

South Ayrshire Council

**Report by Assistant Director - People
to Cabinet
of 27 September 2022**

Subject: Future Operating Model

1. Purpose

1.1 The purpose of this report is to provide an update on the Council's Future Operating Model.

2. Recommendation

2.1 It is recommended that the Cabinet:

2.1.1 notes the updates provided for each of the workstreams in the Future Operating Model;

2.1.2 requests that a report is brought back to Cabinet by June 2023 outlining the benefits and savings realised through the implementation of the new way of working; and

2.1.3 notes that a report on the proposed future operating model of delivery of Customer Services will be submitted at a later date.

3. Background

3.1 At a special meeting of Council on 10 March 2022, Members approved the proposals to introduce a Future Operating Model and asked officers to provide an update on progress by September 2022.

3.2 There were six workstreams which make up the Future Operating Model proposals and a Lead Officer is responsible for each of these:

1	Workforce Analysis	Service Lead – Organisational Development and Customer Services
2	Workforce Health, Safety and Wellbeing	Service Lead – HR and Payroll
3	Support for Home Working – Digital/ Equipment	Service Lead – ICT Enterprise Architecture
4	Support for Home Working – Employee/Manager Guidance	Service Lead – Organisational Development and Customer Services

5	Workplace – Office Accommodation	Assistant Director - Place
6	Frontline Delivery	Assistant Director - People

3.3 The proposals set out below have been written by each of the Workstream Leads.

4. Proposals

4.1 ***Workstream 1 – Workforce Analysis***

4.1.1 At its meeting of 10 March 2022, Council agreed all workstyle proposals, with the exception of those proposed for Customer Services. HR have now contacted all employees to confirm their workstyle. Customer Services staff will be advised of their workstyle when Cabinet approve proposals for the delivery of customer services. Proposals for the future operation of Customer Services will be presented to Cabinet of 27 September 2022 in a separate report.

4.2 ***Workstream 2 – Workforce Health, Safety and Wellbeing***

4.2.1 Employees have now received written confirmation of their designated workstyles.

4.2.2 A report was considered and approved at Cabinet on 30 August 2022 maintaining the provisions of the current Travel and Subsistence Policy based on HMRC guidance. HMRC confirmed that since all Agile, Hybrid and Home working employees are assigned a Council office location as an admin base, the costs of travel to and from that base will not be eligible for mileage claims. HMRC confirmed that if employees are required to travel to a permanent location (such as a Council office), this travel is considered a commute and therefore not claimable.

4.2.3 Cabinet approved the amendment to the Remote Working Policy to incorporate HMRC advice and updates to the Travel and Subsistence Policy to include reference to the Future Operating Model and the workstyles.

4.2.4 Health and Safety Guidance has been issued for those working remotely (agile, hybrid and home workers) as well as a Coast training module which considers typical hazards associated with working at home including ergonomically safe workstations; electrical safety; fire safety; working environment; mental wellbeing; lone working and dealing with aggression. It notes the continued statutory requirement for line managers to risk assess remote working arrangements and provides links to the online self-assessment procedures for staff.

4.3 ***Workstream 3 – Support for Home Working – Digital/ Equipment***

4.3.1 Existing guidance and resources have been updated and a range of new information produced to support employees working from home. This content, along with outputs from Workstream 4, is being brought together on the Core for employees to access.

4.4 **Workstream 4 – Support for Home Working – Employee/Manager Guidance**

4.4.1 Workstream 4 used feedback from employee and manager surveys to develop online resources which will support new ways of working. These include new [welcome pages for corporate induction](#) which have been launched and information pages, in conjunction with Workstream 3 to help managers support employees to work effectively in agile, hybrid or homeworking roles.

4.5 **Workstream 5 – Workplace – Office Accommodation**

4.5.1 Following agreement at Council meeting on 10 March 2022, a project was established to manage the return of staff to Council buildings. Whilst some slippage has occurred due to Covid and staff absence, implementation is underway and services are returning to offices. As at 26 July, Planning and Building Standards and Revenues and Benefits services are now back into County Buildings while Housing Services are now set-up and ready to return to Kyle Street and Riverside House. All Services will be returning subject to the availability of ICT kit (such as monitors) which has experienced ordering issues globally.

4.5.2 Council approved the purchase of an Internet of Things (IoT) based desk booking system to be piloted in County Buildings. The implementation of the pilot was also subject to delays (due to Covid and staff absence) and has now commenced. Lessons learned from the pilot will inform the Council's approach for managing its office estate.

4.5.3 One outcome of the Council's new way of working will be a reduction in office space requirements as staff working under the new workstyles may be home based, or work in an agile or hybrid way. Opportunities have therefore emerged to consider savings in a number of areas including: reduction in travel expenses, courier and stationery costs, rationalising print/photocopy use and reduced energy consumption. Reduction in transport and administration costs of up to 25% are being proposed while options are currently being prepared for additional areas.

4.6 **Workstream 6 – Frontline Delivery**

4.6.1 There was an amendment to the recommendations at Leadership Panel in March in relation to one proposal to read 'that Customer Services should operate as per pre-pandemic, subject to Covid regulations, and officers to further consider the model of delivery for Customer Services and present these recommendations'. Significant changes in customer trends have made it impossible to revert to the previous model and interim arrangements remain in place. In addition, concurrent service reviews are taking place which will potentially impact on any proposed model of Customer Services. A paper outlining these proposals will be brought forward to a future meeting of Cabinet.

4.7 **Implementation of the new ways of working**

4.7.1 Essentially, the implementation of the new way of working is almost complete and rather than being defined as a future operating model, we are now beginning to embed and stabilise the delivery model. This will be

subject to the usual asset management plans and flexible ways of working that remain relevant with the new model.

4.7.2 Additional benefits identified in implementing the Future Operating Model, such as opportunities to review the Councils corporate estate and a decrease in expenditure on office supplies, will be taken forward as part of the *South Ayrshire Way Strategic Change Programme*.

4.7.3 A further update on savings and benefits associated with the implementation of the new model will be brought to Cabinet by June 2023.

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 The financial implications arising from the future operating model will be monitored during the implementation and further details will be brought to Cabinet by June 2023 outlining any impact

7. Human Resources Implications

7.1 Employees have been issued with written confirmation of their designated workstyles.

7.2 The Travel and Subsistence and Remote Working Policies have been updated to reflect HMRC guidance.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 Any risks associated with adopting the recommendations for the Future Operating Model will be managed in line with current risk management and health and safety protocols.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 Rejecting the recommendations may impact negatively on our ability to reduce the corporate estate and to modernise service delivery.

9. Equalities

9.1 Equalities scoping and impact assessments were included with the original report to Council on 10 March.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** – It is anticipated that proposals will reduce our carbon footprint and data is being gathered to analyse this.

11. Options Appraisal

- 11.1 An options appraisal has been carried out in relation to the delivery of customer services and details are included in that report (which is a separate item on this agenda).

12. Link to Council Plan

- 12.1 The matters referred to in this report contribute to Commitment 1 of the Council Plan – Fair and Effective Leadership/ Leadership that promotes fairness.

13. Results of Consultation

- 13.1 There has been public consultation on reintroducing face to face customer service.
- 13.2 Consultation has taken place with Councillor Martin Dowey, Portfolio Holder for Corporate and Strategic, and Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.
- 13.3 Trade Unions have been consulted on the changes to the policies highlighted in 4.2.3 and 7.2.

14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Assistant Director – People will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

Implementation	Due date	Managed by
Present a report to Cabinet outlining the additional benefits and savings realised through the new model of working	June 2023	Assistant Director - Place
Present a report to Cabinet outlining the potential options for the future delivery of Customer Services	April 2023	Assistant Director - People

Background Papers **[Report to South Ayrshire Council \(Special\) of 10 March 2022 - Future Operating Model](#)**

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