

Procedure

Organisational Change

1. Introduction

The Council recognises its duty to deliver public services in the most cost effective way possible and the need to remain flexible in the way service delivery is organised, (insert link to Policy). The Council's approach to Organisational Change is based on three different phases: Preparation; Consultation; Implementation.

2. Preparation

Organisational Change Report

- The Lead Manager (LM) must set out the business case for the proposed organisational change using the Organisational Change Report (OCR) template (insert link to Toolkit).
- The OCR must be cleared by the Human Resources and Organisational Development (HR&OD) and Finance services and approved by the relevant Director, prior to the start of employee consultation, as the basis upon which employee consultation shall commence.
- In exceptional circumstances, if the initial Assimilation/Ring-Fencing proposals are not included in the version of the OCR approved by the relevant Director and used as the basis to commence employee consultation, the LM should complete and communicate those details to the affected employees and the recognised trade union representatives as soon as possible after the launch of employee consultation. If requested by affected employees and/or the recognised trade union representatives, consultation will be extended by up to the same amount of time that the provision of the Assimilation/Ring-Fencing proposals were delayed.

Equality and Health Impact Assessment

- The LM must complete an Equality and Health Impact Assessment (E&HIA) using the EIA template (which is included within the OCR template) (insert link to Toolkit). In certain situations, e.g. where a restructure affects 10 or fewer employees, the EIA should not be shared with affected employees or the recognised trade union representatives (insert link to Toolkit).
- In line with the requirements of the Data Protection Act 1998 and from 2018, the General Data Protection Regulations, the Council will process and keep personal information relating to employees'. The Council may be required to process employees' sensitive data. This may include data relating to racial or ethnic origin, political opinions, religious or similar beliefs, trades union membership, physical or

mental health or condition, sexual life, or commission of or proceedings for any offence committed or alleged to have committed by employees'. The Council will only do this when it is necessary.

Voluntary Redundancy

- The relevant Director will determine whether it will be appropriate to invite affected employees to volunteer to be considered for redundancy and if so will also determine the proposed timing/arrangements - to do so the LM should follow the Voluntary Redundancy Process (insert link to Toolkit).
- The Council reserves the right to withdraw Voluntary Redundancy arrangements at any time.

3. Consultation

Employee Consultation

- The Council is committed to commencing employee consultation at the earliest possible stage with a view to reaching agreement before any final decisions are taken.
- The Council is committed to genuine and meaningful consultation with affected employees' and their recognised trade union representatives.
- An employee will be "At Risk of Redundancy" where the proposals may result in the whole or partial deletion of their post or other significant change to their terms and conditions of employment, irrespective of the likelihood for that employee to be placed in another post through assimilation, ring-fencing or redeployment.
- Employers are required by law to notify the relevant central government department and the recognised trade union representatives of the affected employees of any proposal to give notice to dismiss 20 or more employees as redundant at one establishment (defined as the whole of the Council except schools) within a period of 90 days or less. The specific information required to be provided is set out in the Toolkit (insert link to Toolkit).
- Employee consultation must cover:
 - Changes within the service such as changes to ways of working, organisational structure and the number/type of jobs.
 - Any other proposals contained within the Organisational Change Report (OCR) or that have been documented/discussed during the employee consultation process.
 - Details of any assimilation or ring-fence proposals.
 - Details of the next steps after closure of employee consultation.
- It is a statutory requirement that employee consultation must begin prior to the decision to issue individual notices of redundancy and must begin at least:

- 30 days before the issue of individual notice of redundancy where between 20 and 99 redundancy dismissals are proposed at one establishment within a period of 90 days or less
- 45 days before the issue of individual notice of redundancy where 100 or more redundancy dismissals are proposed at one establishment within a period of 90 days or less.
- Where between 1 and 19 or redundancy dismissals are proposed at one establishment within a period of 90 days or less, no statutory requirement applies – in such circumstances employee consultation must begin at least 30 days before the issue of individual notice of redundancy.
- Where the proposed changes relate solely to a change in organisational structure, no employee is placed 'At Risk' of Redundancy, there are no changes in grade of existing posts and all affected employees accept the consequent changes to the Job Profile of their substantive posts, no statutory requirement applies – in such circumstances the employee consultation period must be no less than 7 days.

Lead Manager

- The LM must make every reasonable effort to meet with the recognised trade union representatives representing employees affected by the organisational change proposal prior to the launch of employee consultation – ideally the meeting with recognised trade union representatives should be arranged for a reasonable period ahead of the launch of employee consultation and no less than one day before – the meeting may be conducted via remote technology (e.g. MS Teams) or in person or via an alternative methodology which recognises the needs of the affected workforce to ensure the maximum number of attendees.
- The recognised trade union representatives must make every reasonable effort to ensure their availability for this meeting.
- The recognised trade union representatives accept that all information provided at this meeting (and prior to the launch of employee consultation) is provided in the strictest confidence on the understanding that they will not pass any of the information on to affected employees or other employees until employee consultation has formally commenced.
- The LM must make arrangements to meet with all employees affected by the organisational change proposal to formally launch the employee consultation process – the meeting(s) may be conducted via remote technology (e.g. MS Teams) or in person.
- The LM must invite the recognised trade union representatives to attend this meeting and must provide reasonable time at the end of the meeting (or subsequently) for the recognised trade union representatives to meet separately with affected employees.
- The LM must make themselves available to meet with affected employees on a one-to-one and/or group basis as requested.

- The LM must make arrangements to meet regularly with the recognised trade union representatives and with the affected employees to discuss all relevant consultation issues, confirm and clarify any potential changes to the original OCR and to respond to issues raised.
- The LM must keep notes of all employee consultation meetings and record all questions raised and answers given (including those raised/answered verbally).
- The LM must respond to comments, queries and any alternative proposals put forward during the employee consultation period.
- Subject to the preservation of anonymity, the LM must publish comments/queries received from affected employees and/or the recognised trade unions along with the answers to those comments queries as soon as possible and at regular intervals throughout the consultation period.
- With the exception of selection interviews under the Assimilation and Ring-Fencing processes, employees may be supported by their recognised trade union representative or work colleague at any meeting associated with the organisational change process.
- Recognised trade union representatives will be given access to employees affected by the organisational change proposal throughout the organisational change process.

Organisational Change Report

- In some circumstances, the LM may update the initial OCR (used as the basis to launch employee consultation), using the OCR template (insert link to Toolkit), to reflect significant changes to the proposals as a result of consultation.
- The updated OCR must be cleared by the HR&OD and Finance services and approved by the relevant Director, prior to its provision to affected employees and the recognised trade union representatives.

Closure of Employee Consultation

- At the end of the employee consultation period, the LM should follow the Closure of Employee Consultation Process (insert link to Toolkit).

Early Closure of Employee Consultation

- In some circumstances, subject to agreement with the recognised trade union representatives, the employee consultation period may conclude earlier than at the end of the statutory 30/45 day period where employee consultation can be shown to have genuinely been completed before that date – in such circumstances, individual notices of redundancy could be issued before the end of the statutory 30/45 day employee consultation period – to do so the LM should follow the Early Closure of Employee Consultation Process (insert link to Toolkit).

Extension of Employee Consultation

- In some circumstances there may be a business need/benefit to extend consultation beyond the planned employee consultation end date – to do so the LM should follow the Extension of Employee Consultation Process (insert link to Toolkit).

4. Implementation

Organisational Change Report

- The LM must review and update the initial OCR (used as the basis to launch employee consultation), using the corporate OCR template (insert link to Toolkit), to summarise what happened during the consultation process and to incorporate any changes made to the proposals as a result of consultation.
- The updated OCR must be provided to the recognised trade union representatives for review/comment (not approval) prior to submission to the relevant Director for approval – the recognised trade union representatives must respond to the LM with any comments within 2 working days of receipt of the updated OCR – the LM must consider any comments made by the recognised trade union representatives and further update the OCR as necessary (insert link to Toolkit).
- The updated OCR must be cleared by the HR&OD and Finance services and approved by the relevant Director, prior to the start of implementation activities and a copy provided to all affected employees and recognised trade union representatives

Large Consultation Ring-Fence, Assimilation and Ring-Fencing

- The Large Consultation Ring-Fence (LCRF) refers to all employees directly affected by the organisational change proposal.
- Employees that are on secondment, acting-up or working “out of post” for any reason will be considered on the basis of their substantive post only with regard to the LCRF.
- Fixed term employees are to be included in the LCRF alongside “permanent” employees where their fixed-term contract states that the purpose of the contract is to cover an established post on a short or fixed term basis (excluding cover for an absent employee) and the contract was issued before the Service was aware of the impending restructure.
- Fixed term employees will not be included in the LCRF where:
 - Their fixed-term contract states that the purpose of the contract is to cover an absent employee – e.g.: maternity cover, secondment, long term sickness etc. - this type of contract will end when the absent employee returns to their substantive post.

- Their fixed term contract states that the purpose of the contract is for additional work or a project which is a temporary addition to the establishment and there are no “permanent” staff carrying out the same role - this type of contract will end when the work is completed or funding for the work finishes.
- To exclude a fixed term employee from the LCRF, the Service must have communicated with employees’ and the trade unions to inform them of the impending restructure within a reasonable timescale.
- Generally, organisational change proposals to cease to carry out work of a particular kind will lead to the deletion of a post or posts and the consequent identification of the postholder(s) as at risk of redundancy.
- There will however be occasions where the organisational change proposal will require that a number of similar posts in a team/service area are to be reduced in number - In these circumstances all postholders’ in those similar posts will be identified as at risk of redundancy.
- The criteria for selecting one or more employees for redundancy will be a cascade selection process with the employee’s skills, ability and competence assessed against the relevant job profile as the primary criteria, with any disciplinary record (that has not been disregarded) being used in the event of 2 or more employees’ being assessed as equal against the skills, ability and competence criteria.
- The term “Assimilation” means the process by which an employee who is At Risk of Redundancy has a claim to move to a new/different post within the LCRF where there is a “strong match” between the new/different post and the employee’s current substantive post – in order to be considered for Assimilation there needs to be a significant degree of similarity between the two posts such that the employee would be able to undertake the full extent of the new/different post almost immediately and with a minimum degree of training (insert link to Toolkit).
- The term “Ring-Fencing” means the process by which an employee who is At Risk of Redundancy has a claim to move to a new/different post within the LCRF where there is a “partial match” between the new/different post and the employee’s current substantive post – in order to be considered for Ring-Fencing there needs to be a sufficient degree of similarity between the two posts such that the employee would be able to undertake the majority of the new/different post within a reasonable period of time and with a reasonable degree of training (insert link to Toolkit).
- Where there is “little or no match” between the current substantive post of an employee who is At Risk of Redundancy and a new/different post within the LCRF, the employee will have no claim to move to that new/different post through assimilation or ring-fencing – in such cases, there would be minimal degree of similarity between the two posts such that the employee would be unlikely to be able to undertake the majority of the new/different post within a reasonable period of time and without a considerable degree of training (insert link to Toolkit).

- Assimilation and Ring-Fencing will be based on new/different posts at the same grade or one grade higher or one grade lower than the employee's substantive post - Employee's may seek to establish an assimilation or ring-fencing claim outside of these grade parameters but will need to evidence a strong match for assimilation or a partial match for ring-fencing.
- The LM should determine assimilation/ring-fencing claims using the corporate Job Matching Process (insert link to Toolkit).
- Assimilation to new/different posts that are more than 2 grades lower than the employee's substantive post will not require an interview (subject to there being the same number of, or more, posts available than the number of people with an assimilation claim to those posts).
- Where there are numerous organisational change proposals running at the same time and some employees may be identified for possible assimilation and/or ring-fencing across more than one of these proposals, employees will be invited to express an order of preference for the posts to which they have assimilation rights and/or for the posts to which they are ring-fenced. In the first instance, employees can only be considered against posts in a particular organisational change proposal if they are directly impacted by that particular organisational change proposal.
- All posts within the organisational change proposal will be initially ring fenced to the employees within the corresponding LCRF.
- Within each LCRF there will be smaller ring fences made up of employees with a strong match (i.e. assimilation) between their substantive post and the new/different post and employees with a partial match (i.e. ring-fencing) between their substantive post and the new/different post.
- To manage the Assimilation and Ring-Fencing processes the LM should follow the Assimilation/Ring-Fencing Process (insert link to Toolkit).
- The different factors affecting the order of priority of different assimilation and ring-fencing scenarios is set out in the Assimilation/Ring-Fencing Process (insert link to Toolkit).
- Assimilation and Ring-Fencing interview/selection events will follow the process set out in the Council's Recruitment and Selection Policy (insert link to policy) with the following exceptions:
 - Interview/selection panels may comprise just 2 members – there is no requirement for Human Resources to attend selection events.
 - There is no requirement for employees to submit an application form or supporting statement for interviews held at LCRF 2, 3 and 4.
- Employees may appeal against the Assimilation/Ring-Fencing proposals following closure of consultation.
- Appeals against the Assimilation/Ring-Fencing proposals will be heard by the Redundancy and Redeployment Panel and will be managed in accordance with the

Appeal Against Assimilation/Ring-Fencing and Redundancy Process (insert link to Toolkit).

- The decision of the Redundancy and Redeployment Panel will be final and there is no further right of appeal

Pay Protection

- Where an employee is assimilated or appointed through a ring-fence into a post that is one grade lower than their substantive post, they will receive pay protection at their current basic salary for a period of six months' full pay plus three months half pay from the date of appointment to the new post.
- Where an employee is assimilated or appointed through a ring-fence into a post that is more than one grade lower than their substantive post, the employee's pay will be protected by up to a maximum of 8 spinal column points from the top of the grade of the post into which they have been appointed through a ring-fence for a period of six months' full pay plus three months half pay protection from the date of appointment to the new post.
- Pay protection will only apply to basic pay – Pay protection will not apply to contractual overtime or any other enhancement/allowance/payment.
- The service relating to the employee's substantive post will meet the cost of any protection

Notice of Redundancy

- The LM should follow the Notice of Redundancy Process (insert link to Toolkit).
- Employees at risk of redundancy who have not been assimilated or ring-fence appointed into a post through the LCRF process will be issued with a notice of redundancy and declared a Redeployee (insert link to new Redeployment & Skills policy).
- Normally, notices of redundancy are only issued at the conclusion of the LCRF - However, there may be circumstances where it is necessary to issue notices of redundancy before the conclusion of the LCRF.
- If an employee at risk of redundancy is ring-fenced to posts across more than one LCRF, the employee will normally only be issued with a notice of redundancy and be declared a Redeployee after all their LCRFs have been completed. However, there may be circumstances where it is necessary to issue notices of redundancy before the conclusion of all of the LCRFs.
- The contractual notice period for redundancy purposes is 12 weeks for all employees (except those on School Teachers Pay and Conditions where fixed notice periods are set).
- Employees have the right to appeal against any dismissal for reason of redundancy

Appeal against Redundancy

- Employees must submit (in writing) any appeal against selection for redundancy to the Director of HR&OD within 5 working days of receipt of the notice of redundancy.
- Appeals against Redundancy will be heard by the Redundancy and Redeployment Panel and will be managed in accordance with the Appeal Against Assimilation/Ring-Fencing and Redundancy Process (insert link to Toolkit).
- The decision of the Redundancy and Redeployment Panel will be final and there is no further right of appeal

Redundancy Payments

- Employees who have been issued with a notice of redundancy, who have less than 2 years' continuous local government service on their last day of service are not entitled to a redundancy payment.
- Redundancy payments (including Voluntary Redundancy Payments) are calculated on the same basis as statutory redundancy pay (insert link to Toolkit) with the exceptions that an actual week's pay is used (i.e. the statutory maximum week's pay is not applied) and that a maximum cap of £30,000 is placed on redundancy pay.
- Voluntary Redundancy Payments are not enhanced.

Re-employment

- Employees made redundant will not normally be re-employed or reengaged as agency workers or consultants/contractors by the Council for a period of 12 months from their last day of service unless there are exceptional circumstances as determined by the relevant Director.

HR&OD

- Responsible for keeping the policy and guidance up to date and providing advice to managers and staff.

5. Resources

Access to further resources are found here (insert hyperlink)

Organisational Change Policy

Organisational Change Toolkit

Recruitment and Selection Policy

Redeployment and Skills Retention Policy

Effective date	Review date	Owner	Approved by
		HR & OD	