

LABOUR RELATIONS AGENCY

BUSINESS PLAN FOR 2017-18
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.

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FOREWORD

This Business Plan implements the first year of the Labour Relations Agency new long term Corporate Plan. This Corporate Plan sets out a new vision and values for the Agency that seek to build on our success and reputation for delivering high quality services to promote good employment relations through three new strategic themes.

2017-18 will be a year of transition for the Agency as we first seek to reduce our costs through a Voluntary Exit Scheme to meet a reduced budget allocation, and then transform the organisation to deliver the Corporate Plan. A key challenge for this year will be to maintain the delivery of high quality services through the upheaval inevitable with the loss of valued colleagues under this Scheme. Given the commitment of our Board and staff, we have no doubt that we can achieve this.

Good employment relations are important. They help the mental and economic wellbeing of individuals and allow organisations to thrive. Furthermore, good employment relations provide the foundation for the competitiveness of our economy, and help ensure it grows through further investment because Northern Ireland is – and seen to be – a good place to do business.

Also, as can be seen from this plan, the Agency's work is important in helping to deliver a number of the outcomes set out in the Programme for Government and the Department for the Economy's Industrial Strategy.

We commend this plan to our customers and stakeholders.



Marie Mallon
Chairperson



Tom Evans
Chief Executive

THE PLANNING CONTEXT

The Agency had intended to develop and publish a new four year Corporate Plan that closely aligns with the Programme for Government. However, with discussions to restore the devolved administration ongoing; and the draft Programme for Government and Industrial Strategy still to receive Executive approval, our sponsoring Department (DfE) asked that we focus initially on a one-year operational plan for 2017-18. In developing this business plan the Agency's Board also sought to identify longer term planning objectives. As a result, a new vision and organisational values have been established, with business priorities now set against three strategic themes.

Our new Corporate Plan will also be structured around these three strategic themes. Following consultation with stakeholders the Agency's Corporate Plan will be submitted to DfE in the autumn for approval.

The current political hiatus has also delayed the implementation 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. We are hopeful that a Commencement Order to implement this new service will be enacted in 2017-18.

The Agency's budget for 2017-18 has been reduced by 2%. Compared to the 2016-17 outturn this represents a cut in real terms of approximately 6%. As a result, the Agency has decided to implement a Voluntary Exit Scheme. It is intended that the resulting savings from this will help offset the Agency's reduced budget for 2017-18 and also provide additional resources to enable organisational transformation in 2018-19 to deliver our new vision and strategic direction.

Demand for some of the Agency's services continued to grow during the past operational year. In 2016-17, there was a 25% rise in the number of individual conciliation cases received, and we experienced a 53% increase in the number of multiple disputes. Furthermore, a number of our seminars were oversubscribed.

While calls to our Enquiry Point fell by 6% to approximately 19,500 in 2016-17, the complexity of many of these calls has increased. In response to budget pressures and changing demands for our services, we are looking at more innovative ways of meeting customer needs. We are using the Customer Service Excellence framework as the basis for driving innovation and expect to introduce changes to the way in which our services are delivered during 2017-18 and beyond.

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 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.

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 employ around 70 staff who operate from two locations – our Headquarters in Belfast and a Regional Office in Derry/Londonderry.

Our budget allocation for 2017-18 is £3,616k; in addition, the Agency has been allocated £280k from the Public Sector Transformation Fund to operate a Voluntary Exit Scheme. We have a capital budget of £65k.

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 to guide our work for 2017-18. These 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 2017-18

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 2017-18:

- Deliver an Enquiry Point service with waiting times of less than one minute and a 'lost call' rate of less than 10%.
- 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.
- Deliver a 'document review' service with at least 50% of customers having amended documentation/systems as a result of Agency assistance.
- Deliver a good practice facilitation service in accordance with agreed operational guidelines.
- Work with key delivery partners on a range of signature projects.
- 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 2017-18:

- 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) Work with key delivery partners in line with agreed Memoranda of Understanding (MoUs).
- f) 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 2017-18

- a) Host, **by December 2017**, the Joint Declaration for Protection[Dignity at Work/a Harmonious and Inclusive Working Environment]
- b) Secure, **by March 2018**, stakeholder and Government support for a major employment/industrial relations conference in 2018-19.
- c) Develop, **by March 2018**, 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 2017-18

- a) Conduct, **by March 2018**, a literature review of international employment relations models.
- b) Identify, **by March 2018**, the key components of an Employment Relations Model for Northern Ireland for discussion with the ER Roundtable.

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

Actions for 2017-18

- 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) Discuss with Acas and the Workplace Relations Commission (WRC), **by March 2018**, a collaborative approach to measuring the social and economic impact of employment relations services.
- c) Review, **by March 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 2017-18:

- a) Develop, **by December 2017**, a People Strategy to support the delivery of the Corporate Plan for 2017-21.
- b) Develop, **by December 2017**, an Information Systems Strategy to support the delivery of the Corporate Plan for 2017-21.
- c) Develop, **by December 2017**, a Communications Strategy to support the delivery of the Corporate Plan for 2017-21.
- d) Develop, **by December 2017**, an action plan to achieve the Investors in People Platinum Standard by 2021.
- e) Develop, **by December 2017**, an action plan to achieve the Customer Service Excellence Award in 2018-19.
- f) Implement, **by March 2018**, a Voluntary Exit Scheme to help ensure the Agency can manage within its budget allocation for 2017-18 and provide resources for organisational transformation in 2018-19.
- g) Agree, **by March 2018**, proposals for a new organisational structure.
- h) Implement, **by March 2018**, Phase 2 of the development of the Case Management Records System (CMRS).

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 2017-18:

- a) Achieve a budget outturn of 98%.
- b) Develop, **by October 2017**, an action plan for managing budget pressures in 2017-18 and beyond.
- c) Submit to DfE, **by October 2017**, the Agency's Corporate Plan for 2017-21.
- d) Publish, **by October 2017**, the Agency's Annual Report and Accounts for 2016-17, certified without qualification by the Northern Ireland Audit Office.
- e) Agree a revised Management Statement and Financial Memorandum with the Department for the Economy in line with a timetable to be set by DfE.
- f) Implement, **from June 2017**, a revised Risk Management Framework.
- g) Develop and implement **from September 2017** a new Strategic Internal Audit Plan.
- h) Prepare an economic appraisal of the Agency's accommodation requirements following the expiry of its building leases in 2019 in line with a timetable agreed with the Strategic Investment Board and DfE.
- i) Induct new Board members in line with a timetable agreed with DfE.
- j) Develop, **by December 2017**, an action plan to ensure organisational readiness for the implementation of the General Data Protection Regulation (GDPR) in May 2018.
- k) Review and update, **by March 2018**, the Agency's Equality Scheme.

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 2017-18 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** – the Agency encounters significant skill deficits.
- **Compliance** – the Agency fails to comply with all relevant legislation and governance requirements, or fails to fulfil its statutory functions.