



INVESTORS IN
PEOPLE UK

Company registration
number 2860079

Company Report 2006-2007

The year in focus

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Growth of recognition numbers over the last 15 years.

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Annual Report 2006-2007

Investors in People

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The year 2006-2007 has been an excellent year for Investors in People UK, marked by both transition and consolidation but also witnessing some outstanding successes.

In particular we celebrated our 15th anniversary at the Houses of Parliament and took the opportunity to reflect on the durability of the principles of the Investors in People Standard. The impact of the Standard can be seen in its nomination for the first time ever, as a Business Superbrand, an outstanding tribute to its level of recognition in the business world.

The success of our customers – those both recognised and committed to Investors in People – is the most important measure of our achievements and the number of organisations seeking to gain recognition as an Investor in People continues to grow. This success is based firmly on the increasingly strong partnership working which Investors in People UK enjoys with its wide range of partners across the UK

including, particularly, our licenced Investors in People Centres (formerly the Quality Centres).

We also welcomed a new Chairman, Philip Williamson and Simon Jones, Acting Chief Executive. Under their leadership we look forward to enhancing our contribution to national productivity at a time when the recommendations of Lord Leitch's Review of Skills (to which Investors in People UK made a significant contribution) will start to give a fresh focus to our ambitions for the future.

This Annual Report provides the detail on what has been accomplished and highlights the strengths of our reputation and the resources within Investors in People UK.

Joint statement of the Chairman and acting Chief Executive

As the new Chairman and Acting Chief Executive of Investors in People UK we are pleased to present our first Annual Report. It has coincided with the 15th anniversary celebrations of the Standard during which it has been gratifying to see the degree to which Investors in People continues to remain recognised as a permanent feature on the business landscape. Organisations as broadly-based as the CBI, TUC, the Institute of Directors, the Chartered Institute of Personnel and Development and the Department for Education and Skills have all taken the opportunity to express their backing for Investors in People during this anniversary year. Clearly the role of Investors in People and its contribution to the UK economy is well understood and appreciated at the highest levels across the spectrum of government and business.

Both internally and externally it has been a strong year of consolidation in which we have made great progress in streamlining our processes and strengthening our relationships. This is particularly true of the delivery network of Investors in People Centres (formerly the Quality Centres) where our new licensing programme has helped to refine and clarify responsibilities.

These advances mean we are working in a more integrated and coherent way than ever before. But at the same time we have also enhanced our co-operation with other key agencies including notably the Learning and Skills Council, Northern Ireland Investors in People Centre, Investors in People Scotland and the Welsh Assembly Government together with the Sector Skills Councils.

The Leitch Review was tasked to consider the UK's long-term skills needs. It came to the conclusion that even if current targets to improve skills were met the UK's skill base will still lag behind that of many comparator countries in 2020. The UK would run to stand still.

A radical change is necessary and the Review recommended that the UK should commit to become a world leader in skills by 2020. This means doubling attainment at most levels.

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These developments are particularly important in the light of the recent publication of Lord Leitch's Review of Skills. The full implications of the Leitch Review have yet to be seen. Nonetheless, it is our belief that it opens up the opportunity for us to move into an even stronger and more central position as this country's premier business improvement tool. Our improved delivery system combined with our diagnostic capability – which enables customers to identify in detail where investment is needed in their people – is now an enormously important asset to organisations across the UK. It enables them to identify ways to boost performance, raise productivity and fulfil individual potential. Moreover, it can be used in conjunction with the Skills Pledge (launched subsequent to the year end in June 2007) and Train to Gain (in England).

So the prospects ahead are both attractive and challenging. Investors in People has consistently shown itself able to adapt and develop whilst adhering to its underlying principles. The inventiveness and dedication of our people will enable it to do so again as we enter the new 'post-Leitch' era. We thank them for their continued hard work in support of our important mission.

Philip Williamson
Chairman
Investors in People UK

Simon Jones
Acting Chief Executive
Investors in People UK

Stretching targets were set for 2020 including:

- 95% of adults to achieve the basic skills of functional literacy and numeracy
- exceeding 90% of adults qualified to at least level 2
- shifting the balance of intermediate skills from level 2 to level 3
- exceeding 40% of adults qualified to level 4 and above.

Tesco Customer Service Centre

Case Study One

"We are committed to Investors in People because people are at the heart of everything that we do...Our success depends on our people. If the Tesco team find what we do rewarding, we gain their emotional loyalty and they are more likely to go that extra mile to help customers."

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Background

- The Tesco Customer Service Centre forms part of the Tesco.com business and responds to queries from the entire core UK based business by phone, letter and email
- On average, the centre receives 10million client contacts a year, with an annual growth of 10%
- The centre's core purpose is to "create value for customers and earn their lifetime loyalty"
- Tesco's Customer Service Centre was recognised in 2006.

Achievements

- Customer satisfaction results have improved
- The annual review process has been revised to 18 month intervals, with clearer individual objectives linking back to company success
- Fairness has been tackled, with agency employees now receiving the same opportunities as regular employees for promotion.



The year's highlights...

Celebrating our success

- Our 15th birthday celebrations hosted by Mr Phil Hope MP, the Parliamentary Under Secretary of State for Skills, was held at the Houses of Parliament to celebrate the 15th anniversary of the launch of Investors in People. The event was attended by a number of key individuals from the worlds of industry, business and politics including Sir Brian Wolfson (now sadly deceased), the first Chairman of Investors in People UK. Also present were a number of past Board members, past employees and representatives of organisations which have been continuously involved with Investors in People since its launch including Nissan Motor Manufacturing, Komatsu and Alternative Travel Ltd. Strategic partner organisations, Investors in People Champions and the most recently recognised organisations were also present.
- The growing role of Investors in People in Driving Skills for Life (the Government's national strategy for improving adult literacy and numeracy skills) was endorsed by a reception held at the House of Commons. Again hosted by Mr Phil Hope MP, the guests heard about the contribution of the Standard to learners' progress and to the effectiveness of their employers including a number of new 'Champions of Skills for Life'. Mr Hope paid tribute to the enduring success of the Standard and the contribution that it has made to raising the skills of UK workers.

Working with our customers

- Despite major changes in recent years to the delivery environment in England and Wales (characterised by reduced financial incentives and support) there has been a continuing increase in the number of organisations which have sought recognition for the first time.
- During 2006-2007 2,788 new organisations employing 295,630 employees started working towards gaining Investors in People status. Whilst a further 7,885 organisations covering 1,748,328 employees were successfully recognised against the Investors in People Standard. Meanwhile the 'level of attrition' (i.e. those who lapsed) was halved.
- Customer Satisfaction levels remain outstandingly high. Research has shown that 88% of organisations found the assessment process for Investors in People either 'Good' or 'Excellent' while 83% said the Assessor's written feedback report was either 'Valuable' or 'Very valuable'.



Working with our partners

- Working relationships with the Investors in People Centres have gone from strength to strength. The transformation of the former Quality Centres into Investors in People Centres has been completed through the new licensing process so that they can now provide a total package of customer advice, training, workshops, assessment and client management as well as proactive marketing and promotion.
- There is now active co-operation with a number of Sector Skill Councils (SSCs) to support the delivery of their strategies. Advice and training has been provided to SSC employees so they can promote the Standard effectively when working with their customers.
- Relationships with all the Devolved Administrations continue to be excellent with Investors in People now fully embedded into the governments' strategies for workforce development. We have supported their approach to marketing the Standard, and the benefits of an integrated 'holistic' approach to funding, advice and assessment have been seen.
- In Northern Ireland over 1,400 small, medium and large organisations from all sectors of business are currently working with the Investors in People Standard.
- In Scotland seventy organisations received 'Ten Year Achievement' awards at a ceremony in the Great Hall of Stirling Castle.

Investing in technology

- The delivery network has been supported through investment in a range of technology-based tools and customer services including the Diagnostic Tool which enables organisations to undertake a structured process of self-analysis to demonstrate how Investors in People can contribute to their performance.



06-07



Organisational performance

- Investors in People remains engaged with almost a third of the United Kingdom's workforce and, in our 15th year, we are the pre-eminent people focused business improvement tool.
- Investors in People UK met all the challenging efficiency targets set for it by the Department for Education and Skills and by H.M. Treasury. In doing so it has made significant savings in administrative costs, helping to ensure Investors in People UK continues to deliver value for money to the public and the Exchequer.
- We have invested significantly in the development of our own people in order to achieve greater effectiveness. We retained our recognition as an Investor in People in May 2006 after working with the Profile framework.
- Our people are encouraged and supported to undertake learning and gain qualifications relevant to their roles. This has included awards from the Institute of Business Consultancy, Chartered Institute of Marketing, the Association of Chartered Certified Accountants and a Masters in Business Administration, as well as awards in PRINCE 2 Project Management Practice. In addition we have recruited two apprentices who have undertaken work towards NVQ Level 2 in Business Administration and who have made useful contributions, cost-effectively, to our performance.
- Employees feel very positively towards the organisation and rate it highly. According to the 2007 Employee Survey, 100% of our employees agree or strongly agree that Investors in People UK is 'committed to training and developing its people'. Over 90% would recommend it as an employer and 90% either agree or strongly agree that they are satisfied working with the company.
- Investors in People UK takes its corporate social responsibility very seriously. During 2006-2007 it developed and piloted 'Preparing for Work', an initiative to support Year 10 students from schools in London and the South East. Volunteers from Investors in People UK delivered sessions on job applications, interviews and the world of work. This programme was delivered to over 1,000 students and the subsequent evaluation was very positive.

Investors in People UK's company values

*Relationships matter to us: I am inclusive,
I listen and I share my knowledge*

*I am committed to continuous development of myself,
others and the organisation.*

Communicating with our customers and the public-at-large

- For the first time Investors in People has been awarded Business Superbrand status reflecting a very high level of recognition of Investors in People in the business community.
- We achieved extremely high levels of broadcast coverage for a number of initiatives by Investors in People designed to establish 'thought leadership' around key business issues. This included two live interviews – on the opinion-forming Radio 4's 'Today' news and comment programme. This has helped to position the organisation as a leading source of expertise for employers looking for business improvement.
- There were 800 pieces of centrally-generated coverage in the media including nearly 90 articles in the national press (including The Times, the Independent on Sunday and the Spectator). About 50 media interviews were arranged for Investors in People spokespeople and Champions or Ambassadors.
- A range of direct marketing campaigns were conducted – aimed, for example, at large organisations and retailers – all of whose results exceeded targets and industry averages. Meanwhile, a telemarketing campaign was run for those who had requested information from previous campaigns. This too achieved a high response rate.
- Investors in People Champions and Ambassadors – volunteer organisations and individuals – continue to prove to be highly effective, peer-to-peer advocates to potential customers. During 2006-2007 they took part in over 70 mentoring and best practice sharing activities.
- On average each month a record 13,622 unique users visited yourpeoplemanager.com, the website created by Investors in People originally to reach smaller organisations. Thousands of visitors signed up for our regular newsletter and scores requested a consultation with an Investor in People Specialist. The site's reach now extends to medium and larger organisations. 90% of people agree it is easy to find information on yourpeoplemanager.com.
- The speaker programme was very successful in 2006-2007, with 14 speaker opportunities created. The outcome was a number of 'hot' leads, which were passed on to the business development team and in total the programme spoke to over 1,500 people at conferences around the country.
- In July 2006 Investors in People hosted a second Industry Leaders' Forum, for senior decision makers of some of the UK's largest employers. The topic of Human Capital Management attracted around 70 delegates including British Airways, BNFL and Worcester Bosch Group.
- There is increasing understanding of Investors in People amongst the public at large. A survey of the public awareness and understanding of Investors in People and the Standard revealed that Investors in People is the quality standard which is most recognised and the one which is most 'top of the mind' with the highest spontaneous awareness.

Metro London

“We invest heavily in our talent, because we know that excellent people will create excellent products. There is no substitute for developing people. It is in everyone’s interest and provides a real future for our people and our business. Get this right and you will achieve a positive impact on your bottom line.”

Steve Auckland, Managing Director

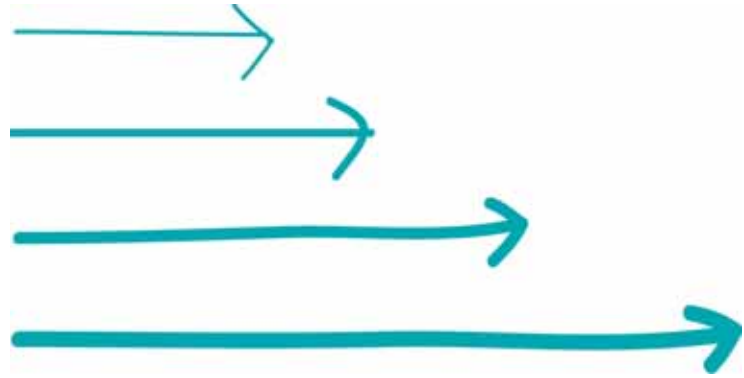
Background

- Metro describes itself as the first urban national newspaper with a circulation of over 1.1 million copies. It is the world’s largest free newspaper and the fourth biggest newspaper in the UK
- It is part of Associated Newspapers who also publish the Daily Telegraph and The Evening Standard
- Employs 180 people at their head office in London
- It is available to commuters on their way to work in 16 cities around the UK
- Achieved the Investors in People Standard in 2005 and Champion status in 2006.

Achievements

- Employee attrition has been reduced dramatically by over 50% and now stands at just 9%, leading to cost savings of £1million a year
- Internal satisfaction survey scores are improving year on year by 6% with 78% of employees saying they love working on the paper
- Financially, profits have increased with a £10million annual profit and a 20% year-on-year revenue growth in a declining or flat market
- The paper has launched three new editions in Dublin, Cardiff and Liverpool.

Delivery and Quality Assurance



The delivery network is now working with greater coherence than ever before to deliver an integrated service backed by improved resources provided by Investors in People UK. Use of technology is expanding in order to ensure that information is provided and employer engagement is secured through the latest techniques.

The Revised Delivery Network

Our new licensing arrangements for Investors in People Centres means that customers can now receive a comprehensive service package from one source embracing, advice, support and assessment.

In England, Investors in People has played an integral role in Train to Gain enabling skills brokers to identify how organisational performance can be improved through investment in skills. With the decline in the level of financial support for Investors in People in general, and assessment in particular, we can now be confident that all those who seek recognition as Investors in People are motivated by a real understanding of the benefits of being assessed and recognised.

Changes in the pattern of recognition have arisen as large and complex organisations move towards corporate strategies and recognition thereby maximising the benefit to the business. This is a positive trend since it reflects a more strategic approach to

Investors in People and has allowed the Standard to penetrate to the highest levels within organisations. Investors in People Centres are able to co-ordinate their services to support this development.

Work with Partners and Practitioners

Extensive strategic work has been done with individual Sector Skills Councils (SSCs) in order to identify areas of activity in which Investors in People can help support the skills agenda and deliver benefits to organisations across all sectors. Investors in People is now included in Sector Skills Agreements for Construction Skills, E-Skills, SEMTA, Skills for Health, Skillfast UK. We also have working alliance agreements with Asset Skills, Financial Services Skills Council and GoSkills. We are also working within each sector to find new ways to promote the take up of Investors in People through sector programmes/initiatives, influencing policy, research on the benefits, marketing and a wide range of events. We have also alerted our own practitioners to the



services that SSCs are able to provide to organisations in their sectors to support the Standard.

A workshop for Skills Brokers and Sector Brokers entitled 'Engaging with Investors in People' was delivered by Investors in People Centres, so as to increase the level of understanding of the Standard within the network. This has recently been adapted for organisations as it is proving an excellent forum to improve understanding of the benefits of Investors in People. It also raises understanding of the range of on-line support tools available such as the Diagnostic Tool and Profile 'Self Check' available to brokers and organisations via the Investors in People website. Use of the Diagnostic averages 500 users a month.

During 2006-2007 we made a commitment to transfer all practitioners to the new Institute of Business Consulting to help provide further assurance of the quality of the service our network delivers. This positions Investors in People at the heart of the national agenda for business support for single

adviser standards and in the use of a common assessment framework. It also provides practitioners with a wider range of opportunities.

Sales training has also been made available to practitioners so that they can economically 'sell' Investors in People on the basis of its values and benefits.



Use of Technology

We relaunched our Investors in People website with a new design delivering greater depth of information to an increased number of visitors. Information and support tools (including, notably, the Diagnostic Tool) have been developed in order to improve services to Investors in People Centres.

Support Materials

The Small and Medium-sized Enterprise Toolkit is now available. Designed specifically to support smaller organisations to improve their all-round business effectiveness – and, of course, achieve recognition as an Investor in People on the way – the Toolkit is a substantial text consisting of a good practice framework and a variety of useful materials (including, for example, suggestions on organisational vision and values, supplemented by case studies).

We have successfully published the second and third books in the Business Improvement with Investors in People series namely The Equality & Diversity Handbook and the Corporate Social Responsibility Handbook.

A new information pack is now available for non-recognised organisations. The Investors in People Customer Journey has been published to provide businesses with all the information they need to know about Investors in People in an easy to read format.

Northbrook Technology of Northern Ireland Northern Ireland

Case Study Three

"Investors in People provided a formal, structured basis for our business practice. In doing so it helped establish our reputation as an employer and contributor to the economy of Northern Ireland."

Rose Kelly, Director of Human Resources

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Background

- Northbrook Technology was set up in 1999, and was one of the first companies to be established in Northern Ireland after the Good Friday Agreement. It is a wholly-owned subsidiary of the Allstate Corporation, the biggest insurance company in the US, to which it provides IT, administration and call centre services
- Northbrook has managed to build a skilled workforce of over 1,500 employees, working in three locations in Northern Ireland including Belfast, Derry and, since 2004, a call centre in Strabane, a location with one of the highest unemployment rates in Europe
- They first achieved the Investors in People Standard in June 2000; reviewed in June 2003 and were the third company in the UK to implement Work Life Balance model. They were assessed against Profile in 2006.
- In 2004 the industry average turnover of employees in the territory's IT sector was 28%, while Northbrook's was just 9%
- Thanks to the company's re-skilling programme, carried out in 2005 to ready the company for the future, the percentage of employees with expertise in new technology rose from 35% to 42%
- Northbrook recruited and trained over 500 employees through its 'Bridge to Employment' scheme for employing non-IT graduates, an intake accounting for a third of the total workforce and greatly enhancing the diverse culture and knowledge of the organisation
- The company's responsiveness and efficiency has enabled it to win significant new business from its Allstate parent, despite tough competition from low-cost competitors elsewhere, thanks to its ability to respond quickly to its needs

Achievements

- By implementing business changes associated with the Standard they significantly exceeded their original business target of 250 employees in three years, attracting 1,200 over five and subsequently expanding numbers to 1,547
- The Strabane call centre grew from nothing to 270 employees in the two years since it was established in 2004
- Business Eye's 'Golden Eye Award' for Best Northern Ireland Training programme; the Opportunity Now Workplace Awards 2006 'Overall Best Employer' award and a high commendation for its health and well-being programme from the Belfast Telegraph and an award from Business in the Community for having a leading equality and diversity programme
- Investors in People Champion status in 2006.

Development of Investors In People

It is vital that Investors in People UK continues to monitor regularly customers' perceptions and experiences of the Standard while at the same time introducing and trialling new developments. During 2006-2007 there was a strong emphasis on the evaluation of recent developments to ensure the Standard remains the business improvement tool of choice delivering leading edge thinking when we review it again.

Customer Surveys

An extensive review of the Investors in People process of assessment was undertaken. This revealed a very high level of customer satisfaction and confirmed that assessment is still overwhelmingly valued by customers and represents a valuable undertaking in its own right. Customers were open, however, to more flexible assessment packages and these are being explored as part of the New Ways of Working investigation. The intention is to improve the customers' overall experience of working with Investors in People even further.

A major programme of evaluation of the new version of the Standard was commissioned. During the programme customers were invited to take part in an on-line survey of people's reactions to the current version of the Standard. Practitioners too were invited to take part. A priority of the survey was to establish whether views of the Standard have shifted in response to its new form. In particular, Investors in People UK wished to find out whether the Standard now appears more contemporary and up-to-date; whether former misconceptions about Investors in People have been challenged and combated and whether customers are more likely to have interest in and remain with the Standard. A survey of Captains of Industry was also undertaken which showed high levels of awareness of Investors in People with over 80% having at least a little knowledge. This was an increase in familiarity compared to the last Captains of Industry survey.

Human Capital Management

Investors in People UK continues to coordinate the Human Capital Management Working Group in partnership with the Department for Education and Skills, the Department for Trade & Industry, UFI and the Sector Skills Development Agency. This project is undertaking a long-term investigation into the link between investment in skills and people management – an organisation's 'human capital' – and its organisational effectiveness and how this might be measured and expressed. During 2006 the

existing research material on the topic was investigated and was used to develop a model and a list of measures. We have continued to pilot the measures with up to 3,000 representative organisations of all sectors and sizes (including the public sector) in order to identify measures with a strong link to 'bottom-line' performance. This work continues into 2007-2008.

Health and Wellbeing at Work

The second year was completed of the 'Health and Wellbeing at Work' project which has been funded by the Department of Health. So far two successful pilots have been completed. These have involved over 180 organisations (of various sizes) and a total of 150,000 employees. Encouragingly, 90% of the organisations participating have confirmed that the framework is relevant to their business while 98% said that they had gained some benefit from it and can appreciate the 'added value' of the Health and Wellbeing framework.

Investors in People Interactive

Work has been continuing on Investors in People Interactive which includes the Diagnostic Tool at the front end.

Scheduled to launch in autumn 2007, Investors in People Interactive is a new on-line business diagnostic support tool which will provide users with access to both information and advice on the Standard as well as tracking their progress towards gaining recognition. It has been developed for use by all types of organisations (whether they are committed, recognised or just interested in developing their organisation) and is built around the five key management practices namely Strategic Planning, Effective Management, Developing People, Managing Performance, Culture and Communication. At the end of the process it will produce an executive summary and a visual diagram indicating 'where do we go from here' in relation to Investors in People.

South Farnham School

Surrey

Case Study Four

"Look upon your people as your key asset. Treasure and help them grow and your business will reflect this investment."

Andrew Carter OBE, Headmaster

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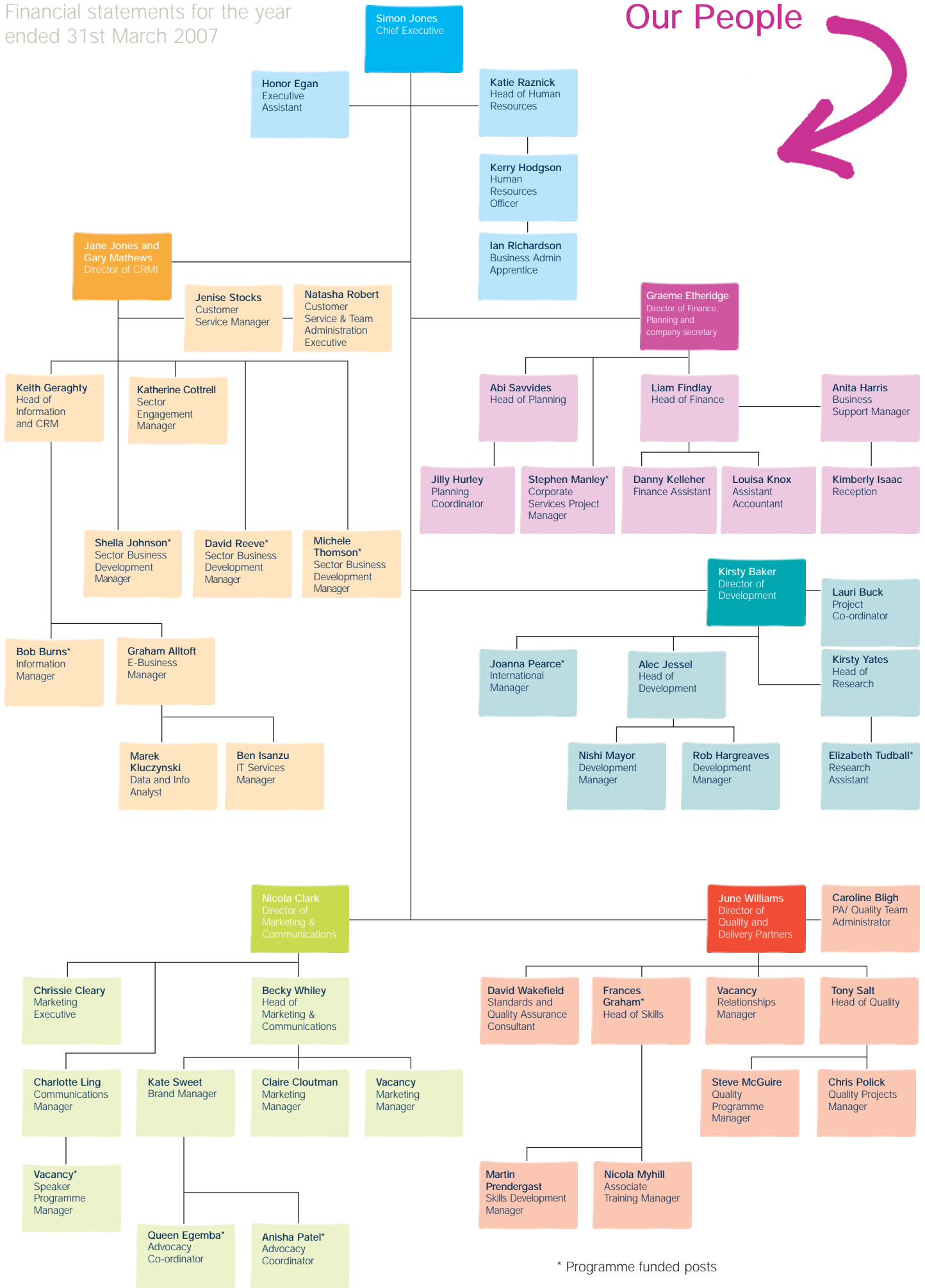
Background

- This large primary school educates around 500 children in the 7 to 11 age range. It has four classes in each of four year groups. There are around 60 employees
- The school was first recognised as an Investor in People in 2000 and was assessed as Level 4 in all ten areas on its most recent Investors in People Profile review
- The school has also achieved the Leadership and Management Model, the Recruitment and Selection Model and the Work Life Balance Model.

Achievements

- The school has become a City & Guilds training centre and this offers the opportunity for classroom assistants to gain NVQs
- Classroom assistants are supported towards formal teaching qualifications and 15 teachers have been awarded Qualified Teacher Status through the Graduate Teacher Programme administered through the school
- While employee retention is good, there is a healthy turnover as people are developed, promoted and, indeed, encouraged to move on for career development
- South Farnham School was recently voted "Primary School of the Year" in the Sunday Times
- The school also has a number of curriculum awards for its use of ICT, in sports, the arts and basic skills
- In its 2003 OfSTED inspection it achieved the rare accolade of being rated as "superb" by HM Inspectorate
- Financial awareness has been boosted and control of costs has improved. The school's performance has allowed for £2.6 million to have been spent on buildings from the school budget, with current plans to extend the building further with an additional fitness suite and two group rooms to be used to support Personalised Learning in the school
- In 2006, South Farnham achieved Level 4 in Investors in People Profile tool, the first organisation to do so in the UK.

Our People



* Programme funded posts

Board Members

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Board of Directors

01

Philip Williamson
CHAIRMAN
Investors in People UK

02

Simon Jones
ACTING CHIEF EXECUTIVE
Investors in People UK

03

Peter Ayliffe
CHIEF EXECUTIVE
VISA International

04

Dame Geraldine Keegan
DBE, FRAS, OBE
Headmistress
St. Mary's College

05

Ed Sweeney
GENERAL SECRETARY
Amicus & Member of TUC
Executive Committee

06

Professor Robert Fryer CBE
NATIONAL DIRECTOR
for Widening Participation
in Learning
Department of Health

07

Hans H Rissmann OBE
CHIEF EXECUTIVE
Edinburgh International
Conference Centre Ltd

08

Sue Thomas
DIRECTOR
Redwood

09

Roger A Hoyle TD
CHAIRMAN
Greater Merseyside
Learning & Skills Council

10

Cyrus Todiwala MBE
DIRECTOR
Café Spice Ltd and
Namaste of London

11

Stephen Kingan
CHAIRMAN/CHIEF
EXECUTIVE
Nexor Ltd

12

Jennifer Ibison
NON EXECUTIVE DIRECTOR
Town & Partners
DIRECTOR
Eye Contact Consulting

Observers

David Way
NATIONAL DIRECTOR
OF SKILLS
LSC

David McVean
DEPUTY DIRECTOR
Workplace Skills Unit
DfES

Jane Hall
DEPUTY DIRECTOR
Management, Leadership and
Skills Unit
DTI

John Gracie
CHAIR OF ENGLISH
INVESTORS
IN PEOPLE CENTRES

Cardiff City Transport Services Ltd (Cardiff Bus) Wales

“The Investors in People standard has aided Cardiff Bus in focusing on people development, and in achieving the tasks we were formerly driven by. The culture is improving but we still have further challenges ahead. However our mission to ‘delight the customer through a motivated workforce’ is coming closer.”

David Brown, Managing Director

Background

- Cardiff Bus is one of the last local authority-owned bus operators in the UK and the first in Wales to achieve the Investors in People Standard in January 2006
- Employing 750 employees and operating 240 vehicles 362 days a year, it is one of the major suppliers of public transport to the City of Cardiff and South East Wales
- Overall it provides 26 million passenger journeys a year and generates £27 million in revenue.

Achievements

- Recognition has boosted success in recruiting new employees
- They have halved driver turnover from 20% to 10%
- The percentage of employees with qualifications at level 2 or above, or vocational NVQ's hit the industry target of 60% in October 2005 and is currently closer to 80%
- Following recognition and in an effort to continue making even more improvements, Cardiff Bus has attempted other quality standards, and gained ISO 9000/2000 and the Green Dragon Award Level II using the lessons learnt through the Investors in People assessment.

Company information

Company registration number	2860079
Registered office	7-10 Chandos Street LONDON W1G 9DQ
Directors	P Williamson (Chairman) P Ayliffe Prof R Fryer CBE R A Hoyle TD J Ibison S Jones Dame G Keegan DBE FRSA OBE S Kingan H H Rissmann OBE E Sweeney S Thomas C Todiwala MBE
Acting Chief Executive	S Jones
Secretary	G Etheridge
Bankers	Yorkshire Bank PLC Barclays Bank PLC
Auditors	Grant Thornton UK LLP Registered Auditors Chartered Accountants 2 Broadfield Court SHEFFIELD S8 0XF

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Report of the Directors

The Directors present their report together with the financial statements for the year ended 31st March 2007. The financial statements have been prepared in a form directed by the Secretary of State for Education and Employment with the consent of HM Treasury in pursuance of the Companies Act 1985.

Principal activities

The Company, which is a Non-Departmental Public Body (NDPB), is principally engaged in the development, quality assurance and promotion of the Investors in People Standard. The Company, which is limited by guarantee, was incorporated on 1 October 1993.

Management commentary

The Company's income from operations is derived from licence fees, training, publications and merchandise licensed to TSO and also our international work licensed to Quality Centres abroad. The Company also received Grant-In-Aid from the Department for Education and Skills as well as funding of £300,000 from the Department of Health to undertake a project on Healthy Organisations; this is planned to continue for the next year. £120,000 was also received from the Department for Education and Skills for the Basic Skills initiative.

The Company received additional funding of £975,000 from the Learning and Skills Council for the integration and support of Investors in People Information Management. This involved the transfer of data management from the Learning and Skills Council to Investors in People UK. Also forthcoming from the Learning and Skills Council was £73,000 as funding for Quality Assurance, Monitoring and Evaluation Service for Skills Broker Standards Assessment.

As part of the Government's Efficiency Review Investors in People UK is committed to reducing administrative costs by at least 15% in real terms by 2007-2008, measured against the 2004-2005 baseline. During the year we managed to find savings of £140,000 (10.2%) and are on course to meet the 15% target for 2007-2008.

As set out in the Grant-In-Aid letter at the start of the year the Company focused the majority of its resources on the following activities:

Get new customers

During the year a study, costing £40,000 was undertaken for the first time into public awareness of Investors in People and the Standard. Approximately 4,000 interviews

were carried out with the general public and the outcome was that Investors in People is the quality standard that is most 'top of mind', with the highest spontaneous awareness and therefore is the most recognised quality standard.

Customer Relations utilised a budget of £335,000 on the following: Attendance by Customer Relations personnel at HR Summits in May 2006, October 2006 and March 2007 led to positive meetings with over a third of the delegates. A telesales appointment generation campaign in February 2007 led to appointments being set-up with 66 organisations. Several successful events were held with the aim of converting leads into prospects using two of our Champion organisations. The Company worked in partnership with a number of Sector Skills Councils to engage with individual organisations, resulting in a number of 'taster' days being arranged. Training was also provided to a number of Sector Skills Council brokers.

The Company experienced its most successful year in media relations. A strategy focusing on a combination of research driven media stories, capitalising on topical 'calendar hooks' and insightful contribution to breaking stories enabled the Company to achieve substantial increases for 2006-2007 in centrally generated coverage (40% increase on 2005-06), national media coverage (20% increase on 2005-06) and the number of adults exposed to positive Investors in People messages (54% increase on 2005-06). We also saw an unprecedented level of broadcast coverage with 27 pieces of national broadcast coverage and 117 pieces of regional broadcast coverage. £343,000 was spent on media activity. Moving into 2007-08 the Audit Committee have charged senior management with reviewing this activity to ensure that effective strategies continue to be developed and implemented, ensuring greater value for money is achieved where possible.

Yourpeoplemanager.com continues to go from strength to strength. This website was created five years ago as a mechanism for reaching smaller organisations' that were less likely to engage with Investors in People. It provides useful information on a range of key business issues and draws the link between these and Investors in People. This has helped to broaden organisations' awareness of Investors in People and lead to them engaging with specialists to work with the Standard. During 2006-2007 a record 13,622 unique users visited the website on average per month, with the highest performing month attracting 25,808 unique users. The website is now also attracting interest from medium and large organisations. Due to the success of this website a decision has been made to incorporate this as part of our main website, encouraging users to utilise the other tools that are available to them and further stimulating the use of Investors in People.

£78,000 was spent on the development and maintenance of this website during the year.

£271,000 was spent on Direct Marketing Activity during the year. This included campaigns to large organisations and retailers that both achieved a 12% response rate; well above their 8.4% target rates.

Utilising the funding from the Department of Health on the 'Health and Wellbeing at Work' Project has enabled the Company to complete two successful pilots involving over 180 organisations and 150,000 employees. 90% of organisations involved in the pilots confirm that the framework is relevant to businesses of all sizes with 98% stating that they've received a benefit and can see the added value of using the framework.

Sales training courses for practitioners were developed with the objective of enabling practitioners to 'sell' Investors in People without funding, focusing very much on the value and benefits. This training will equip practitioners and Quality Centre staff with the skills to recruit new customers and retain existing ones.

Retain existing customers

Part of the Customer Relations £335,000 budget, mentioned above, was used to increase activity in support of the Devolved Administrations and the English Regional Quality Centres, as well as sponsoring the Practitioner Conference.

Part of the £271,000 spent on Direct Marketing Activity was for a campaign to reach lapsed Investors in People organisations. This campaign achieved a 7% response rate; well above the 3% target rate.

The Company spent £30,000 to have a stand at the annual CIPD conference in Harrogate to engage with existing recognised organisations. In addition to this, the event helped to generate 73 specific requests for consultation, equating to a potential 80,055 employees.

A comprehensive evaluation of the Investors in People Standard costing £60,000 was undertaken. The results of this showed that most organisations felt that the new Standard was significantly different, delivering tangible benefits such as encouraging continuous development, identifying weaknesses in staff development and strengthening leadership and management.

The Company is managing a large research project in partnership with the Department for Education and Skills, the University for Industry, the Sector Skills Development Agency and the Department for Trade and Industry to investigate the link between skills and people management investment and organisational performance. During the

year £153,000 was spent collating literature to develop a model and a list of measures for this project. These are to be piloted with 3,000 organisations from a range of sectors and size bands with a view to identifying measures with a strong link to bottom-line performance.

Develop a new delivery model

The whole process of assessment has been reviewed to identify what it is that organisations value. This review, together with research into membership (undertaken in 2005-06) and the customer journey, costing £36,000, provided conclusive evidence that we need to ensure that there is a clear but flexible delivery package for customers that provides ongoing contact and support. One of the major outcomes of this review was to present the Standard and Profile as a single Investors in People Improvement Tool, allowing clients to choose how much of the Investors in People business framework they want to engage with and allow them to work with it progressively to suit their business objectives. As a result of this the 'New Ways of Working' project is now underway.

£60,000 was spent on transferring all practitioners to the new Institute of Business Consulting, positioning Investors in People at the heart of the national agenda for single adviser standards and a common assessment framework.

Management information

During the year the Company developed a Customer Relationship Management System to support customers with their Investors in People journey. This will be used to collate and manage data relating to take up of the Standard and maintain more accurate and informative data on our customers. £589,000 was spent on this project during the year and this covered a multitude of activities such as development, data accuracy, creating electronic interfaces with the Quality Centres and exploring the customer journey. This was resourced by the funds provided by the Learning and Skills Council.

The Company continue to track organisations' attitudes towards Investors in People. During the year approximately 2,000 interviews were conducted over three waves to give a good understanding of knowledge and attitudes to Investors in People and its core products. £99,000 was spent on this activity through the in year tracking study.

Report of the Directors

Financial risk

Exchange Rate

The Company processes a minimal number of foreign currency transactions. Where these transactions are necessary the Company ensures that the amount invoiced or paid out is sufficient to cover any differences that may arise from the exchange rate.

Liquidity

The Company is funded by the Department for Education and Skills. At the start of each year Investors in People UK is notified of the amount of Grant-In-Aid that we are entitled to. This is claimed on a monthly basis to fund our activities. The company has an established relationship with the Department and has regular communications with them, including reporting financial performance on a monthly basis.

Diversity and equal opportunities

The Company is committed to the active pursuit of a Diversity and Equal Opportunities Policy which addresses the need and right of everyone in the organisation to be treated with respect and dignity. As a good employer, the Company seeks to be just and equitable to all employees and the wider community.

As part of this Policy, the Company intends that no prospective or existing employee will receive less favourable treatment on any grounds of age, colour, creed, disability, ethnic origin, gender, marital or parental status, nationality, political belief, race, religion or belief, sexual orientation, or social or economic background, or any other criterion accepted as unjustifiable.

Achievement of the Company's business objectives depend on the quality of its products and services. This can best be maintained and developed by fully utilising the skills and potential of all employees. It is therefore crucial that the Company's employment climate is free from the damaging barriers of discrimination and stereotyping.

The principles of this Policy cover all aspects of employment, from advertising vacancies, recruitment and selection, opportunities for training, transfer and promotion to terms and conditions of service and reasons for termination of employment. It also covers the Company's aims on a wider basis.

The Company believes that it is the right of every employee to be able to work in an environment free from bullying, harassment and victimisation. In accordance with all relevant legislation, the Company will promote racial

equality, sexual orientation and religion as a central part of all its activities; (e.g. planning, policy making, service delivery, regulation, inspection, enforcement and employment).

To ensure that this Policy is operating effectively the Company maintains records of employees' and applicants' racial origins, gender and disability. The information collected is treated confidentially and is processed in accordance with the provisions of the Data Protection Act 1998. This information is monitored and analysed in order that appropriate action can be taken to eliminate unlawful direct and indirect discrimination and promote equality of opportunity.

Everyone in the Company must read and comply with the provisions of this Diversity and Equal Opportunities Policy, they reflect legal requirements and ignorance of the law is no defence.

Behaviour or actions against the laws on which this Policy is based will be considered a serious disciplinary matter, and may in some cases, lead to dismissal.

Any employee who believes they have been treated in a manner which contravenes the laws and provisions of this Policy should use the Company's Grievance Procedure or Anti Bullying and Harassment Policy to pursue their complaint.

In 2006-2007 no grievances were raised.

Future developments

Our remit letter was recently approved by the Department for Education and Skills and identifies the following areas as central to the role of Investors in People UK:

- Work with the Department on the Leitch agenda, in particular to develop a new suite of products and delivery chain that best supports the achievement of the Leitch ambition.
- Deliver stretching workforce penetration targets through the attainment of new customers and the retention of existing customers.
- Implement and maintain the new Management Information System (MIS) and Customer Relationship Management System (CRMS). Accurate management information is vital to both support the new delivery network in delivering objectives and report progress against key indicators and targets.

- Provide options that are acceptable to Ministers and HM Treasury for Investors in People UK's location by 2008.

Register of Directors' interests

The Register of Directors' interests is available at the Company's registered offices.

Directors

The Directors in office during the year are listed below. All served throughout the year except where stated:

Peter Ayliffe
Prof Robert Fryer CBE
Roger A Hoyle TD
Jennifer Ibison
Dame Geraldine Keegan DBE, FRSA, OBE
Stephen Kingan
Hans H Rissmann OBE
Ed Sweeney
Sue Thomas
Cyrus Todiwala MBE

The following Directors stepped down during the year:

Tim-Melville-Ross CBE (Chairman)
(term expired 1 June 2006)

Sir Nicolas Montagu KCB (term expired 1 June 2006)

Garry Hawkes CBE (resigned 18 September 2006)

Roger Jones OBE (term expired 20 November 2006)

Ruth Spellman OBE (Chief Executive)
(resigned 30 November 2006)

Pauline Rigby (term expired 1 February 2007)

The following Directors were appointed during the year:

Philip Williamson (Chairman) (appointed 1 June 2006)

Simon Jones (Acting Chief Executive)
(appointed 1 December 2006)

With the exception of the Chief Executive all of the Directors are members of the Company.

Current replacement cost of the assets

The Directors are of the opinion that there is no material difference between the current replacement cost and the net book amount of stock and fixed assets.

Company status

The Company is established under the Employment and Training Act 1973 and is a company limited by guarantee. Under Clause 6 of the Memorandum of Association all members undertake to contribute to the Company such an amount as may be required, not exceeding £1, in the event of it being wound up during the period of membership and one year afterwards.

Directors' and Chief Executive's responsibilities for the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company

Report of the Directors

and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors' are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement on internal control

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Investors in People UK's policies, aims and objectives, whilst safeguarding the public funds and assets as provided by the Department for Education and Skills for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

Investors in People UK is a company limited by guarantee and an NDPB within the Department for Education and Skills and as such is accountable to the Secretary of State for Education. The annual plan is confirmed by the Department and KPIs agreed with me. I meet with the Department to review progress, report on performance and seek advice if appropriate. The Board comprises non executives and meets regularly to review the performance of Investors in People UK against the targets set by the Department and to review business plan objectives. The Board also advises me on the management of our major risks and programmes.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Investors in People UK's policies, aims and objectives, to evaluate the

likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Investors in People UK for the year ended 31 March 2007 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

Capacity to handle risk

The Investors in People UK Board and Audit Committee recognises that the responsibility of risk management should be driven from the top and, as a result, I, together with my senior management team, have taken the lead on this.

Training has been provided to senior management in the identification, assessment and management of risk during in order to build the risk management skills and further training is planned during 2007-08.

The risk and control framework

The risks and the controls that are in place to mitigate them have been assessed through a facilitated discussion amongst the senior management team and at the Audit Committee. The risk register has been reviewed and updated every six weeks and specific actions identified for management to complete. The risk exposure has been monitored regularly throughout the year and additional controls introduced where appropriate.

Our management of risk is embedded in planning and delivery with the consideration of risks being a key consideration in the business planning process and decision making throughout the year. The management of risks is linked into the objectives of senior managers and their effectiveness is monitored through the performance assessments.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within Investors in People UK who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. The Board monitors the strategic performance of Investors in People UK and the associated strategic risks. The senior

management team reviews the day to day business performance of Investors in People UK, including the achievement of our business plan objectives, KPIs and the associated operational risks.

The Audit Committee meets four times each year. Its purpose is to advise the Board on the discharge of its duties with regard to the Company's financial statements and the maintenance of proper financial records and controls. It is appointed by the Board.

At the end of the year the company held a cash balance of £67,000. This balance is within the limit on cumulative Grant-In-Aid recommended by the Department for Education and Skills.

Investors in People UK's internal audit function was carried out through the year by PKF, a firm of accountants and business advisors, to the Government Internal Audit Standards. The work of internal audit is informed by an analysis of the risk to which the Company is exposed and the annual internal audit plans are based on this analysis. During the year I received a number of reports covering the financial, operational and governance activities of Investors in People UK. The annual internal audit report for 2006-2007 concluded that:

"Based on the audit work carried out we have concluded that the system of internal control is satisfactory for the purposes of Investors in People UK and is operating effectively in all key areas. In particular there is clarity of direction for the organisation and there is a robust framework of financial and operational procedures. We consider that Investors in People UK has established appropriate processes to comply with the requirements of DAO letter 13/00 as clarified by the draft DAO letter of April 2003."

The report comments on the two areas that were reviewed during the year; these were Corporate Governance (covering Risk Management). With regards to Corporate Governance PKF concluded that the arrangements in place at Investors in People UK are appropriate for the circumstances and are operating effectively. With regards to Financial Systems PKF concluded that the existence and operation of the systems in place at Investors in People UK have been adequate or better in all cases and can be relied upon for management information and accurate processing.

During the year Investors in People UK's financial controls flagged up the issue of possible non-compliance with financial procedures by one member of staff. As a result PKF were commissioned to carry out an independent investigation into the matter. This investigation concluded that the member of staff had not complied with Investors in People UK's financial procedures and recommended

that they be given further training to ensure that they are conversant with all financial policies and procedures. This training has since been delivered by the Director of Finance together with the Head of Finance.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retain them and adjustments made to work and or facilities where reasonably practicable and as appropriate in order that their employment with the Company can continue.

It is the policy of the Company that training, career development and promotion opportunities should be available to all employees.

Provision of information and consultation of employees

The Company considers good communication with its employees to be very important and communicates through regular meetings on an individual, team and company-wide level, know-how sessions and accessible information through the provision of shared areas. The Company also complies with the Freedom of Information Act 2000.

Payment policy and practice

It is the Company's policy to follow the Government Departments Payment Performance Policy, in relation to the payment of its suppliers for the forthcoming year. The Company has standard payment terms of 30 days.

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



Simon Jones
Acting Chief Executive 2007

Remuneration statement

Remuneration Committee

The membership of the Remuneration Committee for the Company is as follows:

- Investors in People UK Chairman
- Two Investors in People UK Board Members

The committee is responsible for the following:

- Ensuring that the remuneration strategy of the Company is regularly updated and enables the company to recruit, retain and motivate employees
- Approving the remuneration strategy of the Company
- Appointing external advisors on remuneration for Directors
- Making decisions on the Chief Executive's and director's remuneration and to advise the Audit Committee and the Board accordingly
- To agree criteria for the Company bonus scheme
- To ensure that bonuses are awarded in compliance with the scheme.

Senior Managers' Contracts

Senior managers' contracts of employment state the terms and conditions of their role within the Company. This will include details of their remuneration package (see below).

In addition details of senior managers' probationary periods and termination of employment are disclosed. The terms for the Chief Executive and the other senior managers are the same except for the terms for termination of employment.

Probationary Period

All senior managers must serve a probationary period of 6 months. This can be increased by a further 3 months if performance has not been satisfactory.

Termination of Employment

During the probationary period the period of notice required is 1 month from either side, for all senior management. Thereafter the period will be 3 months written notice from either side, except for the Chief Executive whose period of notice is 6 months.

Of the senior managers serving during the year all are employed on a permanent basis with no fixed date of termination, other than the Director of Strategic Planning Projects who was seconded from the Home Office in April 2005 for the period of 1 year.

Remuneration of Senior Managers

All roles across the organisation have been scored using a Job Evaluation Scoring System and put into a grading structure that has been created based upon these scores. The criteria used for evaluating all roles are:

- Skills
- Intellectual Demands
- Judgement
- Use of Resources
- Communication
- Physical Demands and Co-ordination
- Working Conditions and Emotional Demands

Employees' objectives, against which their performance will be assessed, are agreed with their line manager at the start of the year. These are based upon the organisation's objectives for the coming year as well as those specific to the employee's area of work.

Performance Reviews are held twice a year, one mid-year and the second at the end of year. Employees discuss their performance against their objectives with their line manager and a Performance Review Form is completed as a formal record of assessment. Employees are awarded a box marking from 1 to 5 based on their level of performance.

These are categorised as follows:

- Employees will only have partially met their objectives and will have several significant areas for development in connection with the skills and attributes required to perform their role
- Employees may have met their objectives but only inconsistently apply adequate levels of skills in relation to the requirements of their role, often demonstrating below adequate levels
- Employees will have achieved their objectives and demonstrated a proficient, well-balanced performance in line with the expectations of their role
- Employees will have achieved their objectives and consistently demonstrated good levels of skills, often over and above the requirements of their role
- Employees will have excelled in all of their objectives and regularly and consistently demonstrated

outstanding levels of skills over and above the requirements of their role.

The Remuneration Committee has approved (subject to the Department for Education and Skill's endorsement) that all employees will receive a salary uplift dependent on the box marking they have received for their performance during 2006-2007. These are as follows:

- Performance level 1 = 0%
- Performance level 2 = 1%
- Performance level 3 = 2.8%
- Performance level 4 = 4%
- Performance level 5 = 6%

Senior managers who are awarded a box marking of 3 or above are also entitled to a bonus of a maximum of 10% of their salary.

All senior managers are assessed by the Chief Executive who provides his recommendations for salary increases and bonuses to the Remuneration Committee for approval. The Chief Executive in turn is assessed by the Chairman who provides his recommendations to Investors in People UK's sponsor department, the Department for Education and Skills, for their approval.

The level of pay awarded to individuals reflects their skills and abilities exercised within the Company and is given without bias on the grounds of age, colour, creed, disability, ethnic origin, gender, marital or parental status, nationality, political belief, race, religion or belief, sexual orientation, or social or economic background. This is in accordance with the provisions of the Company's Policy on Diversity.

Remuneration statement

The remuneration of the most senior members of staff for 2006-2007 was as follows:

Name	Salary, including performance pay and benefits in kind 2006-2007 £	Salary, including performance pay and benefits in kind 2005-2006 £
Ruth Spellman OBE Chief Executive (resigned 30th November 2006)	60,000 – 70,000	100,000 – 105,000
Simon Jones* Acting Chief Executive (as of 1st December 2006 – previously Director of Finance and Planning)	80,000 – 85,000*	60,000 – 65,000
Carolyn Smith Director of Development (resigned 22nd September 2006)	30,000 – 35,000	65,000 – 70,000
June Williams Director of Quality and Delivery Partners	70,000 – 75,000	60,000 – 65,000
Graeme Etheridge** Director of Finance and Planning (appointed 4th December 2006)	15,000 – 20,000	60,000 – 65,000
Nicola Clark Director of Marketing and Communications	70,000 – 75,000	65,000 – 70,000
Kirsty Baker Director of Development (appointed 20th November 2006)	25,000 – 30,000	nil
Jane Jones*** Director of Customer Relations and Information (appointed 12th June 2006)	30,000 – 35,000	nil
Gary Mathews Director of Customer Relations and Devolved Government	60,000 – 65,000	45,000 – 50,000

* £50,000 – £55,000 relates to Director of Finance and Planning role and £30,000 – £35,000 relates to the Acting Chief Executive role.

** Graeme Etheridge was seconded from the Home Office to act as the Director of Strategic Planning Projects during 2005-2006 and as the Director of Finance and Planning from 4th December 2006.

*** Jane Jones was seconded from the Cabinet Office to act as the Director of Customer Relations and Information from June 2006.

Details of senior managers' pension contributions for 2006-2007:

Name	Employer Contributions £
Ruth Spellman OBE Chief Executive	5,000 – 7,500
Simon Jones* Acting Chief Executive	5,000 – 7,500
Carolyn Smith Director of Development	2,500 – 5,000
June Williams Director of Quality and Delivery Partners	5,000 – 7,500
Graeme Etheridge** Director of Finance and Planning	2,500 – 5,000
Nicola Clark Director of Marketing and Communications	5,000 – 7,500
Kirsty Baker Director of Development	nil
Jane Jones*** Director of Customer Relations and Information	5,000 – 7,500
Gary Mathews Director of Customer Relations and Devolved Government	5,000 – 7,500

The Chief Executive's total emoluments comprised salary, bonus and car allowance. The Chief Executive has a personal pension scheme. The employer's contribution to the scheme amounted to the equivalent of 10% of the Chief Executive's salary.

The Acting Chief Executive's total emoluments comprise salary and a bonus. The Acting Chief Executive has a personal pension scheme. The employer's contribution to the scheme amounted to the equivalent of 8.8% of the Acting Chief Executive's salary.

Report of the independent auditor to the members of Investors in People UK (a company limited by guarantee)

We have audited the financial statements of Investors in People UK for the year ended 31st March 2007 which comprise the principal accounting policies, the income and expenditure account, the balance sheet, the cash flow statement and notes 1 to 25. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' and Chief Executives' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Report of the Directors is consistent with the financial statements. We also report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises the Report of the Directors, the joint statement of the Chairman and acting Chief Executive and those parts of the Remuneration Report which should be audited. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the:

- financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31st March 2007 and of the result for the year then ended;
- financial statements have been properly prepared in accordance with the Companies Act 1985;
- information given in the Report of the Directors is consistent with the financial statements; and
- in all material respects the Grant-In-Aid income has been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
SHEFFIELD
24th July 2007

Income and expenditure account

	Note	2007 £	2007 £	Restated 2006 £	Restated 2006 £
Gross income					
Additional grant funding		1,494,837		383,000	
Transfer from deferred income		100,712		107,990	
Income from operations	2	692,087		738,706	
			2,287,636		1,229,696
Gross expenditure					
Basic Skills		119,085		99,771	
Cost of sales	3	473,944		660,967	
Strategic planning of developments		611,873		217,792	
Marketing		1,717,705		2,094,295	
Development		774,975		723,907	
LSC funded activity		1,047,740		-	
Staff costs	5	1,739,687		1,675,086	
Administration		744,246		855,476	
Depreciation		100,712		107,990	
			7,329,967		6,435,284
Operating deficit			(5,042,331)		(5,205,588)
Interest receivable			17,832		15,971
Interest repaid			(17,832)		(15,971)
Deficit before taxation			(5,042,331)		(5,205,588)
Tax charge for the year	6		(1,418)		(408)
Deficit for the year			(5,043,749)		(5,205,996)
Reversal of notional cost of capital			21,544		34,505
Retained deficit	13		(5,022,205)		(5,171,491)
Reserves brought forward (restated)			896,949		723,989
Grant-In-Aid revenue financing			4,599,922		5,344,451
Reserves carried forward			474,666		896,949

All of the activities of the company are classed as continuing.
There were no recognised gains or losses other than the result for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

	Note	2007 £	2007 £	Restated 2006 £	Restated 2006 £
Fixed Assets					
Tangible fixed assets	7		145,010		166,264
Current assets					
Debtors	8	1,532,562		991,821	
Cash at bank and in hand		67,065		310,526	
		<u>1,599,627</u>		<u>1,302,347</u>	
Creditors: amounts falling due within one year	9	(1,124,961)		(342,773)	
Net current assets			<u>474,666</u>		<u>959,574</u>
Total assets less current liabilities			<u>619,676</u>		<u>1,125,838</u>
Creditors: amounts falling due after more than one year	10		-		(32,625)
Provision for liabilities			-		<u>(30,000)</u>
Net assets			<u>619,676</u>		<u>1,063,213</u>
Deferred income	12		145,010		166,264
Accumulated fund	13		<u>474,666</u>		<u>896,949</u>
			<u>619,676</u>		<u>1,063,213</u>

The financial statements were approved by the Board of Directors on 24th July 2007.



P Williamson
Chairman



S Jones
Acting Chief Executive

The accompanying accounting policies and notes form an integral part of these financial statements.

Cash flow statement

	Note	2007 £	2006 £
Net cash outflow operating activities	15	(4,762,507)	(5,019,199)
Taxation		(1,418)	(408)
Capital expenditure			
Purchase of tangible fixed assets		<u>(79,458)</u>	<u>(50,714)</u>
Net cash outflow from capital expenditure		<u>(79,458)</u>	<u>(50,714)</u>
Net cash outflow before financing		(4,843,383)	(5,070,321)
Financing			
Financing Grant-In-Aid		<u>4,599,922</u>	<u>5,344,451</u>
Net cash outflow from financing		<u>4,599,922</u>	<u>5,344,451</u>
(Decrease)/Increase in cash	16	<u>(243,461)</u>	<u>274,130</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Principal accounting policies

Basis of preparation

The financial statements are prepared in accordance with generally accepted accounting practice in the United Kingdom (UK GAAP) and the Companies Act requirements, the disclosure and accounting requirements contained in H M Treasury's Fees and Charges Guide, and the accounting and disclosure requirements given in Government Accounting and in the Financial Reporting Manual (FRoM), in so far as these are appropriate to the Investors in People UK and are in force for the financial year for which the statements are prepared. The financial statements are prepared under the modified historical cost convention by the inclusion of fixed assets at their value to the business by reference to current costs.

Change of accounting policy

With effect from the 2006-2007 reporting period the FRoM requires Non-departmental public bodies to account for grants and Grants-In-Aid received for revenue purposes as financing because they are regarded as contribution from a controlling party which gives rise to a financial interest in the residual interest of NDPB's. This is a change in accounting policy from earlier periods when such items were recorded as income. As a result of this the company has also ceased to defer aid income in line with current asset holdings. The effect of this change on the certified 2005-06 accounts and the impact of the change on the results of the current year is shown below:

	At 31 March 2006 (as previously stated)	Impact of Adopting the new policy	At 31 March 2006 (restated)
Net Expenditure for 2005-2006	(34,097)	(5,171,491)	(5,205,588)
Reserves	-	896,949	896,949
	At 31 March 2007 (as would have been previously stated)	Impact of Adopting the new policy	At 31 March 2007 (restated)
Retained Deficit for 2006-2007	-	(5,022,205)	(5,022,205)
General Reserve	-	474,666	474,666

The accompanying accounting policies and notes form an integral part of these financial statements.

Principal accounting policies continued

Grant-In-Aid

Grant-In-Aid and grants received used to finance activities and expenditure which support the statutory and other objectives of the entity are treated as financing, credited to the General Reserve, because they are regarded as contributions from a controlling party.

Grant relating to capital expenditure used to acquire capital items is credited to deferred income. It is released to expenditure over the expected useful life of the asset it has been used to acquire and an equal amount transferred from the deferred income is released to income.

Other income

Income from operations relates to income received from conferences, license fees, fees for advisory and assessment work, international development and licences and sales of publications and merchandise.

Income from additional funding relates to discretionary project funding received from other government bodies during the year.

Income is credited to the income and expenditure account in the year to which it relates. Any income received in respect of future periods is credited to and included within deferred income.

Operating leases

Amounts in respect of operating leases are charged to the income and expenditure account in the year in which they become payable.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write off the cost of fixed assets over their estimated useful economic lives on a straight line basis over the following periods:

Fixtures and fittings	5 years
Office equipment	4 years
Computer systems	4 years

Computer software

Expenditure on computer software is either capitalised as fixed assets or written off in the period in which it is incurred depending on the nature of the specific item.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Contributions to pension fund

The pension costs charged represent the amount of contributions payable to employees' personal pension schemes in respect of the accounting period.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Exchange differences are dealt with through the income and expenditure account.

Cost of capital

A notional cost of capital is charged to administration costs in the income and expenditure account based on the average capital employed. The charge is then credited to the income and expenditure account after the deficit for the year.

Notes to the financial statements

1 Grant-In-Aid

	2007 £	2006 £
Grant-In-Aid	4,679,380	5,395,165
Allocated to fixed assets – deferred income (note 12)	(79,458)	(50,714)
Financing credited direct to reserves	<u>4,599,922</u>	<u>5,344,451</u>

2 Income from operations

Income from operations is categorised as follows:

	2007 £	2006 £
Conferences	3,150	52,029
Income from licensing and training	335,806	341,207
Income from publications licence	230,000	230,000
Income from international licence	109,636	114,720
Income from champions recharge	4,070	750
Income from employee engagement	9,425	-
	<u>692,087</u>	<u>738,706</u>

All turnover relates to UK sales.

3 Cost of sales

Cost of sales attributable to operations:

	2007 £	2006 £
Conferences	-	39,884
Quality assurance	364,346	505,959
International sources	109,598	114,859
Royalties	-	265
	<u>473,944</u>	<u>660,967</u>

Notes to the financial statements continued

4 Operating deficit before taxation

The operating deficit before taxation is stated after charging:

	2007	2006
	£	£
Depreciation, owned assets	100,712	107,990
Auditor's remuneration		
Internal audit	23,158	30,024
External auditors' remuneration		
- fees payable to the company's auditors for the audit of the company's annual accounts	8,200	8,000
- fees payable to the company's auditors for other services	650	-
- taxation services	550	250
Operating lease rentals	<u>221,700</u>	<u>221,700</u>

5 Directors and employees

Staff costs during the year were as follows:

	2007	2006
	£	£
Wages and salaries	1,448,355	1,366,127
Social security costs	157,739	160,022
Other pension costs (note 20)	62,620	69,315
Seconded, loaned and temporary staff	66,649	75,653
Group life assurance premiums	4,324	3,969
	<u>1,739,687</u>	<u>1,675,086</u>

The average number of employees in the Company during the year was 40 (2006:40) including seconded civil servants. In addition a further 13 employees were funded through Programme expenditure.

	2007	2006
	Number	Number
Directors	5	5
Permanent employees	33	33
Temporary employees	-	1
Secondments	2	1
	<u>40</u>	<u>40</u>

The only statutory director in the year to receive remuneration from the Company was the Chief Executive whose salary information is included in the remuneration statement.

6 Taxation

(a) Analysis of charge in the period

The tax charge is based on the bank interest received in the year and represents:

	2007 £	2006 £
UK corporation tax based on the bank interest received in the year at 19% (2006:19%)	2,500	2,500
Over provision for the prior year	(1,082)	(2,092)
	<u>1,418</u>	<u>408</u>

(b) Factors affecting current tax charge

The tax assessed on the bank interest received in the year is higher than the standard rate of corporation tax in the UK of 19%

	2007 £	2006 £
Interest received (nil as all is repaid)	-	-
Interest received by rate of tax	-	-
Excess provision (although interest is repaid, it remains liable for taxation)	2,500	2,500
Adjustments in respect of prior period	(1,082)	(2,092)
	<u>1,418</u>	<u>408</u>

7 Tangible Fixed assets

	Fixtures, fittings and equipment £	Computer systems £	Total £
Cost			
At 1 April 2006	214,055	149,260	363,315
Additions	16,615	62,843	79,458
At 31 March 2007	<u>230,670</u>	<u>212,103</u>	<u>442,773</u>
Depreciation			
At 1 April 2006	119,913	77,138	197,051
Provided in the year	47,770	52,942	100,712
At 31 March 2007	<u>167,683</u>	<u>130,080</u>	<u>297,763</u>
Net book amount at 31st March 2007	<u>62,987</u>	<u>82,023</u>	<u>145,010</u>
Net book amount at 31st March 2006	<u>94,142</u>	<u>72,122</u>	<u>166,264</u>

Notes to the financial statements continued

8 Debtors

	2007 £	2006 £
Trade debtors	998,046	330,973
Other debtors	342,567	315,335
Prepayments and accrued income	191,949	345,513
	<u>1,532,562</u>	<u>991,821</u>

9 Creditors: amounts falling due within one year

	2007 £	2006 £
Trade creditors	926,508	184,846
Corporation tax	2,500	2,500
Other creditors	9,515	15,892
Accruals and deferred income	115,074	138,414
Other taxation and social security	71,364	1,121
	<u>1,124,961</u>	<u>342,773</u>

10 Creditors: amounts falling due after more than one year

	2007 £	2006 £
Other creditors – international licence	-	32,625
	<u>-</u>	<u>32,625</u>

11 Provision for liabilities

	At 1 April 2006 £	Movement in the year £	At 31 March 2007 £
Provision for legal fees	30,000	(30,000)	-
	<u>30,000</u>	<u>(30,000)</u>	<u>-</u>

12 Deferred income

	Restated Fixed assets £
At 1 April 2006	166,264
Allocated from Grant-In-Aid (note 1)	79,458
Transfer to income and expenditure account	(100,712)
At 31 March 2007	<u>145,010</u>

13 Reserves

	Accumulated fund £
At 1 April 2005 as previously stated	-
Prior year adjustment	<u>723,989</u>
At 1 April 2006 as restated	723,989
Grant-In-Aid Financing	5,344,451
Restated deficit for the year (Previously £nil)	<u>(5,171,491)</u>
At 31 March 2006	896,949
Deficit for year	(5,022,205)
Grant-In-Aid financing	<u>4,599,922</u>
At 31 March 2007	<u>474,666</u>

Clause 4 of the Memorandum of Association of the Company requires that the income of the Company be applied solely towards the promotion of the objectives of the Company and prohibits its distribution directly or indirectly, by way of a dividend, bonus or otherwise by way of profit to the members of the Company.

14 Prior year adjustment

Due to changes in the Financial Reporting Memorandum, the Company now recognises the revenue Grant-In-Aid funds as financing for the Department for Education and Skills. This is now shown as a direct credit to reserves. This has resulted in a prior year adjustment to show those funds (excluding those related to fixed assets) previously recognised as deferred income as reserves, the financial impact of this is to create a deficit for the year of £5,171,491 (as previously stated £nil) and a final reserves position of £896,949 (as previously stated £nil).

15 Net cash inflow from operating activities

	2007 £	Restated 2006 £
Operating deficit	(5,042,331)	(5,205,588)
Notional cost of capital	<u>21,544</u>	34,505
	(5,020,787)	(5,171,083)
Depreciation	100,712	107,990
Net grant transferred from deferred income	(21,254)	(57,276)
(Increase)/decrease in debtors	(540,741)	92,325
Increase in creditors	749,563	8,845
Decrease in provision	(30,000)	-
Net cash inflow from operating activities	<u>(4,762,507)</u>	(5,019,199)

Notes to the financial statements continued

16 Reconciliation of net cash flow to movement in net funds

	2007 £	2006 £
Increase in cash in the year	(243,461)	274,130
Net funds at 1 April	<u>310,526</u>	36,396
Net funds at 31 March	<u>67,065</u>	310,526

17 Analysis of changes in net funds

	At 1 April 2005 £	Cash flow £	At 31 March 2007 £
Cash at bank and in hand	310,526	(243,461)	<u>67,065</u>

18 Capital commitments

The Company had no capital commitments at 31 March 2007 or 31 March 2006.

19 Contingent liabilities

The Company has no contingent liabilities at 31 March 2007 or 31 March 2006.

20 Pension contributions

The Company makes contributions to employees' personal pension schemes. The benefit is available to all employees.

21 Insurance

Under the terms of the financial memorandum, with the exception of third party insurance required by the Road Traffic Acts and any other which are statutory obligations, the Company follows the usual rules for public bodies of non-insurance. The Company is indemnified by the Department for Education and Skills in respect of the Employer's Liability insurance.

22 Financial derivatives

The Company had no financial derivatives at 31 March 2007 or 31 March 2006.

23 Leasing obligations

Operating lease payments amounting to £221,700 (2006: £221,700) are due within one year. The leases to which these amounts relate expire as follows:

	2007		2006	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Between one and five years	215,000	6,700	215,000	6,700

24 Liabilities of members

Under Clause 6 of the Memorandum of Association all members undertake to contribute to the assets of the Company such an amount as may be required, not exceeding £1, in the event of it being wound up during the period of membership and within one year afterwards.

25 Transactions with related parties

The Company provided services to, or received services from, companies with which the following Directors were connected during the year ended 31 March 2007.

Phillip Williamson, Chief Executive of Nationwide Building Society who purchased a ticket for a Champions Award dinner for £85 (2006: £nil). There were no balances owed by Nationwide Building Society at 31 March 2007.

Cyrus Todiwala, Director of Spice Mania who supplied catering services to Investors in People UK totalling £802 (2006: £nil). There were no balances owing to Spice Mania at 31 March 2007.

Hans Rissman, Chair of Investors in People Scotland. Various expenses were charged by Investors in People Scotland to Investors in People UK totalling £374,588 (2006: £33,878). At the year end there was a balance owing to Investors in People Scotland of £184,475 (2006: £8,552). Investors in People UK charged out costs for various activities including royalty licence fees totalling £45,041 (2006: £39,178). At the year end there was a balance owed by Investors in People Scotland of £952 (2006: £1,544).

The Company had outstanding balances with the following central government departments at the year end of 31 March 2007:

Included in accrued income was a balance of £33,803 (2006: £15,971) for interest due to the Department for Education and Skills.

Included in accrued expenditure was a balance of £13,096 (2006: £nil) for the Director of Client Relations and Information's salary costs due to the Cabinet Office.

Included in accrued expenditure was a balance of £7,929 (2006: £nil) for the Director of Finance and Planning's salary costs due to the Home Office.

Included in prepayments was a balance of £70,596 (2006: £nil) for business rates due to the City of Westminster.

The Company had an outstanding debtor of £797,637 (2006: £nil) from the Learning and Skills Council.

The Company had an outstanding creditor of £1,500 (2006: £nil) for the Department for Employment and Learning – Northern Ireland.

Looking Ahead

Our Strategic Objective for 2007-2008 is to continue to maintain our position as the leading people-focused business improvement tool in the UK, working with a significant proportion of the UK workforce. We aim to deliver an improvement on our performance in 2006-2007 through growing our business and gaining an increase in coverage of at least 450,000 new employees (compared to 295,000 in 2006-2007) which equates to an increase of more than 50%.

This will be achieved in conjunction with retaining 82% of employees working for recognised Investors in People organisations which are due for review in the 2007-2008 year.

In order to do this we recognise that we need to improve continually our customer service, engagement and delivery capability, along with that of our partners.

The focus of our work over the coming year, therefore, will be to ensure we build on the benefits that businesses receive from working with the Standard. To do this we need to continue to maximise our collaborative endeavours with partners and stakeholders. We will work with the Devolved Administrations to identify their specific needs, opportunities and policies so that Investors in People can continue to help support fully their agendas. This includes Northern Ireland's "Success through Skills" programme, the Welsh "Skills-People-Success" programmes and the outcomes from the Scottish Executive's consultation – "Lifelong Learning – building on success".

Above all we will work to support the recommendations of the Leitch Review and the aspirations of UK businesses, public services and Government to raise productivity in an ever increasing globalised economy.

Work Programme

We will undertake four principal programmes:

PROGRAMME ONE

Secure our delivery capability and deliver a quality service to ensure that our processes, infrastructure and delivery partners are focused on providing the best possible value for existing and potential customers.

Our products are delivered through a network of partners, associates, and our delivery network. We must ensure that Investors in People is delivered as customers and potential customers require whilst maintaining the integrity and value of the Standard. We will support our delivery network, through our licence and performance management arrangements to ensure that it fulfils its role to provide the best possible experience for the customer – and that everyone coming into contact with Investors in People UK and its' licensed Delivery Partners receives a positive experience, whilst protecting the integrity of the Investors in People Standard.

PROGRAMME TWO

Demonstrate the business benefits of Investors in People by providing qualitative and quantitative evidence on how the use of Investors in People delivers tangible business improvement and ensures that there is an appropriate delivery methodology to achieve this.

Investors in People delivers business improvement – we must continue to further develop our evidence base for this statement, delivering and communicating compelling evidence of the value that Investors in People delivers to organisations through harnessing its peoples potential.

We will, with our partners, gather evidence that demonstrates how different types of organisation improve through using Investors in People.

PROGRAMME THREE

Change perceptions through marketing, communication and positioning in order to ensure that Investors in People is seen and recognised as the business improvement tool 'of choice' by business that helps businesses and organisations to improve their productivity.

We must show and communicate our competitive advantage, uniqueness and value.

Focusing on: creating the environment for people to have an informed positive view of Investors in People leading to an informed purchasing decision; supporting clear segmentation of our market and clear propositions for those markets with communication strategies which support our business development strategies and agents; and, protecting our reputation.

By focusing on reducing misconceptions and supporting the development of truly segmented positioning strategies to ensure current and potential customers see the relevance of Investors in People – it should be easier to secure new business growth. By focusing on internal activities that will help Investors in People UK's systems to be more reliable, employees more responsive to customers and offer partners and stakeholders a better service, we will demonstrate the impact of Investors in People through our own actions.

PROGRAMME FOUR

Increase customer and partner engagement through business development to increase the number of new businesses working with Investors in People.

Investors in People helps increase skills, improve leadership and management capability and raise productivity. We want to work with Delivery Partners to engage with new customers to support their ambitions; we will do this by directly engaging with customers, by supporting client engagement activities of our Delivery Partners and by developing and progressing partnerships with the Sector Skills Councils.

We will also develop a customer service improvement strategy that ensures that we can establish more regular contact with customers, and provide useful information that will make customers want to keep working with Investors in People.

We must ensure that Investors in People is seen and recognised as the business improvement tool of choice by public services and Government. Investors in People makes a significant contribution to the national economy through raising productivity by encouraging employers to invest in their employees both in terms of leadership, management, and development and thus supports the national skills agenda – we must further develop and communicate what our contribution delivers and what resources are required to deliver this so that Investors in People is integral to the Government's strategy for raising productivity through skills.

Glasgow Science Centre Scotland

Case Study Six

"Investors in People portrays the high standard that we should all aspire to and I think the fact that the Glasgow Science Centre has achieved it, demonstrates the care and attention we give to staff"

Niall Cockburn, Human Resources Manager, Glasgow Science Centre.

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Background

- Glasgow Science Centre is a £75million millennium project, the largest of its type in the UK and the second largest millennium project in Scotland
- The centre officially opened its doors in 2001
- It has become one of Glasgow's iconic sites, a must-see attraction and a corporate venue
- It was recognised with the Investors in People Standard in 2007.

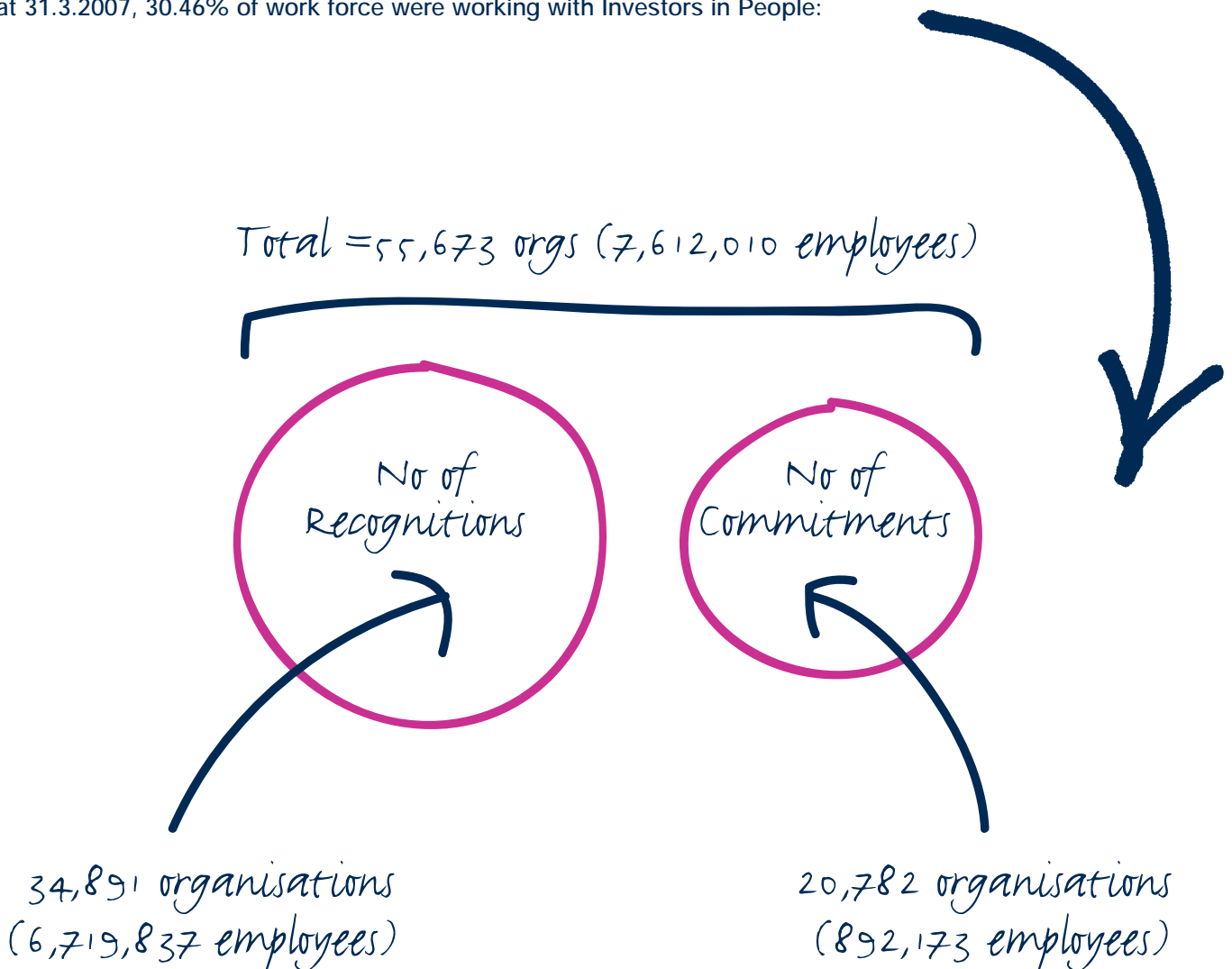
Achievements

- The organisation's employee retention rate is at 80% an increase of 18% since 2004
- Overall sick absence has dropped by 8.8% over four years
- Customer Service ratings for the centre remain consistently above 8 out of 10
- The visitor return rate has increased to 47%.

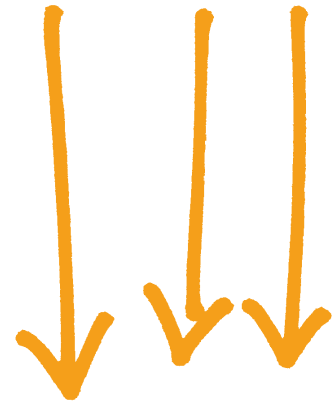
Working with Investors in People

Investors in People is a proven framework to help businesses improve performance and productivity. Working in partnership, Investors in People UK supports organisations and people throughout the UK to improve their productivity and performance and realise their full potential.

As at 31.3.2007, 30.46% of work force were working with Investors in People:



Investors in People Centres



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