction in their workplace and equipment provided by 10% by June 2024		N	Y	Y	Y
Increase sustainability of office estate:- Reduce the operational property costs by 5% per FTE for council offices by end of financial year 2023/24		N	Y	?	Y
Reduce travel and Associated carbon footprint:- Reduce the mileage claimed for private car usage by 10% by end of financial year 2024/25		?	?	Y	Y
Increase availability of digital tools for hybrid working:- All office meeting room and collaborative working spaces provided with good quality Wi-Fi coverage by end of 2023		N	Y	Y	YY
CSF's	CSF's				
Strategic Fit (Vision / Gov Policy)	How well the option meets agreed spending objectives, related business needs and service requirements	N	Y	Y	N
Potential VFM	How well the option maximises the return on the required spend (benefits optimisation) in terms of economy, efficiency and effectiveness from both the perspective of the organisation and wider society and minimises associated risks.	N	YY	Y	N
Potential Achievability	How well the option is likely to be delivered in view of the complexity of the option, and the experience, capability and capacity of the partners involved.	Y	Y	?	?
Supply side capacity	How well the option matches the ability of the service providers to deliver the required level of services and business functionality , and appeals to the supply-side.	Y	Y	Y	Y
Potential Affordability	How well the option meets the likely availability of funding and matches other funding constraints.	Y	Y	?	N
Summary		Discounted	Preferred	Possible	Discounted

Full Business Case

Table 3 – Service Solution

Reference to:	Notes	Option 1	Option 2	Option 3	Option 4	Option 5
Service Solution for		Do Nothing	Minimum	Intermediate	Intermediate	Maximum
Office based staff (roles suitable for hybrid working), operating from core offices	Provision of personal equipment to facilitate hybrid working Allocation of appropriate functional space required to deliver service needs and support high quality, efficient and effective services. Provision of space and equipment to perform hybrid meeting and address other collaborative requirements Reduction in travel costs to office base and for work purposes	as is - provision of laptops per Covid, current office space and meeting room provision	all hybrid staff provided with personal equipment Reduce desk space to 70% of FTE total no increase in collaborative spaces some hybrid meeting equipment no change to wifi provision	all hybrid working staff provided with personal equipment, in HQ campus - increase collaborative meeting spaces, increased connectivity for wi-fi to all collaboration spaces and break outs, desk allocation 50% of FTE, more Council staff able to access HQ welfare facilities	Across all offices - all hybrid working staff provided with personal equipment - increase collaborative meeting spaces, increased connectivity for wi-fi to all collaboration spaces and break outs, desk allocation 50% of FTE, more Council staff able to access office welfare facilities, connectivity for partner organisations to access their networks from Council HQ	Across all Council premises - all hybrid working staff provided with personal equipment - increase collaborative meeting spaces, full wi-fi connectivity in premises, desk allocation 50% of FTE, more Council staff able to access Council welfare facilities, partners able to access their networks from Council premises
Objectives						
Increase staff satisfaction with work / life balance:- Increase staff satisfaction in their workplace and equipment provided by 10% by June 2024		N	?	Y	YY	YY
Increase sustainability of office estate:- Reduce the operational property costs by 5% per FTE for council offices by end of financial year 2023/24		N	?	Y	YY	YY
Reduce travel and Associated carbon footprint:- Reduce the mileage claimed for private car usage by 10% by end of financial year 2024/25		N	?	?	Y	Y
Increase availability of digital tools for hybrid working:- All office meeting room and collaborative working spaces provided with good quality Wi-Fi coverage by end of 2023		N	N	Y	Y	Y
CSF's	CSF's					
Strategic Fit (Vision / Gov Policy)	How well the option meets agreed spending objectives, related business needs and service requirements	N	?	Y	Y	Y
Potential VFM	How well the option maximises the return on the required spend (benefits optimisation) in terms of economy, efficiency and effectiveness from both the perspective of the organisation and wider society and minimises associated risks.	N	?	Y	YY	?
Potential Achievability	How well the option is likely to be delivered in view of the complexity of the option, and the experience, capability and capacity of the partners involved.	N	Y	Y	Y	?
Supply side capacity	How well the option matches the ability of the service providers to deliver the required level of services and business functionality , and appeals to the supply-side.	N	Y	Y	Y	Y
Potential Affordability	How well the option meets the likely availability of funding and matches other funding constraints.	N	Y	Y	Y	N
Summary		Discounted	Possible	Possible	Preferred	Possible

Full Business Case

Table 4 – Service Delivery

Reference to:	Notes	Option 1	Option 2	Option 3
Service Delivery for Office based staff (roles suitable for Across all offices - all hybrid working)	Outlines who will undertake the work timescale of project to deliver changes is relatively short	Do Nothing	Minimum	Intermediate
		no additional resource	in house team	outsource whole thing, contractors in to design, move people
Objectives				
Increase staff satisfaction with work / life balance:- Increase staff satisfaction in their workplace and equipment provided by 10% by June 2024		N	Y	Y
Increase sustainability of office estate:- Reduce the operational property costs by 5% per FTE for council offices by end of financial year 2023/24		N	Y	Y
Reduce travel and Associated carbon footprint:- Reduce the mileage claimed for private car usage by 10% by end of financial year 2024/25		N	Y	Y
Increase availability of digital tools for hybrid working:- All office meeting room and collaborative working spaces provided with good quality Wi-Fi coverage by end of 2023		N	Y	Y
CSF's	CSF's			
Strategic Fit (Vision / Gov Policy)	How well the option meets agreed spending objectives, related business needs and service requirements	N	Y	Y
Potential VFM	How well the option maximises the return on the required spend (benefits optimisation) in terms of economy, efficiency and effectiveness from both the perspective of the organisation and wider society and minimises associated risks.	N	Y	?
Potential Achievability	How well the option is likely to be delivered in view of the complexity of the option, and the experience, capability and capacity of the partners involved.	Y	Y	?
Supply side capacity	How well the option matches the ability of the service providers to deliver the required level of services and business functionality , and appeals to the supply-side.	Y	Y	?
Potential Affordability	How well the option meets the likely availability of funding and matches other funding constraints.	Y	?	N
Summary		Discounted	Preferred	Discounted

Full Business Case

Table 5 – Implementation

Reference to:	Notes	Option 1	Option 2	Option 3	Option 5
Implementation for Office based staff (roles suitable for Across all offices - all hybrid working in house team)	Due to the complexity and variety of services involved and the requirement for managers to discuss with staff members it was felt that the project requires focussed attention and will need to be closely managed.	Do Nothing	Minimum	Intermediate	Maximum
		Business as usual	Senior Project Officer and Delivery Group	SPO, Delivery Group and short term temporary dedicated ICT/OD resource	Dedicated project team from additional resource for whole project duration
Objectives					
Increase staff satisfaction with work / life balance:- Increase staff satisfaction in their workplace and equipment provided by 10% by June 2024		N	?	Y	Y
Increase sustainability of office estate:- Reduce the operational property costs by 5% per FTE for council offices by end of financial year 2023/24		N	Y	Y	Y
Reduce travel and Associated carbon footprint:- Reduce the mileage claimed for private car usage by 10% by end of financial year 2024/25		?	?	Y	Y
Increase availability of digital tools for hybrid working:- All office meeting room and collaborative working spaces provided with good quality Wi-Fi coverage by end of 2023		N	Y	Y	Y
CSF's	CSF's				
Strategic Fit (Vision / Gov Policy)	How well the option meets agreed spending objectives, related business needs and service requirements	N	?	Y	Y
Potential VFM	How well the option maximises the return on the required spend (benefits optimisation) in terms of economy, efficiency and effectiveness from both the perspective of the organisation and wider society and minimises associated risks.	N	Y	Y	?
Potential Achievability	How well the option is likely to be delivered in view of the complexity of the option, and the experience, capability and capacity of the partners involved.	N	?	Y	Y
Supply side capacity	How well the option matches the ability of the service providers to deliver the required level of services and business functionality , and appeals to the supply-side.	N	Y	Y	Y
Potential Affordability	How well the option meets the likely availability of funding and matches other funding constraints.	N	Y	Y	N
Summary		Discounted	Possible	Preferred	Discounted

Full Business Case

Table 6 – Funding

Reference to:	Notes	Option 1	Option 2	Option 3	Option 4
Funding for Office based staff (roles suitable for hybrid working), operating from core offices Across all offices - all hybrid working staff provided with personal equipment increase collaborative meeting spaces, increased connectivity for wi-fi to all collaboration spaces and break outs, desk allocation 50% of FTE, more Council staff able to access office welfare in house team SPO, Delivery Group and short term temporary dedicated ICT/OD resource	can only use capital receipts for this year for funding. The Scottish Govt may allow this for next year but it is not known if this will be possible at this point	Do Nothing	Minimum	Intermediate	Intermediate
		Do nothing	use of capital receipts	Use of capital receipts for 2022/23 funding 2023/24 allocation of funds from Transformation fund	allocation of funds from Transformation fund for all funding
Objectives					
Increase staff satisfaction with work / life balance:- Increase staff satisfaction in their workplace and equipment provided by 10% by June 2024		N	Y	Y	Y
Increase sustainability of office estate:- Reduce the operational property costs by 5% per FTE for council offices by end of financial year 2023/24		N	Y	Y	Y
Increase staff satisfaction with work / life balance:- Increase staff satisfaction in their workplace and equipment provided by 10% by June 2024		N	Y	Y	Y
Increase availability of digital tools for hybrid working:- All office meeting room and collaborative working spaces provided with good quality Wi-Fi coverage by end of 2023		N	Y	Y	Y
CSF's	CSF's				
Strategic Fit (Vision / Gov Policy)	How well the option meets agreed spending objectives, related business needs and service requirements	N	Y	Y	?
Potential VFM	How well the option maximises the return on the required spend (benefits optimisation) in terms of economy, efficiency and effectiveness from both the perspective of the organisation and wider society and minimises associated risks.	N	Y	Y	Y
Potential Achievability	How well the option is likely to be delivered in view of the complexity of the option, and the experience, capability and capacity of the partners involved.	N	Y	Y	Y
Supply side capacity	How well the option matches the ability of the service providers to deliver the required level of services and business functionality , and appeals to the supply-side.	?	Y	Y	Y
Potential Affordability	How well the option meets the likely availability of funding and matches other funding constraints.	N	N	Y	?
Summary		Discounted	Discounted	Preferred	Possible

Full Business Case