Wiltshire Council

Cabinet Capital Assets Committee

21 January 2014

Subject:	**Learning Management and Performance System**
Cabinet member:	**Stuart Wheeler – Support Services (HR, legal, ICT, business services, democratic services)**
Key Decision:	**No**

Executive Summary

This paper asks the Cabinet Capital Assets Committee to approve the funds to procure a Learning Management and Performance System (LMPS) which will support the business plan and enable Human Resources and Organisational Development to meet the objectives set out in the People and Business Services service plan.

The main objectives of the project are to deliver significant savings opportunities for the organisation through workforce development and productivity improvements. Implementation of an LMPS provides the potential for significant savings for example, increasing productivity across the organisation by 1% equates to £1.3 million in staffing costs. This paper identifies some of the ways in which productivity savings can be achieved supported by the LMPS.

Across the People and Business Service the implementation of an LMPS will enable service efficiency to fully meet the ongoing costs of the LMPS within twelve months of implementation. This Capital bid covers all year 1 costs and therefore the service will not incur any significant costs until year 2.

It is requested that the Capital Assets Committee commit to funding the procurement and implementation of an LMPS system for the council.

Proposal(s)

Funding provided for the procurement of a Learning Management and Performance system for all Wiltshire Council employees and future opportunities for use by partner agencies, which will be developed by the People and Business Services function in order to fulfil the delivery of the People Strategy and in support of the Business Plan.

Reason for Proposal

To inform CCAC of the current position, funding required and the benefits of a Learning Management and Performance System.

Barry Pirie
Associate Director – People and Business Services

Wiltshire Council

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Purpose of Report

1. To request approval for the provision of funds from the Cabinet Capital Assets Committee to procure a Learning Management and Performance System (LMPS). An LMPS is a software application used for workforce development and staff performance management[1] and will improve the processes of appraisal and strategic prioritisation and the planning of learning and development resources all of which are key outcomes from the People Strategy.

Relevance to the Council's Business Plan

2. In support of the 12th key action, 'Develop the knowledge, skills, behaviours and leadership of our workforce, managers and councillors', the LMPS will support performance management, identify learning and development priorities, ensure that critical training has taken place and enable staff, managers, councillors and volunteers to access learning and development at all times to assist in the retention and development of our workforce. It will bring to life the vision for the Council's new approach to business performance and learning and development. The LMPS will enable staff to become more self directed in their learning, all learning will be tracked, linked back to appraisal objectives and be reportable.

3. The LMPS will support two key outcomes in the Business Plan; Outcome 1 'Wiltshire has a thriving and growing local economy' and Outcome 4 'Wiltshire has inclusive communities where everyone can achieve their potential' by

    • Providing easily accessible learning and development opportunities in a variety of blended formats
    • Allowing us to specifically focus our efforts on young people, hard to recruit skill areas and on current and future leaders

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[1] It is important to note that the performance element of the LMPS relates to staff performance management and not wider service or corporate performance measurement against the business plan.

- Providing the ability to target deprived areas of the community more effectively with government funded learning, specifically to strengthen employability prospects and the ability for parents to support children through education etc
- Enabling us to engage more with our volunteers, partners and the wider community.

4. The LMPS will help facilitate the building of leadership capacity, succession planning, delivery of community learning opportunities, improve access to learning, improve processes and prioritisation of learning and development to deliver efficiencies, consistency and improve performance in support of the 8 principles outlined in the Business Plan.

5. The LMPS project is being driven as part of the Programme Office portfolio. It will support the delivery of the business plan across all council services by creating a performance framework which links the skills, behaviours and knowledge of our staff to the business plan through a golden thread of objectives to be cascaded from senior managers down to front line staff. This also supports the recommendation within the Peer review to strengthen performance management and align to organisational priorities and outcomes. In the staff survey employees highlighted the need to both recognise good performance and to address poor performance.

Background

6. In February 2013, CLT approved the centralisation of the Organisation Development and Learning function. This was implemented in April 2013. It was identified that a key element to the centralisation of the service was the implementation of a Learning Management System. Additional benefits have been identified through expanding the scope of the project to include performance management and workforce development planning elements thus supporting a range of activities within the People Strategy. The project team have explored whether the technology already exists within the council to develop an LMPS in house to effectively provide the outcomes desired from this procurement and the required functionality does not exist or would require significant investment and risk.

Main Considerations for the Council

7. The People Strategy provides a framework for ensuring that we have the right people in the right roles with the right skills and abilities. The LMPS will bring to life the vision for the Council's new approach to business performance, learning and development. The vision is for a system that will host a vast range of blended learning solutions, embracing technology and social media and supporting a performance culture for example appraisals, skills audits, e-learning, webinars and resources all in one place and readily accessible by all. An LMPS will be required which can be developed to meet the changing workforce requirements of the council.

8. The system will indirectly contribute towards efficiency savings across the organisation by increasing capacity. For example 1% improvement in

productivity is equivalent to £1.3 million in staffing costs, per annum based on current staff salary costs of £130 million per year. Performance management, training and staff development is ultimately about increasing capacity across the organisation; The impact of an LMPS system, fully used across the council, could increase capacity through:

- Focusing resources and aligning budgets with prioritised business objectives
- Providing the workforce with the skills required to meet objectives
- Improving the capacity of managers
- Clear succession planning to retain skilled staff and grow leaders
- Increasing the availability of learning resources through e-learning
- Reducing time spent travelling and attending workshops away from the workbase
- Identifying and managing poor performance
- Capacity savings within services through reducing the requirement to attend face to face training sessions (supporting the 3 hub strategy)
- improving the appraisal process will save significant amounts of employee and manager time and increase engagement with the appraisal process.

9.   Costs which may be incurred modifying existing SAP appraisal process can be avoided.

10.   Resources will be reallocated within the People and Business Services to administer and support the system.

11.   The Organisational Development and Learning function already provide learning to a number of partners and an LMPS will allow for further development of this work, including extending access to common critical areas of training across all partners and community groups.

12.   If funding is secured then it is intended that together with procurement we will review potential procurement frameworks which would enable us to begin implementation by April 2014. However, if an appropriate framework is not available a full tender exercise will be required and it is anticipated that this will be carried out by the end of the financial year with implementation taking place over the summer months.

Safeguarding Implications

13.   An LMPS will support the council in providing occupational skills, knowledge and support to the adult health, Adults and Children's social care workforces and support safeguarding and child protection.

Public Health Implications

14.   Able to respond to needs rapidly and provide managed, monitored and reportable blended learning to all partners involved in any particular Public Health matter.

15. The system will provide the ability to extract information regarding the workforce which can be used for Public Health monitoring as well as incident management.

Environmental and Climate Change Considerations

16. The LMPS will allow learning to take place in multiple ways and is likely to reduce, although not completely remove, the need for individuals to travel to attend face to face training courses, reducing training related travel expense claims and the impact on the environment.

Equalities Impact of the Proposal

17. The LMPS will provide reporting and analysis to enable a fair and measured way of allocating Learning and Development resources to council staff. It will also support a variety of methods and tools that make learning more accessible to those with particular learning needs. The LMPS reporting mechanisms will enable the identification of areas of disadvantage or under-representation so that positive action may be considered for this.

18. Provides a consistent process for performance management through appraisals and allows us to report on and identify areas for development at both individual, team and service level.

Risk Assessment

Risks that may arise if the proposed decision and related work is not taken

19. Inability to link our organisational development and performance frameworks, resulting in a lack of progress in ability to deliver the outcomes of the business plan.

20. Inability to deliver key actions under the people strategy – including succession planning, workforce development and links with development and implementation of a job family approach.

21. Continued use of SAP appraisal solution which has limited functionality which hinders its use and acceptability across the organisation.

22. A continued use of current resource intensive procedures within L&D and performance processes with the associated costs.

23. Current infrastructure does not support integration with external partners using current systems.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

24. That anticipated benefits will not be achieved because insufficient resource is applied to implementing and supporting the system – this will

be mitigated through re-prioritising budgets within the OD and Learning service which will support the delivery of learning and development through the system and by developing knowledge and skills of the existing staff.

25. That the system is unable to support future strategies – mitigated by a thorough scoping process which has focused on future people strategy aims and considered potential suppliers ability to make updates and changes to the system.

26. Ability to manage compatibility with existing IT systems – mitigated by involvement of IT throughout all stages of the procurement and implementation.

Financial Implications

27. Capital funding is requested to cover year one licenses and implementation costs; these are likely to be between £160,000 and £200,000[2] depending on the particular solution that is procured. This would have to be funded from borrowing.

28. Ongoing revenue costs, such as support and maintenance, are estimated to be between £30,000 and £90,000[2] per annum. In addition, the annual costs of servicing the borrowing which equates to 10% of the borrowing of the capital (up to £20,000) will need to be repaid.

29. Across the entire People and Business Service the implementation of an LMPS will enable efficiencies and a reallocation of the services budget of £110,000 within twelve months of the implementation which will enable the ongoing revenue costs (including the cost of borrowing) to be absorbed by existing People & Business Service budget without requiring any budgetary growth. This will be managed by the Associate Director for People & Business Services. This Capital bid covers all year 1 costs and therefore the service will not incur any significant costs until year 2.

30. The LMPS will be entirely funded by Wiltshire Council, however it is anticipated that additional income from partners may help towards the reallocation within service budgets but no single partner will make a specific contribution to the cost of the system.

31. The primary objective of the LMPS is to support the development of an effective workforce and therefore to increase the capacity of the organisation. This can provide opportunities for the realisation of tangible savings across all services in the future.

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[2] Estimated costs taken from figures provided from soft market testing with a number of possible solution providers. Some providers quoted costs below or significantly above this but these figures represent the most likely costs for a solution that meets all of the requirements in full.

Legal Implications

32.   If funds are granted then legal will be consulted along with procurement for advice on the tender process and contractual agreements.

Options Considered

33.   A number of options were considered from in-house custom build through to off the shelf third party solutions, including SAP and SharePoint options. The recommended approach is to procure a third party hosted solution because this is the simplest and most economical way to provide the functionality the council requires in the timescales given. The approach fits strategically with hosting cloud solutions where appropriate as outlined in the Information Services Strategy.

Conclusions

34.   It is requested that the Capital Assets Committee commit to funding the procurement and implementation of an LMPS system for the council.

Barry Pirie
Associate Director – People and Business Services

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Background Papers

None

Appendices

None