

Performance Scorecard end Q3 2010/11

A. Stakeholder relationships

	End Q2 2010/11	End Q3 2010/11	Predicted year end position	Target
Top political stakeholders	Amber/Red	Amber/Red	Green/ Amber	Green
Top business stakeholders	Green/ Amber	Green/ Amber	Green/ Amber	Green
Sponsors and Interest Groups	Green/ Amber	Green/ Amber	Green/ Amber	Green
Progress rating of communications, partner and stakeholder work	2 A/R 1 G	2 A/R 1 G	2 A/R 1 G	All (3) G or G/A
Related Corporate Risks 4/5/13 7	Med/High	Med/High	Med/High	Low
	Med/High	Low/Med	Low/Med	Low

C. People Management

	End Q2 2010/11	End Q3 2010/11	Predicted year end position	Target
Vacancies (posts frozen)	1 (7)	4 (11)	0 (11)	3
% staff turnover (permanent employees, rolling 12 month)	5.7	6.4	6.4	11.1 (public sector average)
Absence rate (days/ employee, rolling 12 month)	4	6	6	11.1 (public sector average)
Staff survey results – People Strategy (Aggregated data)	Dec 2009	Sept 2010		
Employee Engagement	84%	78%	78%	66%
Performance Excellence	50%	58%	58%	58%
Employee Capability	66%	75%	75%	65%
Related Corporate Risk 3	Med/High	High	Med/ High	Low/ Med

G On/ ahead of target

G/A Behind target, minor deviation

B. External Delivery

	End Q2 2010/11	End Q3 2010/11	Predicted year end	Target
Project Delivery				
Progress rating of top 8 work streams	8 G	6 G 2 G/A	8 Green	All (8) G or G/A
Progress rating of remaining external delivery work streams	10 G - 7 G/A 1 A/R - 1R	11G – 6 G/A 1 A/R – 1 R	19 G OR G/A 0 A/R or R	All (19) G or G/A
Number of High or Critical risks escalated from projects	1	2	2	0
Arms Length Delivery				
IIP	UK Workforce Penetration	27.1%	26.8%	
	Commitment Conversion	44.7%	47 %	
	New commitments gained	685	957	1436
SSC	Risk Ratings	Green/Amber	Green/Amber	Green/Amber
	Finance ratings	n/a	Green/Amber	Green/Amber
	Thematic Reviews	n/a	Green/Amber	Green/Amber
Related Corporate Risks 15	CRITICAL	CRITICAL	Med/High	Low/ Med

D. Business Systems and Controls

	End Q2 2010/11	End Q3 2010/11	Predicted year end	Target
Year end forecast: Organisation UKCES Programme SSC Programme Cap Ex	£432K under £2419K under £ 239K over 0	£662K under £4,282K under £202K over £0	£662K under £4,282K under £202K over £0	£0 to £100k underspend overall
% of UKCES programme forecast contracted	31%	89%	90-100%	Q2: 70% Q3: 90%
Running cost/efficiency savings: Pay related Non Pay related	Not reported in same format	£858K £94K	£858K £94K	Not defined
No. High/Critical strategic risks	1 HIGH 1 CRITICAL	1 HIGH 1 CRITICAL	1 HIGH	≤ 2 HIGH 0 CRITICAL
Internal audit actions overdue/uncompleted	2 High 1 Med 7 Low	2 High 4 Med 6 Low	0 High	0 High
Progress rating of CSD work	3 G 2 G/A	3 G 2 G/A	Green	All (5) G or G/A
High or Critical risks escalated from CSD	1	1	0	0
Related Corporate Risks 11 18	Low/Med HIGH	Low/Med Med/High	Low/Med Med/High	Low Low/Med

A/R Behind target, moderate deviation

R Behind target, significant issues

HIGHLIGHTS AND EXCEPTION REPORT FOR END Q3 2010/11

A. Stakeholder Relationships

There has been no significant feedback on stakeholders' perceptions this quarter. On this basis the status of current relationships is unchanged. However we do anticipate an improvement on this position by year end, hence the Green/Amber status. Integrated communications campaigns and Communications support for work stream outputs across the organisation continue to be categorised as Amber/Red due to the freeze on marketing spend. Consideration is being given to submitting an exemption against our entire marketing plan for 11/12 in April. In the meantime Communications team are finding alternative, low-cost/ no-cost ways of getting messages out. Corporate Risk 4/5/13 merged risk (convincing messages/ corporate identity amongst staff leading to inconsistent messaging, resulting in confusion amongst stakeholders and poor engagement - combined rating of Med/High. Corporate Risk 7 insufficient influence on policy decisions continues to be rated Low/Medium but cautious to risk.

B. External Delivery

Investors in People Communication remains at Red as the freeze on marketing activity continues, however a case for an exemption is currently in progress.

3 projects have reduced status since last quarter:

- Skills Training and Curriculum – Apprenticeships from G/A to A/R – Due to initial work completed by SSCs on reform of apprenticeships not being fully compliant.
- Employer Ambition strategy – from G to G/A - Due to inclusion of new work on the Growth and Innovation Fund, where there is significant development still to be carried out within very tight timescales.
- Skills, training and curriculum – Women and Work Sector Pathways Initiative – y/e outturn uncertain based on poor quarter 3 claims.

3 Projects have improved ratings since last quarter:

- Talentmap – A/R to G/A -Good progress is being made to achieve the objective of ensuring a sustainable future legacy for talentmap and a communication plan is being implemented to inform stakeholders of the current strategy;
- Taking forward the systems perspectives of “Towards Ambition 2020: Skills, Jobs, Growth” – Employer Ambition Strategy – G/A to G - A successful period of positive, progressive meetings and project plans; and
- Funding and Performance Improvement of SSCs – G/A to G - Work now complete.

5 Projects completed in Quarter 3:

- Priority areas of employment and skills spend - Creating a Sustainable Market for World Class Skills;
- Vocational Qualification Reform (14 – 19);
- Employability and Progression (Employability);
- Employability and Progression (Progression to HE);
- Funding and Performance improvement of SSCs.

2 High risks have been escalated from projects:

- Ongoing cuts in resource across the Commission and the Alliance of SSCs could lead to an inability to manage relationships with SSCs.

- Apprenticeships in England and Wales will not be achieved if SSCs continue to struggle to make their frameworks compliant.

Arms length delivery:

IIP Delivery and SSC Performance ratings have been included for Q3.

The marketing freeze has had a significant impact on new IIP employer commitments hence the Amber/Red status.

Corporate risk 15 (staff capacity & capability) Significant changes in role arising from Quango review and Comprehensive Spending Review resulted in a critical flag.

C. People Management

Investors in People accreditation was achieved in December . Feedback suggested we should go for Bronze award as we have already met a substantial amount of the criteria.

Flexible working policy was published in November.

A new Employee Assistance Programme was selected as an addition to the UK Commission's employee benefits package.

Continuing to develop a coaching culture through appointing a pool of internal coaches to commence training as coaches.

Corporate Risk 3 (working as one organisation) has moved up to high risk, outside appetite and being addressed through various people management initiatives and renewed focus.

D. Business Systems and Controls

BIS have provided budget figures for next year, with indicative figures for rest of CSR period in December/early Jan. Significant work undertaken to model impact on business and transition in December and early Jan.

Financial outturn changed from Red/Amber to Green/Amber due to the fact that BIS are aware and now comfortable with us having an under spend.

New finance/ERP system (focalpoint) and HR Self Service (U-access) went live on 17 November 2010. Corporate Services internal Service Level Agreement launched.

Significant work being undertaken within IT to review and rationalise IIP CRM systems.

Proposed new governance structures will be submitted to Management Committee on 21 January and be considered by the Commission at its meeting on 16 February.

The Cost savings/efficiency measure reported in Q 1 has been reworked to focus on running costs and, to aid any audit of the calculation, is now based on year on year Non Pay Staff Costs savings and savings made as a result of the recruitment freeze on posts that would otherwise have been filled and which are now on hold or where the work has been absorbed at no cost.

Corporate risk 11 (staff compliance with financial/ legal requirements) is rated Low/Medium, outside of risk appetite, due to apparent low staff awareness of the governance framework and correct procedures.

Corporate risk 18 - Current Governmental spending restrictions (recruitment and marketing freezes) risk to current year business plan deliverables reduced status to Med/High based on current impact.