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| Committees: | Dates: |
| Projects Sub-Committee | 7 September 2016 |
| Policy and Resources Committee | 8 September 2016 |
| Establishment Committee – for information | 16 September 2016 |
| Corporate Asset Sub-Committee – for information | 23 September 2016 |
| Subject: Accommodation and Ways of Working | Public |
| Report of: Town Clerk | For Information |
| Report Author: Paul Nagle, Chamberlain's Department | |

Summary

The City Corporation is a modern employer and wherever possible the work-styles and culture within the organisation have kept pace with changes both in the public and private sectors. The current position is, however, typified by Departmental working with staff performance management often focused on inputs and presenteeism. We also have an inefficient utilisation of our office spaces with a high desk to staff ratio of 1.1 which does not support modern approaches to interaction and team working.

This programme aims to modernise working practices, based around the needs of our internal and external customers, optimise our buildings and facilities to provide focus for improvements to our business processes, skills and assets as well as positively enhance the Wellbeing of our staff.

It is planned to introduce a pilot model office, for DBE and some Open Spaces staff on the 1st Floor of Guildhall North Block from October 2016. This will pilot the new ways of working, including accommodation changes and greater agile working enabled through IT. This experience will inform the development of the overall options and business case for the widespread programme of change envisaged.

This programme will be a core enabler and trigger to starting an organisation transformation of Culture. It will also enable the rationalisation and commercial letting opportunities identified from the Operational Property

Recommendations

The **Projects Sub Committee** is recommended to approve the project to progress to Gateway 3 - Outline Options Appraisal

The **Policy and Resources Committee** is recommended to note the report and the implications for the Guildhall Complex

The **Establishment Committee** is recommended to note to Accommodation and New Ways of Working Programme and the implications for the City of London Corporation Workforce

The **Corporate Asset Sub Committee (CASC)** is recommended to note the Accommodation and New Ways of Working Programme and the implications for improving the efficiency and effectiveness of the Corporation's operational property. Particularly in relation to the potential to release Irish Chamber and Walbrook Wharf.

Main Report

Background

1. The City Corporation is a modern employer and wherever possible the work-styles and culture within the organisation have kept pace with changes both in the public and private sectors. The current position is, however, typified by Departmental silo working with staff performance management often focused on inputs and presenteeism. The City Corporation culture and ways of working needs to keep pace with what is now standard practice for large successful organisations that successfully focus on outcomes and customer need, delivering joined up services and with whom we compete with to recruit and retain quality staff. We also have an inefficient utilisation of our office spaces with a high desk to staff ratio of 1.1 which does not support modern approaches to interaction and team working.
2. This programme will be a core enabler and trigger to starting an organisation transformation of Culture, focused on Pride, Passion, Pace and Professionalism, with business processes orientated around achieving excellent outcomes for our customers, with the current culture of Departmental Silos and resistance to change overcome within the overall Transformation Programme. It will create the foundation for a culture that embraces continuous improvement, best practice and flexibility with performance measured through outcomes and delivery – with work styles and the tools to support these clearly defined.
3. The Chief Officers Summit Group, recognising the significance of these issues agreed to the commencement of an Accommodation and Ways of Working project earlier this year. Initial start-up funding of £145k from the Transformation Fund and additional local risk contributions of £10k each from pilot Departments DBE and Open Spaces have enabled external expertise to be commissioned to progress the programme including preparations for introducing a model office.
4. As stated above, the City Corporation is a forward looking organisation and has made some significant investments in improving the workplace and facilities provided over the last two decades through the Guildhall Improvement projects. This investment in the fabric of our central buildings is an enabler for the City Corporation to now embark on a significant cultural change programme. The need for this programme reflects the importance of keeping relative pace with the significant changes in the work environment, expectations of a modern workforce and stakeholders and a focus on transforming the organisational culture of the City Corporation.

Operational Property Review

5. This programme will be interdependent with the operational property review, ensuring that identified benefits of running cost savings and rental income generation initially estimated at £1.6m per year from that project can be achieved through new ways of working. This will be through rationalisation and commercial letting opportunities enabled by staff vacating Walbrook Wharf front

offices and Irish Chambers and moving into a more intensively utilised Guildhall Complex.

Project Description

6. The programme will create the environment that will enable a significant cultural change through the introduction of ways of working and work spaces that break away from our traditional desk based silos. The project will encourage greater collaboration, co-creation, improved productivity and health benefits for staff with services focused around our customers whether they are internal or external. It will;
 - Clarify our services and how best we can deliver these through improving how we work individually, in our teams and collaboratively with others
 - Establish a set of worker styles that support the culture and ways of working
 - Identify changes to process, policy, technology, design and use of space and facilities
7. There are significant opportunities to improve services and we would like to create a business case describing these benefits, both to staff, customers and the bottom line of costs. The project will involve:-
 - Introduce a flexible and agile work environment supporting new ways of working
 - Increase mobile technology and decrease fixed desk devices based on role and functional needs
 - Rationalisation of operational property – achieved through increased density of staff occupation
 - Reduced sickness levels and loss of productivity through presenteeism
 - Training for managers in HR policy and work practices that support new ways of delivering outcomes

Pilot Model Office

8. It is planned to introduce a pilot model office, for DBE and some Open Spaces staff on the 1st Floor of Guildhall North Block from October 2016. This will pilot the new ways of working, including accommodation changes and greater agile working enabled through IT. This experience will inform the development of the overall options and business case for the widespread programme of change envisaged. Diversity and inclusion staff networks are being closely consulted in the design of the model office as it will be an ideal opportunity to trial improvements in equipment and working practices that support staff wellbeing. The pilot model office will also enable to vacation of Open Spaces staff from the Irish Chambers.
9. As preparation for this change, a corporate wide de-clutter campaign commenced in July, championing good housekeeping of both electronic and paper records, with an aim of reducing the retention of unnecessary records. Member will be aware of the increasing IT costs associated with electronic record keeping.

10. A range of options for introducing this pilot office are currently being considered and costed for which further funding will be necessary. Depending on the recommended pilot option, quantum and nature of costs (revenue or capital) funding to implement the model office is to be sought from Members in October 2016 if approved in order to maintain the momentum of the change programme.

Conclusion

11. This programme will enable the Corporation to keep relative pace with the significant changes in the work environment, expectations of a modern workforce and stakeholders.
12. This programme will be a core enabler and trigger to starting an organisation transformation of Culture. It will create the foundation that embraces continuous improvement, best practice and flexibility with performance measured through outcomes and delivery – with work styles and the tools to support these clearly defined. It will also enable the rationalisation and commercial letting opportunities identified from the Operational Property Review.

Appendices

Appendix 1 – Accommodation and Ways of Working – Gateway 1 / 2 Report

Appendix 2 – Accommodation and Ways of Working – Vision and Objectives

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