

# Change Policy

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## Overview

Organisational change enables continuous improvement so that Chorley and South Ribble Councils can achieve their objectives and corporate strategies. Change is an inevitable part of business development and can be caused by external factors such as funding or local government reorganisation, or internal factors such as improving processes or to become more efficient.

Change is important as it provides opportunities for growth and development; however, change can be emotionally difficult for all involved and employees often need additional support. This policy is designed to minimise the impact on employees and services by providing clear consistent guidance on how best to manage organisational change.

This policy incorporates the restructure, redundancy, and redeployment policies and applies in situations where the organisation is being internally reorganised, or where services or functions are no longer required.

For medical redeployment please consult the Attendance Policy.

**This policy applies to all employees of Chorley and South Ribble Councils.**

## Policy Objective

This policy has been designed to provide guidance and support to managers and employees.

The councils value their employees and aim to manage all employment related matters in a fair, transparent and consistent manner. The councils will always aim to minimise the need and number of compulsory redundancies by effective workforce planning and aim to retain a suitably skilled workforce to meet current and future organisational needs.

This policy has been produced in consultation with the Trade Unions and sets out the processes and procedures that we will follow when implementing organisational change.

### **The Councils' responsibilities:**

- Undertake effective workforce planning by considering the current and future needs of the service based on national or local changes, budget requirements, organisational priorities and efficient practices.
- Provide communication and support to employees throughout the change process.
- Carry out meaningful and early consultation with employees and the Trade Unions.
- Provide opportunities for career progression for current employees wherever possible.
- Seek suitable alternative employment for all employees who may be at risk of redundancy.
- Follow the agreed procedure for any redundancies that do occur so that they are handled fairly and sensitively.
- Take all reasonable steps by exploring alternatives to avoid or minimise the need for compulsory redundancies.
- Ensure the statutory consultation timescales are followed in circumstances where the number of employees triggers the requirement.

**Manager responsibilities:**

- Seek support and consult with HR, OD, Finance, and Transformation as soon as the need for change is identified.
- Provide a clear and robust business case for change and communicate this to employees and the Trade Unions.
- Find opportunities to meaningfully consult with employees and Trade Unions and provide feedback on their contributions as frequently as practicable.
- Complete an impact assessment on proposals to ensure employees have not been subject to discrimination.

**Employee responsibilities:**

- Engage in discussions regarding proposed changes and suggest ideas or alternatives..
- Fully engage in the process to seek suitable alternative employment where necessary.
- Employees are expected to follow the guidance outlined in this policy. Support is available to them via their manager, HR and their Trade Union representatives.

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## Pre-consultation

Communicate to employees that there will be change.

Discuss change with the affected teams. This might include focus groups, team meetings, or written submissions.

Invite applications for ERVS (if appropriate).

Consult with HR, Finance, OD, Transformation, and Democratic Services.

## Decision

Submit report outlining proposed changes to staffing structure for approval by the appropriate committee (Shared Services Joint Committee/ Executive Cabinet/ Full Council) or to the Head of Paid Services.

## Consultation

Meet with affected employees as soon as possible following the decision.

Inform affected employees how it is proposed they are affected in writing.

Consult with Unison.

Consultation should include more than one opportunity for feedback and response.

The consultation period must last a minimum of 4 weeks.

## Final Sign-off

Collate and respond to final feedback.

Subject to no major changes, the report is forwarded for sign off to the person indicated in the initial report.

## Implementation

Meet with affected employees and confirm how they are affected.

Communicate timescale for full implementation of the new structure.

Undertake ringfence recruitment.

Identify potential redeployment opportunities.

Recruit to vacant posts.

Consult with OD on team development.

## Change Process

### Step One – Pre-Consultation

Pre-consultation should include the following steps:

- Discuss with Finance, HR & OD, Democratics, and Transformation.
- [Develop a clear and concise case for change.](#)
- Advise the Trade Unions and provide the case for change.
- Brief the workforce and explain the business reason for the review.
- Offer support (see health and wellbeing tools here).
- [Develop and share a timeline](#) (see example in [TOOLS](#)).
- [Invite views from the team – provide a way for ideas to be fed in.](#) (see examples in [TOOLS](#))
- Invite applications for ERVS.
- Ensure the report is on the forward plan for the appropriate decision maker.

### Step Two – Initial report

Following pre-consultation the manager should:

- Consider employee and Trade Union feedback.
- [Draft report and share with HR and finance.](#)
- Identify if there are any potential [redundancies and establish the number.](#)
- Complete Integrated Impact Assessment
- Draft consultation letters to all affected and book in 1:1 meetings. \*
- Draft job descriptions and share with JE panel.
- Forward report for discussion.
- The report should set out clearly the person to whom the final decision report will be taken subject to no major changes.

### Step three – Consultation

Following Committee approval:

- Consultation commences for 4 weeks.
- Discuss with the Trade Unions.
- Meet with affected employees 1:1 and explain how they are affected. \*
- [Ensure the consultation is meaningful.](#)
- [Consider applications for ERVS.](#)
- Decide the final structure.

### Step four – Final sign off

- Collate final feedback and provide responses where appropriate.
- Write sign off report.
- [Agree selection to newly created posts.](#)
- Arrange meetings with affected employees 1:1 \*
- Draft letters confirming how employees affected \*
- Brief Trade Unions.
- Submit report for final sign off.

## **Step Five – Implementation**

Following final sign off:

- Meet with affected employees 1:1\*
- Organise ringfence recruitment.
- [Identify redeployment opportunities \(where appropriate\).](#)
- [Support employees on at risk register.\\*](#)
- [Redundancy meetings.\\*](#)
- Recruit to vacant posts.
- Agree and communicate implementation date.
- Consult with OD on individual and team development.

\*HR will provide support

## Case for change

The case for change should provide the rationale for implementing a change. This may include a change to the way a service is to be delivered, recommendations from a value for money review, or as a result of joint/shared services with other organisations.

If the change is because a service, or a group of services, will no longer be delivered, this should be clearly explained to employees.

## Pre-Consultation

Pre-consultation is designed to ensure that those employees affected by a change to a service can provide input at the earliest opportunity. Managers should provide as much information as possible to employees at the pre-consultation stage. An example of how to undertake a pre-consultation briefing can be found in [TOOLS](#).

Once the informal feedback has been received this should be fully considered and responses provided where appropriate. The consultation feedback should be incorporated into the committee report.

## Consultation Requirements

The law states that when proposing to make 20 or more employees redundant at one establishment within 90 days, an organisation must:

- Consult with any recognised Trade Unions or, if none, with other elected employee representatives.
- All consultation should take place as soon as reasonably practical. In addition, consultation must begin:
  - At least 30 days before the first dismissal takes effect if 20 to 99 employees are to be made redundant at one establishment over a period of 90 days or less.
  - At least 45 days before the first dismissal takes effect if 100 or more employees are to be made redundant at one establishment over a period of 90 days or less.
- Consult on ways of avoiding dismissals, reducing the numbers to be made redundant and mitigating the effect of the dismissals.
- Disclose in writing to the appropriate representatives the required information concerning the proposed dismissals.
- Notify the Secretary of State via the Redundancy Payments Service (RPS) at least 30 or 45 days in advance of the first dismissal taking effect, depending on the number of proposed redundancies

An organisation must disclose in writing to the appropriate representatives the following information concerning proposals for redundancies so that they can play a constructive part in the consultation process:

- the reasons for the proposals
- the numbers and descriptions of employees it is proposed to dismiss as redundant
- the total number of employees of any such description employed at the establishment in question
- the way in which employees will be selected for redundancy
- how the dismissals are to be carried out, taking account of any agreed procedure, including the period during which the dismissals are to take effect
- the method of calculating the amount of redundancy payments to be made to those who are dismissed

- Agency workers: the number of agency workers, where they are working and the type of work they are doing.

## Report

The responsible manager drafts a report detailing the changes required to the current team structure. The report will include the business case, the costs, and which posts are affected and how. This report should be written in consultation with HR and should also include an existing and proposed structure chart.

If the proposal is to change the duties of a post or create new posts, job descriptions should be updated or created at this stage. Once job descriptions are completed, they should be forwarded to HR for job evaluation.

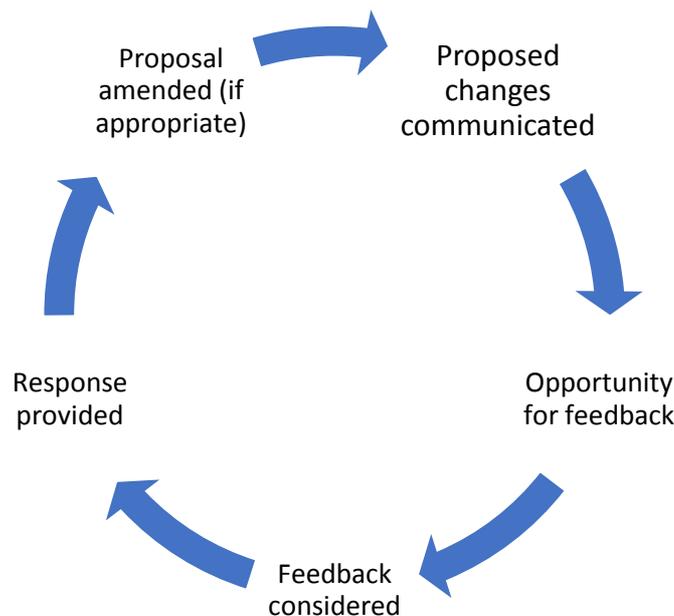
All restructure reports are dealt with on a confidential basis until they have been presented and the recommendations approved by the appropriate committee.

## Meaningful Consultation

Consultation will commence as soon as all employees and the Trade Unions have been updated and as soon as practicable following committee approval.

In practice, meaningful consultation should include **more than one opportunity** for feedback to be received and responded to. This might be achieved through focus groups, team activities, meetings, or written submissions. HR & OD can provide support with consultation activities if required.

Once feedback has been received it should be fully considered and responded to as soon as possible and where changes are made to proposals during the consultation period, these should also be shared with employees and the Trade Unions. This continuous feedback loop is depicted below and should continue until the end of the consultation period.



There may be occasions where feedback is received and considered but it is not appropriate for the proposal to change as a result. When this happens the reasons for the decision should be explained to employees.

### Absent/seconded employees

Any employees who are absent during the consultation period due to sickness, annual leave, or maternity leave will be contacted at the same time as other affected employees and provided with the same relevant information.

All reasonable steps will be taken to protect the employment of employees on maternity leave at the time of a change. In practice, employees on maternity leave will be redesignated/redeployed to suitable alternative employment as appropriate and where possible.

Employees on secondment will be fully consulted and their employment will be approached in the following ways:

	Employee's substantive role is affected	Employee's seconded role is affected
Employee has been in seconded post for less than 12 months	Considered against their substantive post.	Considered against their substantive post.
Employee has been in seconded post for 12 months or more	Considered against their substantive post.	Considered against their seconded post.

### Early Retirement/Voluntary Severance (ERVS)

Employees can request ERVS in writing by submitting Appendix C to HR. Each request for ERVS will be looked at and considered individually. Any figures given to employees are for information and are not to be taken as an indication that their request has been accepted.

Any employees that have requested ERVS and have had their request approved will be told of their termination date. All employees leaving under ERVS will be required to work their notice period.

Pay in lieu of notice will only be provided in exceptional circumstances, however employees working in services where they have access to sensitive information may be granted 'garden leave'. This will be discussed on an individual basis.

### Sign off

Following the end of the consultation period, the manager will prepare a report that outlines the feedback and any changes proposed to the final restructure. This is then presented for final committee approval. Following approval, the Trade Unions will be updated.

Once sign off and any relevant call-in period have elapsed, affected employees will receive written confirmation of how they are affected along with a copy of the final report. Employees will be asked to confirm their intentions towards ring fence posts, redeployment, or ERVS.

Employees in deleted posts will automatically be placed at risk of redundancy. This will be confirmed to them in their letter. Those employees that have been ring fenced for posts will be informed of the necessary selection process.

## Selection process

If a restructure has created new posts, employees will be appointed to those posts in several ways:

Re-designations – will be applied if a new post is the same or substantially similar to the old (e.g. has very similar duties, responsibilities and grade), employees will be deployed into the new posts without the need for following a selection procedure. Their job description will be amended accordingly and provided.

Ring-fencing process – if the new post is comparable to the old, considering the following factors, employees may be ring-fenced for new posts and given priority opportunity for consideration. Ringfencing criteria will include:

- Current level of duties and responsibilities
- Current grade
- Current qualifications, skills and abilities
- The specific requirements of the new post.

Appointments will be made via a rigorous selection process; employees may request support on interview preparation from HR.

Where there are an equal number of people for posts each employee should indicate the post they wish to be considered for. They will be appointed via a selection process.

Where there are more people than posts employees may be ring-fenced and a competitive selection process will take place based on skills, knowledge and experiences relative to the post.

Posts offered to employees in the circumstances covered above will be considered suitable alternative employment.

Any employees who are unsuccessful during the interview process will be informed that they are [redundant](#) and will be placed on the [redeployment](#) register during their notice period.

Where the redundancy applies to all the posts held by one or more employees, the post(s) would be redundant without the need for selection.

## Redeployment

Where an employee has been informed that they are redundant they will be placed on the redeployment register during their period of notice. Whilst on the Redeployment Register they will be notified of all vacancies which are advertised at both of the councils, regardless of their current employer. During the notice/redeployment period, employees will continue to work in their existing role where this is possible.

Employees on the Redeployment Register will need to undergo a selection process to demonstrate their suitability for any post identified as a redeployment opportunity.

Relevant training will be given to an employee who is redeployed into a post, where a need has been identified, provided that the individual is appointable but requires some additional knowledge or skills specific to the new role.

Where a suitable alternative offer is made, it will be offered as soon as possible before the end of the notice period. If an employee refuses an offer of suitable alternative work, they must inform the Council within 7 working days of the offer. If the refusal is deemed to be unreasonable it will lead to loss of redundancy pay. However, if an offer of suitable alternative work is made during the final third of the notice period (e.g. for 12 weeks' notice, during the last 4 weeks), the employee will not forfeit the right to redundancy pay if they refuse the offer.

### **Trial period**

The provision of a trial period for suitable alternative employment gives both the employee and manager a chance to decide whether the new post is suitable. The trial period is for 4 weeks but can be extended with the agreement of the employee and the organisation. If any employee continues working beyond the end of the trial period without agreement, they will lose the right to redundancy pay, as they are deemed to have accepted the new post.

If either party decides that the trial has been unsuccessful, the employee will retain their right to redundancy pay. Where a trial is unsuccessful any remaining notice period will be honoured during which time other suitable posts may arise and a new trial period would apply.

### **Support for at risk employees**

In addition to seeking redeployment opportunities within the Council, assistance will be provided to employees on the Redeployment Register to seek alternative employment elsewhere including:

- Assistance with the preparation of CV's and application forms.
- Photocopying and postage services.
- Arranging meetings with careers advisors and training advisors.
- Reasonable time off to seek alternative employment, including attendance at interviews. (Any time off must be agreed with the employee's line manager beforehand.)

### **Salary protection**

In the event of redeployment the employee will be paid at the rate for the new post where this is the same rate or higher rate than their old post.

If the redeployment post is paid less than the employee's old post and the difference between the top of their existing post and the top of the redeployment post is not greater than £5,000, then the employee's contractual pay will be protected for a period of 12 months full protection followed by a further 12 months of 50% protection. After this period the rate of pay will revert to the rate for the post.

Where the difference in pay between the employee's existing post and the redeployment post is greater than £5,000, then salary protection would apply up to £5,000 in year one and up to £2,500 in year two.

Where the employee is a member of the Local Government Pension Scheme, no additional protection will be provided other than the provisions detailed above.

## Compulsory redundancy

Under the Employment Rights Act 1996, an employee is dismissed by reason of redundancy if the dismissal is wholly or mainly attributable to:

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

Compulsory redundancy will not be considered until all other avenues have been explored and exhausted. Should compulsory redundancy become necessary, each individual case will be considered on its merits and will be subject to consultation and the Council's duty to act in a fair and consistent way.

An employee who is being made redundant will be informed in person and in writing. They will have the right to [appeal](#) the redundancy.

If over 20 employees are being made redundant, in addition to consulting the Trade Union(s), it is necessary to notify the Secretary of State via the Redundancy Payments Service (RPS) using form HR1. At least 90 days' notice must be given before the first dismissal if 100 or more employees are to be made redundant, and at least 30 days for 20 to 99 employees.

## Redundancy notice

An employee selected for redundancy must be issued with the following notice periods.

1 month to 2 years	-	At least a week
2 years to 12 years	-	A week's notice for every year employed
12 or more years	-	12 weeks

## Redundancy payments

An employee must have more than two years' continuous service in order to qualify for a redundancy payment.

Redundant employees will receive two elements of their final pay:

- Normal pay up to the agreed leaving date
- A severance payment (where entitled). The first £30,000 of any severance payment is not subject to tax or National Insurance.

The severance calculated as the number of weeks of redundancy pay an individual is entitled to multiplied by the employee's normal gross weekly pay. If the employee is contractually entitled to a further multiplier the conditions for this will be outlined in their contract of employment.

If an employee, under notice of redundancy, receives an offer of work outside the Local Government Service, they can either work their notice with the Council and receive their redundancy payment, or if they wish to start prior to the end of the notice period, resign from their post (counter-notice). In this case they will forgo the remainder of their notice pay but will still be entitled to their redundancy pay, calculated to the date they leave their employment.

If an employee, under notice of redundancy, receives and accepts an offer of work with an organisation covered by the redundancy modification order, before their employment ends and they commence employment with that organisation within 4 weeks and 1 day of the termination of their employment with the Council, then they will not be entitled to a redundancy payment. Their continuity of service will not be broken.

### **Car lease**

Under the terms of the car lease agreement employees who are made compulsorily redundant are not responsible for any early termination charge levied by the lease car company.

### **Appeals**

Employees under notice of redundancy are entitled to appeal against their redundancy if they feel that they were unfairly selected, or a fair redundancy process was not followed. Appeals must be submitted in writing within 10 working days of the employee being notified that they are under notice of redundancy. The appeal will be heard by the Appeals Committee. Please see appendix A.

## Appendix A

### PROCEDURE FOR APPEALS AGAINST BEING MADE COMPULSORY REDUNDANT

1. To exercise the right of appeal, the employee must notify the Chief Executive in writing, within 10 working days of notification of compulsory redundancy, stating the grounds of appeal. The possible grounds for appeal are that the employee believes that a fair process was not followed or that they were unfairly selected for redundancy.
2. The Chief Executive will arrange a meeting of the Appeals Committee to hear the appeal against the compulsory redundancy. Appeals will be dealt with as speedily as possible. Where an employee has been dismissed an appeal should be heard within three weeks after the Notice of Appeal has been received, unless both parties agree to a date outside this period.
3. The Appeals Committee will normally be advised by the HR Manager. In cases where this is not appropriate, the Chief Executive will appoint another adviser.
4. The employee will be given at least five clear working days written notice of the date, time and location of the appeal hearing and of his/her right to be accompanied by a Trade Unions or fellow work colleague and of his/her right to call any witnesses. **It is the employee's responsibility to obtain representation.**
5. If possible, both parties should exchange written statements of case and any supporting documentation prior to the date set for the hearing of the appeal. These should be forwarded to the Chief Executive.
6. At the Appeal hearing all of the evidence will be reviewed, including any relevant new information or evidence, which was not available or could not reasonably have been expected to have been known at the time when the individual was put under notice of redundancy. Any new information must be communicated to the other party, as early as possible, in advance of the hearing. Both parties will be given the opportunity to comment on any new evidence arising during the appeal, before any decision is taken.
7. The Appeals Committee may confirm or cancel the compulsory redundancy.
8. The employee will be informed of the outcome of the appeal and the reasons for the decision in writing within 7 days of the appeal hearing.
9. There is no further right of appeal.

## Appendix B

### TOOLS

#### Service review – informal consultation document

Since we last looked at the structure, we have seen a change in the demands of our team and we need to consider whether the set-up is still fit for purpose. We have struggled to maintain performance across the team over the last few months balancing the delivery of customer facing services with the support we need to provide to teams across the organisation.

The main objectives of the employee review are:

1. To consider how external factors need to lead to a bigger change in how we work both in terms of what we produce and how we review the outcomes.
2. To consider our approach and the resource we have for delivering specific projects and how we deliver these alongside other priorities.
3. To consider how demands on the team through an increase in demands from customers can be met and whether a change in focus is needed to react to this.
4. To consider the overall team structure and ensure it meets the needs of the business.

To start this process we are going to enter a period of informal consultation on the structure of the team and we'd like everyone to consider the following:

- Have we got sufficient capacity in the team and is this focussed in the correct areas?
- What skills do we need to develop in the team to be able to help us maintain high performance?
- What are the barriers to you being able to undertake your post as well as you would like?
- Is the team set up to deliver the long term service strategy?
- Is there a better way of us managing and delivering our service?
- Are there any changes you'd like to see that would improve the working environment and help everyone improve performance?
- What kind of reputation do you think the team has across the council, has it changed over the last two years and why and how could it be improved?

This is very much an opportunity for you to put your ideas forward so they can be considered alongside whether there is a need to permanently change the structure of the team.

It is essential all of the team are engaged in this process and contribute thoughts and ideas. It would also be useful to know if anyone is considering looking at voluntary redundancy, whether as part of this process or over the next few years, or a change in hours.

Please have a think and email any initial ideas, comments or thoughts you may have to HR by no later than DATE. These will inform any draft structure which is then developed and so it is important to have your say. Your comments can be treated in confidence if you wish, please state on your return that you do not wish for your feedback to be published either a) to the team or b) to the members.

Your feedback may include references to the existing structure, posts, job descriptions and line management, grades or anything else you feel is relevant.

HR will be supporting the process and is available if you wish to contact them with any questions on ext XXX.

## Timeline

The timeline for the review is as follows:

<b>Steps</b>	<b>Dates (To be updated)</b>	<b>By Whom</b>
Pre-consultation	2 weeks From X to X	All employees
Collation and review of the feedback	1 week From X to X	Appropriate managers, Director and HR
Update taken to Corporate Leadership Team	DATE	Appropriate managers, Director and HR
If any changes to the structure are deemed necessary		
Committee report presented, which proposes draft structure, details the changes and impacts. The report to include a recommendation to delegate decision (unless there are material changes)	DATE	Appropriate managers, Director, Finance, and HR
Consultation with employees, includes team meeting and focus group.	4 weeks From X to X	Whole team
Collation and review of the final feedback received	1 week From X to X	Appropriate managers, Director and HR
Report for submitted for delegated decision.	DATE	Appropriate managers, Director, Finance, and HR
Call in	5 clear working days	
Interviews	DATE	Affected people

## Appendix C

### EARLY RETIREMENT/VOLUNTARY SEVERANCE

Set out below is an explanation of the circumstances that have to be met in order for such a request to be accepted and details of the rules about severance payments.

Criteria for acceptance

1. The applicant's post is suitable for deletion from the establishment or the voluntary redundancy creates a suitable redeployment opportunity for other employees whose posts are at risk of redundancy, or could be deleted from the establishment.
2. The Council is satisfied that any employee redeployed to a vacancy created by voluntary redundancy or early retirement is fully suitable for that appointment and able to carry out the duties of that post.
3. The costs of voluntary redundancy are acceptable to the Council (these costs will obviously vary depending on the age, length of service and salary level of the employee taking redundancy).

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To: HR Services Manager

Please can you consider my application for early retirement/voluntary severance.

Name: \_\_\_\_\_ (Please \_\_\_\_\_ print)

Post \_\_\_\_\_ Title \_\_\_\_\_ :

Directorate: \_\_\_\_\_

Please indicate the effective date you would ideally like to apply for early retirement/voluntary severance from:

\_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_