

**HM Revenue & Customs**  
**Equality Impact Assessment for Consultation**  
**The Talent Management Programme**

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### **Section 1: Executive Summary**

#### **What is an Equality Impact Assessment (EQIA)?**

EQIA is one of the ways in which HM Revenue & Customs (HMRC) ensures that it meets its statutory obligation to provide equality of opportunity. It is a process which enables us to involve our staff and customers in the formation of our policies on particular issues to assess their impact on our customers.

We want to examine all available evidence and consult with all interested stakeholders to:

- actively apply HMRC's strong diversity and equality policies and commitment to promoting equality
- comply with our legal requirements on equality
- avoid the risk of costs, to people and financially, of discrimination complaints by identifying actual and potential inequalities and taking action to remove or mitigate against them.

This EQIA will give full consideration to people of different: race, disability status, gender, age, marital status, sexual orientation, religion or belief, political opinion (Northern Ireland only), people with and without dependants.

## **What is Talent Management?**

Talent Management is about enhancing leadership capability across HMRC, covering technical and professional as well as operational delivery, policy delivery and corporate service areas.

HMRC is investing centrally in a small number of high performing Grades 6 and 7, the grades immediately below Senior Civil Service (SCS), that are judged as having a high potential to perform well in the SCS in the future. We aim to develop in them the knowledge, understanding, skills and experience to enable them to operate effectively at SCS level. A second wider group with SCS potential is being developed within business units rather than centrally. More effective talent management is required at all levels and HMRC needs to move to a position where our leaders and managers invest more time in the identification and development of talent. For those identified as having potential we need to accelerate their exposure to real business delivery challenges to condition them for more senior roles in due course. In doing so we will be recognising that talent is a HMRC resource and as with other resources it needs to be managed effectively for business benefit.

## **Why are we consulting?**

We are consulting on this EQIA of the Talent Management Programme to enhance the final assessment and ensure that our final recommendations takes into account a wide range of views on the subject.

This work supports our aims under the Civil Service Diversity and Equality Strategy which aims to have talented people from the widest range of backgrounds joining and progressing through the Civil Service. It is also part of the process to ensure that we meet our legal obligations.

Women, ethnic minorities and disabled people are identified as under-represented at SCS level. Directors and SCS, plus all managers, already have responsibility to address diversity issues. We know that progress towards diversity targets is being made, but slowly. Slow progress reflects long retention time and the inherent lag in the system.

## **Who is this EQIA aimed at?**

The main focus of this EQIA is on customers who are interested in the future leadership of HMRC, future recruits to the Department and serving members of the Department. We are looking for comments from members of these groups and anyone else with an interest.

## **What issues/impacts have been identified?**

We have not identified any negative impacts in terms of religion or belief, transgender, sexual orientation, marital status, or political opinion (in Northern Ireland).

However our earlier consultation with Directors, Human Resource Business Partners, our Diversity Networks and later research have identified some possible issues and impacts as below with regard to racial groups, age, disability, gender, and people with/without dependants. This EQIA sets out these impacts along with the arrangements that have been applied (or are planned) to mitigate them, where appropriate.

## **Racial Groups:**

Our analysis of data shows Ethnic minorities are under-represented in the SCS, HMRC has a particular commitment to increasing the opportunities for ethnic minority staff to reach SCS. We are pleased to note that the representation of ethnic minority staff in the national and local talent pools is closer to the HMRC eligible population.

It seems that there are no direct observed impacts for people of different racial groups, but the scheme is new and stats need to be improved and continually monitored.

Our Departmental guidance for Talent Management includes a section to advise on the importance of our diversity strategy.

### **Disability, Gender, people with and without dependants**

Initial feedback has indicated that people may be put off by:

- the location of posts,
- the mobility required,
- the perceived long hours culture.

We considered that this would have a particular impact on people with a disability, women as the primary carers and more generally people with dependants

### **Age:**

Our statistics for age on the talent management programme indicate that staff under the age of 50 are more likely to be nominated for the talent pools whereas the makeup of the eligible Grades 6 and 7 pool is 47% staff over the age of 50.

There may be several reasons for this trend and we are committed to ensuring that there are no unfair barriers for older staff. Age is not considered at the application stage. We are interested in potential which is not a factor of experience.

### **What will we do to try to ensure equality of opportunity?**

We will monitor the underlying Grade 6/7 population and compare them with those selected for talent pools. This process is business driven and involves managers at all levels so we will need to raise relevant issues with Directors and their teams

Where complaints are received we will review the process and the policy.

**What are our proposed actions:** This EQIA is concerned with the National Talent Pool. Any lessons learnt will be shared with the Local Talent Pools to ensure that their arrangements are in line with the National Talent Pool. In particular we propose the following action:-

1. HMRC continues to monitor the talent management programme with reference to its impact on gender, disability, age, race using data available on internal management information systems.
2. HMRC improves the level of self declaration from staff on race and disability to assist in obtaining statistically valid statistics for analysis. The department has developed a communication strategy to increase the percentage of employees who voluntarily disclose this information. This strategy reassures regarding individual anonymity and explains why disclosure of this data is important. This year disclosure increased to approx 68% for race

3. HMRC to continue to develop a database of information provided by participants in the talent pool and will add to this as we evaluate our processes and monitor individual progress. The system captures information at the application stage and enables the tracking of people's progress as they go through the programme
4. Talent programme to continue to reinforce HMRC Diversity policies and remind all stakeholders from Directors to Grade 6/7 of their obligations. This includes avoiding bias whilst encouraging the taking of risks regarding talent investment.
5. Age data for the national G6/7 talent pool shows a peak in the 30-39 group, but in the underlying population nearly half the staff are over 50. Whilst this may be understandable in the context of the talent programme we will continue to monitor any trends that may emerge and consult to ensure that selection into the national talent pool is based on merit and not on age.
6. To address concerns about location of posts, mobility, long-hours culture and work life balance,. HMRC to amend the guidance to staff on our intranet pages, expand the Frequently Asked Questions (FAQ's) and clarify the way in which we broker posts for pool members. At the initial stakeholder consultation this was a key area to be improved.
7. HMRC to share learning across other development & recruitment schemes to promote talent management to all grades. Any outcomes of this EQIA will be reviewed and we will work with the HR Directors and others to promote opportunities for improving equality.

### **How will the consultation work? See also Section 5**

Consultation is an important part of the EQIA process and is ongoing to help develop the decisions to be made. We welcome any comments you may have about this EQIA and the preliminary recommendations we have made regarding equality impacts and actions we have proposed to mitigate any adverse impact and promote equality of opportunity.

A questionnaire is published in Appendix G. to assist in providing feedback.

**The period of the consultation will be not less than 12 weeks and will close on 18<sup>th</sup> September 2009.**

The feedback will be used to enhance the final report

### **How to get the full consultation report**

Contact points for:

- feedback on the recommendations and proposals
- complaints and comments relating to the process
- obtaining copies of the report in different formats

HMRC  
Talent Management EQIA  
Mowbray House  
Castle Meadow Road  
NOTTINGHAM  
NG2 1BE

Telephone 0115 974 0457  
FAX 0115 974 0194  
Email address: [peter.deas@hmrc.gsi.gov.uk](mailto:peter.deas@hmrc.gsi.gov.uk)

The final report will be published within 12 weeks of the close of the consultation process.

Confidentiality clauses are contained in the full consultation report see Appendix F

## **Section 2. Introducing HM Revenue & Customs (HMRC)**

HM Revenue & 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.

### **Taxes administered**

We are responsible for administering:

- Income Tax
- Corporation Tax
- Value Added Tax
- National Insurance contributions
- Excise duties on alcohol, tobacco, fuels and gambling
- Customs duties
- Environmental taxes – Climate Change Levy, Aggregates Levy, Landfill Tax and Air Passenger Duty
- Insurance Premium Tax
- Capital Gains Tax
- Petroleum Revenue Tax
- Inheritance Tax
- Stamp duty on property transactions (Stamp Duty Land Tax) and shares (Stamp Duty and Stamp Duty Reserve Tax)

### **Entitlements distributed**

We are responsible for paying and administering:

- Tax credits – Child Tax Credit and Working Tax Credit
- Child Benefit
- Child Trust Fund endowments

## **Other responsibilities**

We are also responsible for:

- Enforcing the National Minimum Wage
- Administering the collection of student loans on behalf of the Department for Innovation, Universities and Skills
- Supervising money service businesses, trust or company service providers, accountancy service providers and dealers in high value goods to ensure that they comply with the Money Laundering Regulations
- The operation of the Office of the Paymaster General
- The creation of the Government Banking Service
- Developing [businesslink.gov.uk](http://businesslink.gov.uk) to become the primary online source of government help and support for businesses

We also act as a law enforcement agency with responsibility for reducing the tax gap, deterring non-compliant activity and identifying, dismantling and disrupting criminal attacks on our tax system.

## **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.

## **Section 3. Statutory Obligations of HMRC**

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 GB 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/transgender 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 Assessment meets the statutory requirements set out above.

### **3.1 HMRC Approach to Meeting the Promotion of Good Relations Duty**

HMRC recognises its responsibility to promote good relations in carrying out its activities. This is a key element of our equality screening and EQIA process and we have a positive strategic aim to:

- maintain the strong senior leadership and commitment shown by our Chairman and senior managers in promoting and championing the Equality agenda
- improve the working environment for everyone, so that our employees feel secure, protected from any form of inequality
- promote positive attitudes towards people in different groups through understanding and respect
- make information and guidance available to all areas of the community and make consultation and feedback processes open to all
- promote acceptance of sharing common values and responsibilities,
- interacting with groups of people to achieve common goals and contribute towards community cohesion.

## **Section 4. Background to Equality Impact Assessment**

This EQIA has been commissioned within the context of HMRC's Equality Schemes and HMRC's policy on Equality Impact Assessments. HMRC is adopting a 'future-proofed' approach to EQIA across its business operations, with each EQIA addressing the impact of new and existing policy on a range of diverse groups as required by Northern Ireland legislation. This approach exceeds the current legislative requirements in Great Britain. The groups that are specifically in-scope are related to: Racial Group, Disability, Gender (including transsexual/transgender), Age, Marital Status, Persons with/without dependants, Sexual Orientation, Religion and Belief and (in Northern Ireland only) Political Opinion.

Each policy undergoes an initial screening which is included at Appendix D. This initial procedure determines the policies that require a full consultation.

## **Section 5. Consultation**

Consultation is an important part of the EQIA process and is ongoing to help develop the decisions to be made. We welcome any comments you may have about this EQIA and the preliminary recommendations we make regarding equality impacts and actions we propose to mitigate any adverse impact.

See Appendix G for our questionnaire.

## **Section 6. Talent management programme**

### **6.1 Requirement to identify talent**

The skills required to be effective at SCS are significantly different from those employed at Grade 6/7, so to better prepare individuals for a future in the SCS individual development needs to cover knowledge and understanding, skills development and conditioning for future SCS leadership roles. Most of this development will come from exposure to challenging job experiences. The L&T (Leadership and Talent) team are notified of specific jobs and liaise directly with Business Partners to consider developmental and challenging roles.

The HMRC Talent Management programme has been developing since 2006. Following the production of guidance and policy, local talent pools have been formed in many Business Units and the first National Talent Pool started with 16 members in 2007. The second National Talent Pool that launched in 2008 added 32 members and a further 10 joined in 2009.

#### **How the talent pool process works**

#### **Grade 6 and 7 Talent Management: The process of identification, nomination and selection**

There are 3 key stages in the talent management process of identification and nomination, each of which is expanded on below.

##### **Stage 1 – Identification by managers/SCS managers**

The SCS manager will work with the individual to develop a profile of the individual.

##### **Stage 2 - Local Talent Forums (LTF) and Director's nominations**

Directors are responsible for the LTF and decide who to nominate to the national talent forum (NTF) and who to develop locally in a local talent pool.

##### **Stage 3 – National Talent Forum and selection**

The National Talent Forum is a panel chaired by a Senior manager for the People Function, with a membership drawn primarily from Directors plus a senior business partner. They will select those to be invited to join the national talent pool.

#### **Development within the talent pools**

##### **Local Talent Pools**

Staff are invited by the Business Units to apply for their local talent pools at regular intervals. Applicants assess themselves against specific criteria (see Appendix B)

A Local Talent Pool panel of Directors considers the applications.

### **National Talent Pool**

Small numbers of Grade 6/7s who may already be in the local talent pools will be invited to be part of the national talent pool and will have their development overseen by the national talent forum, with job moves and learning opportunities brokered by the Leadership & Talent team on their behalf.

Although individual learning requirements will vary, they will generally centre on a core of leadership development. For example, the learning programme for each individual may vary, but will contain a number of the following components

- Workshops and master classes to enhance knowledge and understanding
- Leadership development modules
- Action learning around personal projects as learning vehicles
- Executive/performance coaching
- Conference events to share experience and learning.

Where suitable learning and development opportunities are delivered in-house. Some learning opportunities may be provided in collaboration with other government departments (OGD) or if particularly relevant by nomination to corporate leadership programmes, such as the National School for Government (NSG) course. The L&T team will monitor individual progress and evaluate the effectiveness of any learning against competences.

As one of the largest government departments HMRC can offer a wide variety of job experiences, so most job moves will be within the department. The L&T team will work with Directors and their teams to identify and organise suitable opportunities/job roles (complementary as far as possible) to broaden each individual's experience across Professional Skills for Government career groups. Wider contact with colleagues in other departments will be encouraged through joint events where possible.

Where an individual in the national talent pool applies for and obtains a substantive promotion to a post through open competition it will take them outside the talent pool, although their new manager may put them forward again.

### **Development & Learning**

There are a number of factors that individuals should consider as they look at their development objectives and decide what they need to do over the next 6 or 12 months. All Grades 6/7 with SCS ambition should frequently remind themselves of the indicators of good performance at SCS level and consider whether they need to

- **Increase knowledge:** This complements skill development, and helps people to understand the consequences of what they do. However knowledge alone is not sufficient and may cause individuals to lose confidence as their understanding of what is required improves.

- **Develop skills:** Skill gaps may be highlighted by difficulties and failures in real work experiences or role-play. The individual will need support and opportunities to practise to maintain self-confidence.
- **Modify assumptions:** This can be the most difficult group of needs to recognise and deal with because assumptions often feel very “personal”. Individuals may have to examine assumptions about themselves and others to make progress raising their self-awareness and awareness of their impact on others, and in doing so overcome their own natural defensiveness.
- **Change behaviour:** Put into practice the new understanding that addressing the above three factors has led to. Individuals should ask whether the knowledge, skills and changed assumptions should lead to a change in their everyday leadership and managerial behaviours.

Not all targets should be distant, and individuals will maximise their chances of overall success if at least one of their development targets is well within their capacity and provides tangible/short-term benefits.

Individuals in the national talent group should expect to find this job based development challenging, and they will need to ensure they build in sufficient time to apply to associated learning. Achieving the right balance will be a question of negotiation between individual, manager and L&T.

### **Succession planning**

Succession planning is the identification of people who are able to fill key business critical posts in an emergency or in a longer term planned way. There is a close relationship between talent management and succession planning, particularly where medium and long term successors are concerned, informing individual development.

Talent management is a key part of HMRC’s Diversity and Inclusion Strategy and is focussed at enabling everyone to realise their potential, and accelerate the rate at which we bring in and bring on people from different backgrounds.

HMRC has a number of positive action programmes which support and enhance talent management:

- ‘Achieving Your Potential’, a self-paced personal development programme targeted at members of Diversity Networks.
- A co-coaching scheme for senior women at Grade 6 & 7 in partnership with Price Waterhouse Cooper.
- Piloting a Mentoring Scheme for BAME staff to provide opportunities for personal development and confidence building.
- A co-coaching scheme, in partnership with Ministry of Justice (MOJ), for staff with disabilities.
- Participation on Stonewall’s Leadership Development Programme.

- A new staff network launched in November 2008 looking at gender issues in HMRC. The network is aimed primarily at both men and women in Band T and above. The focus of the network is “inclusivity” and by fostering greater mutual understanding between the sexes, to help identify and overcome barriers to progression for women within HMRC and thus help address the gender imbalance at senior levels in HMRC.

We aim to promote diversity through the programme. Our current guidance states:-

In practice the manager will have a key role in ensuring that individuals with SCS potential are identified, especially in drawing SCS manager/Director attention to people from groups under-represented at SCS level (women, black & ethnic minorities and disabled). Where the ratio of Grades 6/7 to SCS is particularly high, such as Local Compliance, local arrangements will rely strongly on the manager’s input.

Throughout the entire identification process, all managers must follow HMRC’s diversity and equality policy which includes

- Be the public sector’s employer of choice, attracting and retaining the best from the widest pool of talent and developing our people to the level of their potential and inclination.
- Eliminate any unjustifiable discrimination against anyone for any reason, including race, ethnic origin, religion, nationality, sex, sexual orientation, working pattern, marital status, gender reassignment, disability or age.

By addressing the above, managers can help ensure that they identify individuals with ‘high’ SCS potential based on merit, taking full account of

- how they perform (delivery and behaviours) and
- their potential to perform well at SCS.

## **Section 7. Consideration of Evidence**

In carrying out this EQIA, HMRC has taken into account a wide range of data and research findings including the following:

- Representation data from HMRC internal HR systems
- Process data from HMRC internal HR systems
- HMRC focus groups
- Questionnaires to Directors, Human Resource Business Partners, and our Diversity Networks
- This focussed on the Cabinet Office 10 Point Plan, which has now moved forward with Civil Service Diversity and Equality Strategy

## **Section 8. Generic Equality Impacts**

In February of 2008 we requested feedback from stakeholders, union representatives, external contacts Talent Pool members, and the Department’s staff Diversity Networks on the Talent Management programme to date.

The most significant area of feedback focussed on the location of posts, mobility required, long hours culture and work life balance. These impacts cut across a number of the groups below. For example, people with dependants, people with a disability and people with caring responsibilities.

**Recommendation**

- To address concerns about location of posts, mobility, long-hours culture and work life balance. HMRC to amend the guidance to staff on our intranet pages, expand the FAQ’s and clarify the way in which we broker posts for pool members. At the initial stakeholder consultation this was a key area to be improved.

**Strand Specific impacts**

**8.1 Persons of Different Racial Groups**

<b>Ethnic Minority Data Considered</b>		
	<b>Ethnic Minority</b>	<b>Non Ethnic Minority</b>
Known population NTP	10.0%	90.0%
Known population Grade 6/7	4.0%	96.0%
Known population HMRC	6.6%	93.4%

The declaration of ethnicity is voluntary and statistical analysis is based on the known population. Numbers participating in the scheme are relatively low and the known ethnicity for the grade 6/7 (eligible) population is 71%. We are unable to provide further breakdowns by census groups but will monitor trends at this level

Ethnic minorities are under-represented in the Senior Civil Service and it is encouraging to see that the percentage of ethnic minority staff in the national talent pool is higher than in the eligible population.

The data gives initial indications and further monitoring and analysis needs to be undertaken to fully identify meaningful trends. HMRC employees should be encouraged to volunteer information on ethnicity via HMRC’s internal HR systems, see recommendations.

**Proposed Action**

HMRC continue to monitor Equality statistics and more accurately assess impacts on employees from ethnic minority groups, HMRC has developed a communication strategy to increase the percentage of employees who voluntarily disclose this information. Our strategy aims to reassure individuals regarding the anonymity of data and explains why disclosure of this data is important.

**Question**

Are there any risks of adverse impacts on people of different racial groups as a result of the programme and how can they be reduced?

**8.2 Persons with or without a Disability**

<b>Disability Data Considered</b>		
	Disabled	Not disabled
Known population NTP	2.7%	97.3%
Known population Grade 6/7	9.5%	90.5%
Known population HMRC	7.9%	92.1%

The declaration rate as at January 2009 is 48% for HMRC as a whole and 57%.for Grades 6 and 7. The declaration of disability is voluntary and therefore statistical analysis is based on the known population.

Whilst these initial figures indicate potential for fewer disabled staff being selected for the talent pools, due to the current declaration rates and numbers of those in the programme so far, we have been unable to report any statistically reliable trends.

We acknowledge that HMRC employees should be encouraged to volunteer information on disability via HMRC's internal HR systems, see recommendations

Feedback from staff concerning location of posts, mobility required, long hours culture and Work Life Balance (WLB) could have a greater impact on those with particular disabilities. Through the active use of reasonable adjustments the Talent team would make every effort to be flexible and minimise the impact.

#### **Proposed Action**

We will continue to monitor Equality statistics and more accurately assess impacts on disabled employees. HMRC has developed a communication strategy to increase the percentage of employees who voluntarily disclose this information. Our strategy aims to reassure individuals regarding the anonymity of data and explains why disclosure of this data is important.

#### **Proposed Action**

In the light of the most significant area of feedback on the location of posts, mobility required, long hours culture and WLB, we will amend the guidance, expand the Frequently Asked Questions and clarify the way in which people are assigned to posts, including a reminder on the need to consider appropriate and relevant reasonable adjustments. For example; encouraging managers both locally and as part of the national pools to make themselves aware of barriers for some disabled staff and work proactively to overcome them.

#### **Question**

Have the impacts to persons with or without a disability been correctly identified and addressed?

What additional impacts arise as a result of the programme and how can related risks be reduced?

### **8.3 Persons of Different Gender**

<b>Gender Data Considered</b>		
	<b>Men</b>	<b>Women</b>
National Talent Pool	46%	54%
Grade 6/7	65%	35%
HMRC 2008 SCS	72%	28%
HMRC 2007 all staff	42%	58%

<b>National Talent Pool</b>						
<b>Age range</b>	<b>16-19</b>	<b>20-29</b>	<b>30-39</b>	<b>40-49</b>	<b>50 and over</b>	<b>Total</b>
<b>Men</b>	0	4%	29%	6%	7%	46%
<b>Women</b>	0	4%	25%	25%	0%	54%
<b>Grade 6/7</b>						
<b>Age range</b>	<b>16-19</b>	<b>20-29</b>	<b>30-39</b>	<b>40-49</b>	<b>50 and over</b>	<b>Total</b>
<b>Men</b>	0	1%	6%	23%	35%	65%
<b>Women</b>	0	1%	5%	17%	12%	35%

Women make up 54% of the people in the National Talent Pool and this is helping us to meet our obligations under our diversity and inclusion strategy to increase the number of women in SCS posts.

One of the key elements of feedback on our initial consultation concerned the long hours culture which may link with caring responsibilities primarily for women. Although the data above does not indicate an issue in that area, we will take the comments into account in our proposed action and consider this further in the dependants section below.

#### **Proposed Action**

In the light of the most significant area of feedback on the location of posts, mobility required, long hours culture and WLB, we will amend the guidance, expand the Frequently Asked Questions and clarify the way in which people are assigned to posts. For example; by making it clear that such issues as people's hours of working and caring responsibilities are considered before we assign them to posts.

#### **Question**

Have the impacts to persons of different gender been correctly identified?

What additional impacts arise as a result of the programme and how can related risks be reduced?

#### **Transgender**

The Department does not hold statistical data on transgender Staff.

No adverse impacts have been identified in talent management for this group, but we will respond should there be any specific issues we need to address.'

#### **Question**

What impacts arise as a result of the programme and how can related risks be reduced?

#### 8.4 Persons of Different Sexual Orientation

The Department has recently launched a voluntary and confidential system of to enable staff to declare their sexual orientation. This will help us to monitor the impact of talent management on people of different sexual orientation.

No adverse impacts have been identified in talent management, but we will respond should there be any specific issues we need to address.

#### Question

What impacts arise as a result of the programme and how can related risks be reduced?

#### 8.5 Persons of Different Age

	Age data considered				
	16-19	20-29	30-39	40-49	50 and over
National Talent Pool	0%	8%	53%	31%	8%
Grade 6/7	0%	2%	11%	40%	47%
HMRC all staff	1%	14%	20%	35%	30%

The above statistics show a trend towards the people under the age of 50 being more represented through the National Talent Pool. We would welcome feedback on what the issues might be.

Our current view on this is that we are looking for people with exceptional potential and that many older people with that attribute will have been promoted already.

Our initial consultations have not highlighted any barriers for older staff.

#### Proposed Action

We will continue to consult on age issues by regular contact with our stakeholders.

#### Question

What impacts arise as a result of the programme and how can related risks be reduced?

#### 8.6. Persons of Different Marital Status

No adverse impacts have been identified in talent management for this category, but response would depend on notification of specific issue. There were no specific comments on marital status.

#### Question

What impacts arise as a result of the programme and how can related risks be reduced?

### 8.7 Persons with or without Dependants

Dependants data considered		
	With dependants	Without dependants
HMRC all staff	41%	59%

The Department does not hold complete data on dependants.

The above figures are from a National staff survey in 2006.

Feedback received suggests concerns around applicants with dependants were in line with the issues of location of posts, mobility required, long hours culture and WLB. The National Talent Pool can be flexible with these issues. For example due to caring responsibilities a member has recently deferred their place to a later date.

#### Proposed Action

In the light of the most significant area of feedback on the location of posts, mobility required, long hours culture and WLB, we will amend the guidance, expand the Frequently Asked Questions and clarify the way in which people are assigned to posts.. For example; by making it clear that such issues as people's personal circumstances are fully considered before we assign them to posts.

#### Question

Have the impacts to persons with or without dependants been correctly identified.

What additional impacts arise as a result of the programme and how can related risks be reduced?

### 8.8 Persons of Different Religion or Belief

The Department does not hold data on the religion or belief of employees. However in Northern Ireland we do hold data on community background of staff, Due to the small numbers involved the information held for Northern Ireland on community background is too small for inclusion , we will assess any trends as the programme moves forward and numbers increase.

We recognise that there may be an impact on persons of different religion or belief when implementing the talent programme, such as timing of events. No additional impacts have been identified. We endeavour to ensure that any requests or concerns in this area are given due consideration.

**Question**

What impacts arise as a result of the programme and how can related risks be reduced?

**8.9 Political Opinion (Northern Ireland only)**

No data is held on the political opinion of employees.

There were no specific comments on political opinion.

**Question**

What impacts arise as a result of the programme and how can related risks be reduced?

**Appendix A: HM Revenue & Customs Glossary**

**AA to SO** Administrative Assistant to Senior Officer, span of grades prior to Senior Management (AA, Administrative Officer, Officer, Higher Officer, SO)

Pay Scales as at May 2008				
Grade	National Minimum*	National Maximum*	London Minimum*	London Maximum*
Administrative Assistant	12,734	15,115	16,448	19,187
Assistant Officer	15,262	18,716	19,419	22,962
Officer	19,587	25,206	22,654	29,151
Higher Officer	24,513	31,352	28,227	35,661
Senior Officer	31,835	38,099	34,431	41,188
Training grade (graduate development programme)	23,929	38,390	26,010	41,511
Grade7	42,586	52,610	47,735	59,192
Grade 6	52,180	64,704	57,517	71,321

**BAME** Black & Asian Minority Ethnic

**EQIA** Equality Impact Assessment

**ERP** Enterprise Resource Planning

**Excom** The Executive Committee (ExCom) is the executive decision making body for HMRC.

**HR** Human Resources

**HR&L** Human Resources and Learning

**Intranet** An internal HMRC communications web site.

**LAC** Learning Account Client

**L&T** Leadership and Talent

**LDP** Leadership Development Programme

**MOJ** Ministry of Justice

**NSG** National School for Government

**OGD's** (staff from) Other Government Departments

**Opcom** Operating Committee

**PSG** Professional Skills for Government

**SAB** Senior Appointments Board

**SCS** Senior Civil Service

**SLDB** Senior Leadership Development Board

**SME's** Small and Medium Enterprise

**VAT** Value Added Tax

**WLB** Work life balance

## **Appendix B: Criteria for the Talent Programme**

- Embraces the HMRC strategic vision and has practical ideas for local solutions
- Willing to challenge the status quo and wants to be challenged
- Embraces change and is an agent for change
- Develops breadth and depth of relevant knowledge and uses effectively
- Consistent track record of good stakeholder relationships, good political awareness
- Customer focused - they look to provide an appropriate experience for the customer, understand the customers' needs such as the commercial and personal pressures they are under, so balance the needs of HMRC with the needs of the customer.
- Track record of making right judgements, will identify critical issues and resolve them
- Shows tenacity in overcoming obstacles to achieve successful business outcomes
- Delivers high impact, high quality results, collaborating where possible
- Willing to take calculated risks and be accountable for the outcome
- Understands what needs to be achieved, enthuses others, communicates and leads
- Builds on past experience to develop better ways of achieving results
- Visible & approachable in style, is respected as a source of advice/counsel by others
- Adopts a no blame approach

- High energy and enthusiasm, has high impact and takes others with them
- Able to grasp complex and diverse issues quickly
- Aware of own strengths/weaknesses and uses this knowledge to improve performance
- Consistently seek feedback on approach and performance and acts upon it accordingly
- Manages own (and others) performance fairly and rigorously
- Steps outside the box to find or act upon development opportunities
- Have considered their personal “deal” when aiming for this programme

## **Appendix C: Definitions of Diverse Groups Considered in this EQIA**

### **Category Examples of Groups**

Racial group as defined by 2001 Census.

Persons with a disability.

Persons with a disability as defined in Sections 1 and 2 and Schedules 1 and 2 of the Disability Discrimination Act 1995.

Gender Men (including boys); women (including girls) transgendered people; transsexual people.

Age for most purposes the main categories are: people under 19, people aged between 20 to 29, 30 to 39, 40 to 49, 50 and over.

Marital status Married people; unmarried people; divorced or separated people; widowed people.

Persons with dependants.

Persons with primary responsibility for the care of a child; persons with personal responsibility for the care of a person with a disability; persons with primary responsibility for the care of a dependant elderly person.

Sexual orientation gay; lesbian; bisexual; heterosexual.

Religious belief Protestant; Roman Catholic; Hindu; Jewish; Islam/Muslim, Sikh; Buddhist; other religion; people of no religious belief.

Political opinion Unionists generally; Nationalists generally; members/supporters of any political party; other.

## Appendix D: Equality Screening Template for HMRC

Screening is the procedure for identifying which policies or activities (for staff and customers) will be subject to a full equality impact assessment and how these impact assessments will be prioritised, so that the greatest resources can be devoted to improving these policies. This tool will help to determine whether changes need to be made to the current policy/activity or proposals being considered in order to provide the Department with assurances that we are meeting our legal obligations and broader business aims.

Section 1 – Aims of the activity/proposal	
1. Title of policy/activity etc	Talent management
2. Date implemented/changed or planned to come into effect	1.04.08
3. Who has responsibility for managing the policy/activity?	Grade 7 Talent Management
4. Full description of the aims of the policy/activity i.e. who is affected and who benefits? What are you trying to achieve?	More effective Talent management is required at all levels and HMRC needs to move to a position where our leaders & managers invest more time in the identification & development of talent. For those identified as having potential we need to accelerate their exposure to real business delivery challenges to condition them for more senior roles in due course. In doing so we will be recognising that talent is an HMRC resource and as with other resources it needs to be managed effectively for business benefit
5. Who (in the Department) implements this activity/policy? e.g. managers, HR etc	Directors and their Leadership teams with Business Partners. Grade 6/7 Committee as the agents of SAB
6. Who are the internal and external stakeholders of this proposed action? 7. How will you work with the stakeholders in implementing this function?	Internal – ExCom, SAB, OpCom, Directors, Grade 6/7 Committee, HRLOC/HR Committee, all SCS, all G6/7, Employees in feeder grades, Business Partners  External – TUS, Prospective employees  By engagement of representative stakeholders to develop process and address risks and issues, use of range of communication channels including meetings, presentations, e-mail, Directors notes, Intranet announcements, guidance and documentation.
8. Does this proposal interact with any others? If so, list them	Talent programmes and Grade 7 Gateway are G7 feeders. Will use information from

and explain how.

programmes and Gateway in the early identification of potential to progress quickly through G6/7 towards the SCS.

Interchange Policy – Interchange is a useful tool in talent development and many people in the talent pools will be encouraged to use it to obtain wider experience

Leadership Capability – Ensure that policy and products are fit for talent management purposes. Where necessary the product may be tweaked to be fit for purpose

G6/7 appointments policy – will need to review in due course to see whether modification required to reflect talent management.

SCS Performance Management Policy – Talent Management is one of the areas that all SCS will be measured against. There is a general Diversity element in SCS PM policy that TM will interact with.

**Section 2 – Impacts identified on Equality groups**

9.a. For each of the groups listed consider and comment on potential impacts for staff and customers in terms of :

- any indications or evidence of different needs, experiences, issues or priorities in relation to the policy/activity
- any indications or evidence of direct or indirect discrimination
- any indications that the activity or implementation of could lead to harassment for disabled people or those of different gender (including transsexuals)
- higher or lower participation or uptake.

State what evidence you have used to identify these impacts e.g. via consultations with or consideration of complaints or feedback from relevant groups, organisations or individuals .

9.b. Consider and comment on the actions you will take/have taken:

- to remove or reduce any adverse impact
- To promote equality of opportunity

Equality Group	External Customers	Staff	Mitigating Action/Opportunities for promotion of equality
People:			
of different Racial Groups	N/A	Identified as under-represented at SCS in the Cabinet Office 10 point plan on diversity. Directors and SCS, plus all managers, already have responsibility to address diversity issues.  Know that progress towards diversity targets being made, but slowly. Slow progress reflects long retention time and the inherent lag in system	The Leaders UnLtd programme that HMRC is signed up to specifically addresses that under-representation In G6/7. We will be tracking successful and unsuccessful candidates to include them in TM pools where appropriate.  Will monitor underlying population and compare with those selected for talent pools. Process is business driven and may need to
With or without Disability	N/A		
of different Gender (including transsexual/transgender)	N/A		

			raise issues with Directors and their teams.
of different Age	N/A	Not all of these factors can be monitored accurately as disclosure is voluntary.  Response will depend on notification of issue	Will monitor underlying population and compare with those selected for talent pools. Process is business driven and may need to raise issues with Directors and their teams.
of different Marital Status	N/A		
With or without Dependents	N/A		
of different Sexual Orientation	N/A		
of different Religious Belief	N/A		
of different Political Opinion (for NI only)	N/A		Where grievances received will review process and policy
who use different Languages	N/A	n/a	
10. Give details of any consultation carried out to validate the information given above.	We will draw on stats currently collected around appointments and will build measures into processes so that we can continue to monitor progress against the wider Diversity targets. That will be used to feedback to SAB how effective this is in supporting these targets.		

**Section 3 Promotion of Equality**

11a. How will you promote good relations between those of different racial groups?	As we develop communications around Talent Management we will be reinforcing the messages around avoiding bias and encouraging the taking of risks. The overall approach is to reinforce the existence of Diversity policies and remind all strategic heads and participants of their obligations.
11b. How will you promote good relations between those of different religious opinion and political belief? (NI only)	HMRC has actively signed up to Leaders UnLtd as a development programme for under-represented groups. We will monitor successful and unsuccessful candidates as possible members of the talent management programme.
11c. How will you promote positive attitudes towards disabled people?	For those successfully included in the talent pools their learning support will be tailored to their needs, including equality issues, but we will not ignore the cost benefit of a common development core for the majority.
11d. If there is any opportunity to encourage participation by disabled persons in public life, how will this be done?	

**Section 4 Outcomes and Actions**

<p>12. Explain how you plan to monitor this policy/activity for impact on different groups of people following implementation e.g. surveys/queries/complaints etc</p>	<p>Statistical monitoring of population for all the groups based on information provided by participants. Initially we will develop a database of factual information. We will add to this by various evaluation processes as we monitor progress within the talent pools</p>
<p>13. Any other comments on this proposed activity or any key learning for other similar projects/activities?</p>	<p>Operation of this policy is a business activity and Business Leaders are reminded of their obligation to adhere to HMRC Diversity Policy.</p>
<p>14. If having considered all relevant factors you concluded that there may be an impact that you are unable to mitigate with policy or procedural changes, please give full details including why mitigating action cannot be provided</p>	
<p>15. Please indicate if a full equality impact assessment is recommended. If no please give justification.</p>	<p>Yes</p>
<p>16. Consider the priority of the full equality impact assessment in terms of the risk of the plan/proposal to the Department based on our legal obligations and business objectives.</p>	<p>High As a selection process this should form part of the Recruitment impact assessment.</p>

**Completed By:**

Name:		Signature:	
Position:	Grade 7	Date:	
Office:			

A copy of this document should be forwarded to the Diversity and Corporate Responsibility Team

This document should be retained locally for audit / monitoring purposes. The results and key issues around monitoring, learning and good practice should be reported on your Directorate Diversity Action Plan quarterly return.

## **Appendix E: Civil Service Diversity and Equality Strategy**

For full details of the Civil Service Diversity and Equality Strategy please follow the link below:

[New Civil Service diversity and equality strategy launched](#)

## **Appendix F: Equality Impact Assessment of the Talent Management Programme – we need your views**

[Please see our online questionnaire to submit your views \(PDF 26K\)](#)

## **Appendix G: Summary of EQIA Proposed Actions**

1. HMRC continue to monitor the talent management programme with reference to its impact on gender, disability, age, disability, race using data available on internal management information systems.
2. HMRC improves the level of self declaration from staff on race and disability to assist in obtaining statistically valid statistics for analysis. The department has developed a communication strategy to increase the percentage of employees who voluntarily disclose this information. This strategy reassures regarding individual anonymity and explains why disclosure of this data is important. This year disclosure increased to approx 68% for race and 48% for disability for HMRC. For Grades 6 and 7 the declaration rate is higher at 73% and 57% respectively. From 1 October 2008 HMRC have enhanced the system to include voluntary disclosure of sexual orientation also. We propose that as part of the application process, candidates are reminded to update their diversity information for all categories on our personnel system.
3. HMRC to continue to develop a database of information provided by participants in the talent pool and will add to this as we evaluate our processes and monitor individual progress. The system captures information at the application stage and enables the tracking of people's progress as they go through the programme
4. Talent programme to continue to reinforce HMRC Diversity policies and remind all stakeholders from Directors to Grade 6/7 of their obligations. This includes avoiding bias whilst encouraging the taking of risks regarding talent investment.
5. Age data for the national G6/7 talent pool shows a peak in the 30-39 group, but in the underlying population nearly half the staff are over 50. Whilst this may be understandable in the context of the talent programme we will continue to monitor any trends that may emerge and consult to ensure that selection into the national talent pool is based on merit and not on age.
6. To address concerns about location of posts, mobility, long-hours culture and work life balance,. HMRC to amend the guidance to staff on our intranet pages, expand the FAQs- (in full) and clarify the way in which we broker posts for pool members. At the initial stakeholder consultation this was a key area to be improved.
7. HMRC to share learning across other development & recruitment schemes to promote talent management to all grades. Any outcomes of this EQIA will be reviewed and we will work with the HR Directors and others to promote opportunities for improving equality.