



REPORT TO: MORAY COUNCIL ON 30 JUNE 2021

SUBJECT: OFFICE REVIEW

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

- 1.1 This report provides a progress update on the Office Review following the recommendations set out within the Property Asset Management Appraisal.
- 1.2 This report is submitted to Committee in terms of Section II of the Council's Scheme of Administration relating to matters excluded from delegation to Committees.

2. RECOMMENDATION

2.1 It is recommended that the Committee:

- i) considers and notes the Office Review (included as an additional document on the meeting agenda);**
- ii) agrees a staged implementation of the Office Review; and**
- iii) agrees that a further update on the various actions within the Office Review will be presented to Committee in December 2021.**

3. BACKGROUND

- 3.1 On 12 December 2018, the Policy and Resources Committee considered the findings from the Property Asset Management Appraisal (PAMA) and agreed 20 separate recommendations aimed at improving how the Council manages and maintains its property assets (para 6 of the minute refers).
- 3.2 Recommendation 4 of the PAMA stated that a review of the Council's office estate should be completed.
- 3.3 An update on the PAMA was reported to Policy and Resources on 29 October 2019 (para 13 of the minute refers) including an update on recommendation 4, the review of the Council's office estate.
- 3.4 The purpose of the Office Review was to provide a strategic overview of council offices; how they are used; what opportunities there may be to co-

locate services to improve joint working for further investigation; and examine opportunities to reduce operational costs through a programme of rationalisation.

- 3.5 The first draft of the office review was impacted by the lockdown in March 2020, following the government imposing a lockdown which included all non-essential staff working from home. The second draft was completed and consulted with CMT/SMT in October 2020 with a considerable number of comments received from Heads of Service. The current draft of the Office Review takes account of comments from CMT/SMT and also takes account of the latest guidance about the re-occupation of offices. A summary of the recommendations from the Office Review are listed in **Appendix I** of this Report.
- 3.6 In response to the COVID restrictions a roll out of ICT equipment to previously office based staff to allow them to work from home has been completed. This allows the Council to take a more flexible approach for staff to return to the office.

4. STAGED APPROACH

- 4.1 The Review recommends a staged approach to the implementation of the office review which will be linked to government advice in terms of the re-occupation of offices and the completion of a new flexible working policy currently being drafted.
- 4.2 For present purposes, it is assumed that when government advice on the re-occupation of offices is introduced, it is likely that the 2 metre rule for social distancing will remain in place, although the governments policy is current under review. The impact of maintaining social distancing within the offices is to reduce the occupant capacity to around one third of pre-COVID levels.
- 4.3 The new draft flexible working policy is being framed around a model where staff would operate a hybrid working pattern of 2 to 3 days in the office. It will recognise that there will be staff who do not have suitable work spaces at home or who, for mental health or similar reasons, want or need to be based permanently in offices and equally those who, for good reason, wish to work from home.
- 4.4 The Review recommends a three stage approach to be adopted in the short, medium and long term.

Short Term

- 4.5 The short-term approach will be adopted once government restrictions on working from home are lifted. This will be based on social distancing being in place and the capacity of the Headquarters and Annexe being a third of pre-COVID levels. The return to the office by staff will be phased and will be on a rota of either 2 or 3 days in the office and the remainder of the week working from home. Each Head of Service will aim to manage their staff within their current designated areas or rooms with any consequential adjustment to rotas at this stage being dictated to an extent by the space available and distancing requirements. Heads of service and service managers are best placed to

make these adjustments and discussions are ongoing as regards the interplay between allocated space and particular service needs..

- 4.6 Circulation routes will remain in place and kitchen and breakout spaces will be managed with social distancing in place.
- 4.7 Desktop ICT equipment has been ordered and will be configured to between 30 and 40% of the available desks.
- 4.8 Space will be released for collaborative work and block booking of meeting rooms, committee room, chamber and training spaces will be controlled.

Medium Term

- 4.9 The medium term approach seeks to maximise the use of buildings within Elgin and identifies currently occupied buildings which could be released.
- 4.10 Health and Social Care Moray currently occupy leased buildings in Elgin at Southfield and Highfield House. These building could be released and the staff accommodated within the HQ campus. The Southfield property requires a one year notice to quit the current lease arrangements but further discussions are required in light of the closure of the related medical practice..
- 4.11 The Review identifies that 9 North Guildry Street could be closed and the staff relocated to either of 3 other buildings within the office estate.
- 4.12 A review of the ASN function which is currently based in Beechbrae offices is currently underway, therefore no recommendations have been made until this has been reported. Once this review is complete it will allow further options within the office estate to be considered.
- 4.13 The introduction of the new flexible working policy will impact the current staff workstyles and this is likely to be reflected in the configuration of office spaces with the requirement for more collaborative working space and larger remote working screens for mixed meetings.
- 4.14 The Scottish Futures Trust have recently published a study entitled New Frontiers for Smarter Working which considers the new distributed working pattern that Local Authorities may consider adopting. Distributed working is a pattern of organisation where individuals and teams are dispersed across geographies, mixing traditional corporate facilities with remote locations, including co-working spaces and home offices enabled by technology, space strategies and culture.

Long Term

- 4.15 The longer term vision will be linked to corporate priorities with property requirements linked to the strategic view of the future. The development of the Learning Estate Strategy will provide opportunities for placed based developments in localities and opportunities to deliver this through the Northern Infrastructure Commission. For some public organisations, including the council, the distributed working model may consist of only home and office but for others a rich range of options can be created across homes, hubs and HQ's (main offices) that truly support the way people work.

- 4.16 The development and review of the flexible working policies will support the long term strategic outcomes of the council.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

This project forms part of the Improvement & Modernisation Programme (IMP) of Work that supports the Council priority of effective asset management and digital services. a financially stable Council.

(b) Policy and Legal

None.

(c) Financial Implications

The financial implications of this report are contained within the Office Review.

(d) Risk Implications

The impact of COVID-19 pandemic will impact the delivery of services from council offices. A staged approach is to be adopted to remain flexible and resilient.

(e) Staffing Implications

Council at its meeting of 12 May 2021 (paragraph 2.2 refers) agreed to set up a project team to support the implementation of the IMP programme including resource to support the progression of the Office Review.

(f) Property

These are set out in the report.

(g) Equalities/Socio Economic Impact

There are no equalities/socio economic impacts arising from this report.

(h) Consultations

Consultations on this report have taken place with the Head of Human Resources, ICT and Organisational Development, and Tracey Sutherland, Committee Services Officer and any comments have been incorporated into the report. The Office Review has been consulted on with CMT/SMT and the views of Heads of Service have been incorporated into the Review.

6 CONCLUSION

6.1 This report provides an update on the Office Review and makes a recommendation for a staged approach to its implementation.

Author of Report: Moray Macleod, Acting Head of Housing and Property
Background Papers: Held by author
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