

Harrow Council

Change Management and Organisational Review Procedures

This policy, procedure and associated guidance is contractual and forms part of the employment contract for employees at Harrow Council. The policy, procedure and associated guidance may be amended at any time in consultation with the trade unions.

1.0 Introduction

- 1.1 The Change Management and Organisational Review procedure will apply where there is a need to reconsider the structure of the organisation and to make appropriate changes and where this will involve changes of role for employees and changes in organisational structure. It may also result in the reduction of certain types of posts and the creation of new posts, which more closely meet the needs of the new organisation or service area.
- 1.2 In any organisational review where redundancies are possible, there are a range of measures which the Council can consider as alternatives to reducing the numbers of employees required. These alternatives will be considered as early as possible and at each stage of the process as appropriate. They include:-
- Phasing-in the reduction through natural wastage e.g. early retirement
 - Reducing the use of agency staff
 - Not extending fixed term contracts (in compliance with Less Favourable Treatment Regulations)
 - Discontinuing any secondments
 - Limiting recruitment i.e. not recruiting to vacancies as they arise
 - Reducing overtime
 - Considering alternative working arrangements e.g. part-time, job sharing
 - Seeking voluntary reduction in hours
 - Transferring staff to other jobs
 - Seeking volunteers for redundancy
 - Considering 'bumped' or "transferred redundancies, where an individual facing redundancy is transferred to another individual's job and as a result the latter individual is at risk of redundancy

- Redeployment elsewhere in the Council
- Any other alternatives proposed by the relevant Trade Union

1.3 Redundancy is defined by section 139 of the Employment Rights Act 1996 as a dismissal which is wholly or mainly due to 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 carry on the business in the place where the employee was so employed or

The requirements of the business for employees:

- To carry out work of a particular kind or
- To carry out work of a particular kind in a place where they were so employed, have ceased or diminished or are expected to cease or diminish

For the purposes of trade union consultation rights only, a redundancy is defined as a “dismissal for reasons not related to the individual concerned or for a number of reasons all of which are not so related”.

Employment legislation determines that the expiry of a fixed term contract (of any length) is a dismissal and the reason for the dismissal may be defined as redundancy. Hence there will be a need to consult with the individual at the expiry of a fixed term contract.

2.0 Purpose

2.1 The purpose of the procedure is to set out the process for managing organisational change and to achieve a smooth transition of the changes for employees which retains the best knowledge, skills and experience necessary using fair, objective and transparent selection processes.

2.2 This procedure applies where there is a need to review the structure of the organisation or service area and to make appropriate changes which involves changes in roles and organisational structure.

3.0 Consultation

3.1 Early and meaningful consultation with affected employees and their recognised trade union representatives before detailed proposals are developed will provide opportunities to influence the final outcome of the review, whilst recognising the contribution employees can make and helping alleviate any anxieties and concerns about job security.

Trade Union

- 3.2 Written proposals for change will be discussed in good time and at the earliest opportunity with the relevant trade unions before formal consultation commences. These discussions will be treated as confidential by the Trade Unions until the responsible manager agrees that information can be shared.
- 3.3 The trade union representative and responsible manager will discuss the impact on employees that may arise out of the proposed changes and the frequency and duration of meetings. This will include details for the proposed changes, affected staff, timescales, selection processes, redeployment, potential means of avoiding or minimising redundancies e.g. voluntary redundancies and support for employees. Managers should also agree how both parties will maintain contact with each other during the changes.
- 3.4 Written records must be kept of meetings. Discussions and formal consultation will typically take place at Consultation Group (specifically set up to meet project requirements), Departmental Joint Committee, Corporate Joint Committee, Employee Consultative Forum meetings, meeting with departmental senior manager or nominee etc.
- 3.5 A typical agenda for the initial meeting could include:
- Details of proposed change
 - Details of affected staff
 - Timescales
 - Selection processes if any
 - Redeployment
 - Communication
 - Arrangements for ongoing contact
 - Implications for conditions of service
 - Support for employees through process
- 3.6 Proper consideration will be given to counter proposals put forward. This does not mean that employees' views always have to be acted on since there may be sound practical, business or financial reasons for not doing so. However, whenever employees' views are not accepted the reasons for doing so will be carefully explained in writing.

Formal / statutory consultation

- 3.7 Following initial consultation detailed proposals will be developed, and any amendments made. Formal consultations will then follow and will include:
- The reasons for the proposals
 - The numbers and descriptions of employees who may be made redundant

- The proposed method of selecting employees who may be dismissed
 - How dismissals will be carried out and the period over which they will happen
 - The proposed method of calculating redundancy payments
 - Ways of avoiding or reducing the number of employees to be dismissed and ways of mitigating the dismissals.
- 3.8 To ensure employee representatives can play a useful part in the consultation process over proposed redundancies the responsible manager must also provide information relating to the number of agency workers including interims who may be employed in the affected organisation or service area.
- 3.9 When undertaking statutory consultation on reorganisations that may lead to 20 or more redundancies, there are **specific statutory time limits** for commencing consultation that must be followed. These time limits relate to the Council and not to departments, and so care should be taken to ensure that the Council monitors the numbers, which might be affected at any time and commences consultation at the appropriate time. Consultation should begin at the earliest opportunity but in any event no later than:-

No. Of employees affected	Commencement of consultation
20-99 employees	30 days before the first dismissal occurs
More than 100 employees	45 days before the first dismissal occurs

- 3.10 There are no statutory provisions for consultation on reorganisations that may lead to redundancies of between 1-19 employees. However, as a matter of good practice, employees and trade unions should always be consulted on any such proposals as soon as possible.
- 3.11 During the consultation period employees affected should have the opportunity to discuss the proposals on a one to one basis in a meaningful way with the aim of helping them to understand how they may be affected by the proposed changes. Meaningful consultation allows employees and trade union representatives to understand and discuss potential changes before proposals are developed. All questions from employees should be carefully considered and responded to. At the end of the consultation period any agreed changes to the proposals should be made and where necessary role profiles updated and evaluated.

4.0 SELECTION PROCESS

Introduction

- 4.1 Change Management will apply where there is a need to reconsider the structure of the organisation and to make appropriate changes and where this will involve changes of role for employees and changes in organisational

structure. It may also result in the reduction of certain types of posts and the creation of new posts which more closely meet the needs of the new organisation.

The following procedures have been drawn up after discussions with the trade unions and aim to ensure:

- A fair selection process
- A smooth transition to a revised structure and
- The best use of individual's skills and experiences in line with the new structure

Scope

- 4.2 This procedure will apply to all permanent and fixed term employees of the council.
- 4.3 In determining eligibility for assimilated, ring fenced or posts open for competitive selection, the determining factor will be the substantive post of the employee. This includes secondments, acting up and any other fixed term arrangements.

Job Matching

- 4.4 Role profiles will be produced and evaluated for all new posts. They will then be used for job matching in a fair, open and transparent way. For this purpose the up to date role profile of all affected employees for their substantive post will be used, except where employees have been on a secondment or have been acting up into a higher grade post for more than a year, when the role profile for their seconded role, will be the one used for job matching.
- 4.5 Where an individual's duties have changed significantly over the years and the role profile has not been updated or where a group of individuals have a generic role profile, the individuals concerned should be asked to update their job description to reflect their current role and in agreement with their line manager. Consideration should be given as to whether the updated role profile should be re-evaluated and before the appointments process is implemented and at an early stage of the consultation.
- 4.6 Once job matching is complete the outcome and associated documentation i.e. job descriptions/role profiles will be provided to the relevant trade unions at the appropriate forum.

Assimilation

- 4.7 Assimilation through job matching will be the basis for the selection process. Wherever possible, individuals will be assimilated into posts in the new

structure without the need to go through a selection process. Employees will be assimilated where the duties of their current role and duties of the proposed role in the new structure is broadly similar, and where there is no other employee who has a claim on the role, and there are the same or more posts in the new structure.

Ring Fencing

- 4.8 Ring fencing should affect the least number of people and will mostly, in the main, only be drawn around directly affected employees. Details of the proposed ring fencing arrangements will be subject to consultation with the trade unions.
- 4.9 Ring fencing applies when-:
- The old roles are not 'broadly similar' to those in the new structure
 - There is a reduction in the number of roles
 - New roles are introduced
 - Where all the roles of a particular type in the old structure are deleted or a combination of the above
- 4.10 Where there are more employees within the ring fence than jobs in the new structure then selection will be made through open competition.
- 4.11 Where a proposed new structure is comprised of a range of differently graded roles, the affected staff will be required to express a preference for a particular role although they will be invited to apply for one or more of the new posts including higher graded roles. Appointments to higher graded posts will be made through open competition.
- 4.12 Where a ring fenced employee does not express a preference or does not apply for a role, the Council reserves the right to consider and offer them a suitable alternative role within the new structure using all objective information available to them. Failure to accept a reasonable offer of suitable alternative employment will normally affect that individual's entitlement to a redundancy payment.

Open competitive selection

- 4.13 Any posts in the new structure which are not filled by assimilation or ring fencing will be made available to individuals within the service area, enabling further opportunities and career development. These posts will not be open to redeployees outside the service area at this stage. The competitive process will be undertaken in accordance with the Council's Recruitment and Selection Policy and Procedure. Any posts that are not filled by individuals within the service area by the end of this process will be advertised internally to employees in the redeployment pool, and other internal candidates

including agency workers. If no appointment is made the positions will be advertised externally.

5.0 Employees on maternity leave, adoption leave, additional paternity leave or shared parental leave

5.1 In accordance with relevant legislation, an employee on maternity leave who is to be made redundant must be offered any suitable alternative vacancy available in preference to other employees. The Council is under a statutory obligation to offer an employee on maternity leave any suitable alternative vacancy that exists with it, with its successor or with an associated employer. The offer must be made before she is dismissed and must be for work that is both suitable in relation to the employee and appropriate for her to do in the circumstances. This means that if a vacancy that is suitable for the employee exists she must be offered it even if this means that she is treated more favourably than her colleagues who are also at risk of redundancy. This is the case even if the other employees are better qualified for the position than she is. Managers must seek HR advice where this provision applies

5.2 Employees on adoption leave, additional paternity leave or shared parental leave have the same right as those on maternity leave to be offered any suitable alternative vacancy. If there is more than one employee on maternity, adoption, additional paternity or shared parental leave for whom a vacancy would be suitable, each of those employees has an equal entitlement to be offered the vacancy. The manager should use a fair selection process to decide to which employee it will offer the vacancy.

6.0 Measures to avoid redundancies

6.1 Employees will be displaced when they are not allocated to a role in the new structure following assimilation, ring fencing, open competition or redeployment at will be at risk of redundancy.

6.2 The Council will seek to redeploy at risk employees wherever possible as a means to avoid redundancies.

7.0 Redundancy and redundancy pay

7.1 Where an employee is displaced and has not been successful in open competition, assimilation, ring fencing or the redeployment process the manager will notify the individual in writing of termination of their employment and offer to meet with them to discuss the decision. The employee will receive at least 5 days statutory notice of the meeting and will have the right to be accompanied by their Trade Union representative or a fellow work colleague. At the meeting the reasons for the decision should be discussed. After the

meeting the employee must be notified of the decision in writing and informed of their right to appeal and who to address their appeal to.

Appeals against redundancy

- 7.2 Any appeal must be registered in writing within 5 working days of receiving the notification of the decision and addressed to the relevant senior manager not directly involved in the process. Appeals received after this timescale will only be considered in exceptional circumstances. The employee should then be invited to an appeal meeting. The individual is entitled to be accompanied by their Trade Union representative or a fellow work colleague. The appeal will be heard by a senior manager. The meeting will determine if the reason for the dismissal was fair. After the meeting the manager will inform the employee of the final decision in writing.

8.0 Monitoring and Evaluating Organisational Change

- 8.1 The responsible manager (or nominated officer) will monitor the impact of any reorganisation, both to ensure its effectiveness and that the process has been carried out in a fair and equitable manner. In particular it will be monitored to ensure that it does not impact adversely or disproportionately on any protected characteristic group based on their age, gender, race, sexuality, religious belief or disability.
- 8.2 All information on assimilation, appointment through the ring-fence, redeployment, voluntary and compulsory redundancy will be collected and analysed by age, gender, ethnicity, sexual orientation, religious belief or disability. If any disproportionate or adverse impact is identified the Director of HR and OD will investigate and put forward proposals for remedying this as appropriate. Monitoring information will be made available to the trade unions.