



## Organisational Change Policy and Procedure

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## **ORGANISATIONAL CHANGE POLICY AND PROCEDURE**

### **1 Introduction**

Although the Council's policy is to avoid redundancies whenever possible, it may, from time to time, need to review its organisational structure to continue to offer value for money through effective and efficient service delivery. The aim of this policy and procedure is to ensure that on such occasions all employees affected will be treated fairly and consistently at a time of uncertainty and change.

**1.1** Where redundancies are necessary, the Council will ensure that:

- The total number of redundancies made is kept to a minimum
- Employees and union representatives are fully consulted on any proposals and their implementation
- Every effort is made to redeploy or find alternative work for employees selected for redundancy
- Support and advice is provided to employees selected for redundancy to help them find suitable work when their employment has come to an end

**1.2** This policy is compliant with relevant legislation and utilises as far as is practicable Advisory Conciliation and Arbitration Service (ACAS) best practice. It has been developed in consultation with UNISON.

**1.3** This policy applies to all current employees, including those employed under JNC conditions for Chief Officers and Chief Executives. Whilst it is expected that it will be followed in all cases, it does not form part of the contract of employment.

**1.4** Managers using this policy will maintain fairness and consistency of treatment in order to avoid discrimination in accordance with the Equality & Diversity Policy. In this procedure, 'manager' refers to Directors, Assistant Directors and Service Heads.

### **2 Principles**

**2.1** There are a number of key principles that underpin this Policy and Procedure in ensuring that employees are treated consistently, effectively and fairly:

- The Council will fully comply with its statutory obligations
- The proposed change will be outlined clearly setting out the reasons for it as well as the potential benefits to be gained
- Consultations will take place with union representatives at the earliest opportunity
- Wherever possible the Council will seek to mitigate against compulsory redundancy

- The Council will ensure affected employees are provided with information to enable them to understand the reasons for the proposed changes and the likely timescale
- Employees will be supported through the change
- Employees will have the right to be accompanied throughout the process by an accredited trade union representative or work colleague.
- As far as possible objective criteria will be applied where a redundancy selection process is necessary
- Employees will have the right of appeal against selection for redundancy
- An Equality Impact Assessment will be carried out to help ensure the process is carried out fairly and non-discriminatory way, identifying and addressing any potential barriers particular groups of staff may face in engaging with this process.

### **3 Definition**

**31** Redundancy is defined as:

- The fact that the employer has ceased, or intends to cease, to carry on the business for the purposes for which the employee was employed, or has ceased, or intends to cease, to carry on that business in the place where the employee was employed: or
- The fact that the requirements of that business for employees to carry out work of a particular kind, or for employees to carry out work of a particular kind in the place where they were so employed, has ceased or diminished, or are expected to cease or diminish.

### **4 Communication and Consultation**

**41** Where a change becomes necessary, consultation will take place both with UNISON and the affected employees at the earliest opportunity.

**42** UNISON will be advised in writing (at the appropriate stage of the process) of:

- the reasons for the proposed redundancies
- the number and description of employees who are at risk of redundancy
- the total number of employees of that description employed by the Council
- the proposed selection criteria to be used
- the proposed timescale
- the compensation that will be applied

**43** The consultations with UNISON will include discussions about:

- alternatives to redundancy
- mitigating against compulsory redundancies

- reducing the number of redundancies

**44** Following this, all employees who will be directly affected will be invited to a meeting with their manager to discuss the re-organisation, and how this will affect them directly. The employee will be advised in writing what the meeting will be about and that they may bring an accredited trade union representative or work colleague with them. At the meeting the employee will be advised if they are ‘at risk’ of redundancy. This will then be confirmed in writing.

## **5 Assimilation**

In order to facilitate a restructure, existing employees will be assimilated to the posts in the new structure most akin to their existing position in the current structure. This will be based on their current job description (if the current job description does not reflect current role, this needs updating before assimilation takes place). Assimilation will be conducted as follows:

Senior Management will undertake a review process to be conducted in stages commencing with higher graded posts. Any vacancies that arise from the assimilation process will, where possible, be filled by displaced staff.

Each of the steps below will be conducted at each stage. It may be possible for some steps / stages to be progressed simultaneously

### **51 Assimilation will be conducted within the following principles using up to date job descriptions:**

1. Straight assimilation of 70% roles; **then**
2. Interviews for those remaining employees at risk within the affected team or service and “ring fenced” to apply for roles; **then**
3. Those not successful at interview are considered displaced and are put “at risk”. Any unfilled vacancies from the restructure will be advertised internally within the team or service for those at risk. All candidates will still need to demonstrate that they meet the requirements of the job and the person specification.
4. Vacancies that are still not filled at step 3 above are advertised internally/externally for all staff to apply for, in line with the current Recruitment Policy.

### **52 Key principles for assimilation**

#### **Roles which meet the 70% rule**

1. Where at least **70%** of a person’s job is agreed as subsumed into the new post (the 70% rule), the new post is of the same grade as the existing grade or equivalent salary and only one employee meets the 70% rule a ‘**straight assimilation**’ can take place without interview. (70% has been decided upon, as this was the agreed criterion used in the Local Government (Unitary Authorities) Reorganisation of 1996).

2. **“Straight Assimilation without an interview”**: Where the 70% rule applies **AND** there is no change in grade **AND** there are sufficient posts for people.
3. Where there are two or more employees on the same grade or equivalent salary who have a **70%** claim on one available post, “straight assimilation” cannot take place and these employees will be “ring fenced” for competitive application.
4. Where the post has been evaluated at a **lower** grade or equivalent salary than the original post, the post will initially be ring-fenced for application for displaced employees to apply for if they are substantively performing **70%** of the duties contained in the job description of the original post but on a higher grade. They will still need to demonstrate that they meet the essential criteria in the job description and person specification (or could do with reasonable training – to be assessed in liaison with HR and union).
5. Where a post has been evaluated at a **higher** grade (or equivalent salary than the original post) and they have not been filled by displaced employees, the posts will initially be “ring fenced” for displaced employees who are substantively performing **70%** of the duties contained in the job description of the original post, but on a lower grade. They will still need to demonstrate that they meet the essential criteria in the person specification (or could do with reasonable training).
6. Thereafter the posts will be open to application from any member of the team or service. Normal recruitment procedures will be applied i.e. applicants will only be shortlisted for interview on the basis of meeting the essential criteria in the person specification for the post.
7. **NB.** In any situation where an employee has been acting up for a continuous period of 2 years, they will be treated as being in the higher grade for the purposes of assimilation/ring-fencing under the 70% rule.

#### **Roles which do not meet the 70% rule**

8. Posts which have no equivalent job holder(s) under the **70% rule** will be advertised and recruited to on the basis of “ring fencing” within the team or service. This will initially be to those employees who are “at risk” and for whom the post would constitute either “suitable alternative employment” i.e. the post is the same grade as the employees substantive grade or a down-grading under which circumstances, if successful, the council’s **Salary Protection** would be applied for 12 months. In either case applicants must meet the requirements of the Person Specification (or could do so with reasonable training). Following this any remaining posts would be ring fenced for any applicants from within the team or service and subject to meeting the requirements of the person specification.
9. Where a vacant post is not filled from within the team or service the Council’s policy on open internal/external recruitment will apply.
10. Employees who are identified as still “at risk” following the steps above will be invited to meet with HR and their manager on a one-to-one basis to identify options for their future employment and placed on the Redeployment Register (see Redeployment section).

11. Early retirement and/or redundancy will be considered for those not redeployed or assimilated.

## **6. Selection for Redundancy**

- a. The selection for redundancy will be straightforward if a unique post is being deleted and where there is only one post holder.
- b. If there is more than one post holder in the defined role then all those postholders would be in a 'pool' at risk of redundancy. In these circumstances selection for redundancy will be undertaken as follows:

### **6.1 Stage One**

Wherever reasonably practical and suitable the Council will invite expressions of interest in voluntary redundancy from within the pool, all of which will be considered. However the Council do reserve the right to retain employees where it is deemed to be in the best interests of the organisation.

The Council may also seek volunteers from outside the affected pool, from relevant categories of employees which might provide suitable redeployment opportunities.

### **6.2 Stage Two**

A consultation exercise will commence and a selection matrix will be drawn up. The selection matrix will assess individuals at risk against clear criteria which will be fairly applied. The criteria will be discussed with UNISON. They will then be discussed with those directly affected. The criteria may be different in different circumstances but could include:

- Proficiency through skills, training and work performance.
- Relevant qualifications and training
- Operational and job requirements to meet the Council's current and future needs.
- Disciplinary record
- Attendance record
- Open competition

The relevant manager will objectively assess employees against the selection matrix and will discuss it with the individual employees during the consultation process.

## **7 Outcome**

- 7.1 Following the outcome of the selection exercise, all affected employees will be invited to attend a meeting with their manager, to inform them of their individual position. The employee will be advised that they may bring an accredited trade union representative or work colleague with them.
- 7.2 At the meeting, those volunteering for redundancy who it is agreed can be released, will be notified and a last date of service will be agreed, subject to acceptance of a formal offer by the individual.
- 7.3 Employees who are provisionally selected for redundancy following the application of the criteria will be informed of the fact. They will be given the opportunity to make representations if they feel that there has been a mistake in the application of the criteria.
- 7.4 In the case of the possible redundancy a further meeting will be arranged with the employee to discuss possible redeployment opportunities.

## **8.0 Redeployment**

- 8.1 Where an employee has not been successfully assimilated following a restructure, and is therefore at risk of redundancy and has not expressed an interest in voluntary redundancy, the Council will undertake to make its best efforts to support the employee in securing alternative employment within the Council. In the case of employees with a disability, every effort will be made to make reasonable adjustments at this stage of the process.
- 8.2 This procedure will also be used to achieve redeployment of employees who are no longer able to permanently or temporarily undertake the full range of the duties and responsibilities of their posts on medical grounds and whose continued employment is under threat for reasons of medical capability.
- 8.3 The Council recognises its responsibilities under the Equality Act 2010 to make “reasonable adjustments” to the working arrangements of eligible employees where possible.
- 8.4 Where an individual is dismissed by virtue of redundancy or capability, they will be subject to the statutory provisions relating to the minimum periods of notice relative to their length of continuous service, i.e. 1 week for every year of service to a maximum of 12 weeks.
- 8.5 Where an employee has been found to be permanently incapable of undertaking the duties and responsibilities of their substantive post through ill health, the council will undertake to seek redeployment opportunities to a suitable alternative post within the council for a minimum period of twelve weeks.

- 8.6** Placement on the redeployment register would normally run concurrently with the formal notice period of termination of employment.
- 8.7** An employee who is identified as potentially redundant through restructure or at risk of dismissal through medical incapability has a shared responsibility with the council to seek and identify possible redeployment opportunities. To ensure these opportunities are maximised employees are expected to adopt a reasonable and flexible approach when considering alternative employment options.
- 8.8** A member of the HR team will meet with the employee on a regular basis to support them in securing alternative employment and will alert them to possible vacancies for which they may be interested in applying.
- 8.9** A judgement as to whether the post is 'suitable alternative employment' or 'alternative employment' will be made considering relevant factors including the following, in relation to the employee's substantive post which is at risk of redundancy:
- Job content
  - Pay
  - Grade
  - Status
  - Location of job
  - Hours
  - Working environment

## **9.0 Suitable alternative employment**

- 9.1** Where a post is considered to be suitable alternative employment, an employee who is at risk will be 'slotted' into the post. If there is more than one employee for which the post is considered to be suitable alternative employment, then a limited competition will take place by a suitable and appropriate assessment process and the selection will be made by reference to objective job related criteria.
- 9.2** An offer of suitable alternative employment will be made taking into account the factors set out in para 8.9 If an employee unreasonably refuses the offer the Council may not be liable to make a redundancy payment.

## **10.0 Alternative employment**

- 10.1** The employee who is at risk of redundancy will be offered a priority interview for any vacancy for which they choose to apply and where they meet the essential criteria.
- 10.2** All offers of alternative employment are subject to a minimum statutory four week trial period for both the employee and the Council. This period may be extended as appropriate with the agreement with the employee.

**10.3** If during the trial period a decision is made by the manager that an employee will not meet the required standard, and that the role is not suitable for redeployment, the employee will be made redundant and will receive their rights to redundancy pay.

**10.4** If during the trial period the employee gives notice to terminate the contract and the Council accepts that the alternative employment is not suitable, then the employee will be treated as having been dismissed on the grounds of redundancy. If the Council deems the alternative employment to be suitable then para 8.2 will apply.

### **11.0 Protection Arrangements**

**11.1** During the trial period the employee's salary and benefits, including notice period, will remain unchanged. Thereafter, the terms and conditions will be those related to the new employment and a new contract will be issued to reflect this. The employee's continuous service rights will be preserved.

**11.2** If an employee is at risk of redundancy and is redeployed into a position which results in a reduction to their contractual pay, this pay will be protected for a period of 12 months. The employee's hourly rate, full pay and contractual benefits will be preserved without any subsequent incremental rises or pay awards, until the new earnings reach the level of the previous earnings or until the protection ends, whichever is sooner.

### **12.0 Notice Entitlement**

**12.1** The amount of notice to which the employee is entitled on being made redundant is either the statutory or contractual notice period, whichever is the greater.

### **13.0 Time Off Work**

**13.1** An employee under notice of redundancy will be entitled to a reasonable amount of time off to look for alternative work, attend interviews etc. Employees wishing to take advantage of this right should make the appropriate arrangements with their manager.

### **14.0 Support**

**14.1** Staff under formal notice of redundancy will receive assistance to seek alternative employment or retraining. This will be co-ordinated by the HR Department.

### **15.0 Appeals**

**15.1** Employees have the right to appeal against a decision made regarding selection for redundancy under this policy and procedure to the Appeals Committee of the Council. The process to be followed procedure is outlined in the Council's Appeals Procedure.

### **16.0 Revision**

- 16.1** This procedure will be reviewed regularly in consultation with UNISON, taking into account changes to any legislation, ACAS guidelines and best practice.