

**CITY AND COUNTY OF CARDIFF
DINAS A SIR CAERDYDD**

Employment Conditions Committee: 26 January 2005

Report of Chief Executive

INVESTORS IN PEOPLE - FRAMEWORK

Background

1. Investors in People (IIP) is the national Standard which sets a level of good practice for training and development of people to achieve business goals. The Standard provides a nationally recognised framework for improving business performance and competitiveness, through a planned approach to setting and communicating business objectives and developing people to meet these objectives. The result is that what people can do and are motivated to do, matches what the organisation needs them to do. The process is cyclical and should engender the culture of continuous improvement.

2. The Standard has very recently been revised (November 2004) and now reflects a typical business planning cycle, stronger emphasis on the culture required in IIP organisations and a stronger emphasis on the vital role of managers in the development of employees. The Standard is now based on 3 key principles:
 - **Plan** – developing effective strategies to improve the performance of the organisation through its people.
 - **Do** - taking effective action to improve the performance of the organisation through its people.
 - **Review** – evaluating the impact of its investment in people on the performance of the organisation

4. These 3 key principles are a cyclical process and are broken down into 10 indicators, against which organisations wishing to be recognised as an ‘Investor in People’ will be assessed.

5. In July, 2003, the Chief Executive wrote to the Chief Executive of ELWa to explore the possibility of extending the Councils current Investors in People accreditation to cover all Council services over the next four to five years. As a ‘people based’ organisation with over 18,000 employees, the Council has always been committed to developing the skills and abilities of its staff as the primary way of improving the services that it delivers to the public.

Issues

6. Being recognised as an “Investor in People” involves a number of steps:
 - Understanding the Standard and its strategic implications for the organisation.
 - Undertaking a review against the Standard to identify any gaps in current practice.

- Making the commitment to meet the standard and communicating that commitment to all members of staff.
 - Planning, and taking action, to bring about change.
 - Bringing about evidence for assessment against the standard
 - Achievement or recognition as an Investor in People
 - Working to keep the culture of continuous improvement alive.
7. Significant benefits may be gained by organisations who achieve the Standard. These benefits begin to appear while working towards becoming an Investor in People and can include:
- **Improved productivity.** Skilled and motivated people work more productively.
 - **Improved Results of Quality Systems and Improvement Frameworks.** Investors in People adds significant value to ISO 9001:2000 (Training Awareness & Competency Clause) and EFQM Excellence Model (People Management & Results).
 - **Improved Motivation.** Through greater involvement, personal development and recognition of achievement, motivation is improved. This leads to higher morale, improved retention rates, reduced absenteeism, readier acceptance of change and identification with the organisation beyond the confines of the job.
 - **Improved Customer Satisfaction.** Investing in People is central to helping employees become more customer focused, thus enabling the organisation to more effectively meet customer needs.
 - **New Opportunities.** The Standard provides opportunities to review current policies and practices against a recognised benchmark, within a framework for planning future strategy and action and provides a structured way to improve the effectiveness of training and development activities.
8. The practical stages towards recognition are as follows:
- Raising awareness of the Standard to generate commitment
 - Expressing commitment by notifying ELWa of intentions.
 - Appointing an Advisor and undertaking a Diagnostic against the IIP Standard with a cross section of staff to identify the gaps and good practice.
 - Addressing the Diagnostic Action Plan to identify what needs to be done, who will do it and when.
 - Communicating and Implementing the Action Plan
 - Appointing an Assessor to undertake the assessment against the Standard with a cross section of staff.
 - Addressing any shortfalls of assessment process
 - Assessor recommends Recognition
 - Assessment Report considered by an ELWa Recognition Panel
 - Service Areas to exchange Recognition Certificates for Council Wide Recognition which will involve a Corporate assessment.
 - As a longer term commitment, there would be continuing re-assessment at least once every three years with interim diagnostics if required.
9. The Council has agreed that its staff development systems need to be underpinned by a corporate and recognised framework. Several Services have already achieved Investors in People, and others have made a commitment and are adopting the key principles to support people development. The service areas which have secured IIP include a) Marketing and Tourism - New Theatre, Riding Stables and Cardiff Athletic Stadium, b) Economic Development Division and Strategic Estates (former DEA),

c) Leisure and Lifelong Learning - Leisure Facilities, Community Halls and Llanover Hall, and d) Schools Service. Those working towards it include a) Marketing and Tourism - Venues, Marketing and Visitor Services, Events and Sponsorship, St David's Hall, Harbour Authority, Sports Development and Sports Venues, b) Regulatory Services, c) Waste Management, d) Traffic and Transportation and e) ICT. Large organisations often wish to move forward towards gaining IIP recognition on a departmental or divisional basis and adopt what is called a “building block approach” towards recognition. This approach breaks down the assessments into achievable steps towards recognition, identifies areas of good practice that can be replicated throughout the whole organisation and encourages ownership at all levels within the organisation. This is encouraged by Investors in People UK and ELWa. Whereas this is an acceptable way of working towards whole organisation recognition, it should be supported and managed within a corporate strategy to ensure that:

- Eventually all parts of the organisation will be covered by the Investors in People Standard.
 - The organisation is assessed in a “cost-effective” way.
 - All appropriate parts of the IIP delivery network understand how the organisation intends to work with the Standard and are able to work in partnership with the whole organisation.
10. At present the Council has no formal corporate strategy so it has not been able to formally adopt the “building blocks approach” to achieve coherent progress and Service Areas are thus moving forward independently. In this respect ELWa is insisting that a cohesive approach is adopted to ensure that a clear strategy is in place to develop people in line with the Council’s aims and objectives.
11. The risk of not developing a corporate strategy would be that further Service Areas wishing to move towards recognition may not be accredited by ELWa, considerable funding opportunities may not be realised and that Council Wide recognition would not ultimately be achievable.
12. The Strategy need not be complicated but should make clear the Council’s intentions, namely that:
- Eventually all parts of the Council will be covered by the Investors in People Standard.
 - The Council is committed to investing in and developing its people.
 - All Service Areas need to understand how the Council intends to work with the Standard with clear aims and objectives.
13. The Strategy should be agreed and signed off by the Chief Executive on behalf of the Council and revised as the organisation changes, and as experience of the Standard grows. Continuous dialogue between the Council and ELWa should be maintained to ensure “not as yet” committed parts of the organisation are added to the strategy as and when they are ready to work with the Standard.
14. Crucially, adoption of the Standard provides a logical progression of work to develop an integrated strategic policy and business planning cycle, which enables the Council to frame policy and improvement priorities in connection with community planning partners and the wider community. This focuses on the development of a three-year Corporate Plan for 2005-08, which will ensure consistent links between the Council's vision, policies and budget framework. The Plan will identify key corporate priorities and drivers for change, including people development, which will serve to guide the

Council's development for the foreseeable future. Strong links between corporate and individual objectives will be ensured through the staff development scheme, which will serve to identify individual development needs in the context of the Council's strategic agenda. IIP will be an integral part of this process and serve to strengthen further the Council's ability to implement learning and development policies that are closely geared to implementation of the Council's vision and policies.

15. A draft strategy statement is attached as Appendix A and reflects the key objectives that the Council wishes to achieve. Once agreed, this can then be forwarded by the Chief Executive and ELWA by evidence of the Council's corporate support of and commitment to this important initiative. This approach would fit with the Council's Learning and Development strategy which is designed to develop the capability within the organisation required to achieve corporate objectives both now and in the future. Links with ISO 9001:2000 and EFQM Excellence Model can also be identified. This also supports key recommendations of the Corporate Governance report.
16. The strategy should be supported by a Transition Plan which would describe the agreed building block approach. Although the timescales within the Transition Plan will need to be discussed and agreed by Corporate Directors and Chief Officers, it is proposed that all Service Areas will have achieved full accreditation by no later than 2010. In view of lead in times, known organisational changes, planning necessary and other Service Area initiatives and priorities, it is proposed that the formal start date for the 1st tranche of services should be April 2005.
17. Once the Corporate Strategy is in place, ELW^a would be approached to fund part costs of the external advice and guidance. This would vary across all Service Areas and thus Council costs would need to be negotiated and identified. Attached as Appendix B is a possible format for the Transition Plan. The specific arrangements of how each service area will progress this initiative will need to be agreed but as ownership is key, this could include e.g. identification of a Service Area Lead Officer, establishment of a Steering Group to monitor progress and provide practical support to the process, etc. Workload and resourcing implications will also need to be considered. Experience has also shown that IIP must link in with other initiatives in order for it to be sustainable.
18. Consideration will need to be given as to which services should be in the 1st tranche in this corporate process. Those services who have made significant inroads in terms of preparation towards the Standard i.e. Traffic and Transportation , Marketing & Tourism and ICT could be included. It may also be appropriate for Human Resources and Corporate Management to be part of this 1st phase.

Proposals

19. It is proposed that:
 - (a) the draft Corporate Strategy Statement , attached as Appendix A, be agreed.
 - (b) the Chief Executive formally contact ELW^a to advise of a Strategy and Council commitment to the securing the Standard..
 - (c) a Transition Plan , using the format or similar to the attached as Appendix B , identifying realistic timescales be developed and agreed for all Services to achieve full IIP accreditation by no later than 2010

- (d) the detailed arrangements of working towards the Standard be developed by Chief Officers and that an Implementation Group be established, to monitor the process in due course.
- (e) Each Service Area identify, if they have not already done so, a Lead Officer to progress matters

Investment for Reform/Benefit to service user

- 20. Investing in People is central to helping employees become more customer focused, thus enabling the organisation to more effectively meet customer needs.

Advice

- 21. This report has been prepared in consultation with relevant Corporate Directors and reflects their advice. It contains all the information necessary to allow Members to arrive at a reasonable view, taking into account the following advice.

Legal Implications

- 22. The recommendations are legally permissible. All decisions taken by or on behalf the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers of behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications.

- 23. The full costs of implementing IIP will vary across service areas depending on the timing and specific arrangements of how each service will progress the initiative. Once the Corporate Strategy is in place an approach will be made to ELWa to part fund the costs of external advice and guidance. All other costs will be met from within existing service area budgets or considered as past of the Council's overall budgetary framework. Amongst the benefits which may be gained by achieving the standard, reduced costs and wastage may be anticipated as skilled and motivated staff review and examine their work.

Human Resource Implications

- 24. Progressing people development issues through IIP will complement the Council's current BSI arrangements, EFQM Excellence Model and Learning and Development Strategy and will help progress some of the people orientated recommendations of the Corporate Governance Report

Trade Union Comments

- 25. The Trade Unions are anxious that any money received from ELWa for IIP should be ring fenced for that purpose and they expressed concern about possible workload

issues for the suggested "lead officers" on IIP. They felt that it was important that IIP should be properly linked in with other plans, initiatives and business plans and were keen that they be included as partners in the IIP process. They also felt that there should be staged reviews of IIP where its impact could be evaluated and that there should then be regular progress reports made to the Employment Conditions Committee and at service area level.

RECOMMENDATIONS

It is recommended that

- (a) the draft Corporate Strategy Statement , attached as Appendix A, be agreed,
- (b) the Chief Executive be authorised to formally contact ELWa to advise of a Strategy and Council commitment to the securing the Standard,
- (f) a Transition Plan, using the format or similar to the attached as Appendix B , identifying realistic timescales be developed and agreed for all Services to achieve full IIP accreditation by 2010,
- (g) the detailed arrangements of working towards the Standard be developed by Chief Officers and that an Implementation Group be established, to monitor the process in due course,
- (h) Each Service Area identify, if they have not already done so, a Lead Officer to progress matters.

BYRON DAVIES
CHIEF EXECUTIVE

Date: 19 January 2005.

The following appendices are attached

Appendix A - Draft Corporate Strategy Statement

Appendix B - Transition Plan

INVESTORS IN PEOPLE STRATEGY STATEMENT

Cardiff Council is firmly committed to developing its people to deliver effective services. Embracing and implementing the Key Principles of the Investors in People Standard will underpin this commitment and support the overall drive for the Council to become a learning & development organisation.

The Council has four clear aims in this respect:

To demonstrate continuing commitment to people development as a catalyst for improving performance

To ensure that people's knowledge, experience and skills are reviewed, developed and improved to deliver effective services

To build on and develop effective methods of communication to ensure that people are clear of what needs to be achieved

To ensure that we review and gauge the effectiveness of our investment and get better at developing people, therefore improving performance

The Council will work in affiliation with the Investors in People UK Regional Delivery Partner to ensure that full advantage is taken of how the Council can work with the Standard and be assessed in a cost-effective way.

This Strategy statement will be revised as the Council changes, and as experience of the Standard grows.

BYRON DAVIES, CHIEF EXECUTIVE
THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF

DRAFT TRANSITION PLAN

FORMAT

Service	No. Employees	Awareness Stage Target Date	Commitment Stage Target Date	Advisory Diagnostic Stage Target Date	Assessment Stage Target Date	Services already Recognised
1 st						
Last						

