

## CABINET ITEM COVERING SHEET PROFORMA

**AGENDA ITEM**

**REPORT TO CABINET**

**27 SEPTEMBER 2018**

**REPORT OF SENIOR  
MANAGEMENT TEAM**

### **CABINET / COUNCIL DECISION**

**Leader of the Council – Councillor Bob Cook**

#### **INVESTORS IN PEOPLE (IIP) 2018**

1. Summary

The Investors in People (IIP) award sets out the criteria for high performance through people. The Council has held the IIP Accredited award since 2003 and has maintained accreditation ever since. Following the recent assessment we have received confirmation that the Council has retained its Investor in People (IIP) until 2021.

The Council has a long history of investing in its employees and is currently 4 years into the Shaping a Brighter Future (SBF) programme which is investing heavily in the potential and heart of our employees. SBF is building organisational capacity and driving change in the way we work so that we can cope with the challenge of working in Local Government in 2018. As with any major investment we have welcomed the opportunity to test its effectiveness, the IIP reaccreditation has been particularly timely as a means of providing an independent assessment of and challenge to everything we are doing in SBF. We have always welcomed the insight and challenge provided by the IIP assessors and value the quality and comprehensive nature of the IIP assessment model. We are delighted to receive the detailed inspection feedback and the headline finding that the:

***“SBF programme in 2018... has evolved substantially, unleashing energy for the benefit of the people served by the Council.”***

The assessment was conducted in July 2018 and focused on evidence from our employees on an individual and group basis. A total of 137 employees were interviewed through the assessment process. There was also the opportunity for the Assessors to review various information in support of the Council’s approach to people management, a wide range of Shaping a Brighter Future evidence, video clips, the Scrutiny Review of Sickness Absence, Hive results and Employee Survey 2016 Reports and Action Plans. In addition the Assessors attended a Setting the Standard session, which provided *“an excellent overview of the Council’s achievements and strategic developments”*; and a Headway Bite-Size session, which focused on staff engagement.

Evidence gathered during Interviews provided significant evidence of good practice across all Indicators of the Standard and feedback in the report and directly from the Assessors is excellent. The Assessment suggested that the Council is working beyond the ‘Developed’ level in many areas and would be well positioned to achieve IIP Gold accreditation at a future Assessment.

It is particularly pleasing to receive such positive feedback and recognition of the Council’s ambition and approach to valuing our workforce, notwithstanding the significant financial

challenge and change, including reduction in headcount, that our employees have been part of over the recent years. The report endorses the Council's value, care and investment in our employees encapsulated in the long term commitment to the SBF programme and more recently the Smarter Working in Stockton (SWiS) programme.

## 2. Recommendations

Cabinet recommend that Council:-

1. Note the Stand-out Strengths and recommendations from the IIP Assessment.
2. Agree the actions in response to the IIP Assessment recommendations.

## 3. Reasons for the Recommendations/Decision(s)

As the political leaders of the organisation it is felt appropriate that Cabinet and Council are informed of the outcome of the Council's IIP Assessment and Action Plan which will not only support organisational development, but also compliments and supports the Shaping a Brighter Future Programme and sets out the criteria for high performance through people.

## 4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

### Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code)

## AGENDA ITEM

## REPORT TO CABINET

27 September 2018

## REPORT OF SENIOR MANAGEMENT TEAM

# CABINET / COUNCIL DECISION

## INVESTORS IN PEOPLE 2018 ACCREDITATION

### SUMMARY

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The Council has a long history of investing in its employees and is currently 4 years into the Shaping a Brighter Future (SBF) programme which is investing heavily in the potential and heart of our employees. SBF is building organisational capacity and driving change in the way we work so that we can cope with the challenge of working in Local Government in 2018. As with any major investment we have welcomed the opportunity to test its effectiveness, the IIP reaccreditation has been particularly timely as a means of providing an independent assessment of and challenge to everything we are doing in SBF. We have always welcomed the insight and challenge provided by the IIP assessors and value the quality and comprehensive nature of the IIP assessment model. We are delighted to receive the detailed inspection feedback and the headline finding that the:

***“SBF programme in 2018... has evolved substantially, unleashing energy for the benefit of the people served by the Council.”***

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It is particularly pleasing to receive such positive feedback and recognition of the Council's ambition and approach to valuing our workforce, notwithstanding the significant financial challenge and change, including reduction in headcount, that our employees have been part of over the recent years. The report endorses the Council's value, care and investment in our employees encapsulated in the long term commitment to the SBF programme and more recently the Smarter Working in Stockton (SWiS) programme.

## RECOMMENDATIONS

Cabinet recommend that Council:-

1. Note the Stand-out Strengths and recommendations from the IIP Assessment.
2. Agree the actions in response to the IIP Assessment recommendations.

## DETAIL

1. Organisations that meet the world-recognised Investors in People Standard reflect the very best in people management excellence. The Council has held the IIP accreditation since 2003. Organisations are required to undergo reassessment to maintain their award every 3 years. The Council's reassessment took place in July 2018 and we are pleased to report that we have retained our IIP award and will be recognised as an "IIP Accredited" organisation up until 2021.
2. In 2015, IIP launched a new generation performance model with nine new indicators as outlined below. This was the first time the Council has been assessed against this new model. The Nine Indicators, which align closely with the work the Council is doing with SBF, SWiS, Lean and Organisational Reviews, are:



3. The Council was assessed against the "Developed" level of the IIP Performance Model meaning we needed to demonstrate that "appropriate principles and practices are in place and communicated, and that people and leaders know what is expected of them". It should be noted that we elected to seek assessment against the "Developed" level of IIP performance as it was felt that this option represented the most cost effective approach. The assessment, whilst less in-depth than the higher level assessments, still provided a thorough and independent examination of all we are doing at a competitive cost.
4. To achieve accreditation, the Council was assessed against the Standard by a licensed practitioner using a mixture of leadership discussions, individual and group interviews and observations.
5. A total of 137 employees from across all Directorate participated; 50 employees met the Assessors in individual meetings and 87 employees in group meetings. Approximately 4.4% of the Council's workforce took part in our accreditation.

6. There was also the opportunity for the Assessors to review Council documentation, Intranet material and film clips, and in addition there were two observation opportunities: Sheila Warren attended a Setting the Standard session in June 2018, which provided “*an excellent overview of the Council’s achievements and strategic developments*”; and Graeme Mills attended a Headway Bite-Size session, which focused on staff engagement.
7. Evidence gathered during the Assessment suggests that the Council is working beyond the ‘Developed’ level in many areas and would be well positioned to achieve Investors in People Gold accreditation at a future Assessment. Interviews provided significant evidence of good practice across all Indicators of the Standard. A decision about the level of assessment to be selected in 2021 will be made nearer the time.

### Key Strengths

8. The Stand-out strengths noted in the IIP Standard Assessment Report are as follows:

- **Shaping a Brighter Future Programme.** The Council has a long history of investing in its employees and is currently 4 years into the Shaping a Brighter Future (SBF) programme which is investing heavily in the potential and heart of our employees. The support from Members allocating resources to ensure the success of the programme in times of austerity has helped us to build organisational capacity and driving change in the way we work so that we can cope with the challenge of working in Local Government in 2018

In 2015 when the Council was previously assessed for IIP, the SBF Programme was in its infancy, but in 2018 it has been recognised that it has evolved substantially, unleashing energy for the benefit of the people served by the Council. The SBF Culture Work Stream, through conversations across the organisation, has defined the desired culture and identified the behaviours which underpin it, recognising that the culture is “brought to life by how every one of us behaves.” Through the interviews employees discussed the values and behaviours demonstrating a strong public service ethos. Employees frequently referred to ‘being heard’ and to the non-hierarchical culture of the Council, one employee describing ‘*a flat collaborative network*’.

- **Leadership.** Our Employees spoke highly of leaders and managers throughout the organisation with senior leaders regarded as highly accessible, approachable and inspirational, contributing to the sense of a shared vision and values. Leaders identified people’s potential and have a strong awareness of people’s strengths. Employees are encouraged to develop and progress. One interviewee stated ‘*Our Director does everything he can to engage with staff*’.

The role of Members as Leaders of the organisation can also not be overlooked. The recent scrutiny review of sickness absence has endorsed a change in HR policy to help promote and maintain the culture of the Council. The results of our bi-annual staff survey and HIVE are also taken into consideration by Members, who have always shown a keen interest in the wellbeing of our workforce. Members also work closely with our Trade Unions through the Local Joint Consultative Panel (LJCP) and the North East Regional Employers Organisation (NEREO).

- **Communication.** It was recognised that there are multiple communication channels which ensure that people are well informed about the Council’s priorities, plans and progress. Employees are able to put forward their own opinions through participation in the Employee bi-annual Staff survey and the Hive engagement tool. There is also structured communication and consultation with recognised trade unions. The Assessors commented on the, accessibility and visibility of senior leaders and their willingness to engage in open and honest conversation.

- **Innovation.** As an organisation which is “not afraid to try something new,” the Council seeks to identify creativity and innovation, whilst encouraging staff to take responsibility for their own development. The Talent Network, developed through SBF, was specifically mentioned as making best use of the large pool of talent and potential in the organisation. During the interviews, people commented positively on how the organisation will be transformed in the future, and demonstrated a willingness to challenge current practices, Smarter Working in Stockton (SWiS) was frequently mentioned. One interviewee stated: *‘We look at things differently in this Local Authority: you feel you can challenge, which is refreshing: it really is run for the people.’*
- **Valuing people.** Throughout the interviews, people confirmed that they felt valued by their colleagues, managers, leaders and (mostly) by the people of the borough. The Culture Statement makes it very clear that we value our employees, and this is demonstrated through, for example, investment in employee benefits and tangible support for employee health and wellbeing as well as more informal support. One employee said: *‘What I love about this Council is that it feels like a family. Everybody cares’.*
- **Involvement, empowerment and collaboration.** The interviews provided strong evidence that people are engaged with the organisation and that they are trusted to do their jobs. This is also reflected in the Culture Statement and Shaping a Brighter Future has provided new opportunities for involvement and has contributed to the creation of a culture of collaboration. One quote provided in the report states: *‘This is a co-operative, collaborative and supportive environment it means that you can get a lot more done.’*
- **Creating sustainable success.** This specific Indicator of the Investors in People Standard explores focusing on the future, embracing change and understanding the external context. These themes are of critical importance to the Council and generated very positive feedback during the interviews, suggesting that the organisation could achieve the High-Performing level of this Indicator. Shaping a Brighter Future is designed to create sustainable success and involvement has enabled people to look forward with optimism. The interviews provided very strong evidence that people have an excellent understanding of the relationship between the organisation and wider community, especially the public and partner organisations. *‘There is something very different about Stockton. People are really valued in the organisation and if things need to happen to benefit the people we serve, it happens. Decisions are made.’*

### Recommendations & Action Points

9. The IIP Standard Assessment Report provided the following recommendations which we will address through the proposed actions:

- **Organisational values in an external context:** There was a strong understanding of the internal culture and behaviours expected of employees and interviewees did draw parallels with the culture statement when describing their relationship with the public and external bodies. It is however suggested that consideration be given to a separate Customer culture statement which would strengthen and reflect the clear external facing values of both individuals and the organisation.

**Action:** SBF Culture work stream to consider the development of a Customer Culture Statement. This work will tie into excellent performance achieved through the Customer Service Excellence accreditation.

- **Engaging “hard to reach” employees:** The Council is a complex, multidisciplinary organisation and it is recognised that some groups of employees are more difficult to reach than others. These groups may work remotely and spend very little time in a single location:

some have no Internet access or Council email address. Communication and engagement therefore presents some significant challenges.

The recommendation is to review how communication to these groups can be enhanced to fully engage 'hard to reach' employees.

**Action:** Employee Engagement is already a key campaign for the Council's Communications Team in 2018/19 with one area being the roll out of the Intranet to be externally available via a PC / laptop or Mobile phone. Work is also underway with the Employee Staff Survey 2018 to target increased engagement and response rates compared to 2016. Consideration will also be given to other means of enhancing communication.

- **Applying appraisal to all roles:** This recommendation is linked to the recommendation about engaging "hard to reach" employees.

Revisions to the appraisal process which were implemented in 2017 were generally regarded as an improvement and welcomed by most of those who were interviewed. The revised approach was regarded as being more straightforward and more actively seeking the input of the appraisee in the process. However with some groups, particularly individuals whose roles were not office or single location based; or who were mobile workers, it was felt that the appraisal process could be improved or adapted to better meet the needs of these workers. The recommendation is to reflect on the findings and consider the pros and cons of alternative approaches.

**Action:** To review the appraisal process for 'harder to reach', mobile workers and discuss the options with the service areas affected.

- **Development of impact measurement:** It is suggested that there is scope to extend the evaluation of people management and development strategies. It is acknowledged that data and metrics which could be used to demonstrate the impact of these strategies is already available, for example through information generated through LEAN reviews. The challenge is to identify these metrics at the start of an initiative or project by asking the question "How will we know that this strategy, project or activity has been successful?" Focused impact measurement can be a key process in the development of a learning organisation, leading to greater understanding and richer evaluation that will drive improvement.

**Action:** We will identify ways to measure the impact of the actions from the IIP recommendations and other people management and development strategies.

- **Volunteers:** The involvement of volunteers continues to grow, and it is suggested that policies, procedures and documentation relating to volunteer engagement is reviewed and a toolkit for managers is developed to ensure consistency across the Council.

**Action:** The development of a Council wide Volunteers Policy / Procedure and central liaison with services regarding opportunities for Volunteering roles has been identified as an action for the HR Service for 2018/19.

- **Change:** Change is "done with" staff, rather than "done to" staff. It was felt however that occasionally communication can be inconsistent and it would be beneficial to develop a managers' understanding of change and how it can affect people. There was also a broader point around preparing aspiring and potential managers for the basics of management, for example by ensuring they understand trade union consultation, absence management processes etc.



**Action:** To develop and provide training on organisational change for managers, including the importance of working with and the role of the Trade Unions, as part of a wider Managers training programme. Attendance Management Training was rolled out to managers in January 2018 following the revision of the Work/Life Balance and Attendance Management Policy.

10. A 12 month review meeting will take place with the Lead Assessor in July 2019 to consider our progression against the recommendations and the IIP Standards.

#### **COMMUNITY IMPACT IMPLICATIONS**

11. No changes to policy or service delivery are proposed as part of this report.

#### **FINANCIAL IMPLICATIONS**

12. There are no specific financial implications arising from this report.

#### **LEGAL IMPLICATIONS**

13. There are no specific legal implications arising from this report.

#### **RISK ASSESSMENT**

14. The IIP Award is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

#### **COUNCIL PLAN POLICY PRINCIPLES AND PRIORITIES**

15. Delivering high performing people management and employee engagement potentially impacts across all Council Plan policy principles and particularly supports the following key objective:

- Continuing to attract, develop and support diverse, capable and resilient employees

#### **CORPORATE PARENTING IMPLICATIONS**

16. IIP Award does not have any corporate parenting implications

#### **CONSULTATION INCLUDING WARD/COUNCILLORS**

17. None.

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Education related?

No

Background Papers

IIP Standard Assessment Report: Stockton Borough Council

Ward(s) and Ward Councillors:

All

Property

None