

LABOUR RELATIONS AGENCY

BUSINESS PLAN FOR 2018-19

Better Workplaces

VISION: To be widely recognised as Northern Ireland’s leading authority in promoting productive working relationships for the benefit of individuals and organisations and to support the creation of a thriving and inclusive economy.

PURPOSE: To improve employment relations, promote best employment practice and resolve workplace disputes through the delivery of quality, impartial and independent services.

VALUES: To achieve our vision and purpose, our values are to be:

Progressive – forward thinking, outward looking, and creative in seeking better ways to support the economy;

Ethical – always acting with integrity, impartiality and utmost professionalism, and demonstrating openness and accountability;

Exemplary – challenging ourselves to be the best we can be and a role model in how we conduct employment relations; and,

Responsive – listening to our customers and adapting to ensure our services meet their needs.

These values underpin all that we do.

FOREWORD

This Business Plan implements the second year of the Agency's 2017-21 Corporate Plan which sets out our commitment to deliver high quality services that promote productive working relationships for the benefit of individuals and organisations.

2017-18 was very much a year of transition as we embarked upon a journey of major organisational change; in part to operate within a reduced budget allocation but more importantly, to position the Agency to deliver on our Corporate Plan commitments. We restructured to merge our advisory and dispute resolution services into a single Directorate. In doing so, we are seeking to achieve greater levels of service integration as well as increased flexibility in how we deploy our resources.

We also enhanced our case management system to extend its functionality across the Agency and facilitate new and more efficient ways of working – these changes are being implemented from April 2018.

We have developed three key new strategies to underpin the Corporate Plan:

- A People Strategy setting out how we will develop our staff and working practices in line with our vision and values;
- An Information Systems Strategy to guide investment in technology to enable our services to develop to meet changing customer demands and make our processes more efficient; and
- A Communications Strategy to enable the Agency to reach more customers, and better promote the services we offer and the value of effective employment relations.

We also have initiated a number of projects designed to retain our Investors in People Gold status and to achieve the Customer Service Excellence Award in 2018-19.

While we were disappointed that the legislation needed to introduce Early Conciliation could not be progressed in 2017-18, we continue to work with colleagues in the DfE and the Tribunal Service to ensure that we are operationally ready to deliver this new service when the necessary commencement legislation is in place.

The focus for the year ahead will be to continue our journey of transformation so that we are best placed to deliver responsive and high quality employment relations services. A strong employment relations culture is synonymous with a cohesive, flexible and highly productive labour market; where the health and wellbeing of individuals is valued and organisations are able to thrive. Furthermore, good employment relations contribute to our economic competitiveness in ensuring that Northern Ireland is – and is seen to be – a good place to do business.

In developing this business plan our Board is particularly focused on the need to align all of our operations to the draft Programme for Government and the Department for the Economy's draft Industrial Strategy.

We commend this plan to our customers and stakeholders.



Marie Mallon
Chairperson



Tom Evans
Chief Executive

THE PLANNING CONTEXT

The ongoing political uncertainty has meant that the draft Programme for Government and draft Industrial Strategy are still to receive Executive approval. Nevertheless, the Agency's Board has used these core documents to develop its Corporate Plan with a focus on three strategic themes, which are described later in this Business Plan.

The lack of Ministerial direction has also delayed the introduction of Early Conciliation, which is provided for in the Employment Act (Northern Ireland) 2016. This service, which is already in place in Great Britain, would require parties, in the first instance, to consider the offer of the Agency's dispute resolution services as an alternative to an employment tribunal. The Agency is optimistic that the necessary enabling legislation will be enacted in 2018-19 to commence the relevant provisions of the 2016 Act and we will be preparing for this new service to go live when the necessary commencement legislation is in place.

The nature and impact of the UK's exit from the European Union likely is still to be determined; however, the Agency, in consultation with DfE, will be putting in place measures to deal with a potential increase in demand for information about employment rights. This will include a new and more accessible website, the introduction of social media communications, and an enhanced Enquiry Point service with live web chat.

The Agency's budget for 2018-19 has been set at the same level as last year, meaning that savings need to be realised to offset the effects of pay and price inflation. This will be achieved by not replacing a number of posts vacated through the Voluntary Exit Scheme which the Agency operated in 2017-18 and new ways of working to mitigate the loss of staff.

Demand for the Agency's services remains high. In terms of individual employment rights, almost 15,000 cases were received in 2017-18; 13,000 were bulk cases (similar cases with the same respondent), most of which were generated from public sector organisations relating to tribunal claims lodged as a result of recent case law developments under the Working Time Regulations/Working Time Directive.

In respect of demand for other services in 2017-18, cases received for Collective Conciliation remained at a similar level to the previous year (21), with most emanating from the private sector. The Agency received 59 referrals for our Mediation Service. A number of our seminars were oversubscribed.

Despite the loss of staff, and the inevitable strain this placed on our resources, our staff rose to the challenge and succeeded in maintaining service levels and met all operational targets in 2017-18.

Although the Agency continues to receive high volumes of calls to our Enquiry Point (over 17,600 in 2017-18), there has been a gradual reduction in caller traffic with increasing numbers preferring to access our information on line. Website activity has been relatively constant with over 75,000 downloads from our site while customers are also turning to other channels such as the Agency's App, launched in early 2017, with almost 2,700 downloads in the past year. The Agency is responding to this changing dynamic by developing new channels of access and our new Communications Strategy will have a very strong focus on raising awareness of the services we provide. We also plan to appoint a dedicated communications manager in 2018-19 to put fresh impetus into our promotional work.

Unfortunately, our reduced resources meant that we were constrained in the amount of work we were able to progress in terms of promoting the benefits of good employment relations (Strategic Theme 2), as we prioritised service delivery. However, the Agency is committed to allocating dedicated resource for this work to enable greater progress to be made in the year ahead.

The Agency supports the work of the Northern Ireland Employment Relations Roundtable, which is representative of all the main employer bodies and trade unions. A key challenge in the year ahead will be to work with the Roundtable and DfE to evidence and promote the economic and social return from good employment and industrial relations practice. We also hope to play a key role, with the Equality Commission, in promoting awareness of the Roundtable's Joint Declaration of Protection, which was launched in June 2017.

WHO WE ARE AND WHAT WE DO

The Agency is a publicly funded body established by the Industrial Relations (Northern Ireland) Order 1976, and continued by the Industrial Relations Order (Northern Ireland) 1992. We are independent of, but accountable to, the Department for the Economy.

The Agency is overseen by an independent Board, comprising members with business, trade union, employment law and academic backgrounds. Board members are public appointments, appointed by the Minister for the Economy.

We currently employ the equivalent of 55 full time staff who operate from two locations – our Headquarters in Belfast and a Regional Office in Derry/Londonderry. Our staffing cadre is expected increase during the year as we fill vacancies and prepare for the implementation of Early Conciliation. Our budget allocation for 2018-19 is £3,616k. We have a capital budget of £125k.

Services

The Agency provides a range of **advisory services** to promote good employment practice and advise employers and employees on their rights and responsibilities. These services include:

- **Enquiry Point** – this is a confidential advice line for employers and individuals, and their representatives.
- **Briefings, seminars, and workshops** – these are aimed at disseminating information and good practice on a range of employment issues and enhancing the employment relations skills of line managers.
- **Document reviews** – these provide commentary on an individual employer's employment documentation, including contracts of employment, to ensure legislative compliance and promote good practice.

The Agency also provides a range of confidential **dispute resolution** services designed to deal with problems that arise in the workplace. These include:

- **Conciliation** – this service seeks to find a mutually agreeable solution to a problem or disagreement where an individual has made, or could make, a claim to an employment tribunal.
- **Arbitration** – where a solution to a problem or disagreement to an individual dispute cannot be found, and the parties wish to avoid a tribunal, our arbitration service provides a quick, confidential, non-legalistic process to resolve the matter. Arbitration decisions, and remedies that flow from these, are legally enforceable in the same way as tribunal decisions.
- **Mediation** – this is an effective tool for restoring positive working relationships using a mediator to work with those in conflict or dispute to find a mutually agreed resolution to overcome their differences.
- **Collective Conciliation** – this service aims to help employers and trade unions resolve disputes.

Influencing employment relations policy

As well as being a service provider, the Agency has a key role in working with representative bodies of employers and employees to facilitate discussion and seek to influence strategic employment relations issues. These bodies include the Confederation of British Industry (CBI), Federation of Small Businesses (FSB), Chambers of Commerce, Institute of Directors (IoD), and the Northern Ireland Committee of the Irish Congress of Trade Unions (NIC-ICTU). We also work with all the main sectors, including the public, private, education and research, and voluntary and community sectors.

A major initiative in this field is the Agency's facilitation of the NI Employment Relations Roundtable which enables discussion and collaboration by key stakeholders on matters of public policy, skills and research.

OUR APPROACH TO THE BUSINESS PLAN

Drawing on the emerging Programme for Government and, in turn, Economy 2030: The Industrial Strategy for Northern Ireland, we have identified three strategic themes in our Corporate Plan for 2017-21 to guide our work. This Corporate Plan sets the framework for annual business plans. These strategic themes are:

- 1. Improving organisational performance and responding to the needs of individuals through expert employment relations advice and support** – this theme focuses on the delivery by our expert and knowledgeable staff of advisory and dispute resolution services to improve the performance of organisations and help create better workplaces for individuals.
- 2. Working with stakeholders and delivery partners to evidence and promote the economic and social return from good employment relations and shape public policy** – this theme focuses on working with others to undertake research and generate data on the value of positive and harmonious employment relations and to influence Government policy.

- 3. Optimising the contribution of staff and resources to deliver our statutory functions through effective leadership and governance practices** – through effective leadership and excellent governance arrangements we will make the best use of the resources available to the Agency to deliver our statutory role.

LINKS TO THE PROGRAMME FOR GOVERNMENT

As a public body, the Agency is committed to making a positive contribution to the delivery of the Programme for Government in its totality; however, for business planning purposes, our work has been referenced against the following PfG outcomes:

- ***We prosper through a strong, competitive, regionally balanced economy (PfG Outcome 1)*** – our advisory services promote greater employee engagement and job satisfaction resulting in higher productivity; our dispute resolution services provide the stability to grow a strong economy. A more cohesive labour market is more likely to attract organisations to invest in Northern Ireland, which is and is seen to be a good place to do business.
- ***We have a more equal society (PfG Outcome 3)*** – our advisory and dispute resolution services are delivered on a fair and equitable basis, promote greater co-operation, and develop harmonious, productive workplaces. Where disputes arise we help the parties to reach an agreed settlement to resolve these.
- ***We are an innovative, creative society, where people can fulfil their full potential (PfG Outcome 5)*** – our collaborative work with delivery partners contributes to the wellbeing of organisations and individual employees. The Agency continues to explore more innovative ways of reaching out to new and existing customers; our work with the public sector contributes to the delivery of more effective and efficient public services; and our work with small and medium enterprises (SMEs) enhances productivity and employee engagement.

- ***We have more people working in better jobs (PfG Outcome 6)*** – our work in developing the employment relations skills of line managers is critical. There is a strong link between effective line management and the health and wellbeing of employees and improved organisational performance. This results in greater levels of staff retention and a reduction in turnover within the labour market.
- ***We have created a place where people want to live and work, to visit and invest (PfG Outcome 10)*** – our work contributes to higher levels of productivity and harmonious industrial relations which encourage greater levels of investment in our economy, both in terms of indigenous companies and potential foreign direct investment (FDI).

OBJECTIVES AND ACTIONS FOR 2018-19

Strategic Theme 1: Improving organisational performance and responding to the needs of individuals through expert employment relations advice and support.

Strategic objectives

1.1 To provide effective guidance on employment relations issues to individuals and organisations.

Actions for 2018-19

- a) Deliver an Enquiry Point service with waiting times of less than one minute and a 'lost call' rate of less than 10%.
- b) Pilot live web chat with effect **from April 2018** and evaluate its effectiveness **by September 2018**.
- c) Deliver a range of good practice seminars and briefings to encourage legislative compliance and promote good practice with at least 75% of attendees being better equipped to deal with employment matters as a result.

- d) Deliver a 'document review' service with at least 50% of customers having amended documentation/systems as a result of Agency assistance.
- e) Deliver a good practice facilitation service in accordance with agreed operational guidelines.
- f) Work with key delivery partners on a range of signature projects.
- g) Support the Department for Communities in the development of an employment relations pilot project.

1.2 To help prevent and resolve individual and collective workplace employment disputes.

Actions for 2018-19

- a) Deliver an individual conciliation service with no more than 20% of individual rights claims subsequently dealt with by an employment tribunal.
- b) Deliver a collective conciliation service where there is a promotion of a settlement in 70% of reported collective disputes in which the Agency is involved.
- c) Deliver a mediation service where there is a promotion of a settlement in at least 70% of referrals accepted and where mediation takes place.
- d) Deliver an Arbitration and Independent Appeals Service that meets agreed performance standards.
- e) Undertake a review of the effectiveness of the Statutory Arbitration Scheme, in line with a timetable agreed with the Department for the Economy.

- f) Work with key delivery partners in line with agreed Memoranda of Understanding (MoUs).
- g) Ensure internal readiness for the introduction of Early Conciliation, in line with a timetable agreed with the Department for the Economy.

Strategic Theme 2: Working with stakeholders and delivery partners to evidence and promote the economic and social return from good employment relations and shape public policy.

Strategic objectives

2.1 To facilitate the work of the NI Employment Relations Roundtable to stimulate discussion and collaboration by key stakeholders on matters of public policy, skills and research.

Actions for 2018-19

- a) Develop, **by September 2018**, a campaign to promote the Joint Declaration for Protection (Dignity at Work/a Harmonious and Inclusive Working Environment).
- b) Organise and host, **by March 2019**, a major employment/industrial relations conference.
- c) Commence delivery, **by September 2018**, of an employment relations skills pilot.
- d) Provide opportunities for Government to have early engagement with key stakeholders on a range of policy proposals.

2.2 To develop and promote an Employment Relations Model for Northern Ireland.

Actions for 2018-19

- a. Consult, **by June 2018**, with the ILO on the development of a principles-based approach to ER/IR;
- b. Conduct, **by September 2018**, a literature review of international employment relations models;
- c. Identify, **by December 2018**, the key components of an Employment Relations Model for Northern Ireland for discussion with the ER Roundtable;
- d. Prepare, **by February 2019**, a draft Employment Relations Model for public consultation.

2.3 To review the mechanisms for evidencing the economic and social return from good employment and industrial relations practice.

Actions for 2018-19

- a) Work with DfE and research bodies to commission a research project to evidence the economic and social return from good employment and industrial relations practice – timetable to be determined by DfE.
- b) Commission joint research with Acas on the extent and nature of workplace conflict management practice across the UK, and publish a report with recommendations **by March 2019**.
- c) Discuss with Acas and the Workplace Relations Commission (WRC), **by December 2018**, a collaborative approach to measuring the social and economic impact of employment relations services.

- d) Review, **by December 2018**, the existing quantitative and qualitative arrangements for evaluating the Agency's employment relations services.

Strategic Theme 3: Optimising the contribution of staff and resources to deliver our statutory functions through effective leadership and governance practices.

This strategic theme is about enhancing capacity and capability to enable the Agency to more effectively contribute to the PfG outcomes listed above.

Strategic objectives

3.1 To ensure the effective development of Agency staff and systems to deliver our statutory functions.

Actions for 2018-19

- a) Implement, **from April 2018**, the new enhanced Case Management Records System (CMRS).
- b) Develop and implement, **from June 2018**, new corporate branding.
- c) Develop and implement, **from June 2018**, an active social media presence for the Agency.
- d) Re-develop, **by December 2018**, the Agency's website and LRA App.
- e) Retain, **by March 2018**, Investors in People Gold status.
- f) Complete, **by December 2018**, the current phase of organisational transformation.
- g) Achieve, **by March 2019**, the Customer Service Excellence Award.

3.2 To deliver excellent governance in the management of the Agency's resources in line with the requirements placed on public bodies.

Actions for 2018-19

- a) Achieve a budget outturn of 99%.
- b) Ensure, **from May 2018**, compliance with the General Data Protection Regulation (GDPR).
- c) Publish, **in August 2018**, the Agency's Annual Report and Accounts for 2017-18, certified without qualification by the Northern Ireland Audit Office.
- d) Agree a revised Management Statement and Financial Memorandum with the Department for the Economy in line with a timetable to be set by DfE.
- e) Induct new Board members in line with a timetable agreed with DfE.
- f) Secure, **by March 2019**, longer term accommodation arrangements for the Agency's Headquarters and Regional Office respectively.

RISKS

The Agency has comprehensive procedures in place for identifying and managing the risks that might prevent the achievements of the objectives contained in this Business Plan. Our Corporate Risk Register identifies the controls that are in place, and any further action that is being taken, to eliminate or manage down the likelihood of identified risks occurring and/or the impact of those risks should they materialise.

Risk management is incorporated into all of our business planning and decision making processes.

The key corporate risks that cut across the delivery of all of the Agency's objectives for 2018-19 are:

- **Relevance** – the Agency fails to adequately influence, or respond to, changes in the NI employment relations environment.
- **Reputation** – the Agency's reputation for the provision of high quality, independent and impartial employment relations services is undermined.
- **Funding**– the Agency fails to deliver its key corporate and business objectives due to budgetary constraints.
- **Infrastructure** – the Agency's infrastructure or systems fail to adequately support effective governance and efficient operations.
- **Staffing/Board** – the Agency encounters significant skill deficits and/or decrease in capacity among its staff and Board members.
- **Compliance** – the Agency fails to comply with all relevant legislation and governance requirements, or fails to fulfil its statutory functions.