

Equality Impact Assessment – for consultation

Resolving Issues in HMRC including Bullying & Harassment

Contents

- 1 Introduction**
- 2 Introducing HM Revenue & Customs**
 - 2.1 Collecting
 - 2.2 Import and export
 - 2.3 Protecting
 - 2.4 Paying
 - 2.5 More on Tax Credits
 - 2.6 Border Responsibilities
 - 2.7 Statutory obligations
- 3 Equality Impact Assessment**
 - 3.1 Initial EQIA
 - 3.2 Full EQIA
 - 3.3 Results of initial EQIA
- 4 The Grievance procedures**
 - 4.1 The Formal Grievance Procedures
 - 4.2 The Standard 3 Step Procedure
 - 4.3 Modified Procedure
 - 4.4 Collective Grievances
- 5 The need for change**
- 6 Changes to the process for resolving Issues in HMRC**
 - 6.1 Routes to resolution
 - 6.2 Grievance Procedure
 - 6.3 Management Support
- 7. Bullying and Harassment Procedures**
 - 7.1 Informal action
 - 7.2 Initial review
 - 7.3 Options for managers
- 8 How the EQIA was carried out**
- 9. Details of the impacts identified, proposals and questions for consultation**
 - 9.1 Racial groups
 - 9.2 Disability
 - 9.3 Gender
 - 9.4 Age
 - 9.5 Marital Status
 - 9.6 With / without dependents
 - 9.7 Sexual Orientation
 - 9.7.1 Possible Impact & Mitigation
 - 9.8 Religion and Belief

9.9 Political opinion (NI only)
9.10 Impacts that may affect all groups

10 Test sites

11 Monitoring Arrangements
11.1 Statistics

12 How 'Resolving Issues' in HMRC promotes diversity
12.1 Training package

13 Consultation
13.1 Timeframe

Appendix 1 Resolving Issues in HMRC procedural flowchart

Appendix 2 Bullying & Harassment procedural flowchart

Appendix 3 Confidentiality clause

Appendix 4 Cabinet Office Criteria

Appendix 5 Grievance Appeals statistics 08/09

1. Introduction

This consultation document outlines changes to the HMRC internal procedures for 'Resolving issues' and dealing with Bullying and Harassment. The policy has the potential to impact on any HMRC employee but will not affect HMRC customers. ACAS guidelines have been taken into account.

During the EQIA process all internal stakeholders have been consulted including;

- Staff and managers
- Business & People Support Services (in-house welfare team)
- Mobile Advisors (HR Officers)
- Trade Unions
- A cross section of staff from across the business areas at all grades

No major impacts were identified for any particular group but a number of issues which have the potential to affect all diversity groups have been identified and addressed.

The purpose of this consultation document is to invite comments regarding the impacts found and to ask whether there are any other potential impacts that have not yet been identified. All responses will be investigated and where necessary changes to the procedures will be made.

Equality Impact Assessment for 'Resolving Issues in HMRC' including 'Bullying & Harassment'

2. Introducing HM Revenue and Customs (HMRC)

HM Revenue and Customs was formed on 18 April 2005 following the integration of two former Departments – Inland Revenue and HM Customs and Excise.

We collect the bulk of UK tax revenue; £457 billion in 2007/2008, and deal with over 40 million individual and corporate customers. We help to support millions of families and working people through the benefits and credits we administer; and we protect the country through our work at the frontiers.

2.1 Collecting:

- direct taxes like income tax and corporation tax
- capital taxes like capital gains tax and inheritance tax
- indirect taxes like Value Added Tax (VAT), excise duties (like duty on petrol and diesel, on tobacco and alcohol), stamp duty on property
- environmental taxes like air passenger duty, landfill tax on waste, and the climate change levy on business energy use, which aims to help the UK meet its commitment to reduce greenhouse gases
- National Insurance contributions from the self employed and employers on behalf of employees

2.2 Import and export (customs) controls of goods and services

2.3 Protecting:

The UK's borders. See 2.6

2.4 Paying:

- Child benefit and some other types of state support including the Child Trust Fund
- Tax Credits
- Enforcing the national minimum wage

2.5 More on Tax Credits

Tax Credits offer extra financial support to help with people's everyday costs - they are flexible and change whenever life changes. There are two types of tax credits - Child Tax Credit and Working Tax Credit.

Child Tax Credit is a payment created to support families, or individuals with at least one child or young person who they are responsible for.

Working Tax Credit provides added financial support for workers on a low income (whether employed or self-employed).

2.6 Border Responsibilities

Until the UK Border Agency (UKBA) was launched on 1 April 2008, HMRC held responsibility for protecting the UK's borders against illicit and harmful trade, including protecting against the illegal import or export of drugs, counterfeit or illicit alcohol and tobacco, and other illicit goods. Some of these responsibilities will pass to the UKBA, but we will retain our responsibility for the policy associated with collecting duties due at the frontier and protecting UK tax revenues, working with the new Agency to achieve this.

2.7 Statutory Obligations

Under the Northern Ireland Act 1998 all public bodies in carrying out their functions relating to Northern Ireland are required to have due regard to the need to promote equality of opportunity;

- between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- between men and women generally;
- between persons with a disability and persons without; and
- between persons with dependants and persons without.

In addition public authorities are required to have due regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

In addition in Great Britain under separate Race, Disability and Gender duties public authorities need to have due regard to the need to;

- promote equality of opportunity between people of different racial group, with and without a disability and men and women generally;
- eliminate unlawful discrimination between different racial groups, those with and without a disability and men and women generally (including transsexual people);
- promote good relations for people of different racial groups;
- encourage participation in public life by disabled people;
- promote positive attitudes towards disabled people; and
- eliminate harassment which is related to disability or gender (including transsexual people).

HMRC's approach to Equality Impact Assessments meets the statutory requirements set out above.

3 Equality Impact Assessment (EQIA)

EQIA is a two stage process that involves:

3.1 Initial EQIA– this is usually based on internal or external data that the HMRC already have or is easily obtainable. It can identify impacts, and determine whether a full EQIA is required.

3.2 Full Equality Impact Assessment – this is a more in-depth analysis of the activity and involves collecting and analysing all available data. This stage also includes production of a formal report for publication and consultation with internal and external stakeholders. The emphasis is on fully assessing the impact, putting in place mitigating measures and monitoring the outcomes.

3.3 Results of the initial EQIA

An initial EQIA of the policy showed that there were unlikely to be potential negative impacts associated with the new policy. However, due to the nature of this policy and the potential to impact on every member of the Department it was decided to carry out a full EQIA.

4 The Grievance Procedures

The grievance procedure allows the department to deal with problems or concerns staff may have about;

- their work;
- working conditions; or
- HMRC colleagues.

It does not replace or detract from a person's statutory rights under employment legislation.

Under the old procedure all grievances were dealt with as follows:

4.1 The formal grievance procedure

The grievance procedure was modelled on the provisions of the Employment Act 2002 (Dispute Resolution) Regulations 2004 which introduced a statutory grievance procedure.

It consisted of two elements:

- the standard procedure, which is followed in most cases; and
- the modified procedure.

4.2 The standard 3-step procedure

Step 1 The jobholder must raise the grievance with management in writing, preferably using the grievance form. Generally, the jobholder must submit the grievance to their manager, unless the grievance concerns their manager in which case they should send it to the manager's manager.

Step 2 The manager dealing with the grievance ('grievance manager') must invite the jobholder to a meeting to discuss the grievance as soon as possible, where the right of accompaniment will apply. The jobholder must take all reasonable steps to attend. Prior to the meeting the grievance manager may need to carry out fact-finding to establish the grounds of the grievance where this is unclear under Step 1. After the meeting the grievance manager must respond to the jobholder's grievance within a reasonable time and notify them of the right to appeal against the decision if they are not satisfied with it.

Step 3 If the jobholder wishes to appeal, they must advise the grievance manager that they want to appeal and send them their written appeal preferably on the appeal form. Normally their manager's manager (appeal manager) or an independent appeals panel will deal with the appeal. The appeal manager or panel will invite the jobholder to a meeting to discuss the appeal, where the right of accompaniment applies. The jobholder must take all reasonable steps to attend. After the meeting the appeal manager / independent panel must inform the jobholder of their decision in writing. This decision is final. However, as an additional safeguard, there is a procedure that allows a review of any appeal decision, but only on specific grounds.

4.3 The modified procedure

Where the jobholder had already left the Department, managers could use a modified 2 step procedure provided the employer and former employee agree in writing or where it is no longer practicable to use the standard procedure.

Step 1 The former employee had to set down in writing the grievance and the basis for it and send it to their former manager or, where the grievance related to a former manager, to the manager's manager.

Step 2 The manager dealing with the matter had to set out their response in writing and send it to the former employee within a reasonable time, normally 10 working days. This response was final.

4.4 Collective grievances

There may occasionally be circumstances where more than one person wants to raise the same grievance. Those who wished to bring the grievance could appoint or elect one of the group to act as their representative. Alternatively, if those wishing to raise the grievance agreed, it could be dealt with through discussions between the Unions and the Department.

5 The need for change

The previous grievance procedures ensured that all written complaints that had not been resolved informally were treated as a formal grievance and the procedures outlined above applied. This resulted in a large number of grievances relating to issues which could have been dealt with by local management. Cases were unnecessarily going through a formal and often time consuming procedure. A number of grievances were taking an unacceptable length of time to conclude. This resulted in negative impacts on both individuals and the business, often involving long term sick leave.

HMRC decided that the Grievance Procedure needed to be changed in order to deal with complaints more quickly and effectively and thus prevent large amounts of time being diverted from core business activities.

It was also recognised that the lack of reliable statistical data relating to grievances needed to be addressed, particularly in order to enable sufficient equality monitoring. Previous monitoring systems were unreliable and risked incorrectly highlighting a disproportionate impact for some groups. The new system looks to remedy this by improving data collection to enable early identification of equality issues.

6 New procedures for Resolving Issues in HMRC

HMRC policy is for managers in the business to deal with all complaints through management action as they have in depth knowledge of their work areas and are best placed to resolve issues, learn lessons and monitor future action.

The new guidance outlines matters for managers to consider in order to prevent problems arising in the first instance and to prevent the escalation of issues into complaints. This includes the use of mediation. Early intervention is seen as key to maintaining good staff relations and preventing the need for the submission of complaints and grievances.

6.1 Routes to resolution

If initial management action fails to prevent the submission of a written complaint, the manager will decide with the support of their HR Business Partner, the most appropriate way to deal with it.

There are 3 possible routes to resolution:

- 1) Complaints that involve issues of discrimination and/or have the potential to go to Employment Tribunal will be treated as grievances. These issues will be dealt with following the procedures set out in the Resolving Issues guidance and will involve a structured process with face to face fact finding meetings, possible use of specialist investigators and adherence to timescales
- 2) Issues which do not involve discrimination but possibly involve bullying or harassment will also follow a structured process laid down in the Bullying & Harassment guidance and will employ the use of specialist investigators.
- 3) Complaints which do not fall into the previous 2 categories will be dealt with as local management issues for which there is no structured procedure.

6.2 Grievance Procedure

To be accepted as a grievance a complaint must pass the 'Grievance Test' and must relate to one or more of the issues set out at Section 3 Employment Act 2008, Section 207A and Schedule A2 of the Trade Union and Labour Relations (Consolidation) Act 1992.

The issues covered include the following;

- Equality clauses and equal pay - pay disparity on grounds of sex;
- Sex discrimination - less favourable treatment & harassment on grounds of sex & victimisation;

- Race discrimination - less favourable treatment & harassment on grounds of race & victimisation;
- Disability discrimination - less favourable treatment & harassment on grounds of disability & victimisation;
- Religious discrimination - less favourable treatment & harassment on grounds of religion or belief & victimisation;
- Sexual orientation discrimination - less favourable treatment & harassment on grounds of sexual orientation & victimisation;
- Age discrimination - less favourable treatment & harassment on grounds of age & victimisation;
- Rights in relation to trade union membership and activities;
- Unauthorised deductions from wages and unauthorised payments - deductions made from an employee's salary, which are not allowed within the terms and conditions of employment, or the employee has not given written permission;
- Detriment in employment – In relation to one or more of the following;
 - undertaking jury service;
 - activities concerned with being a health and safety rep;
 - various rights relating to the Working Time Directive;
 - exercising various rights relating to being a trade union employee representative;
 - exercising legal entitlement for time off for studying or training
 - whistle blowing;
 - exercising legal entitlement for time off for family and domestic reasons;
 - exercising legal entitlement to request or take flexible working;
 - exercising various rights under the Tax Credits Act 2002.
- Unfair dismissal;
- Redundancy payments - right to a redundancy payment;
- Breach of Working Time Regulations;
- Breach of employment contract and termination - A breach of contract complaint is a complaint alleging the employer has not fulfilled a term of the employment contract. However, an employee cannot bring such a grievance if his/her employment has not been terminated;
- Political Opinion (Northern Ireland only).

6.3 Management Support

Managers will receive support from HR throughout the process including the support of trained specialist investigators where necessary. The focus remains on resolving the issues as quickly and effectively as possible.

The guidance provides information about how to manage the consequences of any investigation and how to tackle ongoing problems. The goal is to resolve any outstanding conflicts and to maintain and rebuild effective working relationships.

A flowchart outlining the full procedure can be found at **Appendix 1**.

7 Bullying & Harassment procedure

If the complaint does not contain allegations of equality discrimination but does involve bullying or harassment then the following procedures will apply:

7.1 Informal action.

If uninvited or unwelcome behaviour is experienced at work then an informal approach should initially be considered i.e. the perpetrator should be told that the behaviour is unwanted.

7.2 Initial review

If the above informal approach has failed or is deemed inappropriate the manager of the complainant (or alternative manager) should be made aware of these concerns. The manager will talk to the complainant and the other individual/s and focus on how problems can be resolved. If further advice is required or it is clear that an informal approach is not appropriate at this stage then the manager will contact the HR Business Partner Team (HRBPT).

The HRBPT will consider all the available information to hand and advise on the next course of action. If discrimination has been alleged the HRBPT will consult and seek advice from Employment Law Operations (ELO).

7.3 Options for managers

There are three options for managers to consider:

7.3.1 Management issues – there is no evidence of bullying and/or harassment but for example there are some relationship issues which require attention or a general message needs to be given to staff relating to appropriate behaviour.

The manager will deal with the matter, taking appropriate action with the aim of resolving the current issues and preventing problems in the future. The manager's aim will be to resolve matters by using a pragmatic, objective and impartial approach, this may include mediation.

7.3.2 Informal action as minor misconduct – there is no evidence of misconduct serious enough to amount to bullying and/or harassment but there is clear evidence of inappropriate behaviour which requires attention. If the manager determines that it is a matter of minor misconduct they may take direct action with the subject of the complaint or perhaps with the team as a whole.

7.3.3 Complaint requires further investigation – there is evidence of bullying and/or harassment.

If there appears to be a clear case to answer on the bullying or harassment complaint, the complaint will be referred for investigation by a trained specialist who will prepare a report for managers to act upon.

A flowchart outlining the full procedure can be found at **Appendix 2**.

8 How this EQIA has been carried out.

In order to gather information for this report the following actions have been taken:

- Cross-business stream Focus Groups in Newcastle, Manchester, Liverpool, London, Birmingham and Belfast.

Jobholders from all grades were asked to nominate themselves through their local HR Business Partner Teams (HRBP Teams) to attend the Focus Groups. The HRBP Teams provide a link between Employment Law Operations, who wrote the new guidance, and business areas. On average 15 people attended each Focus Group. A presentation of the new procedures was given followed by syndicate work to elicit the views of those in attendance on the impact the policy may have on staff in HMRC. Comments and themes arising from attendees' views and experiences have been included in this consultation document.

- Focus groups for the diversity network members. HMRC have a number of diversity networks who work with policy makers to ensure that all new policies comply with equal opportunities and diversity legislation and best practice.
- Meetings with Departmental Trade Unions' representatives
- Focus groups for Business & People Support Services Officers (the in-house management consultancy, staff welfare and mediation team) and HR Mobile Advisors who are responsible for providing HR advice to managers in complex cases

The total number of staff consulted on a face to face basis is approximately 180.

- Reviewed staff survey information
HMRC regularly carries out staff surveys to measure numerous matters including equality and diversity issues. Completion of the survey is voluntary. The results of these surveys are published on the Departmental intranet site and are accessible by all members of HMRC.
- Consulted HMRC's Diversity Team who provided advice and guidance on EQIA work.
- Reviewed EQIA results for other large organisations
- Tested the new Resolving Issues and Bullying & Harassment Policies in three key business areas over a 12 week period

9 Details of the impacts identified proposals and questions for consultation.

During the research for this EQIA a number of cross cutting impacts were identified that have a possible effect on many of the following groups. These have been included in a separate section below.

9.1 Racial Groups

Statistics taken from the diversity database as of December 2008.
Those declaring their ethnicity amount to 66.84% of HMRC population

Racial Group	% of those declaring ethnicity
White	86.86%
BME	6.82%
Choose not to declare	6.32%

No impacts specific to this group have so far been identified.

Proposal

We will monitor the impact on racial groups to see if the process affects some groups differently. See Section 11 for more details of proposed monitoring arrangements.

We will continue to work to increase declaration rates to enable more accurate monitoring. The Department has a strategy for increasing declaration rates detailed in our Diversity Delivery Plan which is published for all staff.

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

9.2 Disability

Statistics taken from the diversity database as of December 2008
Those declaring whether or not they are disabled amount to 47.82% of HMRC population

	% of those declaring whether or not they are disabled
Disabled	14.9%
Non-disabled	79.3%
Choose not to declare	5.8%

It was suggested during the workshops that reasonable adjustments would need to be made for staff during the process, for example additional time, guidance in different formats etc.

Mitigation

Any reasonable adjustment would form part of HMRC practice and would apply to all HMRC policies and practices. For this particular policy the ELO helpline will advise managers to make reasonable adjustments e.g. to give visually impaired staff more time if required.

Proposal

We will monitor the impact on disabled groups to see if there are any impacts or a disproportionate use of the process by some groups. Usage data will be compiled monthly and will be analysed for trends. See Section 11 for more details of proposed monitoring arrangements.

We will continue to work to increase declaration rates to enable more accurate monitoring. The Department has a strategy for increasing declaration rates detailed in our Diversity Delivery Plan which is published for all staff.

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

9.3 Gender

Statistics taken from the 2008 Staff Survey.

Female	56%
Male	44%
Transgender	no statistics available

No impacts specific to these groups have so far been identified.

Proposal

We will monitor the impact on male/female to see if there are any impacts or a disproportionate use of the process by some groups. No statistics will be available for transgender however we intend to further engage with the transgender network to identify and address any issues raised. Usage data will be compiled monthly and will be analysed for trends.

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

As we hold no statistics on transgender staff we would appreciate any advice on how we could monitor the impact on this group in addition to the action we have recommended.

9.4 Age

No impacts specific to this group have so far been identified.

Proposal

We will monitor the impact on people in different age categories to see if there are any impacts or a disproportionate use of the process by some groups. Usage data will be compiled monthly and will be analysed for trends.

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

9.5 Marital Status

HMRC collects data regarding marital status for superannuation purposes only.

No impacts specific to this group have so far been identified.

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

9.6 With / without dependants

Data regarding dependants is collected through the Staff Survey only.

35% of staff have responsibility for children
14% of staff have responsibility for an adult
48% have no caring responsibilities
3% preferred not to say

No impacts specific to this group have so far been identified however we will monitor via feedback received from the staff survey and any other feedback received via official routes. However when adhering to timescales laid out in the policy, account should be taken of any carer's responsibilities as would be the norm in administering other HMRC policies.

Proposal

When adhering to timescales laid out in the policy, account should be taken of any caring responsibilities.

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

9.7 Sexual Orientation

Until 1 October 2008 HMRC did not collect data relating to sexual orientation. As of December 2008 the Diversity Database has a declaration rate of only 12.24% for this category making it too small to provide a meaningful breakdown.

Staff did record their sexuality through the Staff Survey. Results for the 2008 survey are:

- 1% identify as bisexual
- 2% identify as a gay man or lesbian
- 84% identify as heterosexual
- 1% identify as other
- 12% prefer not to say

9.7.1 Possible Impact

Staff who wish to raise a complaint/grievance must notify their managers. For staff who do not wish for their managers to know about their sexuality this will be a barrier which may result in them feeling unable to address the issue.

Mitigation: Staff currently have access to Business & People Support Services (Future access to this facility will change and services will be provided through a new contract), TUS and the Diversity Networks. It is considered that these avenues of support should enable people to address issues in the way they feel most appropriate to their situation. It is impossible to investigate a complaint or grievance without providing details of the issue. Managers are required to treat information in confidence, to act professionally and within the HMRC behavioural framework at all times. We will monitor this impact via feedback received from the staff survey and any other feedback received via official routes

Are there any other possible impacts that have not been identified for this group?

9.8 Religion and Belief

Information regarding Community background is collected for Northern Ireland only.

- In Northern Ireland
- Protestant - 41.8%
- Roman Catholic - 52.2%
- Not Determined - 6.00%

For the UK information relating to religious belief is collected through the Staff Survey only.

Results from the 2008 survey show:

- 59% identify as Christian
- 1% as Hindu
- 1% as Muslim
- 1% as Sikh

2% other religions
25% as no religion
11% prefer not to say

It was noted that when adhering to timescales laid out in the policy, account should be taken of any religious holidays etc. as would be the norm in administering other HMRC policies.

As no statistics are maintained for religion apart from those people resident in Northern Ireland we are only able to monitor this through feedback received from the staff survey and any other feedback received via official routes.

Proposal

We recommend that the guidance makes clear that account should be taken of any religious holidays when adhering to timescales laid out in the policy.

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

9.9 Political Opinion (NI only)

HMRC do not hold data relating to Political Opinion.

During the initial consultation process for this EQIA no concerns were raised by staff regarding Political Opinion and the new procedures

Are there any impacts that have not been identified for this group and what action do you think we need to take to address them?

9.10 Impacts that may affect all groups

9.10.1 If members of staff are not sufficiently trained on the new procedures there is a danger that a manager may decide a complaint does not pass the Grievance Test when in fact it should. The staff member will have insufficient knowledge to challenge this decision. This could result in serious issues being overlooked.

Mitigation: A training package will be available to all staff. If a complaint does not pass the Grievance Test it will be dealt with by management action. The intention of the policy is not to ignore issues but to deal with them in the most appropriate and effective way. The Guidance about what constitutes a grievance is available to everyone and if a complaint is rejected as a grievance the staff member has a right of appeal.

9.10.2 Managers are not viewed as sufficiently trained in diversity to fully appreciate the issues around discrimination and Bullying & Harassment which could result in the Grievance Test not being applied appropriately.

Mitigation: The emphasis of the training package is on issues of diversity, equality and discrimination. In addition managers will have support from the Grievance Champions and in complex cases, Employment Law Operations. All Bullying & Harassment issues will be investigated by trained specialists. As above, the member of staff has the right to appeal.

9.10.3 Managers may not seek advice from HR, thinking they are aware of the issues involved in a grievance/complaint. The result could be that issues which should pass the Grievance Test will be treated as management issues.

Mitigation: All publicity, guidance and training materials encourage managers to seek advice from their HR Business Partner and Grievance Champions at an early stage and explain the risks of not applying the Grievance Test correctly.

9.10.4 The Guidance was seen as being written from the perspective of a manager and was not seen as 'user friendly' for staff who may wish to raise an issue. The tone of the guidance may put off staff from pursuing an issue and it was thought that this may be particularly so with some minority groups who may already have less confidence in Departmental systems.

Mitigation: Much of the guidance has now been rewritten. In addition all HR guidance has now undergone a rewrite and reorganisation which has changed the tone and flow of the guidance making it more user friendly and employing flowcharts to highlight processes. Although these changes have been well received, the impact of the changes will be reviewed during the Post Implementation Review (PIR) and any recommendations will be taken forward with a view to further improving the guidance.

9.10.5 One aim of the guidance is to reduce the number of grievances. This was seen as the wrong message to send to staff. HMRC should be

encouraging all staff and particularly staff from minorities to raise issues which affect them at work in order to improve Departmental systems and address areas of discrimination.

Mitigation: The guidance now encourages staff to raise issues with their manager and to work with them to resolve those issues at the earliest stage possible. The aim to reduce the number of grievances relates to the number of complaints that are dealt with through a formal procedure. Dealing with concerns and complaints outside of a structured procedure will reduce the time taken to deal with issues.

9.10.6 The issue of peer management and distance management is not sufficiently addressed in the guidance. This may particularly affect some minority groups who feel less able to challenge peers or who may find communication more difficult due to issues of disability, culture or confidence that their complaints will be dealt with properly.

Mitigation: The guidance now makes it clear that employees may approach their manager's manager in these instances. It has also clarified that individuals have access to departmental support systems such as Business and People Support Services (HMRC's in-house staff welfare team) and the Diversity Networks as well as Trade Unions.

10 Test Sites

The new 'Resolving Issues' and 'Bullying & Harassment' procedures were tested in 3 of the main business areas within HMRC, over the period 5th November 2008 until 30th January 2009. The business areas involved were; Customer Contact Directorate, Benefits & Credits and Debt Management & Banking. The total number of staff in these areas was 28,918, which made up 32% of HMRC's people.

As already stated HMRC had no definitive data on the number of grievances prior to the test because of insufficient data collection systems, therefore the potential number of grievances under the old system had to be estimated. This was done through the HR Business Partner network that has close links with the heads of each business area. An estimation of 500 was given as the number of grievances HMRC would have expected to have received from the business areas involved over the test period.

During the test, 15 of the 29 issues received passed the grievance test and were dealt with through the structured process. At the end of the test period the HR Business Partners who lead the tests stated that managers were starting to resolve issues more quickly and effectively through management action.

The numbers of grievances received were too small to make any conclusions from an equality perspective. Therefore equality monitoring will be an ongoing process as the procedures are implemented.

11 Monitoring Arrangements

11.1 Statistics

Until the introduction of the new Resolving Issues procedures there was no structured process in place to obtain statistical data on the number of Grievances within HMRC; the result being that the only reliable data held was that relating to Grievance Appeal Panels which are held centrally. The statistics for grievance appeals are held at Appendix 5. There is no indication from the statistics held that our grievance appeal procedures were discriminatory, however the numbers are too small to draw any meaningful conclusions.

This EQIA welcomes a newly implemented reporting system which involves all HR Business Partner Teams submitting a monthly report to Employment Law Operations containing information regarding the number of complaints submitted to the HR Business Partner Team which identifies;

- Cases that fail the Grievance Test and are dealt with as management issues and;
- cases that are accepted as a grievance;
- cases that are identified as Bullying and Harassment cases;
- type of grievances;
- the outcomes of grievances;
- the time taken to deal with a grievance;
- details of any appeal.

From this information it will be possible to obtain diversity data on race, gender, disability and age relating to grievances, and an analysis on the types of grievances we receive. The statistics produced also allow us to identify any potential discrimination issues with other HMRC policies which can be fed back to the relevant policy holders for action. We will be able to compare statistics received across business streams.

Proposal

We recommend that HMRC Employment Law Operations keep a central database showing:

- PID;
- Issue raised;
- Grievance test, pass or fail;
- Bullying and Harassment cases;
- Outcome;
- Appeal lodged;
- Appeal outcome.

This will enable reports to be produced which show;

- Numbers of grievances on each subject and bullying and harassment cases broken down by equality group – overall and by business;
- Length of time taken to deal with complaints;
- Numbers of appeals and outcomes on each subject broken down by equality group;
- Numbers of tribunals and outcomes broken down by equality group.

We recommend that analysis is carried out on the outcomes to highlight any equality issues and ensure that they are addressed.

For those areas where HMRC does not hold quantitative data e.g. sexual orientation we recommend that the processes are monitored via feedback from the staff networks, Business and People Support Services and the staff survey.

Robust monitoring and analysis of data will also enable HMRC to meet our obligations under the HMRC Equality Schemes and Employment Duty Reports.

The policy and procedure will be reviewed after it has been in operation for a period of 12 months. This review will encompass the gathering and analysis of statistics.

We welcome feedback on the proposed monitoring actions and any others that you think would be essential to ensuring equality of the processes.

12 How “Resolving Issues” in HMRC promotes diversity

12.1 Training package

There is a comprehensive training package to accompany the Resolving Issues guidance which has been used to promote equality wherever possible. Diversity and equality are considered in all aspects of the training including; scenarios, information relating to definitions of discrimination, diversity, and equality, descriptions and explanations relating to equality legislation. The risks to individuals and the Department of not dealing correctly with issues of discrimination are highlighted. There is discussion about the effects of bullying and harassment as well as definitions and explanations of the terms bullying and harassment.

Over 1000 key members of staff have already been trained through classroom based training. This training has involved 3 courses;

- Resolving Problems – identifying and resolving grievances and bullying and harassment;
- Resolving Problems, master classes for managers;
- Grievance/Bullying and Harassment specialist investigator training.

There will be a continuing programme of face to face training. A computer based training package is also being developed and will be available to all staff throughout the Department.

13 Consultation

As part of this impact assessment, HMRC have considered it essential that as many people as possible are consulted on equality aspects of the Resolving Issues Guidance in order to:

- be aware of their views and opinions;
- identify potential risks and issues;
- identify potential opportunities that have not yet been recognised;
- gather ideas and suggestions for how best to implement the changes.

To maximise the consultation process we will continue to involve TUS and staff networks. We aim to make this consultation document available to as many parties as possible e.g. in line with our obligations under our NI Equality Scheme we will be contacting specific Northern Ireland organisations to make them aware of our consultation exercise.

In conducting this consultation exercise, HMRC is building on the experience of consulting with a range of stakeholders and would welcome further feedback about the consultation process itself and how it could be improved.

13.1 Timeframe

The consultation will take place over a minimum of 12 weeks from the date of publication. The responses received during this consultation and any information or data that becomes available or is drawn to HMRC's attention will be used to inform work to improve the equality of the Resolving Issues and Bullying and Harassment procedures.

Following consultation and feasibility work, recommendations will be made to HMRC's Senior Management Team (SMT). Work to implement improvements will begin as soon as they have been agreed.

An analysis of the responses received and any information or data that becomes available or is drawn to HMRC's attention will be used during the feasibility stage to inform the decisions. Please note that it will not be possible to answer questions as part of the process or to deal with issues relating to particular individuals.

A report and summary of responses received will be published and made available on the HMRC website.

If you require this consultation document in any alternative format(s) please contact Christine Denny below.

The closing date for responses is 31 December 09
Responses should be sent to:

**Christine Denny
HM Revenue and Customs**

**Employment Law Operations
4th Floor Albert Bridge House
1 Bridge Street
Manchester
M60 9AF
0161 220 1228**

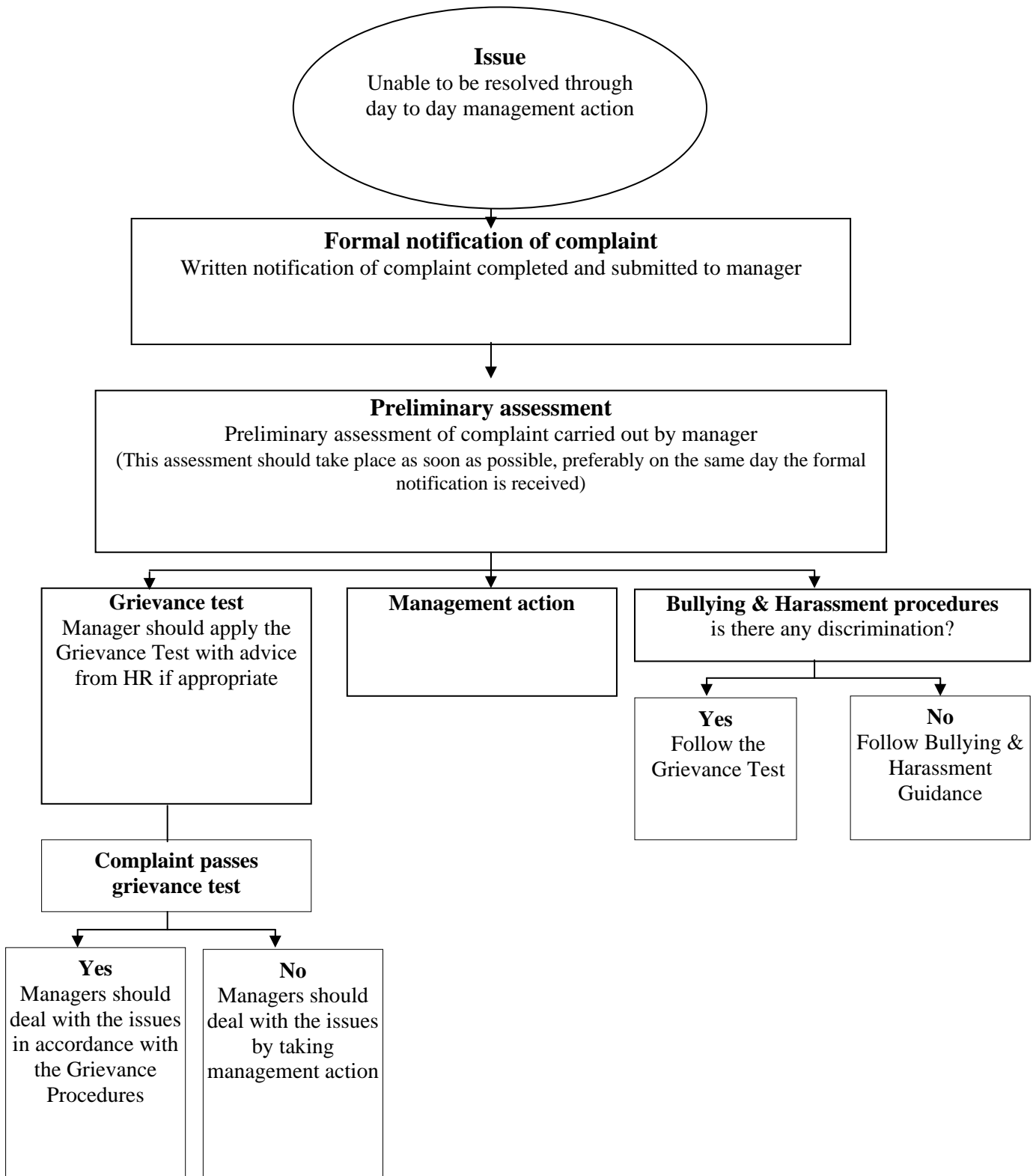
Telephone:

E-mail:

Christine.denny@hmrc.gsi.gov.uk

Appendix 1

Resolving Issues in HMRC



Appendix 2

Bullying & Harassment Procedures

Bullying Complaint
Individuals should discuss complaints of bullying or harassment with their manager (or a suitable alternative manager if, for example, the complaint is about their manager) at the earliest opportunity.



Immediate Management Action
The manager should have a face to face discussion with the complainant as soon as possible (normally the same day). The purpose of this discussion is to gather more information and to enable the manager to assess what remedial action they need to take to manage the immediate situation.
In all cases managers must take immediate action to ensure that they fulfil their duty of care obligations. This may include making temporary changes, such as moving individuals, whilst the complaint is reviewed. Managers must ensure that they demonstrate that they are taking the complaint seriously.



Refer to HR
Managers must discuss the complaint and the information gathered with their HR Business Partner Team (HRBPT) who will advise on the next course of action.



Investigation of bullying or harassment complaint
If the complaint is identified as a bullying or harassment complaint then it must be referred by the HRBPT to specialist investigators. The investigators will interview all parties, prepare an investigation report and make recommendations for further action.



Informal action as minor misconduct
Further information obtained by manager via interview of all relevant parties, manager decides appropriate way forward.



Management Issues
If the complaint does not constitute bullying or harassment, then the complaint will be dealt with as a management issue. If any new information comes to light that has not already been presented then the manager can refer back to the HRBPT.



Review of investigation report
The HR investigation sponsor will impartially review the investigation report including the findings/conclusions and **decide** on one of 3 potential courses of action.



No case to answer
The HR sponsor will refer the case back to local management as a management issue for appropriate action, with the aim of resolving matters and restoring good working relations. Who is the HR sponsor??



Misconduct or Gross Misconduct
If the HRBPT concludes the case amounts to potential misconduct or gross misconduct they will refer the case to Internal Governance. An independent sponsor from Internal Governance will either:

- Decide no disciplinary action is required.
- Return the case to the manager as a level 1 misconduct
- Serve an allegation of gross misconduct on the subject of the complaint



Discrimination
If the HR sponsor concludes the evidence indicates discrimination the case will be referred to HR to Employment Operations for specialist advice.

Appendix 3

Confidentiality clause

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the DPA and in the majority of circumstances; this will mean that your personal data will not be disclosed to third parties.

Any queries regarding this should be sent to Christine Denny who will ensure you receive a response,

**Christine Denny
HM Revenue and Customs
Employment Law Operations
4th Floor Albert Bridge House
1 Bridge Street
Manchester
M60 9AF**

Telephone: **0161 220 1228**

E-mail: **Christine.denny@hmrc.gsi.gov.uk**

Appendix 4

This consultation has been carried out using the Cabinet Office six consultation criteria, which are:

1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.
2. Be clear about what your proposals are, who may be affected, what questions are being asked and the timescale for responses.
3. Ensure that your consultation is clear, concise and widely accessible.
4. Give feedback regarding the responses received and how the consultation process influenced the policy.
5. Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-coordinator.
6. Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.

Full details can be found at:

www.cabinet-office.gov.uk/regulation/Consultation/Code.htm,

Appendix 5

Grievance Appeal outcomes 08/09

Ethnicity	Staff in Post 1 April 2009	Grievance Appeals	Appeals Not Upheld	Appeals Partially Upheld	Appeals Upheld	Appeals Withdrawn	Appeals Returned to Business	Appeals Still Open
Total White	54181	125	48	11	19	13	4	30
	92.57%	89.29%	92.31%	91.67%	76.00%	92.86%	100.00%	90.91%
Total BME	4350	15	4	1	6	1		3
	7.43%	10.71%	7.69%	8.33%	24.00%	7.14%	0.00%	9.09%
Totals	58531	140	52	12	25	14	4	33
	100%	100%	100%	100%	100%	100%	100%	100%

BME staff accounted for 10.71% of grievance appeals in comparison to making up 7.43% of total staff numbers.

24% of appeals made by BME staff were upheld compared to 10.71% of appeals lodged

76% of appeals made by white staff were upheld compared to 88.29% of appeals lodged