Deloitte.

Review of Scottish Government Estates; Facilities; Security and Business Continuity; and Smarter Workplaces Service Delivery Structure

Report

20 March 2019

Important Notice

Deloitte LLP ("Deloitte") is acting for Scottish Futures Trust Ltd (the "Client") on the terms set out in the Award Letter dated 24 January 2019 and Call Off Order Form under RM3745 dated 29 January 2019 (the "Engagement Letter") in connection with the review of Scottish Government (SG) Estates, Facilities and Security Services (EFS Services) Delivery Structure (the Review) and will not be responsible to anyone other than the Client for providing advice in relation to the Review.

This document, which has been prepared by Deloitte, has been prepared for the sole purpose of providing the report to the Client envisaged in Annex 1, page 3 (Proposed Scope of Services) of the Engagement Letter.

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Table of Contents

1.0 Executive Summary

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Review of SG *EFS Services* Delivery Structure – 20 March 2019

1.1 Executive Summary: Background, Scope and Methodology

Background

This Review was initiated to assess the issues, gaps, and overlaps in the current Scottish Government *Estates, Facilities and Security Services (EFS Services)* delivery structure, in the context of the following demands:

- Competing budget pressures

- Overall risk of managing a government estate, such as rising security threat

- Maintenance of an ageing estate

- Increasing need for accommodation, due to rapid workforce expansion and creation of several new public bodies

Scope and Purpose

Four functional areas make up *EFS Services*, these include:

- Property Division (PD)
- Facilities Services (FS)

→ Report to Director for Procurement & Commercial (DPC)

- Security & Business Continuity (SBC)
- Smarter Workplaces Programme (SWP)

→ Report to Director for Communications, Ministerial Support & Facilities (DCMSF)

The purpose of this Review is to assess how effectively these functions are working together, and to identify issues, gaps and overlaps in the service delivery structure. The report also includes recommendations about how these issues could be addressed, with reference to market insight and comparator organisations.

Methodology

The below illustrates the high level methodology in undertaking the Review. It incorporates the stakeholder engagement process, identification of the key issues, gaps and overlaps, and subsequent recommendations and options to address key Themes:

1 Engagement

Head of Function (HoF) from *EFS Services* were interviewed to identify issues, gaps and overlaps associated with the existing service delivery model.

2 Identify Themes

Consolidation of findings from stakeholder engagement revealed Key Themes to be addressed.

3 Action Plan

An action Plan and associated key activities was co-developed with stakeholders to address the Key Themes.

Existing Organisation Structure

The Review covers three of the functions that report into DCMSF, and some of the activities undertaken within Property Division (PD), which reports into DPC. This organisational structure is shown below:

Key: In scope — Partially in scope — Out of scope direct report to BA
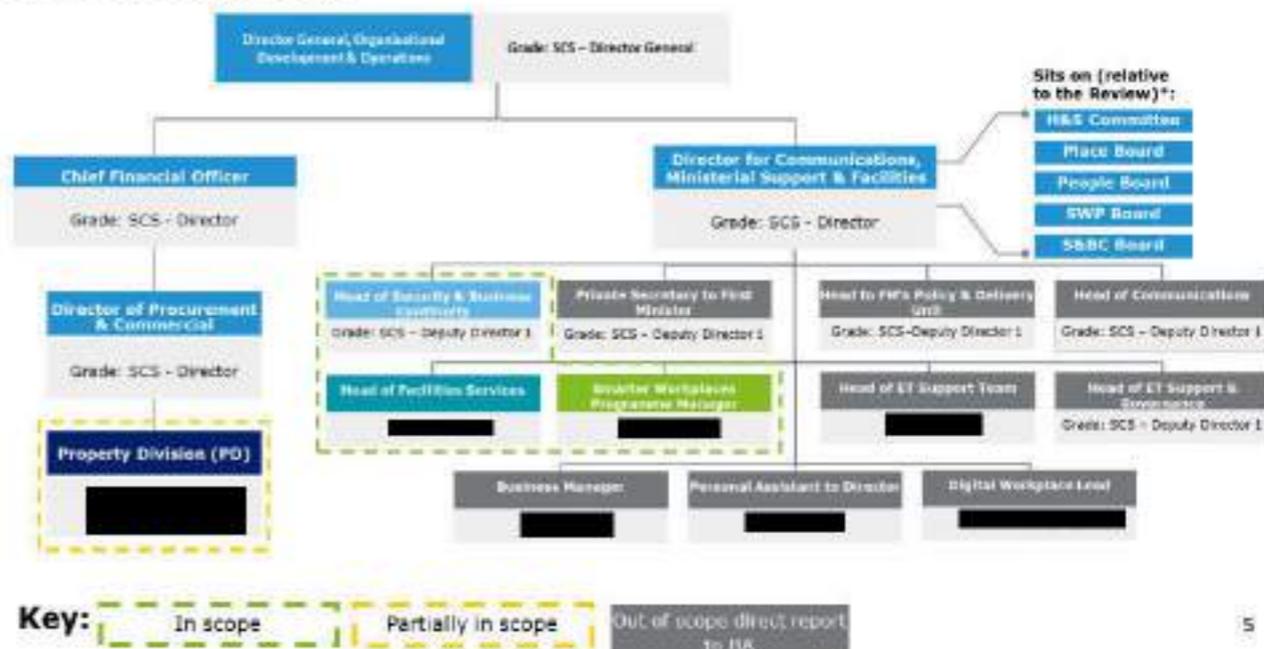
Overview

The below themes have been identified through engagement with key *EFS Services* stakeholders and consolidation of the summary of findings. The Key Themes have been categorised under four lenses: governance, process, capacity and data. The Key Themes alongside the summary of findings were validated with key stakeholders and a workshop was held to co-develop an Action Plan to address the Key Themes.

Cross cutting themes

Governance and Process | **Capacity** | **Data** | **Function specific**

Strategic Direction

- Planning for SG workforce, estates and enabling IT is not joined up
- Whilst work is underway in EFS Services to develop an estates strategy, there is a requirement to develop this to the next level of detail to enable future implementation and prioritisation

Process, Roles & Responsibilities and Communication

- There is an absence of formalised roles and responsibilities and of formal processes of co-ordination within *EFS Services*, between departments (incl. iTECs), and between *EFS Services* and supply chain
- To date, processes have not been comprehensively written up
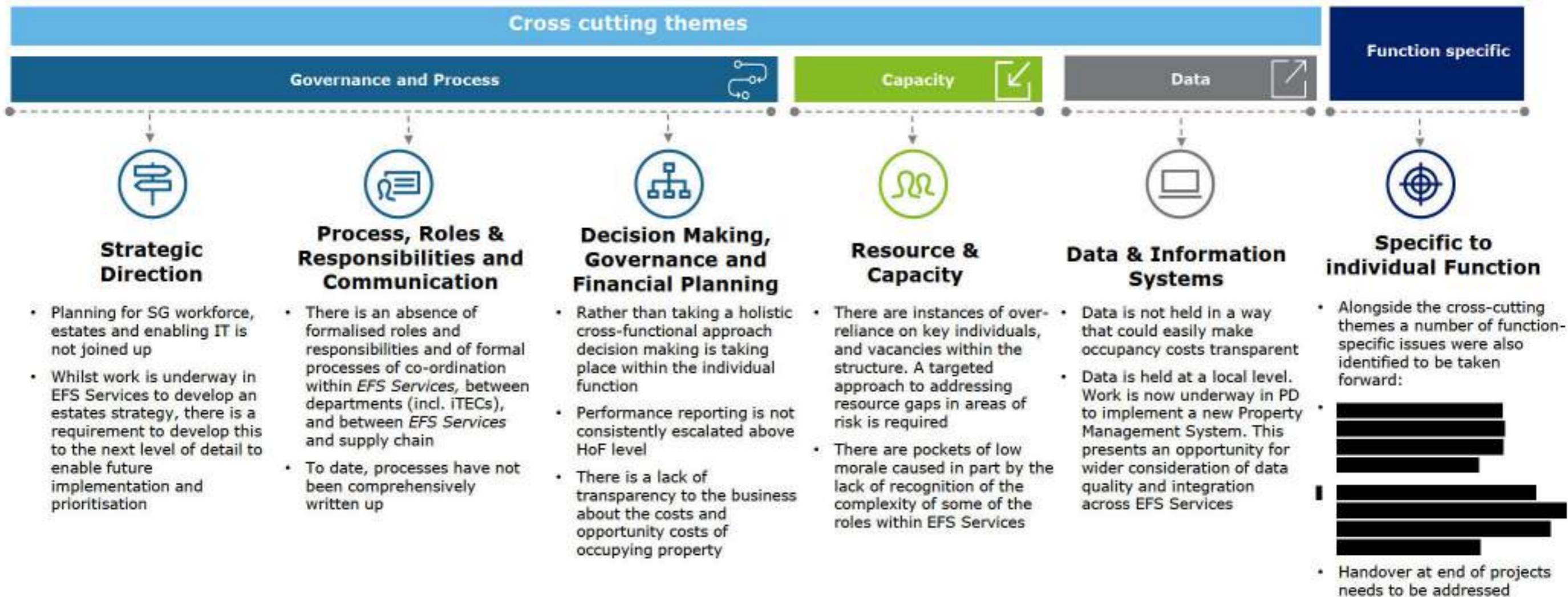
Decision Making, Governance and Financial Planning

- Rather than taking a holistic cross-functional approach decision making is taking place within the individual function
- Performance reporting is not consistently escalated above HoF level
- There is a lack of transparency to the business about the costs and opportunity costs of occupying property

Resource & Capacity

- There are instances of over-reliance on key individuals, and vacancies within the structure. A targeted approach to addressing resource gaps in areas of risk is required
- There are pockets of low morale caused in part by the lack of recognition of the complexity of some of the roles within EFS Services

Data & Information Systems

- Data is not held in a way that could easily make occupancy costs transparent
- Data is held at a local level. Work is now underway in PD to implement a new Property Management System. This presents an opportunity for wider consideration of data quality and integration across EFS Services

Specific to individual Function

- Alongside the cross-cutting themes a number of function-specific issues were also identified to be taken forward:

- Handover at end of projects needs to be addressed

1.3 Executive Summary: Action Plan for Key Themes

Overview

Priority actions have been identified and validated with *EFS Services* stakeholders to address the Key Themes. These actions have been grouped into short, medium and long term timescales.

Actions for each of the Key Themes:

Definition and control Short Term (1-3 Months)	Prioritisation Medium Term (3-6 Months)	Consolidation Long Term (6+ Months)
Publish SG estate strategy (in progress)	Align budgets and decision making	Asset level plan for SG core estate
Review organisation structure	Scope and plan for data quality improvement and integration	Alignment of SG core asset plan with IT and workforce strategies
Clarify processes and roles and responsibilities	Enhance contract management capability to coincide with new FM contract go-live	Set out service standards
Put in place decision-making process which brings together relevant *EFS Services* appropriately		Review processes across *EFS Services* in light of strategy
Put in place regular reporting forum across *EFS* functions, and develop criteria for escalation to Director and above (to be addressed as part of review of SWP governance which is in motion)		Implement transparent reporting of occupancy costs to support understanding of opportunity costs in decision-making
Review critical vacancies, identify particular pressure points and develop strategy to address		Talent and development – develop an approach to professional development across *EFS Services* including training and development – potentially to include training needs/analysis of skills for the future across the functions
Appoint data champions in each area to identify priorities for data quality improvement		Implement data and information systems action plan

Increasing maturity of new functions: Business Continuity and Security

|					
Strategic Direction	**Processes, Roles & Responsibilities, and Communication**	**Decision Making, Governance & Financial Planning**	**Resource & Capacity**	**Data & Information Systems**	**Specific to individual Functions**

2.0 Background & Approach

2.1 Scope
2.2 Approach

2.1.1 Scope: Aims and Objectives

Background

This Review was initiated to assess the issues, gaps, and overlaps in the current *EFS Services* delivery structure. Scottish Government must ensure there is a capable and resilient service delivery structure in place to meet following demands:

- Competing budget pressures

- Overall risk of managing a government estate, such as rising security threat

- Maintenance of an ageing estate

- Increasing need for accommodation, due to rapid workforce expansion and creation of several new public bodies
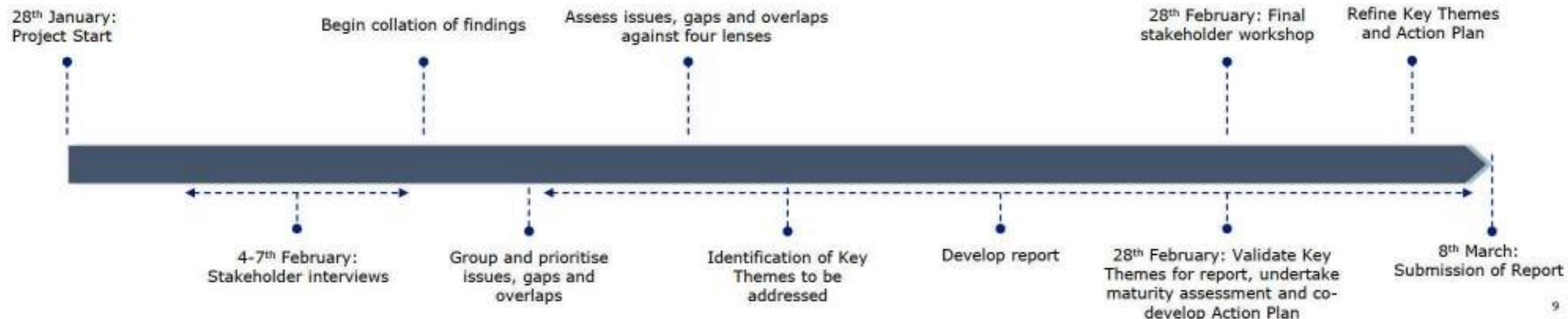
Scope and Purpose

Four functional areas make up *EFS Services*. More detail on reporting lines is shown on the next slide:

Property Division (PD) — Report to Director for Procurement & Commercial (DPC)

Facilities Services (FS)

Security & Business Continuity (SBC) — Report to Director for Communications, Ministerial Support & Facilities (DCMSF)
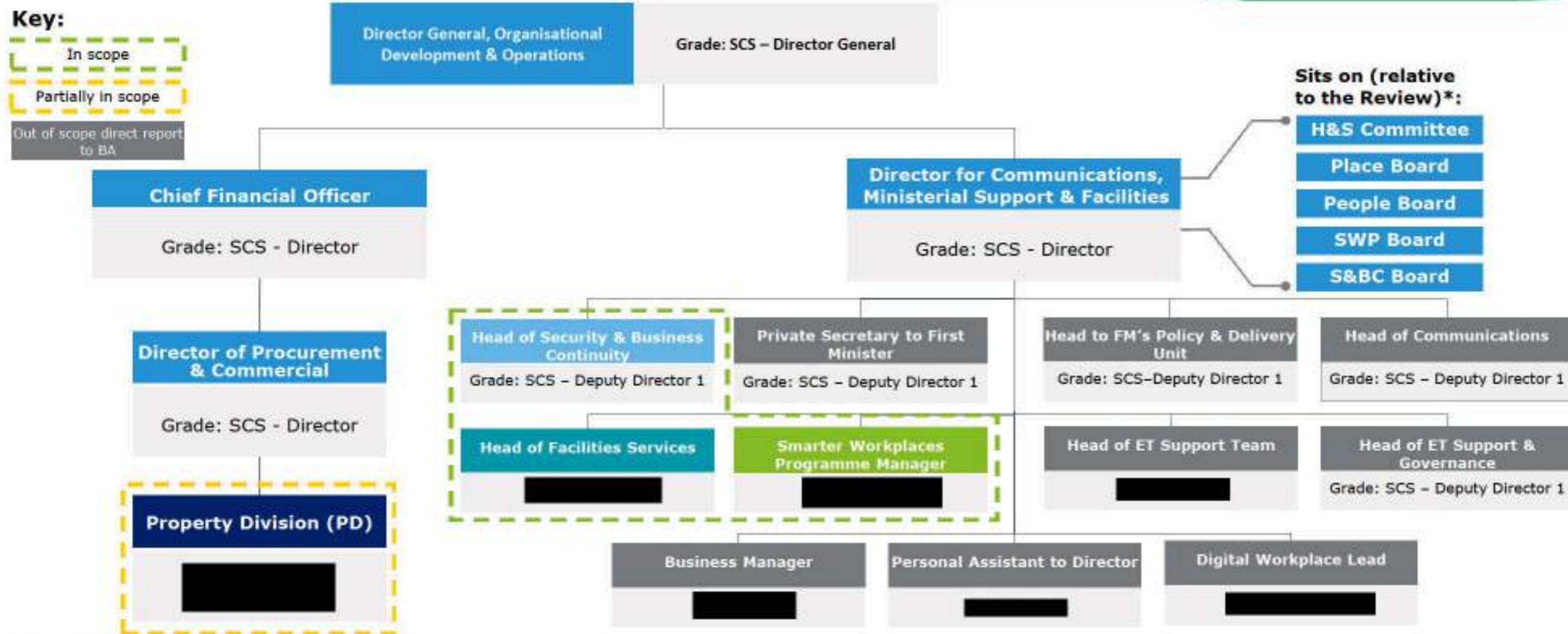
Smarter Workplaces Programme (SWP)

The purpose of this Review is to assess how effectively these functions are working together, and to identify issues, gaps and overlaps in the service delivery structure. The Review also incorporates recommendations about how these issues could be addressed, with reference to market insight and comparator organisations. More detail on the scope is provided on slide 12.

Project Timeline

28th January: Project Start

4-7th February: Stakeholder interviews

Begin collation of findings

Group and prioritise issues, gaps and overlaps

Assess issues, gaps and overlaps against four lenses

Identification of Key Themes to be addressed

Develop report

28th February: Final stakeholder workshop

28th February: Validate key themes for report, undertake maturity assessment and co-develop Action Plan

Refine Key Themes and Action Plan

8th March: Submission of Report

Review of SG EFS Services Delivery Structure – 20 March 2019

9

2.1.2 Scope: Existing Organisation Structure

Overview

The Review covers three of the functions that report into Director for Communications, Ministerial Support & Facilities (DCMSF), and some of the activities undertaken within the Property Division (PD), which reports into DPC as shown below. These functional areas are collectively referred to as *EFS Services* and comprise Property Division (PD) – in part, Facilities Services (FS), Security and Business Continuity (SBC) and Smarter Workplaces Programme (SWP). The structure below outlines all the functional areas which report into DCMSF to give an understanding of the breadth of her responsibilities.

Estates Reporting Structure

Key:

- In scope
- Partially in scope
- Out of scope direct report to BA

Director General, Organisational Development & Operations — Grade: SCS – Director General

Sits on (relative to the Review)*:
- H&S Committee
- Place Board
- People Board
- SWP Board
- S&BC Board

Chief Financial Officer — Grade: SCS - Director

Director for Communications, Ministerial Support & Facilities — Grade: SCS - Director

Director of Procurement & Commercial — Grade: SCS - Director

Property Division (PD)

Head of Security & Business Continuity — Grade: SCS – Deputy Director 1

Private Secretary to First Minister — Grade: SCS – Deputy Director 1

Head to FM's Policy & Delivery Unit — Grade: SCS–Deputy Director 1

Head of Communications — Grade: SCS – Deputy Director 1

Head of Facilities Services

Smarter Workplaces Programme Manager

Head of ET Support Team

Head of ET Support & Governance — Grade: SCS – Deputy Director 1

Business Manager

Personal Assistant to Director

Digital Workplace Lead

* A summary of Board terms of reference are provided in Appendix A

Source: SG Service Delivery Review Organisation Charts January 2019

2.1.3 Remit of the Review

Overview

As outlined in the proposal, the scope of the Review at each phase, as well as matters out of scope, are listed below.

	In Scope	Out of Scope
1 Diagnose	- Conduct stakeholder interviews with Director, four Heads of Function (HoF) - Collate information on roles and responsibilities of each function, and identify issues, gaps and overlaps	- N/A
2 Assess	- Theme and prioritise issues, gaps and overlaps identified during stakeholder engagement - Assess each theme through four lenses: capacity, processes, data, and governance	- Assessing technology, systems, skills, contracting models - NB: Consideration of capacity was based on interview findings in diagnose stage
3 Compare	- Consider how comparator organisations have addressed the identified issues, gaps and overlaps - Draw on industry comparators to identify relevant examples	- Specific case studies of best practice
4 Action Plan	- Co-develop with stakeholders a high level programme plan to address issues and gaps - Identify short, medium and long term actions to implement recommendations	- More detailed breakdown of timescales beyond identification of short, medium and long term actions
5 Report	- Collate findings and high level plan into report summarising approach and findings	- Recommended future org. structure was not developed within the scope, although this report provides suggested actions to address issues related to senior team structure - Assessing technology systems, skills or contracting models

2.2 Approach

Overview

The below outlines the methodology taken in the Review. It incorporates the stakeholder engagement process, identification of the key issues, gaps, and overlaps, as well as subsequent recommendations and options to address the Key Themes.

Activities

The diagram opposites illustrates the high-level methodology adopted during the Review. A breakdown of the steps taken is outlined below:

Step 1: Stakeholders were identified and meetings scheduled.

Step 2: Stakeholders were interviewed w/c 4 February. A list of interviewees is set out in Appendix B.

Step 3: Key issues, gaps and overlaps were collated for each functional area and tested back with the functions.

Step 4: 5 cross cutting themes were then identified, using the consolidation of the summary of findings. The themes were then categorised under four lenses: capacity, process, data, and governance.

Step 5: A workshop was held on 28 February to undertake a maturity assessment; validate the Key Themes emerging from the functional interviews; and support development of an Action Plan.

Step 6: In parallel, comparator organisations were used to illustrate how other organisations have addressed similar issues, gaps and overlaps.

Step 7: The findings from the Review, activities based on comparators and Action Plan have been incorporated into this final report.
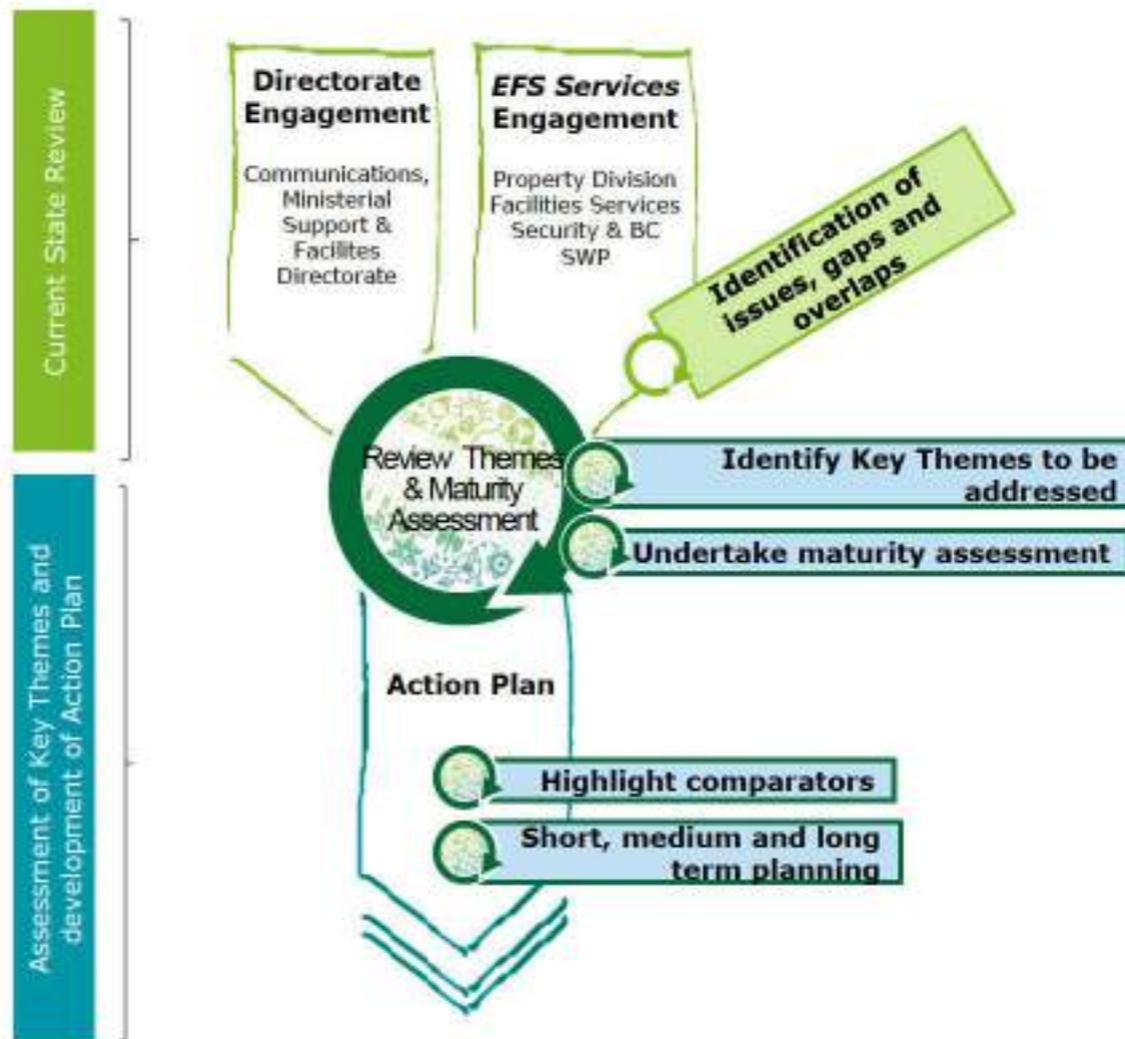
3.0 Current State Review

3.1 Approach
3.2 Summary of Findings by Function
3.3 Maturity Assessment and Comparator Assessment
3.4 Key Themes to be Addressed

3.1 Approach to the Current State Review
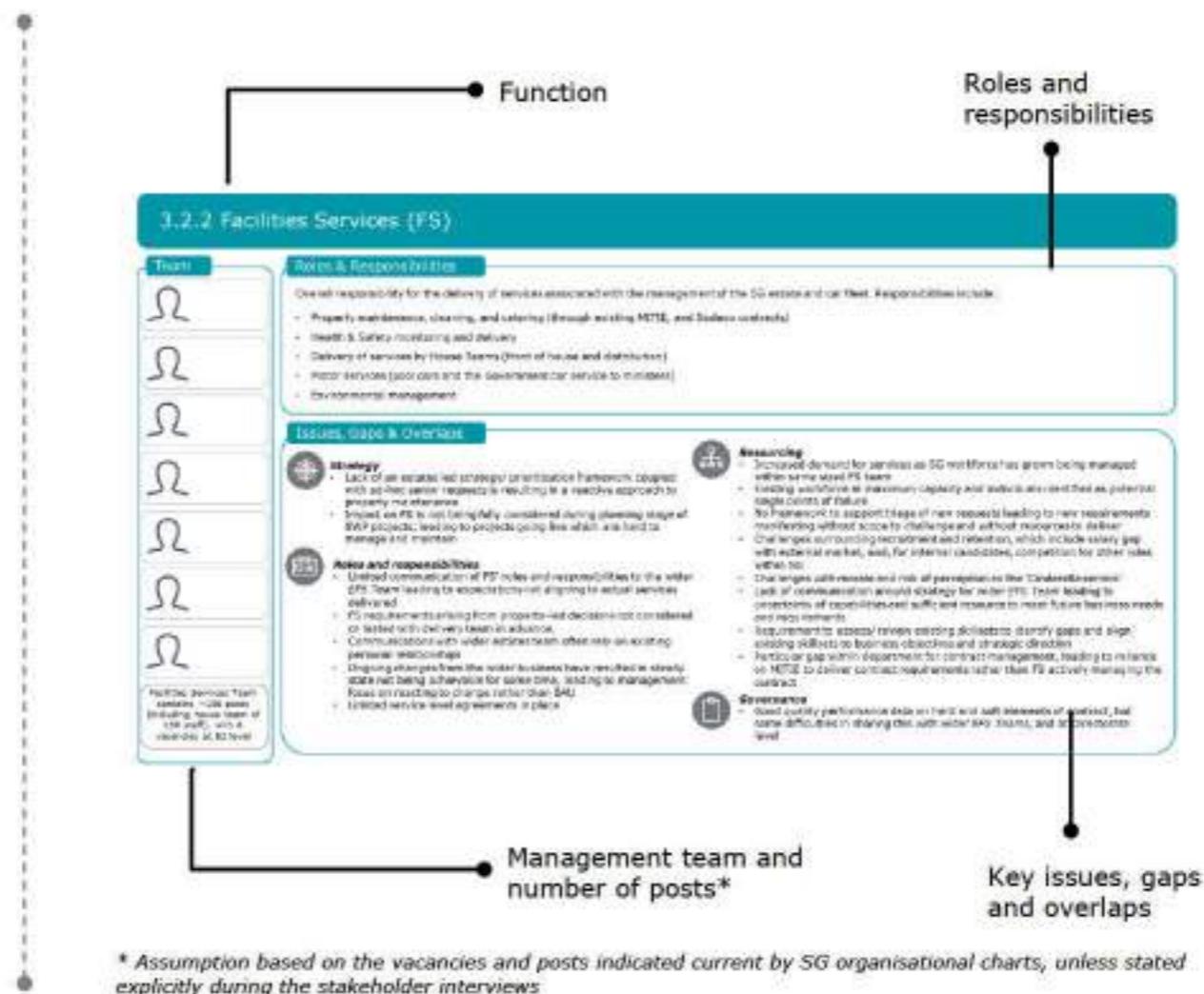
Overview

The below outlines the approach taken during the current state review, from the identification of key stakeholders through to the write up of findings.

Outline Approach

1 Identified key stakeholders and made preliminary document request to obtain information relating to roles and responsibilities.

2 Held key stakeholder interviews at Directorate and Heads of Function (HoF) level for each function within scope. Additional interviews were held with SFT, Health and Safety and iTECs, the latter to gain understanding of alignment with IT strategy. *(NB: Interviews were the primary source of information as limited documentation was available beyond organisation charts).*

3 Consolidated and wrote up issues, gaps and overlaps across *EFS Services* (as highlighted opposite).

4 Maturity of service delivery reviewed against industry best practice comparator to assess current maturity and a reasonable ambition for maturity in 12 – 18 months time. Service delivery processes cross checked against best practice comparator.

5 Identified Key Themes to be addressed

Note: The slides are organised by Function, the key issues, gaps and overlaps have been collated from a range of stakeholders about the Function and are therefore not reflective of individual views from each Function. Each Head of Function has had the opportunity to review the slide relating to their area.

Summary of Findings Structure

Function

Roles and responsibilities

Management team and number of posts*

Key issues, gaps and overlaps

* Assumption based on the vacancies and posts indicated current by SG organisational charts, unless stated explicitly during the stakeholder interviews

3.2.1 Communications, Ministerial Support and Facilities

Role & Responsibilities

- Headed up by Director for Communications, Ministerial Support & Facilities (DCMSF)

- Departments within this directorate, which are relevant to this Review include:
  - Facilities Services (FS)
  - Smarter Workplaces Programme (SWP)
  - Security & Business Continuity (SBC)

- Receives advice from Property Division (PD) on property related matters

- Works closely with Scottish Futures Trust (public body)

Reporting Structure

Key:
- In scope
- Partially in scope
- Out of scope direct report to BA
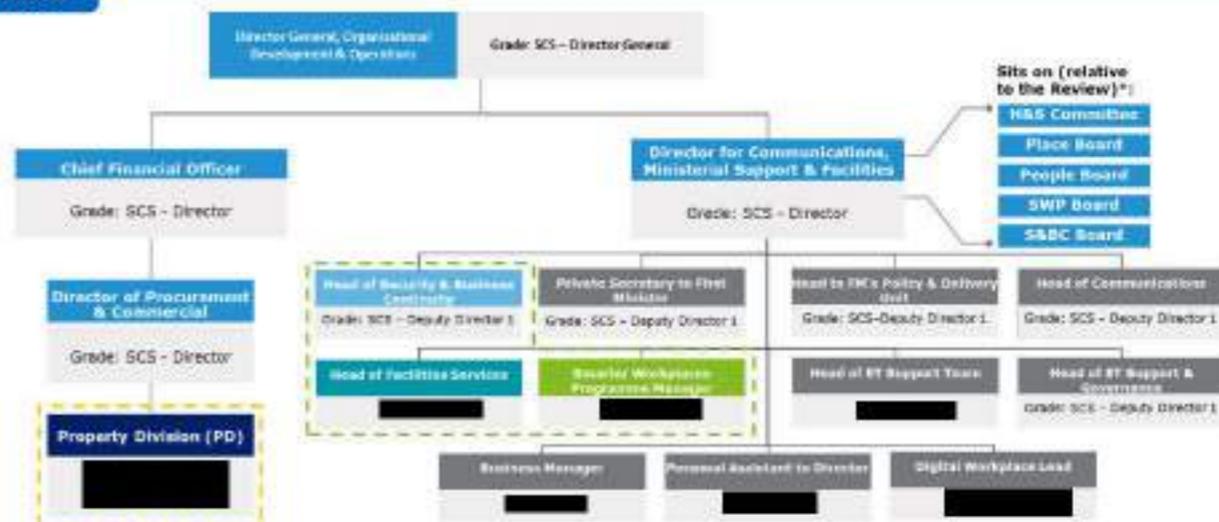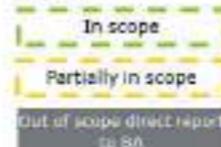
Issues, Gaps & Overlaps

Strategy
- Moving away from pure focus on space reduction to more flexibility, in order to accommodate potential growth
- Difficult to quantify future business requirements (eg. workforce) to feed into asset planning
- There is not one individual within the team with responsibility for estates strategy and asset planning (although it is understood that there is a new part time post reporting to the Director looking at Workplace of the Future)
- SFT have traditionally provided some strategic capacity
- External environment has created a much higher focus on physical security and business continuity
- Need to balance move towards flexible working/adoption of SWP principles with security concerns
- Also balancing desire for greater public access with physical security issues
- Dependencies exist across *EFS Services* relating to the provision of IT and associated infrastructure across the SG estate
- Alignment required with IT strategy/iTECs and any future estates-led strategy

Data
- Lack of portfolio data hinders SG's ability to properly manage estate (includes lack of certainty on future workforce, which impacts ability to plan)

Decision-making and governance
- The Place Board- which brings together a variety of business and staff representatives and is jointly chaired by two DGs (Liz Ditchburn and Paul Johnston)- is a stakeholder forum, not a decision making group
- Budget approval and authority comes from DG Organisational Development & Operations
- Recent budgeting has focused on asset condition and backlog of maintenance
- PD is responsible for recommendations to Ministers on lease decisions, copying DCMSF. Budgets for rent and property costs (and professional property advice) sit with DCMSF
- Deputy Directors / Heads of Service come together with other direct reports to DCMSF in a monthly housekeeping meeting

Communications
- Instances identified where delivery of services is being undertaken in 'silos', with limited cross-service cooperation
- The primary example was ███████████████
  ███████████████
  ███████████████
  ███████████ strong personal relationships: requirement to utilise these relationships to adopt a more formal governance model and strengthen alignment across *EFS Services*

15

3.2.2 Facilities Services (FS)

Team

Head of Facilities Services

Head of Delivery

Hard Services and Projects Lead

Senior House Team Manager

Senior Occupational H&S Advisor

Senior Environmental Manager

Senior Contracts Manager

Facilities Services Team contains ~156 posts (including house team of 130 staff), with 6 vacancies at B2 level

Roles & Responsibilities

Overall responsibility for the delivery of services associated with the management of the SG estate and car fleet. Responsibilities include:

- Property maintenance, cleaning, and catering (through existing MITIE, and Sodexo contracts)
- Health & Safety monitoring and delivery
- Delivery of services by House Teams (front of house and distribution)
- Motor services (pool cars and the Government car service to ministers)
- Environmental management

Issues, Gaps & Overlaps

Strategy
- Lack of an estates led strategy/ prioritisation framework coupled with ad-hoc senior requests is resulting in a reactive approach to property maintenance
- Impact on FS is not being fully considered during planning stage of SWP projects, leading to projects going live which are hard to manage and maintain

Roles and responsibilities
- Limited communication of FS' roles and responsibilities to the wider *EFS Team* leading to expectations not aligning to actual services delivered
- FS requirements arising from property-led decisions not considered or tested with delivery team in advance.
- Communications with wider estates team often rely on existing personal relationships
- Ongoing changes from the wider business have resulted in steady state not being achievable for some time, leading to management focus on reacting to change rather than BAU
- Limited service level agreements in place

Resourcing
- Increased demand for services as SG workforce has grown; demand being managed within same sized FS team
- Existing workforce at maximum capacity and individuals identified as potential single points of failure
- No framework to support triage of new requests leading to new requirements manifesting without scope to challenge and without resources to deliver
- Challenges surrounding recruitment and retention, which include salary gap with external market, and, for internal candidates, competition for other roles within SG
- Challenges with morale and risk of perception as the 'Cinderella service'
- Lack of communication around strategy for wider *EFS Team* leading to uncertainty of capabilities and sufficient resource to meet future business needs and requirements
- Requirement to assess/ review existing skillsets to identify gaps and align existing skillsets to business objectives and strategic direction
- Particular gap within department for contract management, leading to reliance on MITIE to deliver contract requirements rather than FS actively managing the contract

Governance
- Good quality performance data on hard and soft elements of contract, but some difficulties in sharing this with wider *EFS Teams*, and at Directorate level

3.2.3 Security and Business Continuity (SBC)

Team

Head of Security & Business Continuity

██████████

Head of Security Unit

██████████

Head of Business Continuity

██████████

Vacancy
Head of Security Improvement

██████████

Security and Business Continuity Team contains ~32 posts, with 3 vacancies

Roles & Responsibilities

Security

Responsibilities include
- Physical and Personnel Security for SG estate and staff (including ministers)
- Provision of a national security vetting service
- Security improvement programme to bring SG in line with Cabinet Office Security Policy Framework

Reports to Programme Board
- Security Programme Board sits under Security & Governance Board which is chaired by DCMSF and contains representatives from other EFS HoF
- Board discussions can identify further opportunities to provide security services for inter-departmental programmes and projects

Business Continuity (BC)

Raising profile of business continuity concerns within SG
- Assessment of processes required to ensure continuity of the organisation
- Ensure the maintenance of business continuity measures and controls
- Includes ensuring SG is prepared for major incidents, and formulation/ communication of contingency plans (eg. extreme weather)

Loss of workplace strategy
- Encouraging the requirements for robust contingency plans in the event of SG workplace becoming uninhabitable
- Defining responsibilities for reinstatement, relocation, and repair

Advising Directors
- Providing advice to Directors in drawing up their own business continuity plans
- Assurance to the wider organisation that business continuity is being considered

Issues, Gaps & Overlaps

Strategy
- Business Continuity is making progress in gaining visibility higher up the organisation - in early stages of discussions with Director Generals and above
- BC is a relatively new function and a risk management framework is currently in development. ████████████████████████
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- There is not yet an integrated strategy with technology

Decision-making
- Budget decisions made in SBC impact on Facilities Services, which is responsible for delivering large portion of estate's security measures

Roles and responsibilities
- Risk of duplication of efforts with FS, which is also responsible for delivering physical security, for example:
  - Difficult to standardise across different house teams (eg. some buildings do not have front of house)
  - ████████████████
- ████████████████
- ████████████████

Communication with wider EFS Services
- ████████████████
- ████████████████
- ████████████
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Review of SG EFS Services Delivery Structure – 20 March 2019

3.2.4 Smarter Workplaces Programme (SWP)

SWP Manager

Programme Governance & Business Manager

Change & Communications Manager

SWP: Project Manager Lead

SWP Team contains ~7 posts

Support provided by:

Smarter Workplaces Lead
Grade: N/A

Support
Grade: N/A

Roles & Responsibilities

Bringing activity-based working to SG
- Transformation of workplaces within SG core estate
- Responsible for managing and allocation of an annual budget of [redacted]
- Development of core SWP principles outlining how SG can introduce new ways of working

Phased Approach
- Phase 1: Consolidation and rationalisation of the core SG estate in line with SWP principles with the aim of achieving savings targets of between 8-10%
- Phase 2: The rolling out SWP principles and the use of accommodation changes and enabling technologies to implement new ways of working to deliver services in improved working environments

Leading Projects
- Leading a flagship project of transforming SG's Glasgow building at 5 Atlantic Quay
- Responsible for the fit-out space at Victoria Quay over a four year period
- Subsequent acquisition and fit out of 4AQ to accommodate further workforce growth in Glasgow

Reports through SWP Board
- SWP Board is chaired by DCMSF, and invites representatives from other departments across SG and Public Bodies. Board is consultative not decision making
- The purpose of the board is consultation and engagement with *EFS Services* on SWP programmes
- SWP governance is currently under review

Issues, Gaps & Overlaps

Strategy
- SWP Phase 1 is complete with savings target achieved
- Phase 2 experiencing difficulty due to lack of workforce planning in addition to challenges faced with a location neutral strategy
- Without workforce planning space requirements are difficult to assess leading to further challenges faced by SWP
- Limited buy-in to SWP principles within FS and more widely in the organisation
- Roll out of SWP programme not yet formally aligned with IT strategy resulting in misalignment with enabling IT and infrastructure requirements
- Challenges articulating aims and objectives of Phase 2 due to lack of formal communications across *EFS Services*
- Limited strategic direction for locations within the estate is resulting in lack of direction for site specific property decisions
- Development of central estate prioritisation plan is underway but difficult to develop without a robust strategic plan
- Difficult to articulate to the rest of the organisation as to the strategy for the rest of estate

- Programme does not have sufficient skills/resources to support comprehensive change management strategy for Scottish Government, it is only resourced to deal with estates project elements
- Difficult to implement standardised change management strategy across entire estate as it relies on communication approach of individual Directorates

Decision-making
- Delegated decision-making exercised by individual head of service
- Higher levels of delegated authority than other functions (SWP's current level of delegated authority is to approve projects up to the value of the programme opposed to the PD, which requires Ministerial approval for any property decisions with a monetary value of above £60k)

Communication
- Misalignment between SWP and FS, FS experienced difficulties maintaining workplaces to the SWP's specifications and standards
- 'Playbook' outlining the adoption of SWP principles is in development
- Purpose and audience is not yet clarified as to whether the Playbook is an operational or end user guidance document

18

3.2.5 Property Division (PD)

Team

Chief Surveyor

Principal Estates Surveyor

Principal Estates Surveyor

Senior Estates Surveyor

Senior Estates Surveyor

Property Division contains ~11 posts, with two vacancies

Roles & Responsibilities

Sits outside Communications, Ministerial Support and Facilities (CMSF). Provides a range of property related services to Scottish Government beyond services to CMSF.

Advice to ministers
- Scrutinising property business cases intended for ministerial approval
- Offering commercial property perspective on matters including: setting property policy, and setting terms for the Scottish Public Finance Manual (SPFM)

Scottish Procurement and Commercial Directorate (SPCD)
- Support in setting Directorate vision and plan
- Liaising with wider built environment business areas to ensure clear vision, targets, and standards are established and delivered

Property Controls
- Acting as gateway in assuring use of best practice and incorporation of Ministerial policies and programmes. Co-chair Property Controls team
- All acquisitions of property from SG and affiliate bodies require approval through this group before request for Ministerial consent

Property Delegation
- Assessment of lower value non-contentious property related business cases. Approval based upon guidance in SPFM

Asset Management
- Advising public bodies to review property requirements, in accordance with SPFM and Asset Management policy and exercising a minor property delegation
- Contributor to SG Estate Strategy
- Provide advice/service to DCMSF as well as public bodies

Other
- Participation on SWP and Place Boards
- Head of profession for all SG Chartered Surveyors
- Annual report on efficiency of SG civil estate (Climate Change Act Scotland)
- Centre of Excellence for gateway review teams

Issues, Gaps & Overlaps

Strategy
- To date, lack of estates strategy to inform lease and acquisition recommendations and prioritisation
- This leads to barriers to scrutinise/challenge business cases from the wider business against wider estates strategy, which hinders informed property decision making
- Lack of process for early line of sight of SWP roll out meaning limited PD influence
- Emerging estates strategy will outline desired state – detailed criteria for prioritisation and to facilitate scrutiny of business cases have not yet been developed

Roles & responsibilities
- Existing SLA is not current and not actively used – it requires updating to reflect current services provided to CMSF
- Property-led recommendations to ministers require an options appraisal outlining requirements submitted to PD for scrutiny and assurance. Following this recommendations are taken to DCMSF for approval and subsequently to Ministers. These submissions should include: (a) business case (b) impact on budget (c) cost to include DCMSF, FM impact and utilities costs.

Budget
- Property costs budget (rent, rates and service charge) currently sits under FS, which is informed, not consulted on Ministerial recommendations.
- PD supply annual forecasts of property funding requirements
- Budget forecasting is undertaken by FS, which does not always take account of mandatory property costs (eg. dilapidations)

Communication and alignment with wider EFS team
- Reliance on legacy relationships
- Lack of structured forum to support communication with EFS departments
- Resourcing constraints impinge on scheduling of meetings
- No central point of contact for wider EFS Team

Resourcing
- Existing workforce does not have capacity to address current backlog of work
- Difficulties in attracting specialist staff due to pay gap with wider market
- Backlog created due to resources diverted to SWP upon its inception

19

3.3.1 Maturity Assessment - Approach

A maturity assessment was carried out in a workshop with the Director, HoF and representatives of SFT on 28 February 2019. The framework used for the assessment is shown below. Items 1 – 7 are taken from real estate industry good practice, used by Deloitte with real estate clients across public and private sectors. Items 8 and 9 are drawn from Deloitte experience of good practice in the security and business continuity fields. A well-established industry H&S maturity tool, which is used to define an organisation's current level of H&S maturity, has informed item 10. Items 8 – 10 have been included to reflect (a) the scope of functions within *EFS Services* and (b) those areas where the impact of risks occurring would be high.

Item	Emergent	Understanding	Excellence
1. Property Strategy	No property plans and unaware of importance to link property plans with business plans	Some plans in place on Property & FM and related to corporate objectives	Comprehensive strategic plans in place to reinforce corporate objectives
2. Standards/ Policy	No documented policies and unaware that common standards are a key way to manage demand	Some policies in place, limited understanding, not uniformly enforced across business	Comprehensive policy framework in place, owned by businesses and enforced
3. Financial Planning	No plans which break out occupancy costs. Unable to analyse cost base or business unit locations	Property costs recorded on a stand alone system which allows reports to be run which detail spend by service category. Reports showing breakdown of BU occupations by location available	Property costs recorded on an integrated system, which allows reports to be run that cross-reference products by location and allows analyses of BU cost bases
4. Supplier Relationships	Services provided on an ad hoc basis, varying across business units and controlled by line management	FM and property services procured individually using a procurement strategy, which compares in-house against those which could be provided externally	Property and FM services provided together as appropriate. Services procured according to a supply strategy, utilising processes to manage and challenge suppliers. Cost/ value trade off optimised
5. Manage Demand	Business and users contact the *EFS Services* directly and are provided with the products and services as demanded. Little or no interaction by *EFS Services* and budget holdings	Businesses and users contract *EFS Services* through defined channels and are provided with products and services against a product list or service level set by the businesses	Demand channelled through buyers and helpdesks operating 'red' and 'green' routes. *EFS Services* work closely with the wider organisation to identify drivers of cost base and costs/ quality trade offs
6. Manage Supply	External contractors not managed. Contract arrangements left in place over time without review	Relationships with external contract managed at a local level. Limited recognition for need to manage internal suppliers commercially	Relationships managed through supply managers. Internal and external supplier managed on the same basis. On-going review of supply arrangements
7. Performance Management	Performance of internal and external supplier not monitored. No data to establish whether performance is failing	Heads of Function (HoF) monitor external contractors performance against KPIs and agreed service levels. Performance failure addresses through meetings	Suppliers self-monitor, sharing data with wider *EFS Services*, who undertake spot checks. Failures are quickly addressed and contracts allow for deductions for service failures
8. Security	Undefined security strategies, policies, procedures, reporting mechanisms and governance structures. Security risks are not analysed, tracked, treated or reviewed. Minimal awareness and enforcement of basic security practices is minimal.	Established and documented security governance and operating model. All security processes for key activities are defined and documented. Risk management is sound and complete, with all aspects of the process documented and repeatable.	Capable of agile response to change in security threat or business imperatives. Risk management is proactive and forward-looking, using latest tools and techniques and industry best practice. Continuous review of operational security processes and procedures, and a strong security culture within the organisation.
9. Business Continuity	Ownership of BC not clearly defined. Some BC arrangements, but established in isolation from core business. Little, if any continuity planning undertaken.	Established governance and operating model, with some executive involvement. BC policy defines roles and responsibilities, and auditable controls. Key risk scenarios integrated into planning, and clear escalation process in place. Some crisis training in place.	Business-integrated governance model, and BC in alignment with business strategy and change management. Business-wide planning, maintenance and monitoring software implemented. Risks identified, reported, and mitigated, and validated by external experts. Advanced training procedures
10. Health & Safety	Safety is defined in terms of technical and procedural solutions, and compliance with regulations. Only seen as responsibility of Health & Safety department.	Safety is seen as business risk, with some senior management involvement in accident prevention. Safety performance actively measured, and data used effectively. Majority of staff accept personal responsibility for their own health and safety.	Strong commitment to safety across organisation, with proactive measures in place to prevent accidents. Prevention of injury/harm to employees both at work and at home is core SG objective. Uses indicators to monitor performance, but not performance-driven due to confidence in safety processes.

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3.3.2 Maturity Assessment – Outcome of Self-Assessment

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3.3.4 Maturity Assessment – Basis of Assessments (1)

The table below summarises the basis of the assessments as illustrated on slide 21.

Item	Current state rating	Basis of assessment	Reasonable ambition 12 – 18 months	Basis of assessment
1. Property Strategy	▬	• SG Estate Strategy due to be published shortly, which all future projects will be assessed against • Needs to be translated to core SG estate • There are individual strategies but they are not integrated with corporate and business plans • When new activities are introduced, HR consequences are tested but it is assumed that all other enabling activities can be aligned to support the new activity • There is no 5 – 10 year business strategy to drive the Estates Strategy and there is not an annual planning process that brings together business requirements, staff numbers and enablers such as estates	■	• There is lots of work in place and in train to build on • SG Estate Strategy soon to be published • Prioritisation plans are being developed bottom-up to link to this • In 12 months time SG expect to be on a journey towards end state where there is an asset plan and implementation plan which brings together business requirements and technical estates factors to underpin decision-making
2. Standards/ Policy	■	• Processes not always written down, mixed picture. Where not in place there is a reliance on custom and practice and knowledge of key individuals • Work underway between SBC and PD to write up desk instructions • Work underway in SWP to improve change control processes • Lack of awareness across business about standards in place	■	• Potential to build on work underway between SBC and PD to formalise processes and desk instructions across *EFS Services* ("flowcharts") • Should be easy to identify priorities for action – e.g. improving integration of decision-making
3. Financial Planning	▬	• Business users are not aware of the costs of occupying the estate • Therefore opportunity costs related to the estate do not inform business decisions • MI is available on estates cost per building but not cost per occupant or cost per business unit • This year's budget planning round has included greater emphasis on estate condition and need for investment to retain fitness for purpose	■	• Reasonable objective for 12 – 18 months is transparency of MI to inform decision-making (cost per person / business unit) • Integrated systems cross FS / PD and Finance ▬▬▬) is a longer term ambition
4. Supplier Relationships	■	• Clear business case underpins sourcing strategy for FS	■	• Maintain current
5. Manage Demand	▬	• Although FS is delivering well operationally, resourcing constraints mean managing demand is largely reactive	■	• First step strategy (1 above) • Then clear articulation of service standards • And transparency of cost implications of required standards (links to 3)
6. Manage Supply	▬	• Mature contracting environment • ▬▬▬▬▬▬▬▬▬	▬	• ▬▬▬▬▬▬▬ – exit from current contract, mobilization of new supplier, new contract requirements around socio-economic impacts • ▬▬▬▬▬
7. Performance Management	▬	• Clear performance regime in place with MITIE and Sodexo (two main contractors) – reporting activity sits with suppliers • ▬▬▬▬▬▬	▬	• ▬▬▬▬▬▬▬▬

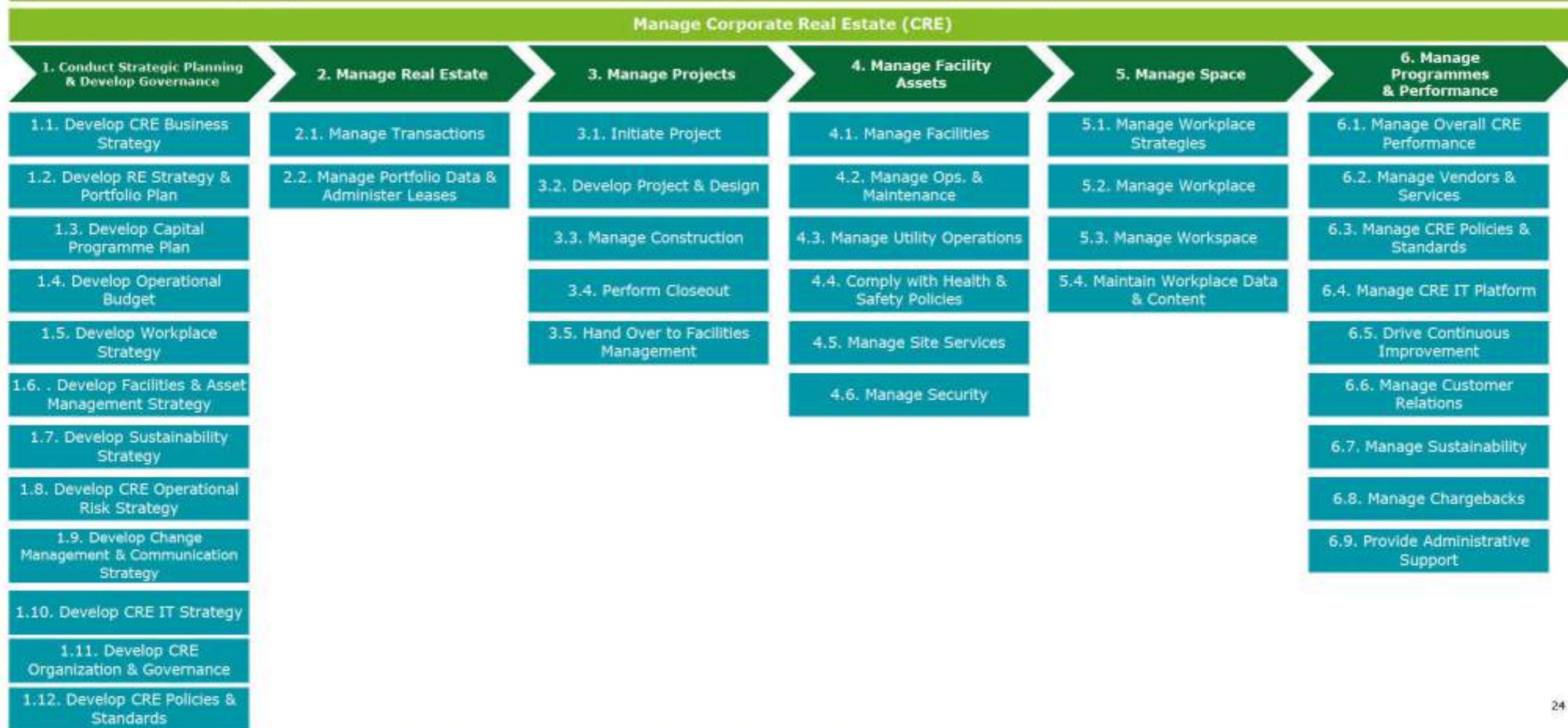# 3.3.4 Maturity Assessment – Basis of Assessments (2)

The table below summarises the basis of the assessments as illustrated on slide 21.

Item	Current state rating	Basis of assessment	Reasonable ambition 12 – 18 months	Basis of assessment
8. Security	▮	• ▮▮▮▮▮▮▮▮▮▮▮▮ ▮▮▮	▮	• Security team has identified actions that need to be taken to bring maturity up to Understanding • Confident that this is an achievable goal within next 12-18 months
9. Business Continuity	▮	• Emerging function, but on the journey to understanding (as highlighted in slide 17)	▮	• Business Continuity meeting with senior management team • Wider business awareness of business continuity is gaining momentum (eg going to SG Executive Team next month), expecting to see maturity increase over next 12-18 months
10. Health & Safety	▮	(Description provided outside of workshop) • Clearly defined roles and responsibilities at site level • Documented within H&S management system detailing specific responsibilities • H&S liaison officers deliver services across the core SG estate • Corporate H&S Committee chaired by DCMSF and attended by chairs of local committees (site level), trade unions, HR, wellbeing dept and H&S Branch • Committee acts as the gateway for new H&S processes and procedures • New processes and procedures passed through consultation with key stakeholders, regulatory bodies, unions and HR prior to approval by DCMSF • Increased headcount resulting in reactive approach to H&S • Wider *EFS Services* not engaging H&S sufficiently increasing demand on H&S • New ways of working impacting H&S requirements	▮	

Review of SG *EFS Services* Delivery Structure – 20 March 2019

3.3.5 Best Practice Comparator – cross-check

The diagram below sets out the range of processes that an organisation would typically have in place to mange its corporate real estate. The functional interviews and the workshop identified particular gaps around Block 1 – strategic planning and governance. They also identified a general issue with custom and practice being used, without processes always being written up. At the workshop, participants were asked to highlight if there were gaps in the other blocks which are having, or could have, a significant impact on service delivery. They identified handover to BAU at end of projects (3.5) and interfaces with IT (throughout).

Manage Corporate Real Estate (CRE)

1. Conduct Strategic Planning & Develop Governance	2. Manage Real Estate	3. Manage Projects	4. Manage Facility Assets	5. Manage Space	6. Manage Programmes & Performance
1.1. Develop CRE Business Strategy	2.1. Manage Transactions	3.1. Initiate Project	4.1. Manage Facilities	5.1. Manage Workplace Strategies	6.1. Manage Overall CRE Performance
1.2. Develop RE Strategy & Portfolio Plan	2.2. Manage Portfolio Data & Administer Leases	3.2. Develop Project & Design	4.2. Manage Ops. & Maintenance	5.2. Manage Workplace	6.2. Manage Vendors & Services
1.3. Develop Capital Programme Plan		3.3. Manage Construction	4.3. Manage Utility Operations	5.3. Manage Workspace	6.3. Manage CRE Policies & Standards
1.4. Develop Operational Budget		3.4. Perform Closeout	4.4. Comply with Health & Safety Policies	5.4. Maintain Workplace Data & Content	6.4. Manage CRE IT Platform
1.5. Develop Workplace Strategy		3.5. Hand Over to Facilities Management	4.5. Manage Site Services		6.5. Drive Continuous Improvement
1.6. . Develop Facilities & Asset Management Strategy			4.6. Manage Security		6.6. Manage Customer Relations
1.7. Develop Sustainability Strategy					6.7. Manage Sustainability
1.8. Develop CRE Operational Risk Strategy					6.8. Manage Chargebacks
1.9. Develop Change Management & Communication Strategy					6.9. Provide Administrative Support
1.10. Develop CRE IT Strategy					
1.11. Develop CRE Organization & Governance					
1.12. Develop CRE Policies & Standards					

3.4.1 Key Themes - What's Working Well?

Overview

Through the stakeholder interview process the following have been identified as working well across *EFS Services*.

Strong personal relationships across the *EFS Services*

Dedicated workforce with clear motivation to deliver high quality service

Diligent approach to service delivery despite increasing financial pressures

Experienced, skilled and motivated workforce

Embracing new way of working through enabling technologies and adapting workspaces

Maintaining service delivery continuity despite resourcing constraints
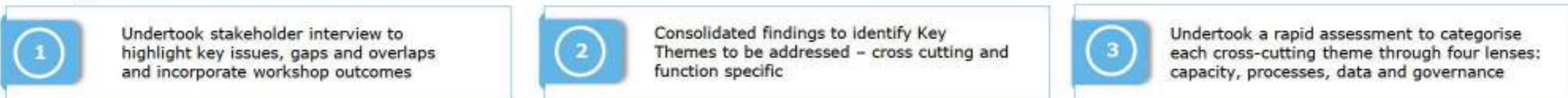
Continually reacting to wider business changes to ensure the delivery of an effective SG estate

Deep understanding of the SG estate through long service

3.4.2 Key Themes to be Addressed

Our Approach

1 Undertook stakeholder interview to highlight key issues, gaps and overlaps and incorporate workshop outcomes

2 Consolidated findings to identify Key Themes to be addressed – cross cutting and function specific

3 Undertook a rapid assessment to categorise each cross-cutting theme through four lenses: capacity, processes, data and governance

Cross cutting themes

| Governance and Process | Capacity | Data | Function specific |

Strategic Direction

- Planning for SG workforce, estates and enabling IT is not joined up
- Whilst work is underway in EFS Services to develop an estates strategy, there is a requirement to develop this to the next level of detail to enable future implementation and prioritisation

Process, Roles & Responsibilities and Communication

- There is an absence of formalised roles and responsibilities and of formal processes of co-ordination within EFS Services, between departments (incl. iTECs), and between EFS Services and supply chain
- To date, processes have not been comprehensively written up

Decision Making, Governance and Financial Planning

- Rather than taking a holistic cross-functional approach decision making is taking place within the individual function
- Performance reporting is not consistently escalated above HoF level
- There is a lack of transparency to the business about the costs and opportunity costs of occupying property

Resource & Capacity

- There are instances of over-reliance on key individuals, and vacancies within the structure. A targeted approach to addressing resource gaps in areas of risk is required
- There are pockets of low morale caused in part by the lack of recognition of the complexity of some of the roles within EFS Services

Data & Information Systems

- Data is not held in a way that could easily make occupancy costs transparent
- Data is held at a local level. Work is now underway in PD to implement a new Property Management System. This presents an opportunity for wider consideration of data quality and integration across EFS Services

Specific to individual Function

- Alongside the cross-cutting themes a number of function-specific issues were also identified to be taken forward:
  - ▬▬▬▬▬▬
  - ▬▬▬▬
- Handover at end of projects needs to be addressed

4.0 Action Plan

4.1 Approach
4.2 Prioritisation
4.3 Activities to Address Key Themes
4.4 Action Plan for Key Themes

Deloitte Confidential: Government and Public Services – For Approved External Use Only
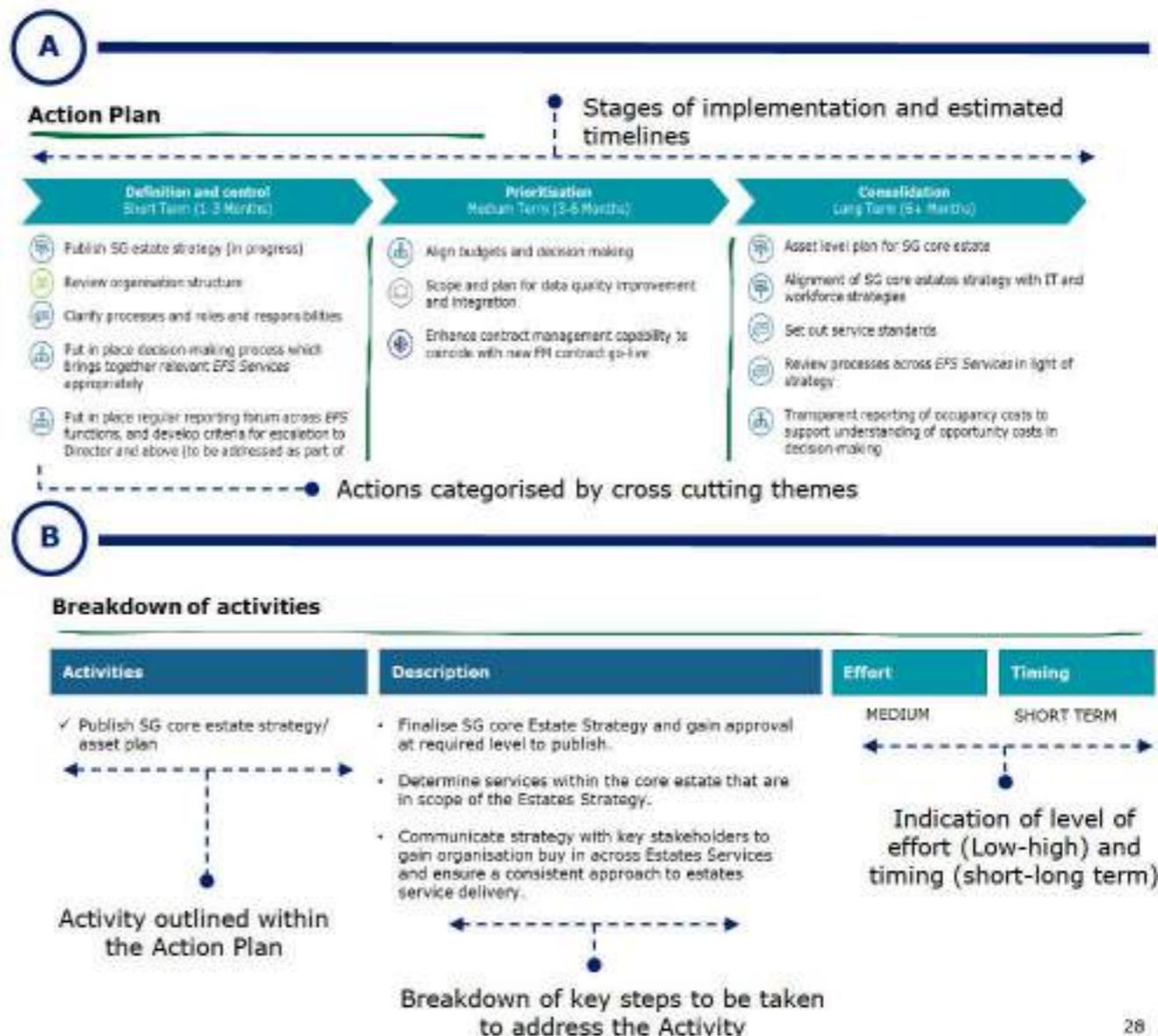Review of SG *EFS Services* Delivery Structure – 20 March 2019

4.1 Approach

Overview

The below outlines the approach taken in developing the Action Plan and subsequently detailing the actions required to address the Key Themes.

Outline Approach

1 A workshop was held to validate the Key Themes with key stakeholders.

2 A preliminary Action Plan was developed for discussion prior to the workshop. During the workshop the preliminary actions were discussed and validated with key stakeholders resulting in the co-development of a revised Action Plan.

3 Activities were categorised by short, medium, and long term implementation timescales, in addition to an indication of the level of effort required to undertake the activities.

4 Comparators were identified to support the key activities and provide examples of how other organisations have addressed similar themes.

A

Action Plan

Stages of implementation and estimated timelines

Definition and control Short Term (1-3 Months)	Prioritisation Medium Term (3-6 Months)	Consolidation Long Term (6+ Months)
Publish SG estate strategy (in progress)	Align budgets and decision making	Asset level plan for SG core estate
Review organisation structure	Scope and plan for data quality improvement and integration	Alignment of SG core estates strategy with IT and workforce strategies
Clarify processes and roles and responsibilities	Enhance contract management capability to coincide with new FM contract go-live	Set out service standards
Put in place decision-making process which brings together relevant EFS Services appropriately		Review processes across EFS Services in light of strategy
Put in place regular reporting forum across EFS functions, and develop criteria for escalation to Director and above (to be addressed as part of		Transparent reporting of occupancy costs to support understanding of opportunity costs in decision making

Actions categorised by cross cutting themes

B

Breakdown of activities

Activities	Description	Effort	Timing
✓ Publish SG core estate strategy/ asset plan	• Finalise SG core Estate Strategy and gain approval at required level to publish. • Determine services within the core estate that are in scope of the Estates Strategy. • Communicate strategy with key stakeholders to gain organisation buy in across Estates Services and ensure a consistent approach to estates service delivery.	MEDIUM	SHORT TERM

Activity outlined within the Action Plan

Breakdown of key steps to be taken to address the Activity

Indication of level of effort (Low-high) and timing (short-long term)

4.2 Prioritisation

Overview

Recognising resource constraints and the constantly evolving business requirement in which *EFS Services* are being delivered, four areas of priority for action planning were identified at the workshop on 28 February.

Priorities for action planning:

Areas where upfront investment of resource will 'pay back' through streamlined activity in the long term – in particular strategy and financial planning

'Quick wins' in particular around roles and responsibilities – e.g. interfaces between teams, how the wider business interfaces with estates, decision-making and change control

Urgent resource pressures or gaps – in relation to specific roles identified as pressure points

Ongoing consolidation – in particular plans already in place to develop the Security and Business Continuity functions

Note: On this basis a series of activities have been developed under the Key Themes, which are described in the subsequent pages, and set out in an Action Plan, highlighting short, medium, and long term actions.

4.3.1 Activities: Strategic Direction (1)

Overview

Planning for SG workforce, estates and enabling IT is not joined up. Whilst work is underway in *EFS Services* to develop an estates strategy, there is a requirement to develop this to the next level of detail to enable future implementation and prioritisation.

Breakdown of activities

Activities	Description	Effort	Timing
Publish SG Estates Strategy (in progress)	• Finalise SG Estate Strategy and gain approval at required level to publish • Communicate strategy with key stakeholders • Embed in decision-making	MEDIUM	SHORT TERM
Asset level plan for SG core estate	• Develop an asset plan for the SG core estate aligned to the SG estate strategy and translate this into an asset level plan • Build on this to develop prioritisation approach to inform decisions related to areas including: (1) Property (2) FM, and (3) Asset Lifecycle Management (4) Security and Business Continuity • Build on 18/19 budget planning and asset investment to refine the strategy for asset condition to support a fit for purpose estate	HIGH	LONG TERM

Review of SG *EFS Services* Delivery Structure – 20 March 2019

4.3.1 Activities: Strategic Direction (2)

Overview

Planning for SG workforce, estates and enabling IT is not joined up. Whilst work is underway in *EFS Services* to develop an estates strategy, there is a requirement to develop this to the next level of detail to enable future implementation and prioritisation.

Breakdown of activities

Activities	Description	Effort	Timing
Alignment of SG core asset plan with IT and workforce strategies	• Work with workforce team to understand / develop scenarios about the scale and demand over time • Across estates, IT and HR develop core principles about ways of working (including smarter working) • Develop in parallel, mutually reinforcing estates and IT strategies, which together enable the desired ways of working	HIGH	LONG TERM

4.3.2 Activities: Process, Roles & Responsibilities and Communication

Overview

There is an absence of formalised roles and responsibilities and of formal processes of co-ordination within EFS Services, between departments (incl. iTECs), and between EFS Services and supply chain. To date, processes have not been comprehensively written up.

Breakdown of activities

Activities	Description	Effort	Timing
Review organisation structure	• See slide 33	MEDIUM	SHORT TERM
Clarify processes and roles and responsibilities	• Write up team roles and responsibilities • Write up process desk instructions where missing ("flowcharts") • Define client role and refresh SLA between DCMSF and PD • Complete review of change control • Write up interfaces between teams • Include plans for handover at end of projects • Review interfaces between *EFS Services* and rest of business, and review communications	MEDIUM	SHORT TERM
Set out service standards	• Set out the level of service provided by *EFS Services* to the rest of the business, and what they should expect from *EFS*	MEDIUM	LONG TERM
Review processes across *EFS Services* in light of strategy	• Comprehensive process review in light of core estate asset level plan	MEDIUM	LONG TERM

Large Public Sector Infrastructure Organisation

The organisation's transformation programme aims to create a new operating model (processes, technology, behaviours and organisation) that strategically manages its property and land assets. The design of the operating model has encompassed the following:

• Engaging with a wide range of stakeholders to gain insights and buy in to the design – including new Sponsors of engagement activity;

• Developing detailed design documentation including job descriptions;

• Undertaking process design testing and ensuring alignment with the people, organisation and technology;

• Testing designs through scenarios to ensure alignment between process, organisation and technology; and

• Using a best-practice process mapping tool to drive consistency across the process design.

Overview

There is an absence of formalised roles and responsibilities and of formal processes of co-ordination within *EFS Services*, between departments (incl. iTECs), and between *EFS Services* and supply chain. To date, processes have not been comprehensively written up.

Senior team structure

One of the potential causes of the lack of clarity around roles and responsibilities is the structure of the teams providing *EFS Services* in SG.

SG Analysis

A comparator large UK government department operates at a different scale to SG (c. 800 properties), but the activities required to manage the estate are similar.

There are a number of differences between the organisation of estates within SG and the comparator, including:

- At SG there are three estate related functions reporting to a Director who has a much wider remit than just estates. There is no single accountable person with responsibilities across *EFS Services*;

- Property advice is provided from within a different Directorate at SG;

- There is no dedicated strategy lead within estates at SG. Much of the resource to take forward the Estates Strategy work to date has come from SWP. As with other areas of delivery, roles and responsibilities are not formalised; and

- There is no capacity in *EFS Services* to provide pan-estates business support / governance / reporting.

The next slide explores a proposed solution to address the above in relation to the *EFS Services* senior leadership.

33

Potential Senior Team Structure – for discussion

Deputy Director *EFS Services*

To drive forward the changes to co-ordination and decision-making set out in the responses to the cross-cutting themes, and to provide a single accountable individual whose sole focus is *EFS Services*, the SG team should consider a change in the senior structure. On the basis of the previous comparator analysis, this is intended to address:

As SWP moves to the next phase, its governance is under review. In relation to the senior team structure the SWP Manager role should be reviewed as part of this. Options include:
a) Task and finish role to complete at end of SWP programme, with SWP policy and strategy moving to Portfolio Strategy; or
b) Establish an end to end capital projects function, including moving capital project responsibility from FS

As part of the scope of the Review, we were asked to address issues related to the current organisational structure specifically with regard to senior team organisation (a recommended future organisational structure was out of scope). A proposed approach to senior team structure (provided this can be accommodated in the resource envelope) is set out below:

EFS Services Deputy Director

Grade: SCS – Deputy Director 1

SLA → **Property Division (PD)**

| Head of Facilities Services | Head of Security & Business Continuity | SWP Manager | Portfolio Strategy Lead |

Clarify relationship → **SFT**

Key: Existing roles | Proposed new roles | Further review | Outside DCMSF direct report

4.3.4 Activities: Decision Making

Overview

Rather than taking an holistic cross-functional approach decision making is taking place within the individual function. Performance reporting is not consistently escalated above HoF level. There is a lack of transparency to the business about the costs and opportunity costs of occupying property.

Breakdown of activities

Activities	Description	Effort	Timing
Put in place a decision-making process which brings together relevant *EFS Services* appropriately	• Put in place decision making processes aligned to delegations, ensuring correct levels of engagement and consultation across *EFS Services*. • Links to roles and responsibilities	LOW	SHORT TERM
Put in place regular reporting forum across *EFS* functions, and develop criteria for escalation to Director and above (to be addressed as part of review of SWP governance which is in motion)	• To be incorporated into the review of SWP governance which is now in train • Identify the required level of reporting across *EFS Services* above Head of Function level • Put in place a regular reporting forum including plans, progress, performance, risks and issues. • Develop criteria and process for escalation of matters to Director level and communication to wider stakeholders	LOW	SHORT TERM
Align budgets and decision making	• Review decision-making processes and roles and responsibilities to ensure budget holders are engaged at the correct stage in decision-making which affects their budgets • Links to asset level plan for core estate	HIGH	MEDIUM TERM
Transparent reporting of occupancy costs to support understanding of opportunity costs in decision-making	• Further scoping needed against an end objective of transparent reporting of occupancy costs per person and business unit as well as per building • Links to data and IT	HIGH	LONG TERM

4.3.5 Activities: Resource & Capability

Overview

Breakdown of activities

Activities	Description	Effort	Timing
Review critical vacancies, identify particular pressure points and develop strategy to address	• Adopt a risk based approach to identify potential single points of failure, critical vacancies and pressure points, assessing the likelihood and resulting impact on the existing service delivery model • Agree strategy based on risk assessment to address critical vacancies and pressure points and develop succession strategy	MEDIUM	SHORT TERM
Talent and development – develop an approach to 'estates profession' including training and development – potentially to include training needs analysis of skills for the future across the functions	• Identify required standards and competencies within *EFS Services* • Develop an approach to professional development across *EFS Services* including training and development – potentially to include training needs analysis of skills for the future across the functions • Explore the potential to utilise the Government Property Profession approach to career progression and training across *EFS Services* and align this with Cabinet Office approach to Security professionals • Explore the potential to introduce discipline specific networks and communications and partnering with professional bodies to give workforce access to a broad range of development opportunities	MEDIUM	LONG TERM

4.3.6 Activities: Data & Information Systems

Overview

Data is not held in a way that could easily make occupancy costs transparent. Data is held at a local level. Work is now underway in PD to implement a new Property Management System. This presents an opportunity for wider consideration of data quality and integration across *EFS Services*.

Breakdown of activities

Comparator: ████████████

Activities	Description	Effort	Timing
Identify data champions in each area to identify priorities for data quality improvement	• Identify resource and examine current information management system landscape • Assess improvement areas • Initial gap analysis and prioritisation of improvement areas	MEDIUM	SHORT TERM
Scope and plan for data quality improvement and integration	• Scope and plan required improvement, utilising gap analysis and prioritisation plan • Aligns with transparency of reporting of occupancy costs	HIGH	MEDIUM TERM
Implement data and information systems action plan	• TBC – resulting from scope and plan • Consider the scope for joined up reporting across PD, FS and Finance	HIGH	LONG TERM

4.3.7 Activities: Function Specific

Breakdown of activities

Activities	Description	Effort	Timing
Ongoing maturity of security and business continuity functions	• ███████████████ ███████████████ ███████████ █ ████████████ ███████████ • Continued assessment of processes required to ensure continuity / maintenance of business continuity measures and controls • A business continuity risk management framework is currently in development, requirement to gain sign off from SG senior leadership	IN TRAIN	ONGOING

Enhance contract management capability to coincide with new FM contract go-live	• Scope and plan, tasks to potentially include:
	
	  • Continued management of FM procurement
	  • Management of expiry of existing FM contract (Mitie)
	  • Mobilisation of new FM provider/ contract (potentially different from incumbent)
	  • Develop Supplier Relationship Management (SRM) approach
	  • Assess impact of new contract specification, e.g. socio-economic impacts
	
	• Review resource requirements to deliver required tasks
		MEDIUM	MEDIUM TERM

Supplier Relationship Management (SRM)

SRM is a key component of the overall end-to-end lifecycle management of suppliers. SRM activities start at the point that contracts are signed. Activities generally include; performance management, risk and issue management, governance and stakeholder management, commercial management (budgeting/forecasting) and contract change management.

Without adequate SRM any potential value created in the Procurement exercise can be lost. Organisations are realising the value of adopting robust SRM frameworks. Frameworks typically include:

- the mandatory steps of the SRM process
- the outputs of the processes
- roles and responsibilities
- tools and templates to be used for managing suppliers
- a robust framework for managing suppliers

Adopting an SRM framework or approach can help organisations to achieve two core objectives:

(1) Leveraging value from the relationship and creating value beyond the contract; and
(2) To improve performance across operational suppliers. Reducing the risk of value erosion into the relationship.

38

4.4 Action Plan for Key Themes

Overview

The priority actions have been grouped into short, medium, and long term timescales.

Actions for each Key Theme:

Define and control
Short Term (1-3 Months)

- Publish SG estate strategy (in progress)
- Review organisation structure
- Clarify processes and roles and responsibilities
- Put in place a decision-making process which brings together relevant *EFS Services* appropriately
- Put in place regular reporting forum across *EFS* functions, and develop criteria for escalation to Director and above (to be addressed as part of review of SWP governance which is in motion)
- Review critical vacancies, identify particular pressure points and develop strategy to address
- Identify data champions in each area to identify priorities for data quality improvement

Prioritise
Medium Term (3-6 Months)

- Align budgets and decision making
- Scope and plan for data quality improvement and integration
- Enhance contract management capability to coincide with new FM contract go-live

Consolidate
Long Term (6+ Months)

- Asset level plan for SG core estate
- Alignment of SG core asset plan with IT and workforce strategies
- Set out service standards
- Review processes across *EFS Services* in light of strategy
- Transparent reporting of occupancy costs to support understanding of opportunity costs in decision-making
- Talent and development – develop an approach to professional development across *EFS Services* including training and development – potentially to include training needs/analysis of skills for the future across the functions
- Implement data and information systems action plan

Increasing maturity of new functions: Business Continuity and Security

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- Strategic Direction
- Processes, Roles & Responsibilities, and Communication
- Decision Making, Governance & Financial Planning
- Resource & Capacity
- Data & Information Systems
- Specific to individual Functions

Appendix

Review of SG *EFS Services* Delivery Structure – 20 March 2019

Appendix A: Existing Governance Forums

Overview

EFS Services' organisational structure includes the following governance boards, which are intended to support decision making and allow consultation between functions. The aims and objectives of these boards have been outlined below, along with the existing governance structure.

Place & Smarter Workplaces Boards

Place Board
Co-Chairs: Director General Economy and Director for Education, Communities & Justice

DCMSF and Director Digital also sit on this board, alongside representatives from *EFS* and IT services.

The aims and objectives of the board include:

- Securing the effective delivery of the Smarter Workplaces and Corporate Systems and Digital programmes
- Anticipating and responding effectively to future challenges in terms of SG workplace and systems
- Ensuring that investment decisions support delivery of Place Board's vision

Smarter Workplaces Programme Board – SWP governance under review
Chair & Programme Sponsor: Director for Communications, Ministerial Support & Facilities

The SWP Board was established to provide strategic oversight, as well as to challenge and oversee delivery of the programme.

The Board's responsibilities include:

- Approving proposals schedule and programme plan for SWP projects
- Review risks and issues with in-flight projects, and look to resolve these
- Monitor project delivery, and advise/facilitate implementation

Health & Safety (H&S) Committee

Health & Safety Committee
Chair: Director for Communications, Ministerial Support & Facilities

Due to fact that good H&S measures are already in place, the Committee focuses on how to maintain and improve current standards. This includes:

- Reviewing H&S statistics and monitoring performance
- Preventing high risk/serious accidents
- Consulting with colleagues across SG (incl. trade union reps) to ensure alignment on H&S

Security & Business Continuity Board

Security & Business Continuity Programme Board
Chair: Director for Communications, Ministerial Support & Facilities

The Programme Board focuses on operational responsibilities of the Security & Business Continuity department, with input from iTECs colleagues in charge of cyber security.

Members of this board include:

Head of Facilities Services

Head of iTECs

Representative from PD

SWP Manager

Personnel from cyber security (which sits under iTECs)

Although this board is in its early stages, part of its aim is to facilitate cross-collaboration with SBC's colleagues in *EFS*.

*Source of information on Place Board and SWP Board taken from terms of reference documents
** Source of information on Health & Safety Board, and Security & Business Continuity Boards were stakeholder interviews

Review of SG EFS Services Delivery Structure – 20 March 2019

Appendix B: Stakeholder Interviews – Participants

Overview

Preliminary stakeholder interviews were undertaken with the following representative from *EFS Services*.

Stakeholder Interview Participants:

Director for Communications, Ministerial Support & Facilities	Scottish Futures Trust Representatives	Security & Business Continuity (SBC)	Smarter Workplaces Programme (SWP)	Facilities Services (FS)	Property Division (PD)	iTECs
Interview 1:	Interview 1:	Interview 1:	Interview 1:	Interview 1:	Interview 1:	Interview 1:

Barbara Allison*
DCMSF

Interview 2: (Facilities Services)
Interview 2: (Property Division)

Additional attendance at Workshop held 28/02

Appendix C: Glossary

Overview

A full list of acronyms used within this report has been given below.

Glossary of Acronyms

EFS Services	Estates, Facilities, and Security Services
SG	Scottish Government
SFT	Scottish Futures Trust
(D)CMSF	(Director for) Communications, Ministerial Support & Facilities
FS	Facilities Services
PD	Property Division
SBC	Security & Business Continuity
BC	Business Continuity
SWP	Smarter Workplaces Programme
DPC	Director for Procurement & Commercial
HoF	Heads of Function
CRE	Corporate Real Estate
H&S	Health & Safety
BAU	Business As Usual
BU	Business Unit
KPIs	Key Performance Indicators
FM	Facilities Management
AQ	Atlantic Quay
SPFM	Scottish Public Finance Manual
SPCD	Scottish Procurement & Commercial Directorate
SLA	Service Level Agreement
SRM	Supplier Relationship Management

43

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