

HR Risk Guide

Contents

What is HR/People Risk?	2
Payroll Management	5
Health and Safety	6
Fire Prevention	9

What is HR/People Risk?



Good employee and labour relations and the retention of quality staff are critical for an effective organisation. A Community Scheme is no different and needs to see employees as one of its key assets and places a high priority on their health and well-being. The maintenance of good relationships between Office

bearers and employees/staff of contractors is essential in ensuring high employee morale and in ensuring a motivated and diligent labour force. The management of people and HR risk is an integral part of managing a Community Scheme. Most Community Schemes are heavily reliant on a fully committed workforce for their effective operations and running. Good owner/tenant/customer/visitor relationships and the level of service and support provided by employees of contractors are critical.

In support of effective operations, robust HR processes covering compliance, recruitment, performance management, disciplinary, training and payroll must be in place.

Each Community Scheme needs to familiarise itself with the prevailing labour, community health and safety, environmental legislation, and related regulations and to ensure compliance where required. Key acts cover - Basic Conditions of Employment Act, Labour Relations Act, Occupational Health and Safety Act, National Environmental Management Act, Disaster Management Act, Employment Equity Act, and Broad Based Black Economic Act (BBBEE).



Employee selection is a critical element. You don't just want to make quick hires and give people jobs. You need to build people into the Community Scheme and make them an integral part of service delivery to owners/tenants and

visitors/customers in a structured way. Before any employees are appointed, there must be comprehensive vetting of candidates. These will go a long way in mitigating many potential problems and risks down the track. This covers not just their suitability for the post in question, skills,

and experience but background and reference checks. The attitude of the party is equally as important.



The Community Scheme should have a comprehensive policy covering the recruitment of staff e.g. budget availability, clear definition/description of the position, the advertising of the position, the applicant screening process, the selection process, background vetting and undertaking of

reference checks.

People management and training are essential in ensuring that operational processes and procedures are understood and followed.

The Community Scheme should have a clear code of conduct, HR policies and conditions of employment in place for employees. These need to be reviewed on an ongoing basis and amended in line with prevailing circumstances, changing circumstances and legislation.

All new Office bearers and employees should be subject to a comprehensive induction or onboarding programme. The objectives of the Community Scheme, its structure, ethics/values and culture, HR policies, the code of conduct and expected behaviour should be covered in depth.

- Signed contracts of employment and job descriptions should be in place for all employees or office bearers of the Community Scheme.
- Job descriptions must be clear, and contracts of employment should include key performance areas against which performance and adherence to procedures and controls can be measured. The Community Scheme should also have formal and well-documented remuneration policies. It is also important that the Community Scheme doesn't promise increases, bonuses, and awards that it can't afford or sustain.
- Reporting lines and levels of authority or delegation need to be formalised to lower operational risk.



- Individual performance goals must be aligned with the performance goals and objectives of the Community Scheme. An Annual Performance Plan (APP) for the Community Scheme should be used as the guide to obtain key performance indicators and targets.
- You need to have measurable KPI's/KPA's in place for all positions and the employees filling them. It can also be useful to make use of a balanced scorecard to measure performance. Most organisations use KPIs to achieve strategic objectives and goals.
- A Key Performance Indicator (KPI) is a measurable value that demonstrates how effectively an organisation is achieving key business objectives.
- Formal appraisals of all employee performance should be carried out on at least an annual basis. There must be consequences for poor performance and non-adherence with controls and laid down procedures – consequence management is part of performance management.



You need to have robust processes, procedures and controls to ensure that all suspensions, dismissals, retrenchments, and other termination of staff engagement, comply with the required procedures and legal requirements (essentially to eliminate the risk of legal action). All dismissals should strictly

follow due process and ensure fair treatment of staff. Most labour disputes originate in the areas of performance, conduct and disciplinary breeches so it is important to have well-documented and robust grievance and disciplinary processes in place, as well as access to people skilled in conducting disciplinary hearings and procedures if need be.

These need to be followed very carefully to ensure procedural correctness in all instances. Settlements for unfair labour practices can hit the financial position of a Community Scheme hard.

Where the Community Scheme is heavily reliant on organised labour, recognised union representation and collective bargaining, you are highly vulnerable to the effects of prolonged strike action and related labour unrest. This can extend to violence and sabotage. All the assets and property of the Community Scheme need to be protected and secured during times of labour unrest.

In guiding a Community Scheme on how best to deal with employees participating in strike action, the following key elements need to be considered and understood:

- Determining when a strike has commenced.
- Elements of a strike.
- What procedures need to be followed by employees for a strike action to be deemed 'protected'?
- The difference between a protected strike and an unprotected strike.
- What are your remedies if strike action commences.
- How to dismiss employees who participate in protected as well as unprotected strike action.

On-going training, development and skills-building are integral to improved service delivery and operational effectiveness.



Office Bearers should be required to disclose any financial interest or potential conflicts of interest in arrangements, contracts or supply agreements involving the Community Scheme e.g. financial interest in contractors, or involvement of family members. The acceptance of gifts from suppliers, service providers and contractors should not be permitted or be subject to disclosure.

Payroll Management



Payroll is often one of the major expenses of a Community Scheme and as such should be subject to specific scrutiny and oversight. The integrity of payroll data and details is essential. Payroll requires specific attention to detail and rigid checking. Any variances or deviations in pay from one period to the next should be

validated. Maintaining the confidentiality and privacy of employee information and salaries is also critical.

All employees and contractors need to be registered with the appropriate tax and other authorities in respect of taxation, workmen's compensation, unemployment insurance, benefits, and levy contributions.

All statutorily deducted amounts must be paid over to the appropriate authorities in line with requirements.

Robust payroll systems should be utilised to ensure that the required controls, audit trails and records can be maintained.

- Community Schemes need to ensure that employee bank account details have not been amended without their consent before the payment run is made/processed.
- Community Schemes need to ensure that all deductions both statutory and others such as benefits, medical, insurance, garnishee payments etc are valid and authorised.

Health and Safety

The safety and well-being of owners, lessees, tenants, employees, and visitors to a Community Scheme should be of paramount importance to the Community Scheme. This should be reflected in documented safety protocols, use of appropriate safety equipment where applicable (harnesses/hard hats/helmets/life jackets), access controls/management, comprehensive house rules, signage, security controls, crisis management/evacuation plans, accident prevention, prevention of physical and security/criminal threats to the property, hygiene of eating areas, cleansing of dustbins/waste areas, disease outbreak, disease outbreak management etc.



Health and safety regulations require a specific compliance focus due to the likely impact of accidents on residents, employees, service providers, visitors/customers and/or the public at large.

Where the Community Scheme has high-risk facilities e.g. swimming pools, jungle gyms, climbing equipment, gym apparatus etc. specific safety and monitoring controls must be put in place.



Gym

Park
playgroundSwimming
pool

Just about all operational activities involve some degree of personal risk. The health, safety, and well-being of not just employees but employees of

contractors, owners, lessees, residents and visitors/customers or the public at large are a non-negotiable component of any operational activity. The occupational health and safety risks associated with each of your Community Scheme's buildings, properties, infrastructure, processes, and facilities need to be assessed to establish their specific risks. This needs to extend to the services delivered by the Community Scheme. These need to be analysed and dealt with to ensure that potential accidents and incidents are mitigated, minimised and eliminated and to ensure that the operations of the Community Scheme are minimally impacted.



Safety protocols and standards must be set and enforced. This can extend from safety equipment provided to employees (goggles, ladders, boots, gloves, overalls, harnesses etc.) to only qualified people being permitted to handle specialised equipment or allowed to deal with electrical and technical issues. The use of masks, limiting the number of people riding in vehicles, swimming pool safety controls, speed limits on roads within the Community Scheme etc. are examples of specific controls. Visitor/resident controls could require the use of helmets, life jackets where applicable etc. when undertaking social or recreational activities in the Community Scheme.

The formulation of a health and safety policy, and safety plan and the appointment of a health and safety officer or health and safety representative should be an essential part of any Community Scheme's operations. At the most basic level, a health and safety policy should be drawn up, and notices outlining this posted in public and common areas of

the Community Scheme. This should cover responsibility, safety procedures, cleanliness, and hygiene – toilets/kitchens/ dustbins/waste.

areas, first aid box and evacuation. The undertaking of a fire and general safety audit and the drawing up of evacuation plans should also be undertaken.



The key elements of a basic Safety Plan or program are:

- You need to formulate an Occupational Health and Safety (OHS) policy in line with the requirements of the Occupational Health and Safety Act.
- Setting of appropriate safety protocols in line with the nature of the Community Scheme e.g. use of estate vehicles, getting out of vehicles, conduct using sporting facilities, COVID protocols, use of swimming pools, communal braai facilities, kids play areas, speed limits, malaria awareness.
- The appropriate safety signage and warnings along with indemnifications need to be put in place.
- Ensure employees receive proper instruction and supervision in the safe performance of their work.
- Inoculation of employees, staff and parties who have contact with visitors, owners, and tenants.
- Work and common areas and facilities must be inspected regularly.
- Unsafe conditions or hazards should be identified, corrected immediately or effectively controlled.
- Prior to initiating new projects, conduct a risk assessment and take appropriate steps to control/eliminate the risks and hazards identified with this.
- Document risk and hazard assessments.
- All incidents should be reported and documented.
- Appropriate safety manuals and operational guides where needed, with clear written instructions should be available for reference.
- It is important to document all training, meetings, disciplinary actions, inspections, incident reports and investigations, as well as employee safety concerns.

- Ensure employees and residents are familiar with fire siren/warning messages, the location of first aid services, fire hydrants, fire exits and assembly areas, and telephone numbers to report emergencies and request assistance.
- Ensure the Community Scheme has a fire safety plan and emergency response plan.
- It is important that certain employees are trained in health and safety and first aid where required and that appropriately trained persons are in place to deal with emergencies or accidents.

Fire Prevention



The Community Scheme needs to be safety prepared/fire safety compliant. A fire protection plan should be in place and cover: fire/safety officer, fire breaks, bush clearing, fire hydrants, fire extinguishers, fire equipment, smoke detectors, fire siren/fire

alarms, fire exits, fire wardens, fire drills, evacuation/communication plan, demarcated assembly areas etc. The focus should be on fire prevention and protection with the Community Scheme fully equipped and always prepared for an eventuality. Fire hydrants, sprinklers, fire extinguishers, smoke detectors, hoses etc should be regularly tested and serviced.

The key areas of fire protection are:

- **Awareness** - knowing where dangers are (flammable liquids and chemicals, open flames, open veld/bushveld/bushes/forest, use of gas, storage areas, kitchens, heaters, open flames/braai areas).
- **Prevention** - education controls (use of smoke detectors, smoking, use of equipment and gasses, fire breaks, specialised storage).
- **Preparedness** - compliance with regulations (signage, smoke detection, drills, equipment, hydrants, sprinklers, emergency exits).
- **Response** - early detection, fire teams, coordinated action/evacuation and response communication, the use of fire breaks, fire equipment, appropriate training, and the use of protective clothing.

Fire risk is not just confined to flames, but radiant heat, dehydration, and asphyxiation. Dealing with smoke inhalation is a key component.



Where a Community Scheme has any gas installations e.g., kitchens, recreation areas, dwellings, specific care must be taken around installations, storage of gas and regular servicing. Certificates of compliance must also be held.