



# **LABOUR RELATIONS AGENCY**

## **BUSINESS PLAN**

**2012/13**

## **INTRODUCTION**

This Business Plan sets out the work that the Labour Relations Agency (the Agency) will undertake during the 2012-13 financial year. The Plan covers the second performance year of the three year Agency Corporate Plan 2011-14.

## **DEVELOPMENTS 2011-12**

### **A Achievements**

During the performance year 2011-12 the following strategic objectives were met:

- 1 All relevant supporting documentation, launch, and promotional arrangements were in place to facilitate the enactment of the generic arbitration scheme from 11 April 2012.
- 2 The Agency has reviewed the pre-claim conciliation referral process.
- 3 A customer focus strategy was approved by the Board in November 2011.
- 4 A Public Relations strategy was approved by the Board in November 2011.
- 5 A framework for stakeholder engagement was in place by 31 March 2012.
- 6 Investors in People bronze status was awarded following a December 2011 assessment.
- 7 An employee engagement and recognition strategy was incorporated into the Agency Human Resources Strategy.
- 8 Memoranda of Understanding were submitted to OITFET and the Industrial Court with a view to agreement by 31 March 2012.
- 9 By 31 March 2012 a SROI project had been assessed for feasibility and was being prepared for tender.

### **B Outstanding Work**

There remains work to be carried forward into 2012-13:

- 1 The attainment of IS security accreditation
- 2 The replacement of the Individual Conciliation Management System.
- 3 The Implementation of the SROI project.

### **C Policy Agenda on Employment Law**

An announcement by the Westminster Business Secretary Vince Cable in November 2011 set out what may result in significant changes in employment law for Great Britain. In February 2012 the Agency held a seminar on the Coalition Government's proposals in order to promote debate around potential changes in Northern Ireland. The Westminster proposals instigated a debate in Northern Ireland. The issues raised by this debate have set a new agenda that the Agency is to address, from a strategic perspective, during 2012-13.

## **OVERVIEW**

From a strategic perspective this business plan addresses the work of the Agency in relation to:

1. The development of employment law and employment relations in Northern Ireland in light of changes in Great Britain.
2. The Department for Employment and Learning (DEL) Review of Workplace Dispute Resolution 2010.
3. The DEL Review of the Agency 2010.
4. Improving the delivery of Agency services on a value for money basis.

Throughout this coming year the Agency will continue to work in partnership with the social partners and key stakeholders in supporting employers, employees and their representatives in improving employment relations throughout Northern Ireland.

In line with the recommendations of the DEL Review of the Agency 2010 and the Agency's commitment to delivering value for money services we will continue to develop a more systemic approach to demonstrating the effectiveness, efficiency and economy achieved by the Agency.

## **STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS**

The strategic objectives requiring action 2012-13 are set out below. They derive from the Corporate Plan 2011-14 and the current debate on the further development of Northern Ireland employment law and employment relations. The Corporate Plan 2011-14 indicates a timeline for some of the 2011-14 activities. Where this is the case the timeline is highlighted.

## SERVICES

STRATEGIC OBJECTIVE	ACTION 2012-13
<p>1. By 31 March 2013 to have contributed to improving employment relations by influencing the future employment landscape of Northern Ireland.</p>	<p>1.1 Identify stakeholder strategic perspectives by following-up on the February 2012 Seminar.            1.2 Identify strategic issues.            1.3 Scope and research options for the strategic development of employment relations.            1.4 Determine an Agency strategic position.            1.5 Facilitate further stakeholder debate.            1.6 Promote the Agency's strategic perspective.            1.7 As required respond to Government consultations.</p>
<p>2. By 31 March 2013 to have launched 27 September 2012 and have an evaluation process in place for the Agency Generic Statutory Arbitration Scheme.</p>	<p>2.1 Launch the new scheme on 27 September 2012.            2.2 Implement promotional programme from 28 September 2012.            2.3 Undertake evaluation programme from the instigation of the first case.            2.4 Identify stakeholder attitudes to the Scheme.            2.5 Complete half year assessment 31 March 2013 and full year October 2013 evaluation reports.            2.6 Maintain and develop arbitrator and independent expert competency</p>
<p>3. By 31 December 2012 to have assessed the viability of providing an early neutral evaluation service.</p>	<p>3.1 Undertake research on early neutral evaluation.            3.2 Identify the risks and added value of a service.            3.3 Assess strategic options.            3.3 Assess operational costs and benefits.            3.4 Complete a viability report.</p>
<p>4. By 31 December 2012 to have demonstrated enhanced customer experience.</p>	<p>4.1 Introduce pilot impact assessment processes for individual conciliation.            4.2 To have assessed, demonstrated and improved the effectiveness of impact measures for Agency customer and internal services.            4.3 To have assessed the effectiveness of the customer focus programme.</p>

## SERVICE PERFORMANCE INDICATORS

### LRA Helpline

- a) The average Helpline waiting time is to be less than 1 minute 25 seconds.
- b) The Helpline lost call rate is to be less than 13%.
- c) The Level of Helpline customer satisfaction is to be no less than 75%.
- d) 70% of callers are to indicate that they took clear action following a call to the Helpline.

### Advisory Cases

- a) At least 75% of cases received are to be completed within 3 months of receipt.
- b) The level of customer satisfaction is to be no less than 75%.
- c) At least 60% of customers report that they amended documentation following Agency assistance.

### Good Practice Seminars

- a) The level of customer satisfaction is to be no less than 75%.
- b) At least 80% of delegates report that their learning requirements had been met.
- c) At least 70% of delegates report that attendance at a seminar resulted in them gaining the knowledge to review or change a policy, procedure or practice.
- d) At least 10% of delegates are to be from organisations who have not previously attended an Agency good practice seminar.

### Advisory Workshops

- a) The level of customer satisfaction is to be no less than 75%.
- b) At least 50% of attendees report that attendance at a workshop resulted in employment documents being introduced or amended.

### Good Employment Practice Projects

- a) The level of customer satisfaction is to be no less than 75%.
- b) At least 70% of managers and employee representatives report an improvement in employment relations following Agency intervention.

### Individual Conciliation

- a) The days saved deriving from no more than 20% of individual rights claims, excluding strike outs/insolvency, being heard at Tribunals.
- b) No less than 60% of pre claim referrals from the Helpline agree to conciliation within 3 months of receipt.

### Collective Conciliation

- a) Involvement of Agency in 70% of reported disputes.
- b) Promotion of a settlement in 70% of disputes in which the LRA is involved.

### Mediation

- a) Promotion of a settlement in 70% of mediation referrals to the LRA and where mediation takes place.

### Arbitration/Independent Appeal Hearings

- a) 80% of Arbitrations/Independent Appeal hearings undertaken within agreed timescales agreed in operational guidelines.

## PROMOTION

STRATEGIC OBJECTIVE	ACTION 2012-13
5. To meet the 2012-13 objectives of the public relations strategy by 31 March 2013.	5.1 Determine baseline levels of awareness of Agency through NIRSA Survey June 2012. 5.2 Hold annual LRA seminar. 5.3 Plan for a regional conference or series of seminars for 2012/2013.
6. To have in place a stakeholder engagement strategy by September 2012 and to have met the objectives to be achieved by 31 March 2013.	6.1 Canvass key stakeholders on draft strategy. 6.3 Agree programme of engagement. 6.4 Agree stakeholder participation. 6.5 Implement strategy. 6.6 Determine programme to bring international employment relations best practice to NI.

### PROMOTION PERFORMANCE INDICATORS

#### Utilisation of Agency Services

- a) A two percentage points rise in the utilisation of Agency Advisory services.

#### Awareness of the Agency

- a) 75% of surveyed clients/stakeholders reporting a greater degree of awareness of the Agency, it's services and publications.

#### Customer Base

- a) A two percentage points growth in our Advisory Services customer base.

#### Impact of Conference/Seminars

- a) At least 75% of conference/seminar delegates reporting that their thinking on employment relations had been influenced.

## PEOPLE

STRATEGIC OBJECTIVE	ACTION 2012-13
7. To have reviewed and revised performance management system by September 2012.	7.1 Carry out specific staff survey on requirements by 31 July 2012; 7.2 Write survey evaluation report August 2012; 7.3 Draft new process September 2012.
8. To meet objectives of employee engagement and recognition strategy set for 2012-13.	8.1 Consult with Union by April 2012; 8.2 Promote procedure with staff by May 2012; 8.3 Set up administration committee by July 2012; 8.4 Awards by December 2012.
9. To have in place by 31 March 2013 an action plan to achieve liP silver accreditation by November 2014	9.1 Review assessors report by April 2012; 9.2 Review liP Standard by June 2012; 9.3 Report SWOT analysis results by September 2012; 9.4 Draft action plan by November 2012; 9.5 Final action plan by March 2013.

## PEOPLE PERFORMANCE INDICATORS

<b>Staffing</b>
a) Percentage of staff reporting satisfaction in staff attitude surveys improves 10% on prior year results from 41% to 45%
b) Percentage of staff reporting satisfaction in stress risk assessments improves 10% on prior results
c) Sickness absence reduces each year by 5% of prior year out turn average (i.e. if 4% is prior year out turn average, then new target is 3.80%)

## RESOURCES AND ACCOUNTABILITY

STRATEGIC OBJECTIVE	ACTION 2012-13
10. Develop Agency corporate governance capability by 31 March 2013.	<p>10.1 Undertake review of Board capability in addressing corporate governance (by March 2013).</p> <p>10.2 To have reviewed and revised the following Corporate Governance documentation Management Statement: Financial Memorandum: Freedom of Information and Code of Best Practice for Board Members:</p> <p>10.3 To have reviewed and revised the following HR policies and procedures: Grievance; Redundancy; Anti Fraud; Bribery Act; Absence; Whistle-blowing.</p>
11. Demonstrate Agency value for money by 31 March 2014	<p>11.1 Implement VFM strategy.</p> <p>11.2 Determine the economic and social impact of Agency services by 31 March 2013.</p>
12. Enhance Agency performance and efficiency through the implementation of the IS strategy.	<p>12.3 To have assessed the benefits of IS Strategy by 31 March 2013.</p> <p>12.5 Attain IS security accreditation.</p> <p>12.6 Tender for replacement Individual Conciliation Management System.</p>

## RESOURCES AND ACCOUNTABILITY PERFORMANCE INDICATORS

<b>Finance</b>
a) Supplier payments are better than 95% within 30 days and 50% within 10 days
b) Bank balances at year end are fully covered by accruals and tangible commitments
<b>Audit</b>
a) At least "satisfactory" ratings in internal and external audit assurances
b) Full compliance recorded in stewardship statements (e.g. Permanent Secretary)
<b>IT</b>
a) 95% uptime within computer infrastructure
b) Successful annual test of IS Continuity Plan
c) Full compliance with standards / targets in IS Managed Services contract
<b>Facilities</b>
a) Percentage of staff reporting satisfaction in staff attitude surveys with regard to accommodation and facilities improves 10% on prior year results from 42% to 46%
b) No reportable accidents arise for inclusion in the Health and Safety Accident Book per annum



## RESOURCE MANAGEMENT 2012-13

DEL on 10 January 2011 published its consultative document on the 2011 to 2015 funding allocations. Following consultation the Agency was informed that there would be a significant fixed reduction in its baseline of £3,745k in each of the four years 2011-15. The reduction in the Agency's budget was confirmed as a reduction from £3,745k to £3,545k. The budget allocation, therefore, for the financial year 2012-13 is £3,545k. A profile of the estimated budget expenditure is provided at Table 1.

During the 2011-12 the Agency maintained a full staffing establishment. It is Agency policy to maintain this position during 2012-13. As at January 2012 the Agency employs 66.8 full time equivalent staff (see Table 2).

However, maintaining a full establishment and meeting our standing costs e.g. rent heating and lighting payments etc; means that any reduction in budget will fall on discretionary spend. The areas most likely to be significantly reduced in resource are as follows:

- Cover for maternity leave etc: resulting in either the redistribution of work or its delay or suspension.
- Cutbacks in General Administration: resulting in the reduction of, for example, public relations work. This may have an impact on our ability to promote Agency services and in particular alternative dispute resolution.
- Reduced expenditure on external staff training: this could jeopardise staff morale and our attainment of liP silver status.
- There are three major spend areas that over the next two year 2012-14 period and subject to budget performance, may require consideration of additional funding (1) the introduction of a new ICMS system (2) the IS Managed Services contract and (3) the holding of the LRA bi-annual conference:

New initiatives identified through the corporate plan 2011-14 are being implemented alongside normal ongoing operational processes and since opportunities for additional staffing resource will be very limited, in general terms, new initiatives will be progressed through:

- The SMT and Employment Relations Managers where there is some flexibility to reprioritise and select between different sets of work;
- Cross directorate working groups;
- Other staff; only where new methods of working arising from the business plan lead to efficiencies so that more can be achieved with less;
- External sources such as managed services, substitution for internal skills and as appropriate and where a clear need is identified, consultant support.

The Agency notes the difficult economic climate and the significant pressures placed on public sector funding. At the time of submission of this plan to DEL the Agency notes the dedication of £3,545K to its budget 2012-13. Should there be any changes to this allocation the Agency will take steps to review this business plan and related corporate plan.

**TABLE 1 EXPENDITURE BUDGET 2012-2013**

		<b>Revenue</b>	<b>Capital</b>
Salaries	£2,360,000	√	
Recruitment Agency Staff	£5,000	√	
Board Salaries	£75,000	√	
VFM measurement	£20,000	√	
General Admin	£370,000	√	
Training	£50,000	√	
Premises	£500,000	√	
IS Managed Services Support	£90,000	√	
Certification Office	£25,000	√	
Capital	£50,000		√
<b>TOTAL</b>	<b>£3,545,000</b>		

**TABLE 2 STAFFING 2012-13 Staffing Complement as at 1 April 2012**

<b>Post/Grade</b>	<b>LRA</b>	<b>Cert. Office</b>	<b>Total</b>
Chief Executive	1		1
Directors (Grade 7)	3		3
Employment Relations Managers (DP)	9.8	1	10.8
EROs, Finance Officer (SO)	22		22
EOI		1	1
EOIs	14	1	15
Clerical Officers (AO)	10	1	11
Typists (AA)	3		3
<b>TOTAL:</b>	<b>62.8</b>	<b>4</b>	<b>66.8</b>