**MODEL ORGANISATIONAL CHANGE POLICY**

**1 AIM OF POLICY**

1.1 This policy is developed in recognition that organisational change can be essential to maintaining high quality services. However, if the process is not handled appropriately uncertainty created by organisational change can also damage morale and motivation among staff, with negative consequences for service standards.

1.2 Therefore, this policy aims to ensure that organisational change is conducted through fair and consistent procedures that put communication with staff, listening to staff concerns and addressing staff concerns through negotiation with trade union representatives at the heart of the process.

1.3 Underpinning the procedures set out below, the policy will be implemented with a commitment to transparency, information sharing and good employee relations / partnership working.

**2 TYPES OF CHANGE**

2.1 The broad types of change that this policy covers are:

* Internal restructuring
* Merger with an associated organisation
* Transfer to another employer

2.2 The key features of organisational change under these headings are that they alter some or all of the following contract dimensions:

* Work patterns;
* Work location;
* Grade, pay or other terms and conditions of service;
* Numbers of posts;
* Fundamental nature of roles and main responsibilities / duties;
* Employer.

**3 RESTRUCTURING**

**3.1 General principles**

3.1.1 A meeting will be held with trade union reps at an early stage when proposals are at a formative stage to enable employees to input into the shaping of proposals.

3.1.2 Proposals will then be put forward through a formal consultation paper which includes:

* Rationale for change;
* Current and proposed staffing structure;
* Skills required for the new structure and any training opportunities;
* Job descriptions and grading / bandings of posts;
* Method by which employees will be selected for posts within the new staffing structure(s)
* The equality impact assessment;
* The timeframe for consultation;
* Feedback methods through the consultation process;
* Process to be followed after the consultation period concludes.

3.1.3 The consultation period will allow staff and union reps sufficient time to consider the proposals fully.

3.1.4 Meetings will be held with trade union reps to enable staff to provide feedback on concerns throughout the change process and facilitate dialogue on solutions to areas of dispute.

3.1.5 In response to feedback and alternative proposals, the employer will inform trade unions reps of changes made to proposals or the rationale for rejecting alternatives.

3.1.6 Meetings with individual members of staff over the proposals will allow for the right to be accompanied by a trade union rep throughout the process.

3.1.7 Information shall be shared in accordance with the ACAS code of conduct on Disclosure of Information to Trade Unions for Collective Bargaining Purposes.

3.1.8 The equality impact assessment will assess the impact of the proposal on groups that display the protected characteristics defined by the 2010 Equality Act, with a view to amending the proposal if the assessment reveals discriminatory impact and improving the proposal to promote equality.

**3.2 Method of restructuring posts**

3.2.1 For any area subject to restructuring a full set of job descriptions for new and existing posts will be published and roles will be graded according to the job evaluation scheme.

3.2.2 Posts shall be filled utilising slotting in and ring-fencing during a first round of recruitment:

* Slotting in without the need to go through a recruitment process shall apply where there has been no significant change in the duties and responsibilities of a post following restructuring and where the number of posts available is equal to or in excess of the number of existing post holders in the workplace unit. To qualify for this treatment a post must be of the same grade before and after restructuring, while no other member of staff should have a comparable claim on the post.
* Ring-fencing of applications for posts in a new workplace unit will apply where the former unit contained posts that carried substantially the same duties and responsibilities but the number of staff exceeds the number of posts available in the new unit, or where there are similarities between old and new posts but there are also significant differences that do not make them suitable for slotting in.

3.2.3 The criteria utilised to decide on the application of slotting and ring-fencing procedures will be fair, objective, consistently applied job related criteria, backed by evidence where possible They will be non-discriminatory on grounds of sex, sexual orientation, race, disability, religion or belief or age. They will also not discriminate on grounds of trade union membership, pregnancy, part-time status or fixed-term contract status.

3.2.4 All decisions concerning slotting-in and ring-fencing shall be open to appeal by the affected employee. Appeals shall be made in writing within five working days of the decision being announced and will be considered by a different panel to that which made the original decision within 15 working days.

3.2.5 Staff who are not successful in obtaining a post after this initial round will be formally notified that they are "at risk of redundancy."

3.2.6 For remaining posts, priority will be given to applications from staff classified as “at risk.” If the post remains vacant, the post will be advertised internally across the organisation. If the post still remains vacant, it is possible at this stage to go to external advertisement.

**3.3 Redeployment**

3.3.1 “At risk” staff will also be entitled to consideration for redeployment to suitable alternative employment where they meet all of the essential criteria for the post or would be able to do so within a reasonable timeframe.

3.3.2 At risk staff will be kept aware of posts which could be considered as suitable alternative employment for an initial period of six weeks, following which progress should be reviewed with the employee and the designated manager.

3.3.3 Where an application is successful, the redeployee will be entitled to a four week trial period in post, following which, the redeployment will either be identified as successful, or the redeployee will return to the redeployment process.

3.3.4 Where redeployment is deemed successful by both parties, this will be confirmed in writing to the redeployee. The employee will then adopt the terms and conditions of their new post, with the exception of pay, if pay protection applies.

3.3.5 If the organisation does not consider the employee to be suitable, the employee will be treated as having been dismissed for redundancy and will receive any redundancy payment due.

3.3.6 Where redeployment has been unsuccessful after six weeks, the period can be extended by a further six weeks with the consent of the employee and the manager leading the change.

3.3.7 In accordance with statutory duty, employees on maternity, adoption or shared parental leave will be offered suitable alternative employment without competition

**3.4 Pay protection**

3.4.1 Where an employee’s pay for their new job is less than the pay for their old job, the employee will be eligible for pay protection of their salary that endures for two years.

3.4.2 In such circumstances, the organisation will make every effort, for a period of two years following the redeployment, to offer the employee a job more suitable to his/her original status.

**3.5 Redundancy**

3.5.1 Redundancy will always represent a last report in the process of organisational change.

3.5.2 All options for avoiding redundancy will be explored, including:

* Limiting the refilling of posts when staff leave the organisation;
* Restrictions on recruitment;
* Opportunities for secondments across the organisation;
* Seeking volunteers for job-share or part-time work;
* Retraining existing staff to cover any skills gaps;
* Fixed term work to cover fluctuations in staff resource requirements;
* Redeployment of staff, within their contract of employment, to suitable alternative employment;
* Seeking volunteers for voluntary redundancy or early retirement;
* Other cost saving measures that preclude the need for redundancy

3.5.3 However, where it first becomes apparent that the proposal for restructuring entails redundancies, consultation shall take place that allows genuine and meaningful consideration of ways to avoid redundancy.

3.5.4 By law, where the number of proposed redundancies exceeds 99 employees over a period of 90 days or less consultation will begin at least 45 days before the first dismissal takes effect. Where less than 100 but more than 20 redundancies are proposed, consultation will begin at least 30 days before the first dismissal takes effect. However, in order to allow full and meaningful consultation, every attempt will be made to initiate consultation on redundancies at least 90 days before the first dismissal is planned to take effect.

3.5.5 Trade unions reps will be provided with the following written information:

* The reasons for the proposed dismissals.
* The numbers and descriptions of employees whom it is proposed to dismiss as redundant.
* The total number of employees of any such description employed by the employer at the establishmentin question.
* The proposed method of selecting employees who may be dismissed.
* The proposed method of carrying out the dismissals, with due regard to any agreed procedure, including the period over which the dismissals are to take effect.
* The proposed method of calculating the amount of any redundancy payments to be made (over and above the statutory redundancy payment) to employees who may be dismissed.
* "Suitable information" about its use of agency workers
* The equality impact assessment

3.5.6 Negotiation will take place with trade unions over the criteria by which employees will be selected for redundancy.

3.5.7 The criteria will be fair, objective, consistently applied job related criteria, backed by evidence where possible They will be non-discriminatory on grounds of sex, sexual orientation, race, disability, religion or belief or age. They will also not discriminate on grounds of trade union membership, pregnancy, part-time status or fixed-term contract status. Criteria utilised may include objective assessments of work performance, however skills / experience will only be used where account has been taken of barriers experienced by many protected groups in building skills / experience. Attendance record will only be used where no satisfactory explanation for non-attendance has been provided and disciplinary records shall only be used where disciplinary claims have been upheld.

**3.6 Appeals against compulsory redundancy**

3.6.1 The employer will formally write to an employee setting out the notice of redundancy. A meeting will also be held with the employee to discuss the matter and notification will be made of the right to appeal against a decision to place them under formal notice of redundancy.

3.6.2 The appropriate manager will continue to meet with the individual employee on a regular basis throughout the formal notice period in order to continue to pursue alternatives that need to be explored.

3.6.3 An employee seeking to appeal will inform the head of HR in writing of his/her intention, stating the grounds of appeal together with any documents, which he/she intends to produce at the appeal hearing, within 15 working days of being given notice of redundancy.

3.6.4 An appeal against redundancy will be heard by a panel of a minimum of two managers, who have not previously been involved in the selection process.

3.6.5 Employees at risk of redundancy will be entitled to reasonable time off work with pay to look for other employment or to arrange for training

**3.7 Redundancy payment**

3.7.1 Employees with at least two years continuous employment will be entitled to redundancy payment in line with the organisation’s redundancy scheme.

3.7.2 Depending on the circumstances, the organisation may waive its right to insist on employees working their notice and instead give a payment in lieu of notice.

**4 TRANSFER TO ANOTHER EMPLOYER**

**4.1 Application of TUPE**

4.1.1 The Transfer of Undertakings (Protection of Employment) Regulations will apply where:

* An undertaking is transferred from one employer to another and retains its economic identity;
* A service provision change occurs.

4.1.2 Where TUPE does not apply in strict legal terms, account will be taken of the Cabinet Office Statement of Practice on TUPE, which advises application of TUPE principles for public sector transfers.

**4.2 General principles**

4.2.1 Trade unions reps shall be consulted early in the process of any review of services that may lead to proposals for transfer and engagement will continue throughout the procurement process, including the key steps of service review, option appraisal and contractor selection.

4.2.2 Before any service is put out to tender, full consideration will be given to:

* The benefits of retaining services in house for maintaining control over service standards and effective co-ordination with wider operations;
* Addressing any failings found in current services through an in house improvement plan;
* Options for seconding staff rather than transferring to a separate employer.

4.2.3 If the options appraisal process leads to putting a contract out to tender, the following procedures will apply:

* A properly resourced in-house bid will be permitted to make a bid for the contract;
* Trade union reps will be engaged in defining the criteria used for selecting a provider;
* Trade union reps will be invited to take part in the process of interviewing contractors and contribute their views to selection.

4.2.4 Appropriate information will be made available to staff and trade unions at all stages of the procurement process. In addition to employment issues, financial, commercial and technical information will be shared in order to allow a full understanding of the proposal.

4.2.5 Trade union reps will be permitted additional paid time off to deal with the extra demands of organisational change if necessary

4.2.6 Any proposal arising from a service review will be subject to an equality impact assessment that will assess the impact of the proposal on groups that display the protected characteristics defined by the 2010 Equality Act, with a view to amending the proposal if the assessment reveals discriminatory impact and improving the proposal to promote equality.

**4.3 Procedure**

4.3.1 Before a transfer takes place, the organisation will inform the trade union or appropriate representative of the following:

* The fact that a transfer is to take place;
* The reasons for the transfer;
* The date or proposed date that the transfer is to take place;
* The legal, economic and social implications of the transfer for the affected employees;
* Any measure which the old or new employer will take as a result of the transfer, or if no such measures will be taken, this should be stated;
* Details of agency staff working for the transferor;
* The equality impact assessment.

4.3.2 Consultation will allow sufficient time with to consider representations from trade union reps over proposed measures to be taken and to reply to them, stating reasons for objection where appropriate.

**4.4 Selection criteria**

4.4.1 Criteria for selecting a contractor will take into account the Cabinet Office Principles of Good Employment Practice and the contractor’s position on fair work practices, which include the following features:

* A fair and equal pay policy that includes a commitment to supporting the Living Wage as defined by the Living Wage Foundation;
* Promotion of equality of opportunity and developing a workforce which reflects the population in terms of characteristics such as age, gender, religion or belief, race, sexual orientation and disability;
* Support for learning and development;
* Stability of employment and hours of work, and avoiding exploitative employment practices, including for example no inappropriate use of zero hours contracts;
* Flexible working (including for example practices such as flexi-time and career breaks) and support for family friendly working and wider work life balance;
* Support for progressive workforce engagement, for example trade union recognition and representation where possible;
* Provision of a pension scheme that is no less favourable than the organisation’s current pension scheme;
* Guarantees that TUPE terms and conditions will last for the term of the contract..

**4.5 Monitoring**

4.5.1 If services are transferred to a contractor, in addition to regular evaluation of performance indicators, assessment will be made of the contractor’s record in meeting commitments to fair work practices.

4.5.2 In the event of failure to meet commitments, steps shall be taken to ensure compliance and the contractor’s record shall be considered when the contract becomes due for renewal.