Managing Change Policy: including Restructuring, Redeployment and Redundancy

The Council (we) recognise the need for continuous improvement and this can take many forms with ideas and suggestions generated in many ways. It is therefore important that we engage our colleagues in how we deliver our services. Often the best ideas for improvement come from those doing the job. Equally not all change requires an organisational re-design or review of structures, and not all organisational reviews result in significant change

However, if significant change is required and this results in the need for formal organisational review, the steps for this, including formal consultation, are set out in this policy. Therefore, this policy and supporting guidance should be applied where significant changes are proposed including departmental or team restructures, changes to working practices, or workforce reductions and redundancies. This policy is not intended for low impact or minor changes (for example, changes in job titles, changes in reporting lines, minor changes to job descriptions, etc.) although good practice dictates that even minor changes should be discussed with the employees affected so that they are engaged in the need for change.

A decision to consider moving forward with a review, would only be taken by Head of Service and requires a business case. Further, all business cases are subject to our established formal approval process.

Author	**Scope**
Employee Relations, Human Resources, Resources Directorate	This policy applies to all Council employees, including Teachers, except where redeployment is an outcome and they would revert to the Scheme of Compulsory Transfer of Teachers.
Purpose	**Review**
Our priority is to ensure that, as far as possible**,** employees' jobs are secure. However, we recognise that some changes to the way we deliver our services or how we structure ourselves may mean we need fewer employees, different roles or an increase in particular roles. This policy sets out how employees will be engaged and treated during change and signposts help they can get before, during and after change. It also ensures that any changes, that have an impact on our workforce, are legal and seeks to support our partnership working with the Trade Unions.	The policy will be reviewed as and when a change to the existing policy deems this necessary, primarily as a result of: changes to legislation or statute; agreement of new national terms and conditions of service or Government Policy; organisational change; or resulting from changes agreed through Trade Union Consultation

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1. Principles

We are all responsible for how we deliver our services. Ideas for improvement and change can come from our colleagues, our citizens, our elected members and other key stakeholders who interact with us through the provision of services.

Heads of Service and their leadership teams are responsible for ensuring these ideas are heard and considered when developing vision and service design.

Any organisational change must consider these principles:

Outcome focused – Clear Vision and Purpose

- Be clear on the need for change. While not everyone will always agree, if people understand why change is necessary this provides clarity and often enables people to make considered choices about their alignment with the need for change.

Research Based – Well Informed

- Change should be grounded in robust evidence to support the need. This should include, among other things, real insight from both service-users and those responsible for delivering services, in the context of benchmarking and best practice.

Engaged – Real Involvement

- While final decision on design rests with senior leadership, all key stakeholders must be identified and engaged, taking a collaborative and constructive approach.

Co-design and Collaboration

- Services should be designed with the user in mind and thus key stakeholders should be identified and engaged in the process, ensuring the customer journey is as effective and efficient as it can be.

Iterative – Continuous Improvement

- Continually testing and developing the design of a service with the user's journey in mind.

2. The Rationale for Change

It is important to understand why change might be required, so that the purpose and benefits are clear. The starting point for effective change is measuring where we are now compared with where want to be: what's working, what isn't working and what needs to change?

It is recommended that a three-stage method is followed to assist in clearly defining the need for change. Specifically:

- **Identify the drivers for change**

  What's driving the need for any proposed change needs to be defined. This may include risk mitigation, service delivery costs, legislative/regulatory change or continuous improvement.

- **Establish Service baseline and purpose**

  To assess the benefit of any proposed change, it is essential to understand the purpose of the Service and how it is currently performing. This can be done in a number of ways and may include gathering insight from employees and service users.

Establishing this baseline information will help us to understand and measure the impact the proposed change will have across all aspects of the Service. Change could have an intended impact in one area and an unintended impact in another, so establishing a baseline at the outset is key.

- **Assess drivers against baseline and purpose**

  By analysing the baseline and drivers, it is possible to determine whether change is needed and to consider the scope, scale and timeline of a potential change process.

Once the need for change has been identified, an appropriate project team should be formed to manage the design, implementation, and evaluation stages of the change process. This would normally include a Senior Responsible Officer; project manager; Finance Partner, HR Consultant, Communications Partner, Digital (ICT) Partner, and other relevant parties as appropriate. The project team is responsible for the development of change proposals during the next phase, including the business case and project and implementation plans. The Senior Responsible Officer remains accountable for the overall delivery.

Detailed information and advice on how to identify the need for change and appropriate project governance activities, including roles and responsibilities in the implementation of change, is set out in the User Guide.

3. Exploring and Designing Options

Once the need for change is clear, ideas can be generated from multiple sources and in many ways and a comprehensive stakeholder map should be created. The appropriate methods of gathering insight should be agreed, along with a method of analysis, which might include service user insight, employee insight, cross functional input, political pledges, and input from Trade Union partners as appropriate.

It's then critical to establish methods of communication and engagement to ensure there is clarity around who should be aware of the need for change and who should be involved in idea generation and the design of options/recommendations.

Once there is awareness of the need for change, those involved will typically have an interest so it's important to begin engagement at the start of the process, being clear that this is about thinking creatively and generating ideas and options for consideration or latterly consultation.

Areas that should be explored include activities we might stop doing, start doing, do more of, or do in different ways, with consideration given to current operating model and overlaying structure. It is the role of the project team to engage with stakeholders to gather this insight and ensure it is considered and applied effectively in the development of any proposals for change.

At this stage, any proposed changes to the operating model should be considered with reference to the baseline to ensure all potential implications and opportunities have been identified and understood. This should include the development of a business case for review and approval, and an Integrated Impact Assessment.

This approach will mean that proposals and implementation plans are more consistently fit for purpose and that input, and feedback has been fully considered before acquiring sign-off prior to formal consultation if required.

4. Consultation

If change is likely to mean the removal of existing posts, significant changes to roles and/or a new structure with new roles, then the Head of Service will design formal proposals for sign off and formal consultation.

This should focus on how the service will be delivered; taking account of the drivers for change identified and seeking ways to mitigate any potential roles at risk of redundancy. In these cases, we will consult both individually with those in scope and collectively with the trade unions in line with both this policy and our Partnership at Work agreement. In addition, where there are proposed changes to terms and conditions, the appropriate ACAS guidelines on consultation will be followed.

Where the change means there are roles at risk of redundancy, a minimum statutory collective consultation period will apply. Individual consultation will also take place.

We will consult with everyone affected by a proposed organisational change, and their trade union representatives. Any employees at risk of redundancy will have the opportunity to provide feedback and discuss what the proposals mean for them during consultation.

The overriding purpose of consultation will be to:

- let employees affected by proposed organisational change know what the impact of proposed change is on them;
- provide the opportunity for input and feedback; and
- explore ways that potential redundancies might be avoided, or their impact reduced.

Before making any redundancies, where appropriate, the following could be explored:

- early retirement;
- flexible working options or changes to working hours or patterns, including job share;
- retraining staff to do other jobs in the organisation, within a reasonable timeframe;
- the requirement for temporary workers (such as agency workers or contractors);
- limiting or stopping overtime; and
- voluntary release arrangements.

Open dialogue and meaningful consultation should take place, focused on exchanging views and feedback on how to mitigate, where possible, roles at risk of redundancy. Whilst the Head of Service maintains the right to make final decision on structures and role content, constructive feedback will be sought and considered in the final outcome.

5. Redundancy Selection Process

Once the operating model, supporting structure and roles have been design and signed off through our internal approval process, it must include the Terms of Reference (TOR) for the review, which includes the selection methods and the process that would be followed if it is necessary to select employees for redundancy. Employees must be considered for roles in the new structure using fair transparent and appropriate assessment methods to mitigate redundancy where possible.

The user guide contains the documents which must be prepared and ready to share at the start of consultation. If there is a variation to the process contained within the TOR, this must be discussed with the Trade Unions in advance.

In determining whether a role in a new structure is deemed a suitable alternative or not, the following should be considered:

- The employee’s skills and experience (i.e. do they have the right skills and experience for the new role?); and
- The terms of the alternative job including: status, place of work, job duties, pay, hours and responsibility (i.e. how similar are these to the old role?).

As part of the process of identifying the numbers and types of roles to be reduced, changed or increased, employees affected may be placed into a pool from which reductions, increases or changes in the number and type of roles will be made. Management reserve the right to determine pooling arrangements, however, if a colleague feels they have been placed in the wrong pool, they can complete a profile outlining why they would be more suited to roles in an alternative pool and the Head of Service will consider this. Trade Union input should also be sought.

Determining the selection method will depend on whether the role is broadly similar or broadly different.

Where the role is broadly similar, i.e. there is no change in grade, status and the nature of the work remains broadly the same, then direct matching can be applied. If required, a period of training may also be agreed, typically 4 to 8 weeks.

- Where the number of employees is the same or less than the number of posts available, employees will usually be directly matched into the new posts.
- Only where there is a direct match, but the number of employees in a pool is greater than the number of posts available, notes of interest for Voluntary Redundancy (VR) will be invited at the start of the review.
- If there are more notes of interest than is required, then the selection matrix will be used to determine who can be accepted for voluntary redundancy. The cost of voluntary redundancy will also be considered, and the organisation reserves the right to decline the request where a suitable role exists.
- If there are insufficient requests for voluntary redundancy the selection matrix will be used to identify colleagues who will be displaced. These colleagues will be offered voluntary redundancy on the enhanced terms for a period of two weeks from the point of being displaced. Colleagues who are displaced will also have the opportunity to be considered for roles on redeployment and will be given priority for any other advertised roles where they meet the essential criteria.

Where posts are not broadly comparable, but the role is considered a suitable alternative, individual suitability will be assessed as follows:

- Colleagues will be asked to submit a profile form outlining their key skills, knowledge and relevant information so that assessment can be made against the criteria for the role or roles. This may also include the selection matrix, but not in isolation.
- Once this is considered further assessment maybe required, typically an interview, however any methods will be outlined and discussed with Trade Unions in advance and outlined in the TOR. The process must be fair and transparent.
- If a colleague is unsuccessful in being assigned a role in the new structure, then voluntary redundancy will be offered at the enhanced rate for two weeks after being displaced and access to redeployment opportunities will be provided as stated above.

Colleagues who are absence through sickness, career break or maternity or paternity leave and whose post is affected by the review will be included in the process.

Employees on fixed term contracts will be included in the review except where their exclusion can be objectively justified (e.g. if the fixed term appointment is specifically to provide temporary cover for an absent post-holder or pending the outcome of a review or any other project).

Employees who have been undertaking the duties of a higher graded post on a temporary basis (i.e. ‘acting-up’) will be assigned on the basis of their substantive grade not the higher ‘acting-up’ grade. Any VR payment will be based on their substantive post.

Any employees who have been seconded into an area affected by the review will not be included in the process until substantive post holders have an outcome.

Where an employee has been acting up or seconded in the same role for a period of more than 4 years as at the start of the consultation process, then the case will be reviewed and considered on its merits to determine whether the employee should be considered for matching and assignment.

The assignment process will be subject to safe recruitment requirements, where appropriate e.g. PVG scheme membership, checking of eligibility to work in the UK, etc.

If a colleague agrees to accept a lower graded post as part of the review, the terms and conditions of employment, including pay and shift pattern for that assigned post, will be applied. The Interim Pay Transition Policy provides support to staff allocated to a lower graded post.

In circumstances where a colleague does not secure a role and declines voluntary redundancy two weeks after being notified that they have been displaced then they will remain on the redeployment register and supported to actively find an alternative role within the organisation. If a colleague chooses to leave before finding an alternative role then this will be on the reduced voluntary redundancy terms.

Assessments should be completed, and affected employees should be informed of the outcome as soon as possible after consultation closes, accepting in larger services this may take more time.

Where any posts are not filled as part of the process set out above, they will typically be offered to those on the redeployment register for 1 week before being advertised and a meeting should take place.

6. Implementation

In preparation for the end of consultation and to support colleagues through the change, the project team must develop an implementation plan that considers all aspects of the move to a new operating model and structure, and ultimately deliver the outcomes.

Where the change is significant in terms of how the service will be delivered, the implementation plan must also include how the service will engage and communicate with trade unions, service users, wider leadership and other key stakeholder groups on the change. It should also include any training initiatives, process and/or system improvements with a timeline showing how and when the newly designed service will operate, including assignment of colleagues to roles and support for those who are unsuccessful.

Continuous engagement and communication is critical during this period, so that those who are not appointed to new roles in the organisation feel supported as they transition to new opportunities, e.g. redeployment, CV and interview skills training, retirement planning, further education etc.

It is equally critical to continue to engage and communicate with those employees who have secured a position, recognising the different stages they are at in relation to change so that the right support can be provided.

The implementation plan should consider where individual and team development is required, e.g. appropriate training, coaching, job shadowing, and team and one-to-one conversations providing clarity around what is expected and when in relation to the move to a new role.

If an employee is not successful in securing a role through the process, they will continue to be supported on the redeployment register by their substantive line manager or manager from the service. Voluntary Redundancy (VR) will also be offered if this hasn’t already been considered.

If an employee chooses to remain on redeployment, they should keep a weekly record of proactive engagement with opportunities that arise for consideration and discuss these with their line manager at monthly reviews. This will include development of an action plan, identifying any additional training or support that might help the employee secure an alternative role.

Where an employee is successful in securing an alternative role through redeployment, they will typically undertake a minimum 4-week trial period. The purpose of this is two-way, to allow both employee and line manager to decide whether the new post is suitable, and to explore what further development may be required or how any issues or concerns might be resolved.

Should an employee unreasonably decline suitable redeployment opportunities (or contribute to the breakdown of a trial period) on two occasions, a decision may be taken not to continue with the process and the outcome may be dismissal. The council reserves the right not to make a redundancy payment in these circumstances.

An executive director may also consider volunteers for redundancy who are doing similar roles in other unaffected parts of the Council, where this would allow an otherwise redundant employee to move into the post. This is known as a "bumped redundancy". The functions, duties and grade of the two posts must be broadly similar and both parties must agree to the arrangement. Bumped redundancies must result in a net reduction of one post and the costs of release must be broadly comparable or less.

7. Evaluation & Continuous Improvement

In the first stage of this process a baseline was established as the basis for the design of change. This should be the model against which improvement is measured.

A method of evaluating the new operating model should be developed and monitored over an appropriate period to ensure the change is both embedded and working. By continuously reviewing what is working well and less well, improvements could be made without the need to implement a new change process.

This approach will inevitably result in continuous change as the running of the service, from an operational perspective, evolves. Colleagues should continue to be engaged in seeking ideas and input into continuous improvement. By taking the awareness and engagement approach outlined at the start of the policy and building a culture around this, which continues to focus on the why of change and measures of success, continuous improvement and innovation will become our normal way of working.

This policy is non-contractual, and we reserve the right to make reasonable changes to the terms of this policy as deemed necessary, subject to the appropriate approval and in consultation with Trade Unions.