

Your Ref.
Our Ref

Joanne Roney OBE

Please Reply To **Rachel Robertshaw**
Telephone No (01924) 834912
Email rachel.robertshaw@ypo.co.uk
Date 07 October 2015

Town Hall, Wood Street, Wakefield, West Yorkshire WF1
2HQ
T 01924 305100; E jroney@wakefield.gov.uk
Typetalk calls welcome

To: Members of the YPO Joint Committee Scrutiny Sub-Committee

Dear Member

YPO SCRUTINY SUB-COMMITTEE – FRIDAY, 16 OCTOBER 2015

It is with pleasure that I write to invite you to attend a meeting of the YPO Joint Committee Scrutiny Sub-Committee which is to be held at **10:30 am on Friday, 16 October 2015 in the YPO Headquarters, 41 Industrial Park, Wakefield** to consider the items set out in the agenda attached.

Yours sincerely



Joanne Roney OBE
Secretary to the Joint Committee

As a courtesy to colleagues would you please put your mobile phones and pagers on silent prior to the start of the meeting.

**YORKSHIRE PURCHASING ORGANISATION SCRUTINY SUB-COMMITTEE -
Friday, 16 October 2015**

AGENDA

1. Election of Chair.
Nominations are requested for the position of Chair of the Scrutiny Sub-Committee for the year 2015/16.
2. Chair's Introduction and Welcome.
3. Acceptance of Apologies for Absence.
4. Members' Declarations of Interest.
5. To approve, as a correct record, the Minutes of the meeting held on 5 June 2015. (Pages 1 - 2)
6. To note any items which the Chair has agreed to add to the Agenda on the grounds of urgency.
7. People Strategy. (Pages 3 - 20)
8. Exclusion of the Public and Press.
In relation to reports containing exempt information to consider and, if approved, pass the following resolution: -

"That the public and press be excluded from the meeting during consideration of Agenda Items 9 and 10 on the grounds that they are likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended"
9. Sales Analysis. (Pages 21 - 24)
10. Warehouse and Logistics Strategy. (Pages 25 - 48)
11. Date and Time of Next Meeting.
The next meeting of the YPO Scrutiny Sub-Committee will be held on Friday 5 February 2016 at 10.30am.

YORKSHIRE PURCHASING ORGANISATION SCRUTINY SUB-COMMITTEE

Friday 5th June 2015

Present: The Chair: Councillor Warburton
 Councillors – Councillor Atkin
 Please note this meeting was not quorate and therefore these minutes are for information purposes only.

60:	INQUORATE MEETING
	The meeting was inquorate due to insufficient Member representation. The Chair agreed to continue with the meeting considering the reports for noting only with no decisions to be taken.
61:	CHAIR'S INTRODUCTION & WELCOME
	The Chair, Councillor Warburton, welcomed all parties to the meeting.
62:	ACCEPTANCE OF APOLOGIES FOR ABSENCE
	Apologies for absence submitted prior to the meeting were accepted on behalf of Councillors Barnard (Barnsley), and Fletcher (St. Helens).
63:	MINUTES – 6TH MARCH 2015
	It was noted – The Minutes of the YPO Scrutiny Sub-Committee held on 6 th March 2015 were unable to be approved as today's meeting was not quorate.
64:	MEMBER'S DECLARATION OF INTEREST
	No declarations of interest were made
65:	SCRUTINY SUB-COMMITTEE TERMS OF REFERENCE & 2015/16 WORK PROGRAMME
	A report of the Managing Director provided an overview of the work scheduled for Scrutiny Sub-Committee for the 2015/16 cycle. This report also proposed the Terms of Reference, Principal Agenda Items, 2015/16 meeting schedule and training plan. It was noted - (1) That the report be noted and submitted to the Annual General Meeting in June.
66:	EXCLUSION OF THE PUBLIC & PRESS
	Resolved – That the public and press be excluded from the meeting during consideration of agenda item 8 on the grounds that they are likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended.
67:	ICT STRATEGY & BUSINESS CHANGE PROGRAMME
	Consideration was given to an update and presentation provided by the Head of Business Change & IT which provides an overview of the progress in developing YPO's IT Strategy 2015-2017 and a position statement in relation to the Business Change Programme.

	It was noted – That the ICT Strategy & Business Change Programme report be noted.
68:	DATE AND TIME OF NEXT MEETING That the next meeting of the YPO Scrutiny Sub Committee will be held on 16 th October 2015 at 10am, at YPO Headquarters



YPO
SCRUTINY SUB COMMITTEE
16TH OCTOBER 2015

SUBJECT: People Strategy 2015 - 2017

REPORT OF: Assistant Director HR and Logistics

1 PURPOSE OF REPORT

1.1 To provide scrutiny committee with an overview of the 2015 – 2017 people strategy

2 Recommendation

2.1 Scrutiny Committee are asked to comment and provide feedback. This report will be supported by a presentation at the meeting which will provide an overview of the key deliverables.

3 Background

3.1 The theme for the YPO 2015-17 strategy is 'Forward thinking, Outward looking' which captures the growing confidence of YPO to build on previous successes and make significant strides during this period.

A number of building blocks have been put in place during the last three years and we now need to further develop our people strategy to ensure organisational success over the next three years.

We want YPO to be the UK's number one Public Sector Buying organisation, achieving maximum value for money for the public purse however we cannot succeed without a talented and effective workforce who are high performing, customer focussed, skilled

and motivated employees who are proud to deliver excellent services, and proud to work for YPO

In implementing the next 3 Year Strategy, YPO will therefore endeavour to be:

- Innovative
- Ambitious
- Values Driven
- High Performing
- Customer focussed
- Willing to take calculated commercial risks
- Recognised as a Benchmark in all aspects of its activities

The People Strategy supports the delivery of YPO's 3 year strategy to ensure the organisation has the right 'fit for the future' workforce to achieve its strategic ambitions and we will continue to embed our values to ensure our culture and people can continue to transform to embrace the changing environment. The full strategy document is attached as *Appendix 1*

3.2 This three year people strategy will support and enable the delivery of the organisational strategy by focussing on the following priorities:

- Developing the organisational culture to fully embed the values and behaviours
- Developing our leaders and managers
- Being recognised as an employer of choice attracting and retaining a high calibre, ambitious workforce
- Investing in a performance management culture
- Recognising and rewarding excellence
- Managing our talent

3.3 Some practical examples on how we plan to achieve this are identified in the 3 year strategy as follow:

Invest in workforce skills and capability

- Continue to develop the Apprenticeship scheme
- Continue to invest in procurement capability and capacity
- Develop leadership skills through coaching and mentoring
- Enhance Management skills
- Introduce cross functional working
- Use a balance of recruitment and retention

- Develop a flexible workforce through multi skilling
- Introduce structured succession planning
- Complete the role out of behaviours and competencies
- Introduce team talks
- Ensure clear links between strategy, plans and objectives
- Make sure good performance is celebrated

3.4 The people strategy which identifies the challenges is complimented by a more detailed employee development strategy which outlines the learning and development activities planned for the next 3 years.

The team already deliver or arrange a number of training initiatives such as:

- Word and Excel
- NVQ's
- Customer Service
- First aid and Health and Safety
- Induction
- Sales training
- Data Protection
- Coaching and feedback skills

In the last 12 months the following training has been delivered through a mix of internal and external training courses:

Training course	Internal/external	No. Attendees
Implementing ShoreTel	External	2
Maintaining ShoreTel	External	1
Lead Auditor Training	External	1
Risk Assessment Draft Course	External	1
Risk Assesment Training	External	7
Soft Skills	Internal	75
Internet Training	Internal	13
SEIRS Racking Skills Course	External	5
Welder Training	External	1
Pallet Inspection Training	External	4
Driver Assessor Course	External	2
Basic Plumbing Skills Course	External	1
Interview Skills Training	Internal	48
Complaints Training	Internal	16
Coach Training	Internal	21
Coaching Bitesize Chunks	Internal	44
Inductions	Internal	60
First Aid	Both	18

Reception Training	Internal	8
Fire Marshal Training	Internal	23
Flamstop Extinguisher Training	Internal	37
CIEH Level 2 Environmental Training	Internal	8
Feedback Training	Internal	36
Drivers Anti Fraud & Bribery	Internal	27
Complaints Training	Internal	24
Communicate to Inspire	Internal	8
Performance Management	Internal	8
Job Evaluation Training	Internal	11
How to Handle Difficult Behaviours	Internal	6
CRM Soft Skills	Internal	10
Driver ICS Complaints Training	Internal	17
MDP Mop Ups	Internal	61
ICS Day 1	Internal	161
ICS Day 2	Internal	175
Microsoft Excel	Internal	117
Microsoft Word	Internal	60
Driver CPC Training	External	29

Over the next few months the portfolio will grow even further, and the calendar for the remainder of the year is attached as *Appendix 2* for information.

3.5 The workforce continues to grow and develop in line with business needs and the following section outlines the workforce profile as at the 18th August 2015
 (the figures in red are from 31/07/14)

YPO employs 539 (514) people 251 (248) in operations and 288 (266) office based staff with a split of 56% (57%) male and 44% (43%) female

Within our Senior Management Team this is less balanced with 73% male and 27% female, although it is slightly more balanced at Board level with 50% male and 50% female

The age range of the workforce indicates a potentially ageing workforce with 35% (32%) of the workforce aged 51+. The introduction of an apprentice programme has however increased the number of people under the age of 21 from 0% in 2010 to 6% (31 employees) with a further 4 people due to start on the 1st September 2015

Of our 530 employees 5.1% (5.4%) declare a black or minority ethnic origin and 2.8% (2.8%) declare a disability.

4 Financial Implications

4.1 All activities are completed within the base budget provided.

5 Legal Implications

5.1 There are no identified legal implications

6 Equality Implications

6.1 The workforce strategy and all actions taken are equality impact assessed to ensure compliance with the Equality Act 2010

7 ICT Implications

7.1 None

8. Environmental & Sustainability Implications

8.1 None

9 Economic Implications

9.1 As one of the largest employers in Wakefield YPO with a majority local workforce has an obligation to ensure all activities relating to the workforce contribute positively in terms of sustainable employment

10 Human Resource Implications

10.1 None

11 Property Implications

11.1 None

12 Risk Implications

12.1 We recognise our reliance on having a skilled and effective workforce and the infrastructure to support on-going management and development of employees and this is reflected within our strategic risk register and HR's operational risk register as follows:

SR-008 Inadequate workforce skills/ availability to support growth

SR-013 Non-compliance with legislation

13 Consultations & Engagement

13.1 The people strategy was written in consultation with the Senior Management team and the actions and challenges have taken into account feedback from the 2014 Employee Survey

14 Background Papers

- 14.1 Appendix 1 - 2015-2017 People Strategy
- Appendix 2 – Learning and Development Calendar

Report Author	Julie Wray	
Report Contact	Julie Wray	julie.wray@ypo.co.uk 01924 834897

People Strategy 2015 - 2017

Introduction

The theme for the YPO 2015-17 strategy is 'Forward thinking, Outward looking' which captures the growing confidence of YPO to build on previous successes and make significant strides during this period.

A number of building blocks have been put in place during the last three years and we now need to further develop our people strategy to ensure organisational success over the next three years.

We want YPO to be the UK's number one Public Sector Buying organisation, achieving maximum value for money for the public purse however we cannot succeed without a talented and effective workforce who are high performing, customer focussed, skilled and motivated employees who are proud to deliver excellent services, and proud to work for YPO

The People Strategy supports the delivery of YPO's 3 year strategy to ensure the organisation has the right 'fit for the future' workforce to achieve its strategic ambitions and we will continue to embed our values to ensure our culture and people can continue to transform to embrace the changing environment

In implementing the next 3 Year Strategy, YPO will therefore endeavour to be:

- Innovative
- Ambitious
- Values Driven
- High Performing
- Customer focussed
- Willing to take calculated commercial risks
- Recognised as a Benchmark in all aspects of its activities

We will do this by investing in:

- Workforce skills and capability
- A performance management structure
- Physical and systems infrastructure
- Penetration of new markets
- New ways of doing business with customers
- Enhanced customer service in all areas of our business
- Effective internal processes
- Robust business change programmes

This three year people strategy will support and enable the delivery of the organisational strategy by focussing on the following priorities:

Developing the organisational culture to fully embed the values and behaviours

It is widely recognised that different organisations have distinctive cultures 'the way we see and do things around here'.

Through tradition, history and structure, YPO has built up its own culture with a strong sense of 'who we are', 'what we stand for', 'what we do'. It determines, through the organisation's legends, rituals, beliefs, meanings, values, norms and language, the way in which 'things are done around here'. Whilst YPO's culture encapsulates what it has been good at and what has and hasn't worked in the past it now risks putting up barriers to change and growth for the future.

We need a culture of high aspiration and performance, drawing on excellent leadership, effective management and employee engagement

We want to set the highest professional standards and foster a truly inclusive culture that is innovative, ambitious and values driven, recognising that all employees are making a valuable contribution to the success of the organisation.

We will achieve this by:

- Ensuring our values, culture and behaviours support an environment that promotes a positive culture for working in which all employees treat each other

with dignity and respect, and where we encourage and enforce appropriate behaviour towards colleagues.

- Ensuring that our services are always delivered in a timely, responsive, flexible and solutions-focused way and striving for customer satisfaction all the time, every time, ensuring Customer Service being at the heart of everything we do.
- Valuing and celebrating difference in the different parts of the organisation while upholding the highest standards of equality of opportunity for all.
- Ensuring that equity, fairness and transparency shape and inform our policies, practices and processes.
- Encouraging the highest standards of integrity, probity and professional conduct in our approach to our work and the service that we provide to our internal and external customers.
- Embracing a culture of continuous improvement, creativity, innovation and quality. Supporting our colleagues to implement new ideas and new ways of working and always celebrating success.
- Ensuring our working environment reflects the type of employer we are and we will ensure we provide a safe and healthy working environment and look to create a fair work-life balance and support staff in maintaining a healthy lifestyle through our health and wellbeing programmes.

Fully embedding our values and behaviours

Following a period of consultation we launched our new values in 2013, and throughout 2014 and the life of this strategy we will be looking to embed the values across the organisation so that they become a way of life and are reflected through our actions and how we make decisions on a day to day basis.

We want our values to be more than just words on posters they should be the framework for building the culture we want at YPO and we need to consistently communicate them and ensure they are visibly demonstrated through the behaviours of all people managers.

Our values are:

- We Care
- We are Helpful
- We are Straight talking
- We don't like waste

In 2014 we introduced a formal competency framework for the first time at YPO. This framework outlines how we want people at YPO putting our values: we care, we are helpful, we are straight talking and we don't like waste at the heart of everything we do.

Competencies are the skills, knowledge and behaviours that lead to successful performance. The framework outlines seven competencies, and for each competency there is a description of what it means in practice and some examples of effective and ineffective behaviours at all levels. These indicators of behaviour are not designed to be comprehensive, but provide a greater understanding and consistency about what is expected from individuals at YPO.

The framework will be used for recruitment, performance management and development discussions. Competencies will be reviewed informally at 1-1 meetings and more formally at least twice each year – so whilst objectives will set out “what” employees need to achieve over the year the competencies will set out “how” they need to work to achieve those objectives.

Some competencies in the framework apply to all employees

- Customer Service
- Effective Communication
- Team Working
- Continuous Improvement
- Drive for Success

There are two additional competencies for employees who are responsible for managing others.

- Managing and Developing People

- Managing Successful Delivery

We will fully embed the values and behaviours by:

- Ensuring they are more than just words on posters they should be the framework for building the culture we want at YPO and we need to consistently communicate them and ensure they are visibly demonstrated through our actions and how we make decisions on a day to day basis.
- Reviewing our JD template and ensure there is an agreed wording for all JD's, and encourage managers to reflect the values in the body of the JD
- Reviewing Advert template and agree two intro's one for internal ads and one for external ads that capture the competencies and values.
- Including in the recruitment process values and competency based questions
- Reviewing the induction process to ensure the competencies and values are clear and consistent in each section and that managers discuss the meaning of them with new starters.
- Reviewing how we capture the competencies and values in performance management at an organisational, team and individual level.
- Introducing team talks so each week each team had a ten minute 'team talk' session to discuss one of the values and feedback would be sought each week to look at what works and what doesn't, where further support is needed, to capture what the conversations have identified, and to ensure that the programme stays on track.
- Developing team talks to include performance and continuous improvements including ICS ideas
- Recognising individual and teams who live by the values and celebrating positive feedback and achievements

Developing our leaders and managers

Exemplary leadership skills form an essential part of fulfilling our ambitions. We will develop our leadership competencies at all levels, to ensure that staff understand their own leadership styles, and can adapt them to deal with different situations, in order to motivate and energise their teams.

We will achieve this by:

- Preparing staff for leadership roles early in their careers, so that they have the necessary depth and breadth of experience to take on roles with greater responsibility.
- Acknowledging management skills will be equally as important as leadership skills, and great emphasis will be placed on preparing managers to deliver change and innovation effectively and swiftly, in a highly competitive and ever-evolving environment, where competitive advantage, responsiveness and opportunism will feature across our activities.
- Through development, coaching and mentoring, managers will become accomplished in creating a high-performance culture, and will be confident in dealing with every aspect of managing staff: from setting clear expectations and rewarding excellence, to managing poor performance.
- Encouraging networking with and benchmarking against other world class organisations at an individual and organisational level to develop leadership and management skills, knowledge and experience.
- Embedding a coaching strategy will be created giving consideration to company values, goals, mission and vision and how coaching can support these goals
- Embedding a Professionalised Customer Service provision with appropriate training and accreditation to meet the increasing expectations of the customer of today and the future.
- Introducing a coaching and development programme to drive performance improvement - All people managers across the business to complete a six month development programme in order to gain relevant coaching knowledge/skills and to be able to act as coaching role models

Being recognised as an employer of choice attracting and retaining a high calibre, ambitious workforce

YPO has the challenge of operating as a commercial entity within the constraints of the public sector terms and conditions. This can lead to difficulties in recruiting high calibre staff when salaries are capped and bonuses are not available.

Overall total remuneration packages are comparable when viewed as a total reward package and this needs to be developed as a selling tool when recruiting as well as a retention tool when good quality staff are tempted to look elsewhere.

Recent experience has shown that YPO's reputation and stability in a volatile market place is a powerful recruitment tool and we will exploit this more; however we can't afford to be complacent and need to look at additional steps we can take to ensure we can attract, retain and reward the people we need to be successful.

We will achieve this by:

- Promoting the attractiveness of YPO as a national leader in public sector recruitment through tailored recruitment strategies to ensure we appoint the best candidates and achieve greater diversity across the workforce
- Implementing an e-recruitment system to deliver a consistent and positive applicant experience
- Reviewing our current advertising strategy to ensure we are able to attract high calibre candidates to professional roles.
- Reviewing our recruitment process to ensure it is compliant and fit for purpose to ensure we can respond quickly to fill key vacancies.
- Supporting new staff through tailored induction processes, to enable them to quickly become effective in their new roles
- Supporting effective staff retention through integrated and inclusive approaches to career development, succession planning and promotion;
- Developing and retaining staff talent through a planned, systematic and inclusive approach to succession planning
- Further developing our apprenticeship scheme

- Exploring the option of a graduate programme for YPO
- Highlighting the corporate social responsibility activities that YPO do socially, economically and environmentally to become an employer of choice
- Continuing to invest in our working environment to ensure staff have a safe and healthy environment in which to work.
- Creating a coaching culture where coaching is a key aspect of how leaders, managers and staff engage and develop in ways that create increased individual, team and organisational performance

Investing in a performance management structure

The setting, monitoring and evaluating of employee objectives linked to robust personal development plans is a key factor that underpins the wider performance reporting framework outlined in the 3 year strategy. Objectives will encompass organisational management systems such as quality and environment.

We have made a start in implementing an appraisal programme for office based staff where objectives are set on an annual basis, but there is still a long way to go to have a fully developed performance management structure in place.

We will achieve this by:

- Developing objectives and performance measures at an individual, team and organisation and ensuring these are clear and communicated to all employees.
- Sharing organisational performance with all employees on a regular basis through a variety of internal communications channels.
- Ensuring performance becomes a part of the team talks and team meetings involving all staff in how we are doing as an organisation as well as monitoring the effectiveness of business processes and identifying any barriers to improvement.
- Designing and implementing a performance management process for operations colleagues and drivers.
- Further developing the appraisal process to include competency assessments

- Continuing to measure perceptions of performance through internal and external surveys
- Acting on the results of monitoring, measurement and evaluation of performance
- Continuing to develop managers to ensure everyone is comfortable doing their role in terms of performance / people management

Recognising and Rewarding Excellence

Rewarding excellence is not always financial incentives but about the overall package and the extra things an employer can do to ensure high performing employees know their contribution is valued.

At YPO we are constrained financially in terms of what we can reward, however we do have the capacity to recognise excellence in a number of ways to ensure employees feel their contribution is valued and they are motivated to continue working hard.

We will achieve this by:

- Rewarding excellence and success in a variety of ways e.g. through employee awards and celebrating public value champions
- Reviewing employee benefits to produce a total reward statement for all employees.
- Investigating options for additional staff discounts and new salary sacrifice schemes to enhance the total reward package
- Investing more in employee engagement encouraging employees to respond and engage with us through staff surveys, suggestions schemes, business briefings etc.
- Developing more options to say thank you in small ways e.g. free coffee in December, Christmas dinner in the canteen, free fruit days etc.

Managing our talent

Talent management is the practice of strategic, long-term, career management, which addresses retention and development. There are many different models of talent management, and we need to develop a model that is suitable for YPO that will address our future approach to sourcing, attracting, selecting, training, developing, retaining, promoting and moving employees through the organisation throughout their career.

We will achieve this by:

- Developing a flexible model centred on an individual's particular strengths and career development potential.
- Proactively identifying any new skills and knowledge required to support innovation and YPO's ambitions and developing staff to meet these needs
- Investing in training and development opportunities to up skill employees and help them to realize their ambitions.
- Developing an enhanced suite of e-learning options to provide alternatives to classroom style learning.
- Offering job shadowing opportunities to experience alternative career choices
- Exploring the option of an aspiring leadership programme
- Continuing to invest in our apprenticeship programme.
- Carrying out exit interviews and acting where appropriate on intelligence gathered through this process

Aug - Dec 2015 Training Programme	
July	Complaints Training for ASM's
	Interview Skills across the business - voluntary for all staff
	Excel training x 2 days
	OLAS
	Induction Training Day
August	Evaluation of Operations to understand development needs
	Complaints Training for Finance Department
	Complaints Training for Food & Business Services Departments
	Induction Training Day
	1st Impressions/Complaints Training for all drivers
	Feedback skills training
	Communicate to Inspire Training
	OLAS
	CRM Soft Skills Training for Customer Care Teams
	Intermediate & Advanced Word Training
September	Evaluation of Operations to understand development needs
	Day One ICS 1st Impressions Training X2
	OLAS
	CIPS Training x 2 days
	Telephone Training - Sales Ledger Team
October	Sales Training for Customer Development Team x 3 days
	Evaluation of Operations to understand development needs
	CIPS Training day
	OLAS
	Day Two ICS 1st Impressions Training X2
	Effective Communications/Engagement Training with Operations & Stock Control Departmental People Managers
	Effective Communications/Engagement Training with Procurement Services, NYPS & Project Team People Managers
	Interview Skills - across the business, voluntary for all staff
November	Effective Communications/Engagement Training with Facilities & IT People Managers
	Effective Communications/Engagement Training with Procurement, Quality, Furniture Design & Furniture People Managers
	How to conduct an effective appraisal session training - people managers
	OLAS
	How to get the most from your appraisal training - wider work force
	Operations SWOT/Recommendations Delivered
December	Effective Communications/Engagement Training with HR, Business Support & Finance People Managers
	Effective Communications/Engagement Training with Sales & Marketing People Managers
	OLAS
	CIPS x 2 days

NB: Job specific NVQ's to be delivered throughout the year

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of Part 1 of Schedule 12A of the Local Government Act 1972.

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