Human Resources Department 2006 – 2007 Workplan

Contents

Introduction

The Human Resources Department

The Human Resources Department has been in existence since HPC was first established. However, the past year has seen a number of significant changes in the Department's functions as a number of best practice procedures have been adopted and processes implemented and maintained.

This document explains the work priorities for the financial year April 2006 – March 2007. It details how the department will grow, continue working to ensure that best practice in human resources issues is achieved, and prepare HPC for the legislative changes which are anticipated over the next year.

The Human Resources Department's main responsibilities are:

- Co-ordinating recruitment, selection and induction for the organisation;

- Advising Management on human resources policies and procedures, and developing Management skills;

- Maintaining an awareness of legislative changes which affect employment and preparing HPC's response to relevant changes;

- Supporting employees and Management in the day-to-day running of their Departments;

- Consulting with employees on significant human resources issues and changes which affect their terms and conditions of employment;

- Liaising with the employee relations advisors for HPC (the Work Foundation) on best practices for all human resources issues;

- Ensuring that human resources issues are addressed with confidentiality maintained, with consistency across all Departments, and in a timely manner;

- Protecting HPC from any successful employment tribunal claims (as much as is possible) by ensuring that all human resources issues follow the necessary processes and are documented correctly;

- Addressing any workplace disputes in order to minimise the necessity for union activity or claims against HPC; and

- Promoting training and development for employees.

The workplan must incorporate an ability to respond to external factors. In particular, work will be needed in relation to HPC's reaction to key legislative changes throughout 2006/2007, restructuring of the Registration Departments, ongoing levels of recruitment which are a feature of start-up organisations, and a response to the recommendations of the Foster and Donaldson reviews. The potential implications of these reviews may well be significant for the Human Resources Department when implemented, particularly with the Transfer of Undertakings (Protection of Employment) Regulations 2006 (T.U.P.E.) being amended in a number of ways this year.

The nature of the issues that any Human Resources Department manages will also be subject to any "crisis" situations which occur as a result of unpredictable changes in the work environment. This may include the need for unanticipated disciplinary situations, personal circumstances of employees impacting on performance or attendance, changes in common case law decisions meaning that human resources policies and processes require modification, and patterns of resignations which are often unpredictable. It is important that the Departmental planning allows for timely responses to such unpredictable situations when they arise.

Priorities 2006 - 2007

The operational priorities of the department will be as follows:

Recruitment, Selection and Induction

Since April 2002 the HPC has grown from an organisation of approximately 36 full time employees to an organisation of 80 employees. Over the past year alone, permanent staffing levels have grown from 60 to 80, and this does not include contracts and temporary employee recruitment.

This growth level is high. At the same time positions are becoming increasingly specialised in areas such as policy and education. The Department needs to be able to meet the demands of maintaining high quality recruitment, attracting and retaining strong candidates, at a challenging pace, whilst also retaining the cultural fit outlined in the strategy document. There is also a high degree of forecasting of labour required which is difficult with an organisation which has been operating for a short time.

Policies and Processes

In early 2003 the HPC published an Employee Handbook to guide the organisation on human resources processes. As employment legislation (and common law precedents which are set) have led, and are anticipated to lead, to changes in these policies, and a high degree of adaptation will be required. This will include the development of management skills to accommodate such changes. Any changes to HPC employee policies requires a lengthy consultation with employees. Current issues that will need to be consulted upon include statutory grievance procedural changes, the anticipated discrimination legislation changes around age, and more tightened controls around sexual discrimination issues.

HPC Strategy: Internal

Introduction

The environment within which the HPC operates is one of rapid progression, in particular, from the perspective of managing the transition on employee related matters as the business grows from a small size to a medium size. As new Departments are established there is a significant level of human resources involvement assisting Management in establishing the skills and competencies required from their employees in both the short-term and in the long-term. This is particularly challenging for Departments that have doubled or tripled in size in terms of employee numbers over the past 12 month period.

The environment is also changing as a result of factors which include changes to legislation, changing requirements for recruitment of new posts, and to achieve current industry best practice.

Aim

The Human Resources Department aims to assist in HPC's ability to manage increasing demand for its services by assisting Managers to adapt the organisation, recruiting effectively, creating an attractive working environment in which employees are supported in working to a high standard, and facilitating employee's development and learning in order to assist their work.

The following part of the document details the projects that will be resourced over the coming financial year towards meeting this aim.

Projects for 2006 – 2007

Five projects will be undertaken in 2006/2007.

1. Training Needs Analysis

A revised performance review system was developed in late 2005 to include areas addressing training needs, career aspirations, and training needs analysis. The HPC will implement a new training needs analysis process from April 2006, including:

- Compiling the results of training arising from the performance reviews which were held organisation wide in February 2006;
- Conducting an analysis of further training needs which may be necessary from a legal perspective or best practice perspective;
- Assessing the areas for developing management skills required and incorporating these into the analysis;
- Developing the Human Resources Information System (Professional Personnel) to accommodate information resulting from the training needs analysis;
- Developing a training plan;
- Coordinating individual and overall organisation training in conjunction with Managers; and
- Analysing and monitoring the results of the training.

Timetable
Following the annual performance reviews in February/March 2006, training needs are currently being compiled. A full analysis is anticipated to be completed by the end of May 2006.

2. Recruitment Strategies

Keeping abreast of new recruitment is an ongoing challenge for the Department, with 15 new positions approved in the 2006/2007 budget. This is in addition to any vacancies created by resignations (the level of which is impossible to predict and can be guesstimated only on the basis of past statistics). As outlined in the strategy document, ensuring a strong cultural fit when recruiting new employees is of great importance.

The Human Resources Department currently uses a variety of advertising, sourcing and interviewing methods in order to source the best candidates based on merit for vacant positions. A range of improvements to the recruitment process will be implemented including:

- Updating and modifying the human resources forms used for recruitment and selection;
- Adopting best practice strategies used by professional customer service centres for Registration's Departmental recruitment in line with the Director of Operation's Strategy;
- Training for Managers as required on interviewing techniques; and
- Following the passing of changes in late 2005 to an employer's ability to check potential employee's histories, developing a formal criminal recording/checking process for new employees (and applying this to existing employees as appropriate)

Timetable
The timetable for recruitment is ongoing.

3. Developing the Human Resources Information System

The Human Resources Department purchased a human resources information system (Professional Personnel) in November 2004. Its current basic functionality is to be expanded to encompass:

- Training module;
- Annual leave module;
- Recruitment module;
- Race/ethnicity module;
- Intranet functions for Managers to check their employee's details; and
- Potentially, intranet functions for employees to check their own details.

Timetable
The timetable for the Human Resources Information System development is dependent on internal (IT availability) factors, and external factors (the ability of the External Support Team for Professional Personnel to supply training and advise on adjustments and functionalities). However, considering these variances, it is anticipated that the training module will be in use by May 2006, the race/ethnicity and recruitment modules by August 2006, the annual leave module by December 2006, and the intranet functions for Managers by March 2007. Employee access will be subject to budgetary considerations as a cost for this has not yet been estimated fully.

4. Employment Contracts

In November 2005, after several months of development and approval by the Finance and Resources Committee, new employment contracts were introduced for new employees only at HPC. These contracts have the advantage of containing current legal obligations, but also "spell out" the terms and conditions very clearly, which is beneficial to both parties for consistency and for clarification in the event of a dispute.

In 2006 our aim is to roll these contracts out to existing employees. This will need to be handled very carefully, with a lengthy period of consultation and human resources spending time with teams to explain the differences in the contracts (although no actual entitlements are changed). This is particularly with former CPSM employees who often have concerns under their Transfer of Undertakings (Protection of Employment) Regulations (T.U.P.E) arrangements which require interpretation and explanations by Human Resources.

Timetable
Consultations with employees are anticipated to commence in July 2006 and with a completion date of September 2006.

5. Exit Interviews and Statutory Grievance Procedures

Exit interviews conducted on a voluntary basis have now been operating at HPC for a period of one year. The next steps to be taken are an annual compilation of results for the Executive Management Team, agreement on how best to address the results, and the incorporation of the recently revised statutory grievance procedures into exit interviews. Following the introduction of the statutory grievance procedure in October 2004, one of the issues has been exactly what activates the grievance procedure, and there has been a raft of recent case decisions on this particular point.

To activate the statutory procedure an employee is required to write a statement of grievance to their employer, however, recent case law has confirmed that the employee does not have to use the work grievance procedure or refer to the statutory or any internal grievance procedure to activate the statutory procedure. A written letter or email from employee to employer alleging unfair treatment (such as discrimination, bullying, or harassment) is likely to constitute a grievance. The intention of the employee is irrelevant – it matters not whether the employee did or did not intend to raise a grievance. A third party can lodge a grievance on the employee's behalf. Most importantly, a letter of resignation may in some circumstance amount to a grievance letter (in one case the tribunal even found that a

request for flexible working amounted to a grievance letter). This has introduced the obligation to hear a grievance which may be raised in an exit interview, even after the employee has left the organisation.

The risk of failing to comply with the statutory grievance procedures is that, should successful employment tribunal proceedings be commenced by the employee, the tribunal has discretion to increase the level of compensation by up to 50%. Therefore it is important that Managers give careful consideration to all written "complaints" from employees, and if in doubt, acknowledge the receipt of the letter, ask whether the employee is raising a grievance, and take advice.

Timetable
The findings from the past year of exit interviews are being presented to EMT in a report in April 2006. Strategies for addressing these will be suggested by June 2006 with a timetable according to the needs/issues identified.

2007 – 2009

Ongoing reviews of the recently established systems in human resources will be required, with changes adopted where necessary. These include competency based performance review system, results and implementation of the training needs analysis, and support to employees during a time of restructure in the Registration Departments. As these processes have been operating for a period of a year or less, or at the most, three years, 2007 – 2009 will represent a period where they have been embedded for long enough to evaluate and improve.

Increasing the use of IT systems in Human Resources will be imperative in the later part of the workplan. As the number of employees increases the Human Resources Department will not be able to spend as much time with individual managers. In addition, the automatic production of an efficient system on all employee related statistics will become essential.

HPC Strategy: External

Introduction

The Human Resources Department's aim throughout 2006 is to respond swiftly and proactively in changes to employment legislation. As reflected in the strategy document, this year is a busy year in this regard, with an unprecedented number of legislative changes coming into effect during 2006 following lengthy periods of consultation in 2004 and 2005.

The following part of the document details the projects that will be resourced over the coming financial year towards meeting this aim.

Aim

The aim of the Human Resources Department is to finish incorporating any new legislative developments into its policies and procedures as quickly as possible, secondly to consult with employees where required about these changes in an open, transparent, and accountable manner with minimal anxiety to employees as a result.

This part of the document details the specific work that will be done over the coming financial year towards meeting this aim. Timetables have not been drafted at this stage and this is due to the fact that some dates are unavailable or the final changes remain unconfirmed.

Projects for 2006 – 2007

Eight specific legislative changes have been identified that will need to be addressed during 2006/2007.

1. Transfer of Undertakings (Protection of Employment) Regulations 2006 (T.U.P.E)

The Regulations update the Transfer of Undertakings (Protection of Employment) Regulations 1981. They provide more comprehensive coverage for service contracting operations such as cleaning, catering, security work and refuse collection; place a requirement on the transferor to notify the transferee of the employment liabilities that will be transferring; give more flexibility in the application of the Regulations in relation to the transfer of an insolvent business; and clarify the circumstances in which employers can make lawful transfer-related dismissals and negotiate transfer-related changes for 'economic, technical or organisational reasons'.

Depending on the recommendations made by the Foster review in particular, may also have an effect on taking on future employees.

2. Commission for Racial Equality's revised Code of Practice

The Code (which is due for revision on 6th April 2006) outlines employers' legal obligations under the Race Relations Act 1976, and contains general advice on developing policies to safeguard against discrimination and harassment.

Implications for HPC will be incorporating any developments into existing policies and strategies, in the context of the overall Equality and Diversity Project being undertaken by all Departments at HPC. Timing for this will be dependent on the project management of that role (a Project Manager is currently being recruited to manage this).

3. Working Time Regulations.

Working Time (Amendment) Regulations 2006 - the Regulations amend the Working Time Regulations 1998 by removing the exemption from limits on the maximum weekly working time in cases where a worker's working time was partly unmeasured or determined by the worker.

The Human Resources Department is currently evaluating the impact of this (if any) on HPC, and also examining whether it would be best practise to implement any other measures around employee working hours (and if so, what has working successfully for other organisations).

4. Occupational and Personal Pension Schemes

Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006 - the Regulations introduce a statutory requirement upon employers to consult with prospective and active members of pension schemes and their representatives before making major or significant changes to future pension arrangements. The Regulations initially apply to undertakings with 150 or more employees, and so at this stage the HPC will remain unaffected, however, this is a change which requires monitoring for future employee increases at HPC.

5. Employment Equality (Age) Regulations 2006.

Amendments to the above regulations are due to apply on 6th April 2006. The Regulations set a default retirement age of 65, but employers will be under a duty to consider requests to work beyond this age. Employers will only be able to set a retirement age below 65 if it can be shown to be appropriate and necessary. There will also be a review of the appropriateness of keeping a retirement age after five years.

The Human Resources Department (whilst already practising this) aim to incorporate this development more specifically in its Employee Handbook, advise employees on email and at team meetings of this change, and ensure there is a process for employees to make request to work beyond this age.

6. Statutory Dispute Resolution Procedures

Employment Act 2002 (Amendment) Order 2006
In December 2006 the Order extends the scope of the statutory dispute resolution procedures to include information and consultation representatives and representatives appointed under the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006.

HPC's Disciplinary and Grievance Procedures, including employee appeal processes, will require updating in accordance with this change and this information published to employees.

7. Flexible Working (Eligibility, Complaints and Remedies) (Amendment) Regulations

The Regulations amend the Flexible Working (Eligibility, Complaints and Remedies) Regulations 2002 to extend the right to request flexible working to carers of adults from 6 April 2007.

HPC currently has a comprehensive flexible working Policy which incorporates the Regulations and this will need to be updated in relation to the above amendment. The HPC Management Team will require training (which can be conducted in-house by the Human Resources Manager) on how to process such requests to ensure that all aspects of the regulations (which detail this process in great length and depth) are strictly adhered to.

8. Parts of the Disability Discrimination Act 2005

Finally, on 4th December 2006, provisions placing a general duty on public authorities in carrying out their functions to have due regard to the need to eliminate unlawful discrimination and harassment; promote equality of opportunity between disabled persons and other persons; and to take steps to take account of disabled persons' disabilities (even where this involves treating disabled persons more favourably than others) come into force.

This will not affect the practises that HPC currently undertakes as a matter of course in any case, as we are proactive already in this area (in accommodating people's needs for interviews, workstations upon commencement and so on), however, will have an effect on ensuring that these steps are explicitly stated in all documents and that Management receive any required training.

2007 - 2009

Employment law wise, there are proposed amendments relating to maternity leave in the Maternity and Parental Leave etc Regulations 1999. The amendments, which apply to employees with an expected week of childbirth on or after 1 April 2007, include removing the additional length of service qualifying condition for additional maternity leave, so that an employee who qualifies for ordinary maternity leave will also now qualify for additional maternity leave; and entitling an employer

to make 'reasonable contact' with an employee while she is on maternity leave. HPC's Policies and practices by Managers will need to change accordingly.

Most significantly for HPC, the obligations under the Information and Consultation of Employees Regulations 2004 are likely apply to HPC for the first time. The provisions of these regulations come into force over several years, depending on the size of the undertaking or business in questions/ The regulations come into force for undertakings with 50 or more employees, on 6th April 2008, for undertakings with 100 of more employees on 6th April 2007, and for undertakings with 150 employees or more, on 6th April 2005. To calculate the number of employees in an undertaking, this is averaged over a 12 month period and does not include subcontractors or temporary workers. Therefore the likely date of application for HPC is either 6th April 2007 or 6th April 2008 (depending on the pace recruitment for budgeted positions in 2007).

Once they become applicable to an undertaking, these Regulations commence when either employees make a request for negotiations to commence, or the employer gives notice of an intention to start the process. Upon receipt of such a request, or notice given, the negotiation of an information and consultation agreement must take place. The intention of the Regulations and the information and consultation is for employees to make their views known to management on commercial decisions that affect them, which can turn will make a major contribution to organisational performance and make a significant contribution to the quality of decision making. Under the Regulations, negotiations between employers and employees should last no longer than 6 months.

The Human Resources Department will spend 2006 research the precise nature of HPC's obligations under the Regulations and begin to formulate a plan of action to address these)and consider HPC's options available regarding the format and content of information and consultation agreements and the methods by which each is negotiated).