

**Report of Director of Resources**

**Report to Resources and Strategy Scrutiny Board**

**Date: 25 July 2022**

**Subject: Future Working Arrangements at Leeds City Council**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4(3)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary**

**1. Main issues**

- This report provides Board members with an update on the Council’s Future Working programme, the latest phase of the long established change programme that started with Changing the Workplace programme over 10 years ago.
- It includes background information relating to previous Scrutiny enquiry around the Council’s response to the Covid-19 pandemic.
- There is a reminder about the Best Place to Work Pledge that we have made to all front line and office based colleagues in 2021.
- It provides an update on our most recent survey conducted in May 2022, which outlines current working patterns, and seeks a view from Scrutiny Board members around the council’s Hybrid working approach and potential next steps.
- It gives an update on our work to right size the council estate, and some opportunities we are looking to exploit around our zero carbon ambitions in the city.

**2. Best Council Plan Implications** (click [here](#) for the latest version of the Best Council Plan)

- Ensuring that staff can work effectively underpins the delivery of the Best Council Plan ambitions as does the provision, spread and flexibility of our buildings. In particular our organisational and agile work policies, as well as changes to our

estate supports the Best Council ambition to be ‘an efficient, enterprising and healthy organisation’.

- Our [People Strategy 2020-25](#) sets out our ambition to be the Best Place to Work with a clear focus on creating a great all round employee experience for all staff, with the support of their leaders and managers working in a positive organisational culture, driven by our council values.

### **3. Resource Implications**

- Investment is being made to ensure that buildings are fit for purpose and meet the requirements of services and staff. This has so far primarily included investment into Adams Court to accommodate staff being relocated from Hunslet Hall to allow the later to be released from operational use, as well as investment into collaboration spaces in Merrion House, Civic Hall and Apex House.
- Investment into new video conference equipment is also being made to refresh all the older kit which does not properly integrate with Microsoft Teams. This is an important aspect given the importance of ensuring that hybrid meetings can take place across our estate.

### **Recommendations**

a) Resources and Strategy Scrutiny Board is asked to:

- I. Note the contents of this report
- II. Note the Best Place to Work pledge made to all staff.
- III. Consider the results from the most recent Future Working Survey conducted in May 2022, and feedback on the areas discussed in the report relating to the ongoing implementation of Hybrid working across the council.
- IV. Note the latest update on rightsizing the council Estate and how the Future Working programme can contribute to our zero carbon ambitions across the city.

#### **1. Purpose of this report**

- 1.1 To provide Resources and Strategy Scrutiny Board with an update around Future Working arrangements at Leeds City Council.

#### **2. Background information**

- 2.1 The Council has a long established Changing the Workplace (CTW) programme which has provided opportunities for staff to work differently, with flexible and new ways of working, investment in technology, estate rationalisation and cultural change. This has focussed on both our City Centre Estate and key locality services and buildings. The COVID-19 Pandemic and lockdown led to a further period of rapid change, as all services were required to review their delivery models, and our long term commitment and investment over previous years meant that we were well prepared and able to respond.

2.2 During the 2020/21 municipal year, Resources and Strategy Scrutiny Board received regular updates around how the council had responded to the specific challenges faced during the COVID-19 pandemic, the changes to the way people had worked, and how this had further affected the use of our estate. This included services which were mainly front line, those that were mainly office-based, and those with a mix. Scrutiny looked at a range of related issues such as: service productivity and impact, staff wellbeing, and whether colleagues had the necessary IT and kit to support effective working.

2.3 A summary evidence report was presented to the Board's March 2021 meeting. This allowed members to review all the evidence shared during the year and to begin looking at the longer term implications around future working arrangements at the council.

2.4 In 2021, A Best Place to Work pledge was made for all 14,000+ council colleagues, and a reminder of this is included in the next section of this report.

2.5 In addition to this, specific planning was undertaken regarding the 8000+ colleagues who had predominantly been working from home during Covid (classed as office based workers). Such teams, with predominantly office based colleagues, were asked to produce local plans for future working to recognise the unique and different service they provide. They were asked to implement hybrid working arrangements that successfully strike a balance across :

- **Individual staff preferences** - around working patterns
- **Service needs** – what customers and teams need
- **LCC resources** – what the council can afford and provide

2.6 Over the last year, following the lifting of Covid and Government work from home instructions, services have been gradually and systematically implementing these new working arrangements, and we have seen more and more people returning to offices and their Teamzones (their nominated service base)

### 3. Main issues

#### Best Place to Work pledge to all staff

3.1 The Covid pandemic changed the way many council staff work, and how we deliver our services. There are also many other factors which continue to shape a different approach e.g. customer behaviour, financial challenges, digital advances, the climate emergency.

3.2 A commitment has been made to all staff – through a Best Place to Work Pledge. The pledge applies to all staff – frontline, office based, community based, outdoor workers, peripatetic, in and out patterns, working from home. Up to 7000 council colleagues operate in front line roles, with a wide range of workplace environments, and around 8000 are classed as office workers.

- 3.3 All services continue to engage with colleagues in their teams to listen to current experiences in relation to the pledge, and take action to improve the working environment. Our aim is to provide a workspace for all staff that:
- Helps them to be their best
  - Keeps them safe and well
  - Is fun and productive
  - Provides the right tools for the job
  - Provides support and contact with managers and colleagues
  - Is green, low carbon and low waste
- 3.4 A new depot at Newmarket Approach in Cross Green was opened in May. This provides a new base for the Council's Waste Management service and fleet of refuse vehicles. This building sets a new standard for depot facilities and provides some good principles that can be applied as over the coming years we upgrade other existing depot facilities.

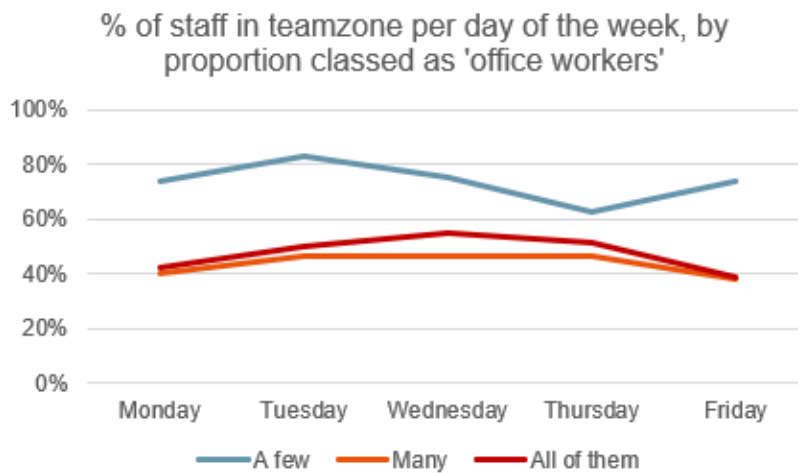
### **Return to the Office – findings from our most recent survey in May 2022**

- 3.5 In May 2022 a review was carried out to understand the progress of staff returning to their teamzone and how this was expected to change over the coming months.
- 3.6 An online survey was sent to all Chief Officers and their Heads of Service. A total of 111 teams were included in the analysis providing a comprehensive coverage of the council's services. The information requested from the survey was:
- How many staff are classed as 'office workers' covered by the working from home instruction during the pandemic
  - The average days per week that a colleague spends in their teamzone
  - An estimated percentage of staff in their teamzone on each day of the week
  - How the current arrangements impact performance
  - Anticipated change in teamzone attendance over the coming months

Headline results from the survey are shared below:

- 3.7 We have a picture of how much time people are spending in the workplace:
- In teams where everyone/most are office based  
**Typically, they are spending around 2 days per week in the workplace.**
  - In teams where few are office based  
**Typically they are spending 3 to 4 days per week in the workplace**
  - In teams with a mix of office and front line  
**Typically, they are spending 2 to 3 days per week in the workplace**
  - In our front line services and teams  
**They continue to spend vast majority of time in the workplace as before**

3.8 We also have estimates around the percentage of colleagues that are spending time in their teamzones on different days across the week, and this can be seen in the graph below:



3.9 There are large variations in the above estimates. As expected, they change significantly by team, role, person and building, and we need this more granular level data to make full sense of the information. We have produced a dashboard that allows us to identify, understand and plan for these variations.

3.10 We have a view from senior leaders in services about how current arrangements and working patterns are affecting performance. The overwhelming feedback has been that service productivity has been maintained or enhanced.

3.11 Looking ahead to anticipated changing staffing levels in the workplace, senior leaders also shared a view that:

#### **By September 2022**

- 5% of teams estimated they would increase greatly
- 30% of teams estimated they would increase slightly
- 64% of teams estimated they would not change much
- 1% of teams estimated they would decrease

#### **In the next 12 months**

- 10% of teams estimated they would increase greatly
- 46% of teams estimated they would increase slightly
- 42% of teams estimated they would not change much
- 1% of teams estimated they would decrease

### **Hybrid Working – our ongoing implementation**

3.12 A set of principles (see table below) were established in spring 2021, with corporate expectations in three important areas: People; Workspaces and places; Technology.

3.13 All Chief Officers, for predominantly office based teams, were asked to use these as a guiding framework when assessing and developing local plans. They have been used over the last year to help implement our hybrid working arrangements. We feel they remain sound working principles – and remain relevant and appropriate for our work today.

People	<ul style="list-style-type: none"> <li>• Staff continue to split time between home and workplace</li> <li>• Majority of people spend most of their time working from home</li> <li>• People who can't work from home will be supported in the workplace</li> <li>• Everyone will have an agreed pattern, which can change</li> <li>• Everyone will spend regular time with their team in the workplace</li> </ul>
Workspaces and places	<ul style="list-style-type: none"> <li>• We will have fewer but better used buildings</li> <li>• Everyone will have a Teamzone – a designated base where they can meet with other members of their team</li> <li>• Majority of visits to the workplace will be for social interaction and collaboration – in a remodelled space</li> <li>• 50% of colleagues can be accommodated in the workplace at the same time</li> <li>• Individuals and groups will book space when they want to come into the workplace – by planning ahead</li> <li>• Everyone will be welcome at a wide variety of locations</li> </ul>
Technology	<ul style="list-style-type: none"> <li>• Everyone will have the kit they need to work at home, in the workplace or on the go</li> <li>• All staff will have Microsoft teams</li> <li>• Hybrid meetings will provide a great user experience</li> <li>• Wider Microsoft 365 Rollout will bring longer term benefits</li> </ul>

3.14 As we build on these and continue to refine and develop our Hybrid working approach, there are several areas around which we are keen to seek Scrutiny Board members views and feedback. They are set out below, for Board consideration, and are areas that we feel it is important to discuss and agree a clear position around.

- a) **The Council will continue to support Hybrid working because it is effective** and as a modern, competitive employer, it helps us recruit and retain diverse and talented people
- b) **Hybrid working will not compromise service delivery** - if we need to be in, then we need to be in. All services will agree clear expectations about being present in the workplace – when and why – to ensure that a quality service is delivered.
- c) **We won't have a single set working patterns for everyone** (e.g. insist on a blanket 2 days a week for everyone) – as the hybrid working model needs to flex by team, role and individual
- d) **We will ask everyone to spend regular time in the workplace with their teams,** but we will more clearly define what we mean by regular and the types of activities this should cover.
- e) **No one will be forced to work from home** – colleagues will always have that choice to come in, if that's what works best

- f) **We will expect people to have a work base in Leeds, regardless of where they live.** Appointments of people who cannot attend work in Leeds on a regular basis will be made by exception. We will ask for senior level sign off on such appointments, to ensure we give full and fair consideration.
- g) **We will remain flexible around our agreed working patterns** – all colleagues will do their best to attend the workplace if needed and called on, even at short notice. This remains an area for further definition, which is likely to vary across roles.
- 3.15 We are working with our Trade Unions on a specific Hybrid Working Policy, which will look to support the implementation of our approach in areas such as: Worker types and role eligibility, working hours, availability, taking breaks, reasonable adjustments, special and carers leave, manager contact, information governance, IT and kit, access to homes.
- 3.16 Other existing policies may need to be reviewed alongside this e.g. Improving Attendance, Flexible Working, Improving performance.
- 3.17 We will continue to do all we can to ensure that all staff have quality support and positive experience as we further develop our Hybrid approach. This will focus on many of the areas included highlighted in the 2021 Scrutiny Enquiry findings such as:
- Guarding against a two-track workforce – at home/in office
  - Staff development and progression available to all
  - Building on the good health, and safety, wellbeing and mental health support.
  - All colleagues have the right equipment that they need, and we continue to invest in this as required.
  - Management and mentoring support is in place – for those new to role/less experience.

### **Rightsizing our Estate and our zero carbon ambitions**

- 3.18 Our Changing the Workplace programme has delivered significant change over the last decade, and a new Estate Management Strategy has been prepared for the period from 2021 to 2025. It was approved at Executive Board in November 2021
- 3.19 The Changing the Workplace programme has primarily focused on our City Centre Estate as well as key locality buildings such as the Community Hubs, Albion House and Kernel House/ Killingbeck Court. Since 2010, the Council has made good progress in rationalising its estate and leveraging its assets to support the Council's priorities. This has to date focused on reducing the number of city centre buildings we occupy from 17 down to the 3 we have today. However, there are many locality buildings which have not seen this investment, and as such more traditional ways of working have continued. Even where the CTW programme has been delivered, opportunities still exist to embed further cultural change to get the full benefits of new ways of working.
- 3.20 Ultimately, our spaces need to provide as much flexibility as possible in the ways they can be used but also allowing staff the opportunity to work more flexibly across all our buildings which brings with it the potential for reduced travel demand/ cost, time savings, and more effective service delivery

3.21 Decisions around which buildings should be considered for release take into consideration the energy usage/ sustainability of the building, its condition and backlog maintenance requirements, as well as its ability to provide appropriate solutions for customers, services and staff. In addition, the future use and development potential for sites, including their ability to be sold or leased is considered. It is also important to note that further estate rationalisation will need to be supported by investment into our retained buildings to remodel and ensure they are fit for purpose, meet service need and maximise utilisation and capacity

3.22 New Hybrid technology and conferencing kit continues to be installed across the estate, following a successfully trial. This is particularly important to ensure that hybrid meetings are possible and that the user experience is positive and professional.

3.23 We continue our work to rightsize the office estate, to meet our target of reducing from 640,000 sq. ft (at the beginning of 2020) by 50% to 320,000 sq. ft. We will have fewer, but better used buildings. This is a continuation of our work over the last decade, which has seen over 100 buildings closed, generating revenue savings in excess of £8m and over £25m of capital receipts, and taking opportunities to transfer surplus estate to the Council's Investment Portfolio (e.g. St George House).

3.24 12 buildings have been closed since 2020:

- Navigation House, Hunslet
- Micklefield House, Rawdon
- Hough Top Court, Pudsey
- Bramley Housing Office
- Shire View, Headingley
- Shannon House, West Park
- Middleton Complex, Middleton
- Woodsley Green, Woodhouse
- St George's House, City Centre
- South Pudsey Centre, Pudsey
- Armley Grange, Armley
- Osmondthorpe One Stop Centre, Osmondthorpe

3.25 The closure of more office locations is being worked through. This will reduce the estate at a size of 367,000 sq. ft. As before, detailed consultations with services and colleagues will take place to ensure that any changes do not have a negative impact upon service delivery. We will work towards a minimum footprint utilisation rate of at least 80%, and will flex the LCC occupied estate to shrink or grow to support this usage, ensuring teamzones are of the right size/ scale and that we explore opportunities for third party use of our buildings, including by community groups and organisations.

3.26 We will continue discussions about further letting of space to partner organisations in Merrion House and other buildings in our wider estate. Already the CCG, Leeds Community Health, Police, Victim Support, Leeds Gambling Hub and NPS take space in our core office buildings on a commercial letting basis. We will continuously monitor



the utilisation rate, and further develop/replace our desk booking system to ensure that it provides the required functionality for LCC and partner organisations.

**3.27** Pilot projects continue to explore how we can create more flexible use of our locality buildings including Community Hubs, Community Centres, Leisure Centres, Children's Centres, Libraries and Museums. This will not only seek to ensure we use our wider estate as efficiently as possible, but also has the potential to make our estate more affordable to operate and invest in, which has the potential to improve customer experiences through ensuring that service users access better quality buildings, which are more fit for purpose to support service delivery. Allowing more flexible use of our buildings will provide scope for people to either use offices close to where they live or close to where they are having meetings or undertaking site visits. This will reduce the level of travel demand, both commuting or business travel.

**3.28** The Council has a large number of Heritage properties within its estate. Whilst we may not have the resource to retain and invest in all these important properties in the longer term, it is recognised that some will need to be retained by the Council due to their importance to the city. A review of our historic properties is beginning to identify those which could be released, whilst also considering other models to deliver longer term investment

**3.29** The Council is working hard to reduce the carbon footprint of its estate and through the public sector decarbonisation scheme has secured and delivered £25.3 million of investment into our buildings, installing solar panels, LEDs, heat pumps, Building Management Systems and insulation within our buildings. Further grant funding has also been secured for this year, but our ambition to have a net zero estate can be better supported through the reduction in the size of our estate, retaining in the main our newer, more sustainable buildings and those that are easier to retrofit.

## **4 Corporate considerations**

### **4.1 Consultation and engagement**

**4.1.1** Extensive consultation continues to take place with staff, teams and senior council leaders. This will continue through the coming months as we implement and test out our new working arrangements.

**4.1.2** A Trade Union working group has been established and meets regularly to discuss the Future Working programme.

**4.1.3** A formal governance structure has been established for the programme, with reporting through Best Council Design team group. This includes representatives for all council directorates, working alongside the core team from Human Resources, Asset Management and our Digital and Information Service.

### **4.1 Equality and diversity / cohesion and integration**

4.2.1 Equality Diversity Cohesion and Integration is at the heart of considerations about the Council's working practices, and an Equality Impact Assessment around Future Working arrangements is ongoing.

## **4.2 Council policies and the Best Council Plan**

4.3.1 Ensuring that staff can work effectively underpins the delivery of the Best Council Plan ambitions as does the provision, spread and flexibility of our buildings. In particular our organisational and agile work policies, as well as changes to our estate supports the Best Council ambition to be 'an efficient, enterprising and healthy organisation'.

## **4.3 Resources, procurement and value for money**

4.31 Investment is being made to ensure that buildings are fit for purpose and meet the requirements of services and staff. This has so far primarily included investment into Adams Court to accommodate staff being relocated from Hunslet Hall to allow the later to be released from operational use, as well as investment into collaboration spaces in Merrion House, Civic Hall and Apex House.

4.32 Investment into new video conference equipment is also being made to refresh all the older kit which does not properly integrate with Microsoft Teams. This is an important aspect given the importance of ensuring that hybrid meetings can take place across our estate.

## **5 Legal implications, access to information, and call-in**

5.31 There are no legal implications related to this report.

## **6 Risk management**

6.1 Through our programme board and governance arrangements, all risks are identified and regularly monitored, for each strand of the programme: People, Workspaces and places, Technology.

## **7 Recommendations**

7.1 Resources and Strategy Scrutiny Board is asked to:

- i. Note the contents of this report
- ii. Note the Best Place to Work pledge made to all staff.
- iii. Consider the results from the most recent Future Working Survey conducted in May 2022, and feedback on the areas discussed in the report relating to the ongoing implementation of Hybrid working across the council.
- iv. Note the latest update on rightsizing the council Estate and how the Future Working programme can contribute to our zero carbon ambitions across the city.

## **8 Background documents<sup>1</sup>**

8.1 None.

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<sup>1</sup> The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.