

Our people

This year saw a shift from managing the pressures of high operational volumes to focusing on the successful delivery of our modernisation strategy.

This is not only important for the business, but is also satisfying for our teams. In a comparatively small organisation like NS&I, where promotion opportunities can be limited, taking responsibility for projects and workstreams is an important aspect of individual development. Throughout the year, it has been clear that people have grasped the opportunities available and there is a clear sense of accelerating pace – one of our core values – in the way we work.

Survey results

The impact of this was apparent in the annual staff survey. NS&I had an overall employee engagement index of 69% – a high figure against Civil Service and industry benchmarks – and ‘leadership and managing change’ was identified as the main driver of that engagement.

This year’s survey differed from previous years as it was conducted as part of a cross-government staff survey. We were very pleased with the results which saw us positioned well above both the Civil Service average and the High Performance benchmark. In the category of leadership and managing change, we came second overall and in two aspects we were ranked top. These were:

- ‘I believe NS&I as a whole is managed well’ – 82% positive
- ‘I think it is safe to challenge the way things are done in NS&I’ – 69% positive.

These are factors which are important not only within government, but also within the financial services sector, so it was gratifying to see these results.

The cross-government survey was carried out by the same organisation that has managed our own survey of NS&I staff for several years, using broadly the same structure. This enables us to compare progress year on year and identify learnings. As is to be expected, there are some

categories where we didn’t perform as well as we should, including the regularity of feedback on performance and opportunities for career development. We are studying the report in detail, including the individual comments and feedback, which can provide the most telling insights.

We also seek to benchmark staff satisfaction against other financial services organisations. We’re pleased with two areas where NS&I outperforms its peers: 90% of our people believe NS&I is committed to customer satisfaction – against an average of 78% in the wider financial services sector; and 81% of NS&I employees believe that the management team has a clear vision for the future of the organisation – against a financial services sector average of 46%.

Investing in learning and development

After reviewing and refining our learning and development programme, this year we invested in a number of new initiatives to increase the effectiveness of corporate learning. We have expanded our use of e-learning which, as well as being cost-effective, enables people to increase their knowledge at their own pace, and made a significant commitment to putting compliance training at the heart of every role in the organisation.

Because of the diversity of roles in our business, many of which are quite technical or specialist, we place a great value on individual development planning. We encourage our people to think more broadly about how they can develop, given our organisational size and structure.

We have continued to focus on our leadership development programme and it is pleasing to see such strong performances in the category ‘leadership and managing change’ in the most recent staff survey.

We are committed to providing and maintaining a learning and development framework to Investors in People standards, which encourages a ‘learning culture’ and strives for continuous improvement. In May 2009 we successfully retained our Investors in People accreditation which we have held for 10 years.

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Our Executive Management Team and senior managers fully support the training and development of employees by:

- providing resources such as equipment, time and opportunities to ensure that our people have the right skills and the knowledge required to carry out their roles
- ensuring that all managers are aware of their role with regard to their team's training and development, and that they have the skills and knowledge required to support their own team in identifying learning and development needs and to follow through with the implementation of that training and development in the workplace
- encouraging our people to pursue development over and above their job role and to give consideration to career development
- offering learning and development on a fair basis to all employees and ensuring that no employee receives less favourable treatment or consideration in relation to training and development on the grounds of their gender, sexual orientation, racial group, marital status, disability, age, religion or religious beliefs, working pattern or any other unlawful criterion or circumstances
- taking part in a mentoring scheme.

Improving internal communications

In spring 2010 we introduced a new employee intranet and an online HR system, the latter to simplify some of our people processes and to give our people greater control over aspects of their working life.

The year saw a number of steps to strengthen communications between NS&I and Siemens. The benefits in terms of the partnership are clear: this year in particular there has been positive feedback about communication to help to solve operational problems.

Pay and reward

Pay and performance-related pay are under closer scrutiny than ever in both the public and private sector. At NS&I, we are committed to being wholly transparent about

executive rewards and details of these can be seen in the remuneration report on pages 37–42. Details of our board directors' expenses can also be found online at nsandi.com. Reward for all Senior Civil Service members is approved by our Appointments and Remuneration Committee within guidelines set by the Cabinet Office. For the rest of our employees, we have an agreed salary budget from HM Treasury which we allocate in line with our reward principles (available on request) and within Civil Service guidelines.

Preparing for our office move

In May 2010 we relocated our head office within London as the lease on our previous building is ending and the site is due to be redeveloped. We have found a tenancy in a vacant, government-owned building.

The move gives us the opportunity to review working practices. We are ensuring that the technology infrastructure supports flexible working and what is best for the business.

Sick absence data

The average number of sick days per person in the 12 months ending 31 March 2010 was 5.02 days (2008–09: 5.18). This figure includes all absences including long-term absence. Short-term absences were 2.5 days (2008–09: 2.7).

Health and safety

We recognise and accept our responsibility as an employer for ensuring that, as far as is reasonably practical, every employee has a place of work that is both safe and without risk to their health. We comply with current health and safety legislation, approved codes of practice, guidance documentation and British Standards, and we satisfy the spirit as well as the legal requirements of the Health and Safety at Work Act 1974 and other relevant statutory provisions. We are committed to continuous assessment and improvement of the health and safety culture of the organisation.

Pension liabilities

The majority of our current and previous employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is a defined benefit scheme which, in the main, provides benefits based upon length of service and final salary. The scheme is non-contributory and unfunded. Liability for payment of future benefits lies with the PCSPS. There is a separate scheme statement for the PCSPS as a whole. We meet the cost of pension cover provided for our employees by payment of charges calculated on an accruing basis. The rate of the employer's contribution is determined from time to time by the Government Actuary and advised by HM Treasury. For 2009–10 the rates were between 16.7% and 24.3% (2008–09: 17.1% and 25.5%) of pensionable pay, depending on salary.

We are required to meet the additional cost of benefits beyond the normal PCSPS benefits in respect of employees who retire early, unless the retirement is on approved medical grounds. We provide for this cost when we have entered into contractual arrangements with the early retirees, and create a corresponding provision for its future payments in our balance sheet.

Equal opportunities

We are committed to equality of opportunity in all our employment practices, policies and procedures. No employee or potential employee will therefore receive less favourable treatment due to their ethnic origin; age; language; religion; political or other affiliation; gender; sexual orientation; marital status; connections with a national minority; property, birth or other status; family connections; working pattern; membership or non-membership of a trade union; or, unless justifiable, disability. Equal opportunities monitoring is undertaken for each recruitment campaign, and candidates are sent an equal opportunities statement with an equal opportunities form to complete.

Disabled employees

We qualified as a user of the 'Positive about Disabled People' (Two Ticks) symbol in 1996 and provide any special equipment or assistance required by disabled staff to help them perform their jobs. Our employment policies, practices and procedures, including those covering recruitment, promotion and performance appraisal, are monitored to ensure equality of opportunity for disabled staff.

Recruitment monitoring

We operate fair and open competition for all recruitment principles, in line with the Civil Service Commissioners' principles. Appointments are made against robust criteria, which are applied throughout the recruitment and assessment process.

We have a monitoring system in place to ensure that recruitment is carried out on the basis of fair and open competition and selection on merit.

Our recruitment campaign files are independently audited annually through a reciprocal agreement with the Office of Rail Regulation (a requirement of the Civil Service Commissioners). This includes comparing CVs against the selection criteria and reviewing diversity breakdowns to ensure that the criteria were fair and robustly applied. We submit an annual audit return to the Office of the Civil Service Commissioners which summarises campaigns, policy and processes. All activities may then be subject to a further audit review by the Civil Service Commissioners, and campaign files are kept for 12 months to comply with this requirement.

During 2009–10, there were a total of 24 permanent and fixed term appointments, and these are summarised in the table on page 21. There were 15 permitted exceptions to the recruitment principle of fair and open competition, which were short-term appointments to meet short-term business needs (i.e. maternity covers or roles to cover a short-term resource requirement).

Permanent and fixed term appointments in 2009–10

	Non-executive Directors	Senior civil servants*	Range A	Range B	Range C	Range D
Male	2	0	4	3	0	0
Female	0	0	1	10	3	1
White	2	0	4	11	3	1
Non-white	0	0	1	2	0	0
Disabled	0	0	0	0	0	0

* Includes Executive Directors